Continental
The Future in Motion

2017 Fact Book

Investor Presentation

www.continental-corporation.com

Le Tour de France
Continental
OFFICIAL PARTNER

Contents

I. Continental at a Glance

II. Continental Strategy

Contents

III. Automotive Trends

Contents

IV. Sustainability at Continental

V. Corporate Governance

Contents

VI. Continental Corporation

VII. Market Data

Contents

VIII. Automotive Group

VIII.1. Automotive Group – Chassis & Safety Division

Contents

VIII.2. Automotive Group – Powertrain Division

VIII.3. Automotive Group – Interior Division

Contents

IX. Rubber Group

IX.1. Rubber Group – Tire Division

Contents

IX.2. Rubber Group – ContiTech Division

X. Share and Bond Information

XI. Glossary

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Topics

I. Continental at a Glance

145 Years of Progress and Achievement

1871 **Continental-Caoutchouc- and Gutta-Percha Compagnie** is founded in Hanover, Germany.

1929 Merger with major companies of the German rubber industry to form **Continental Gummi-Werke** AG.

1979 Takeover of the European tire operations of **Uniroyal**, the tire operations of the Austrian company **Semperit** and the North American tire manufacturer **General Tire**.

1985 Continental acquires a majority interest in the Slovak company Continental **Matador** Rubber s.r.o. and expands its position for the Tire and ContiTech divisions in Central and Eastern Europe.

1987 Continental reinforces its activities by acquiring **Temic**, the international electronics specialist.

1993 Continental expands its tire operations by integrating **Barum**.

1998 Acquisition of a US company's Automotive Brake & Chassis unit, the core of which is **Alfred Teves** GmbH in Frankfurt.

2001 Continental expands its activities in telematics and other fields, with the acquisition of the automotive electronics business from **Motorola**.

2003 Continental strengthens its position in the ASEAN market and Australia by establishing its **Continental Sime Tyre** joint venture.

2004 Through the acquisition of **Phoenix**, ContiTech becomes one of the world's leading specialists for rubber and plastics technology outside the tire industry.

2006 Continental acquires **Siemens VDO Automotive** AG and advances to among the top five suppliers in the automotive industry worldwide, at the same time boosting its market position in Europe, North America and Asia.

2007 Continental strengthens its position in the tire business in Asia by acquiring the Indian tire manufacturer **Modi Tyres** Company Limited.

2011 Continental acquires **Parker Hannifin's** automotive air conditioning business, the conveyor belt producer **Legg Company** and the conveyor belt activities of **Metso**.

2012 Continental reinforces its activities by acquiring the Hi-Res 3D Flash LIDAR business from **Advanced Scientific Concepts.**

2013 Continental strengthens its position in rubber and plastic technology by acquiring **Veyance Technologies**.

2014 Continental expands software and systems expertise through the acquisition of **Elektrobit**.

2015 Continental intensifies its operations as a complete system supplier for exhaust after-treatment by acquiring **Emitec**.

2016 Continental reinforces ContiTech by acquiring **Hornschuch**.

Continental expands its cyber security expertise through the acquisition of **Argus Cyber Security**.

Continental strengthens its position in the fleet management service business by acquiring **Zonar**.

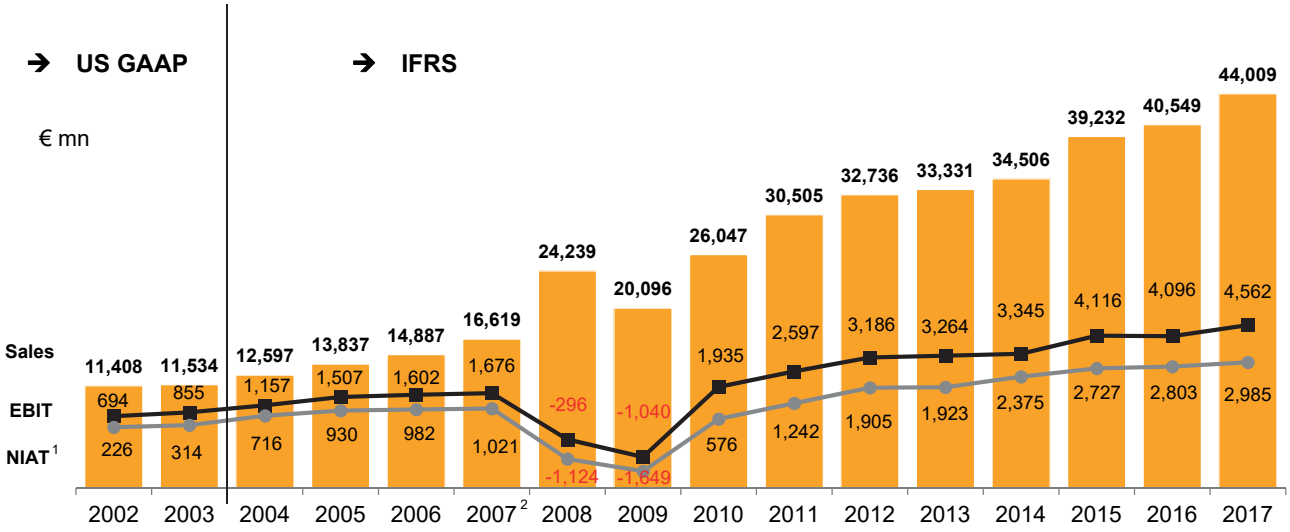
Continental reinforces the Tire division by acquiring **Hoosier**.

2017 Continental acquires the Singapore-based mobility intelligence provider **Quantum Inventions**.

3

I. Continental at a Glance

Continental Corporation – Sales, EBIT and Net Income (NIAT)

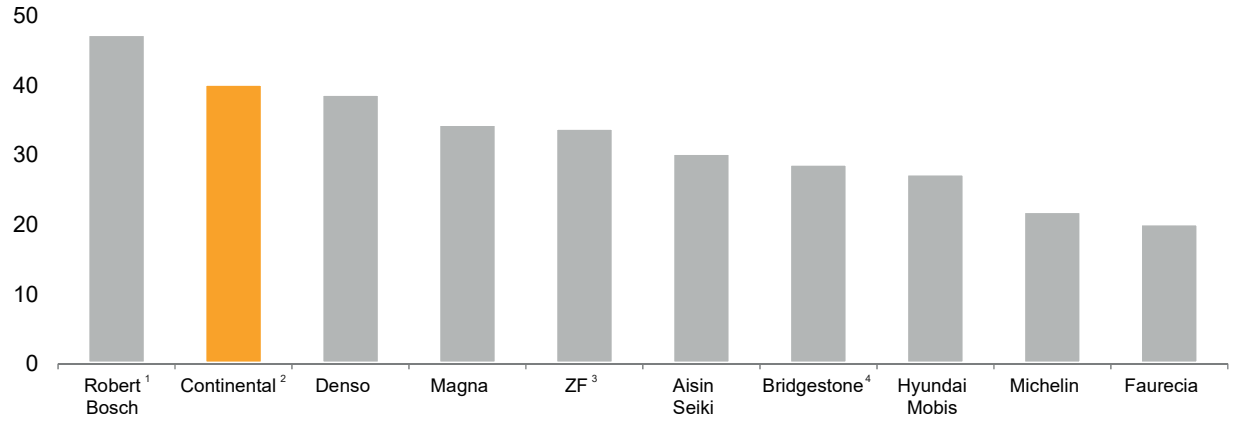


[1] *Net income attributable to the shareholders of the parent, from 1998 until 2003 US GAAP / from 2004 onwards IFRS.*
[2] *Siemens VDO incorporated starting December 1, 2007.*
IAS 19 (rev. 2011) applied starting 2013. The 2012 figures have been restated accordingly.

4

I. Continental at a Glance
Continental Ranks No. 2 in Worldwide Supplier Ranking

Top 10 Global OEM Suppliers – 2017 Sales (€ bn)



[1] Robert Bosch only includes Mobility Solutions division
[2] Continental not including ContiTech industrial business and other non-OE automotive business
[3] ZF excluding Industrial Technology business
[4] Bridgestone including Diversified Products
Source: Company filings. Calendarized to Dec. year-end. Based on average currency exchange rates 2017

5

I. Continental at a Glance
Executive Board

Dr. Elmar Degenhart
Chairman of the Executive Board
Corporate Functions:
Corporate Quality and Environment, Corporate Communications, Continental Business System, Automotive Central Functions

Wolfgang Schäfer
Corporate Functions:
Finance, Controlling, Compliance, Law, IT

Nikolai Setzer
Tire Division

Frank Jourdan
Chassis & Safety Division

Helmut Matschi
Interior Division

Dr. Ariane Reinhart
Corporate Functions:
Human Relations, Director of Labor Relations, Sustainability

Hans-Jürgen Duensing
ContiTech Division

José A. Avila
Powertrain Division

6

I. Continental at a Glance
Megatrends in the Automobile Industry

Environment – For Clean Power

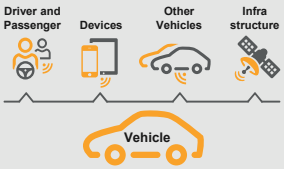
CO_2 Fleet Emission Targets 2020/21 (NEDC)[1]

Europe[2]	95g/km
USA	125g/km
China	117g/km
Japan	122g/km

[1] New European Driving Cycle.
[2] Mandatory for 95% of the OEMs' fleets.
Source: IC CT Int. Council of Clean Transportation, Global Passenger Vehicle FE/GH G regulations (2/2016).

Information – For Intelligent Driving

Connectivity



Safety – For Safe Mobility

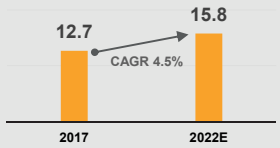
Road Traffic Deaths
Number of Road Traffic Deaths per 100,000 Inhabitants by Region[3]

Europe and Russia	9.3
Eastern Mediterranean	19.9
Americas	15.9
Africa	26.6
South East Asia	17.0
Western Pacific	17.3

[3] Data based on framework created by the World Health Organization (WHO) for estimating road traffic mortality.
Source: Global Status Report on Road Safety, World Health Organization (WHO) 2015.

Affordable Cars – For Global Mobility

A&B Production Segment[4] in BRIC (mn units)



Source: IHS February 2018.
[4] Including Mini Full-Frame.

7

I. Continental at a Glance
A Leading Global Supplier for Key Automotive Electronics Applications

Chassis & Safety

- Actuation
- Advanced driver assistance systems (ADAS)
- Airbag electronics
- Electronic brake systems (EBS)
- Foundation brake systems

Sales 2017	**€9,768 mn**
% of total	22%
Adj. EBIT[1]	**€898 mn**
Adj. EBIT margin	9.2%

ADAS[2] installation rate worldwide (sensors)

1.20 2017 → CAGR 15% → **2.46** 2022E

Powertrain

- Diesel injection systems
- Gasoline injection systems
- Transmission control units
- Turbochargers
- 48 V and plug-in hybrid
- Full electric vehicle

Sales 2017	**€7,661 mn**
% of total	17%
Adj. EBIT[1]	**€474 mn**
Adj. EBIT margin	6.2%

Gasoline direct injection systems installation rate worldwide[3] (%)

39% 2017 → **64%** 2022E

Interior

- Body and security products
- Commercial vehicle interiors
- Device connectivity and telematics units
- Instrumentation, displays and human machine interfaces
- Intelligent transport systems

Sales 2017	**€9,305 mn**
% of total	21%
Adj. EBIT[1]	**€851 mn**
Adj. EBIT margin	9.2%

Market for automotive electronics[4] (USD bn)

255 2016 → CAGR 4% → **317** 2021E

[1] Before amortization of intangibles from PPA, consolidation and special effects.
[2] ADAS: Advanced Driver Assistance System. Average amount of ADAS sensors including sensing rear/surround view cameras but w/o parking assist functions based on ultrasonic technology.
[3] Source: IHS, February 2018.
[4] Source: Strategy Analytics: Automotive Electronics System Demand Forecast 2012 to 2021, Jan 2015.

8

I. Continental at a Glance
A Leading Global Supplier of Tire and Non-Tire Rubber Products

Tires

Passenger & Light Truck Tires

Markets	› EMEA › The Americas › APAC
Products	› Original Equipment › Replacement › Summer tires, winter tires, high-performance tires

Commercial Vehicle Tires

Markets	› EMEA › The Americas › APAC
Products	› Original Equipment › Replacement › Commercial Vehicle Tires

Sales 2017	**€11,326 mn**
% of total	26%
Adj. EBIT[1]	**€2,128 mn**
Adj. EBIT margin	19.0%

Sales breakdown (%)

71% Non-OE **29%** OE

ContiTech

- Air springs for railway, trucks and buses
- Automotive hoses and hose lines
- Automotive interior trim
- Conveyor belts
- Elastomer coatings
- Industrial hoses
- Multiple V-ribbed belts and timing belts
- Vibration absorbers

Sales 2017	**€6,246 mn**
% of total	14%
Adj. EBIT[1]	**€515 mn**
Adj. EBIT margin	8.8%

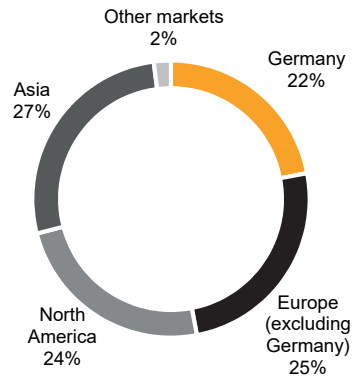
Sales breakdown (%)

49% Non-OE **51%** OE

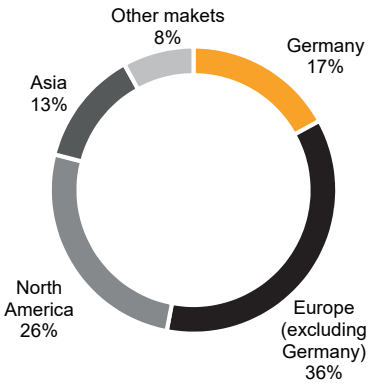
[1] *Before amortization of intangibles from PPA, consolidation and special effects.*

I. Continental at a Glance
Sales by Market

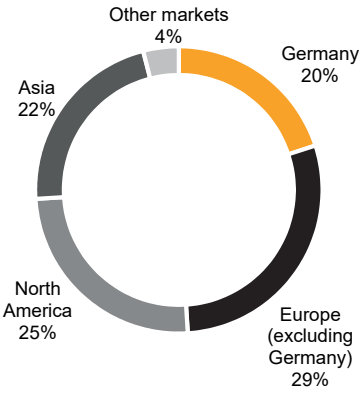
Automotive Group 2017
€26,565 mn



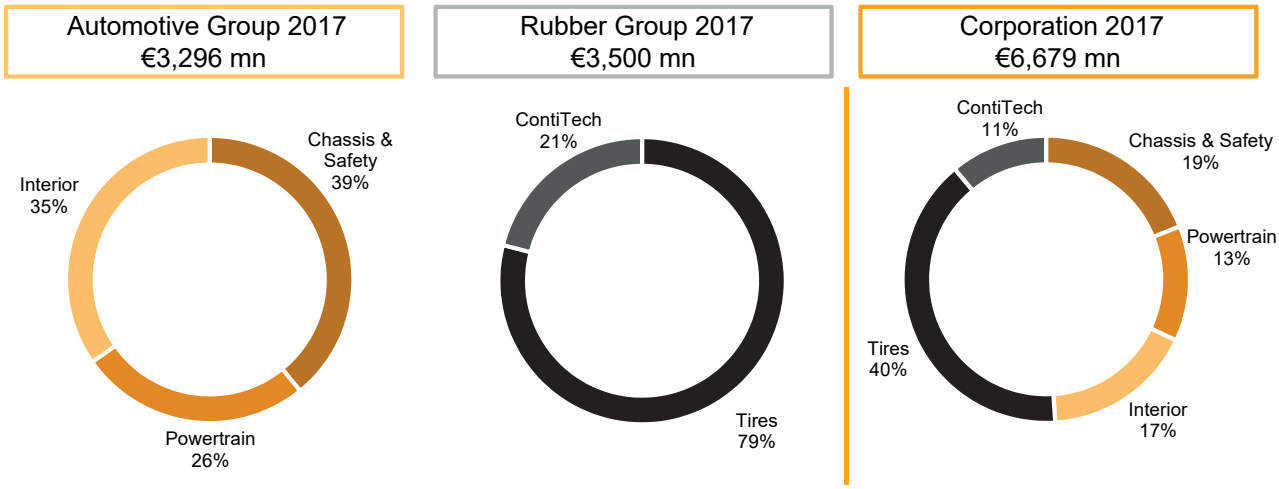
Rubber Group 2017
€17,495 mn



Corporation 2017
€44,009 mn

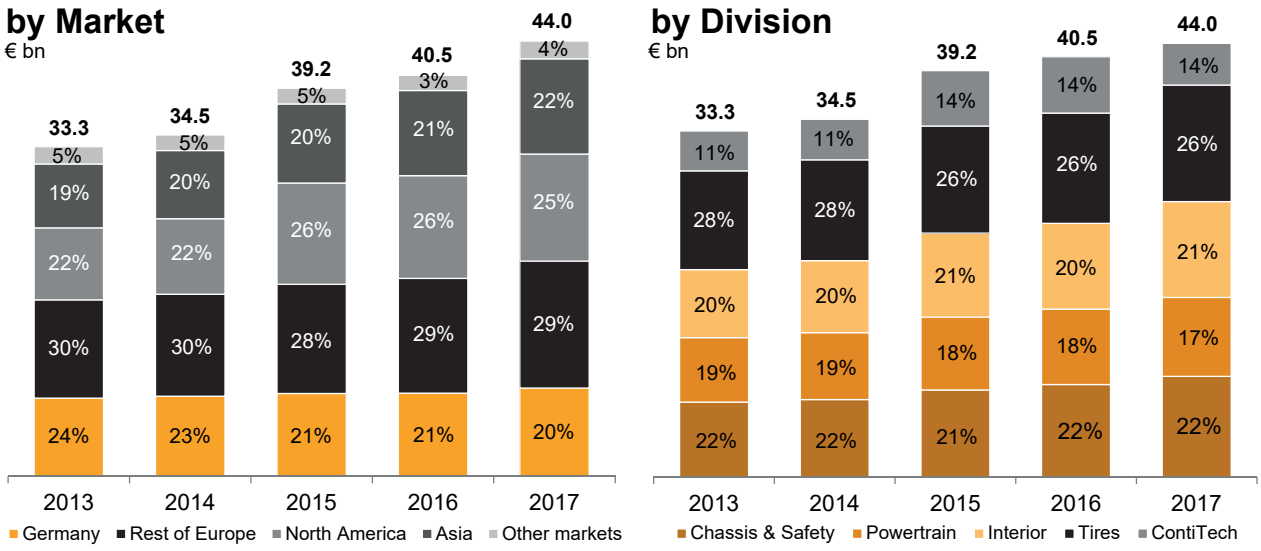


I. Continental at a Glance
EBITDA by Group and Corporation



11

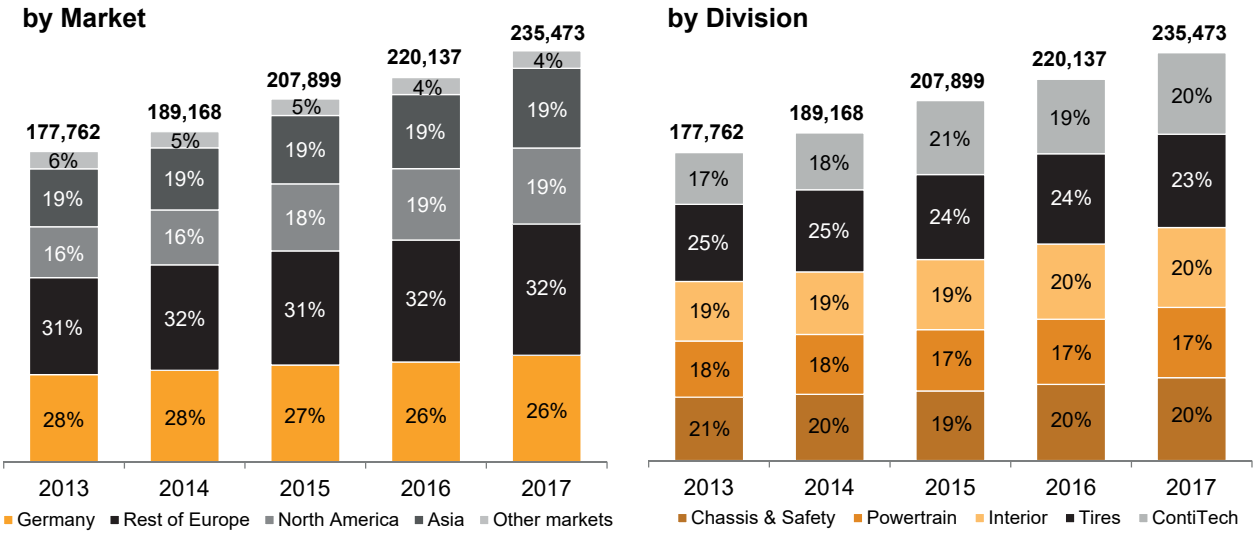
I. Continental at a Glance
Consolidated Sales



12

I. Continental at a Glance

Number of Employees



13

Topics

14

II. Continental Strategy
Corporate Strategy at a Glance

Hoshin Kanri matrix

Vision

Your mobility.
Your freedom.
Our signature.

Growth forces

Customers

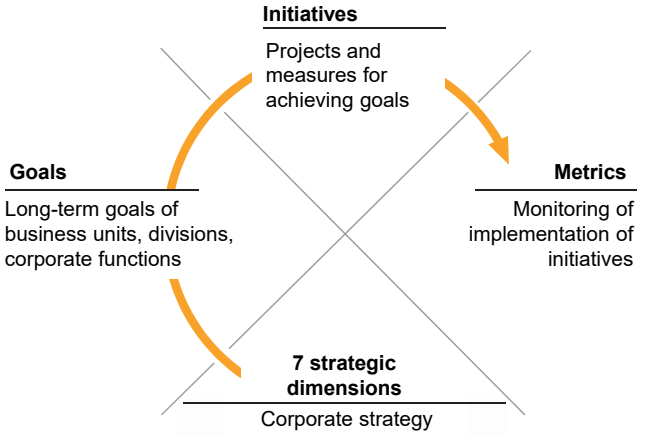
Growth driven by our innovative software for systems solutions

Processes

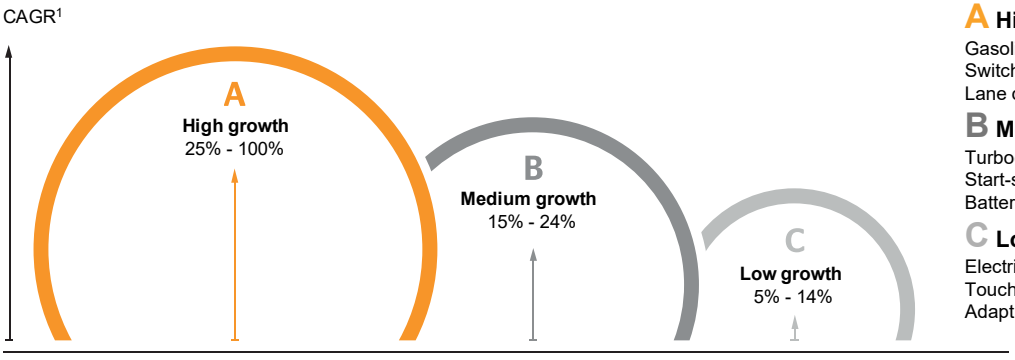
The leading quality and technology company in our industries

Employees

Perceived as most attractive and most progressive employer



II. Continental Strategy – Top Market Position
Top Position for the 20 Fastest Growing Automotive Technologies through 2020



Examples of technologies

A High growth
Gasoline particulate filters
Switchable coolant and oil pumps
Lane departure warning

B Medium growth
Turbochargers
Start-stop systems
Battery propulsion systems

C Low growth
Electric power steering
Touch screens
Adaptive cruise control

[1] *Compound annual growth rate (CAGR).*
Source: Frost & Sullivan, November 2013 based on 2012 data – forecast of growth rates up to 2020.

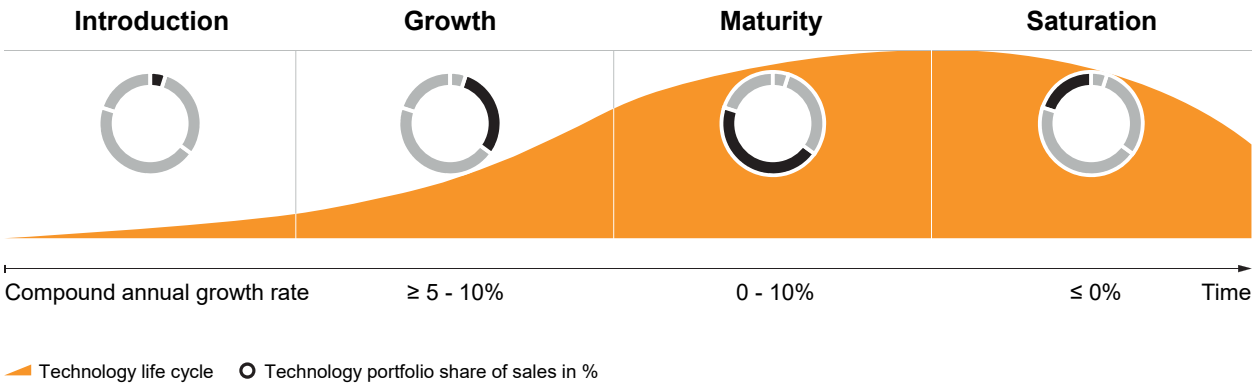
II. Continental Strategy – Great People Culture

The Same Values Worldwide for a Shared Corporate Culture

17

II. Continental Strategy – Technological Balance

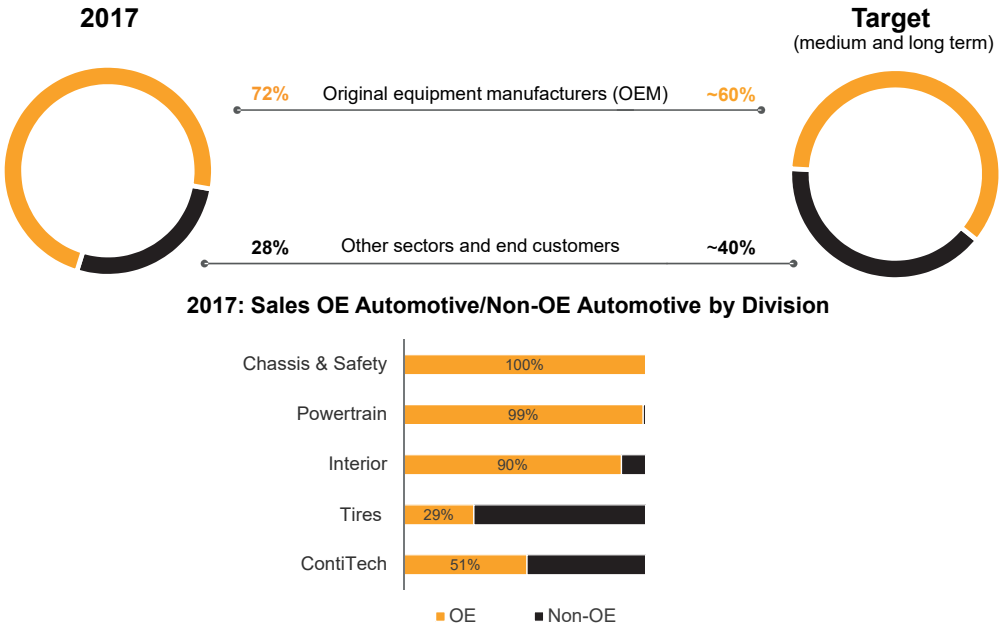
Technological Balance



18

II. Continental Strategy – Balanced Customer Portfolio

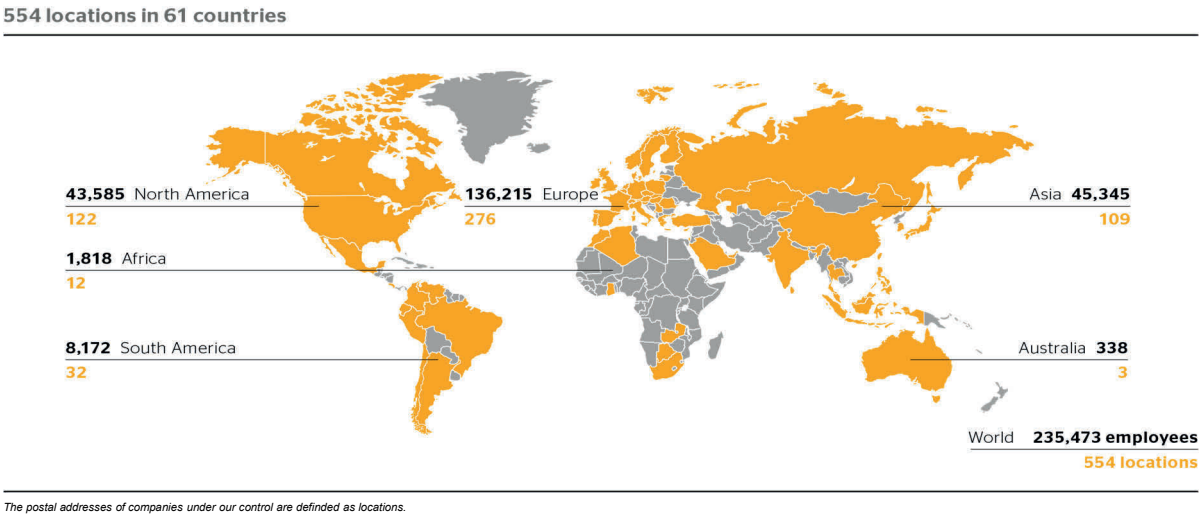
Sales OE Automotive/Non-OE Automotive



19

II. Continental Strategy – In the Market for the Market

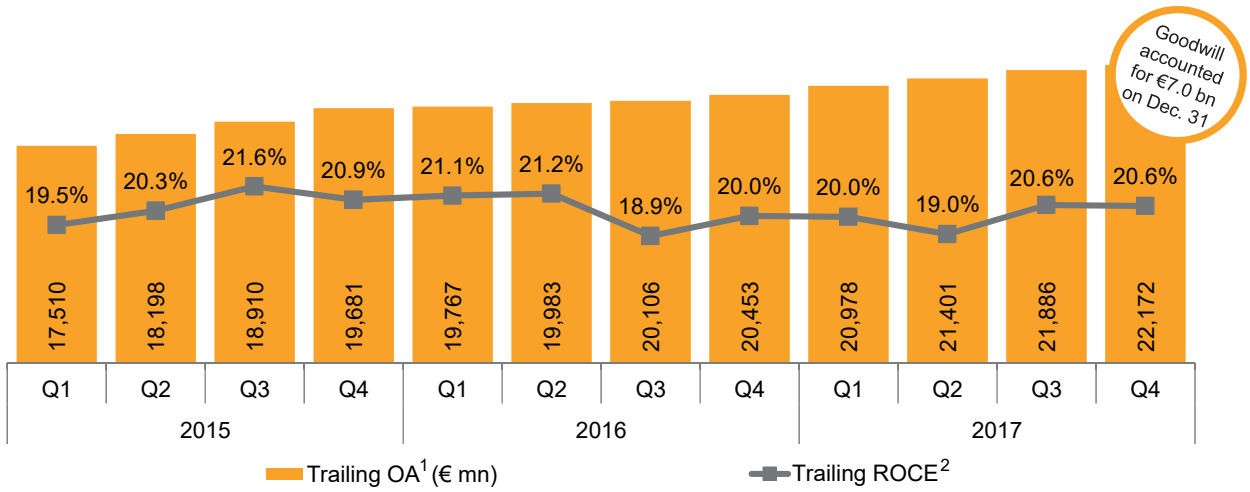
Continental Corporation Worldwide



The postal addresses of companies under our control are definded as locations.

20

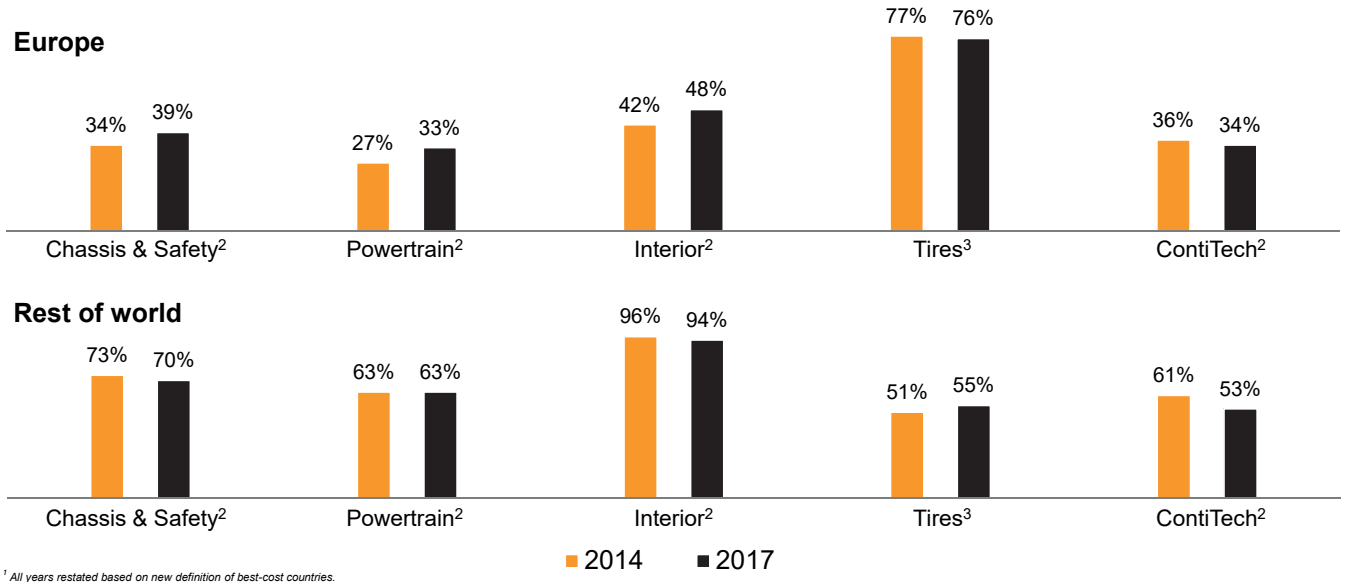
II. Continental Strategy – Value Creation
Sustainable Value Creation



[1] Trailing operating assets are calculated as assets for the last twelve months (LTM).
[2] Trailing ROCE is calculated as reported EBIT for the last twelve months (LTM) divided by trailing operating assets.

21

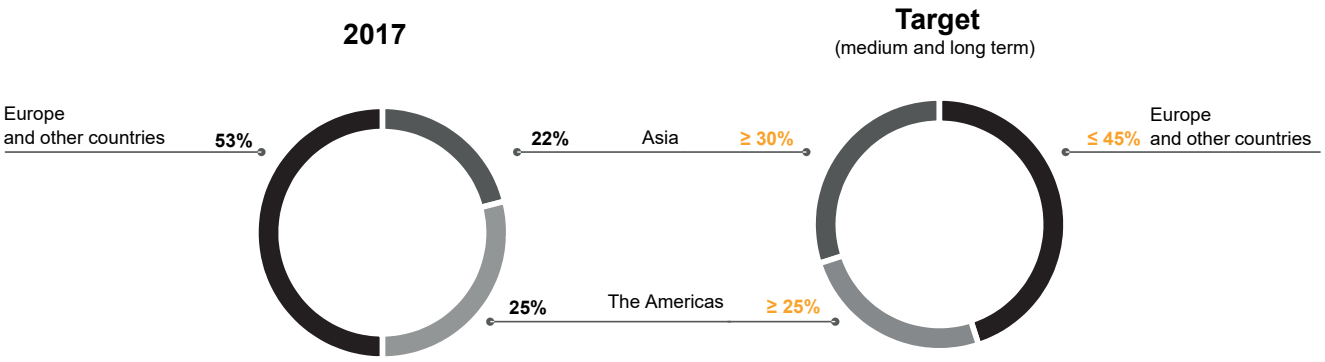
II. Continental Strategy – Value Creation
Cost Consciousness – Production in Best-Cost Countries



[1] All years restated based on new definition of best-cost countries.
[2] Based on sales.
[3] Based on units.

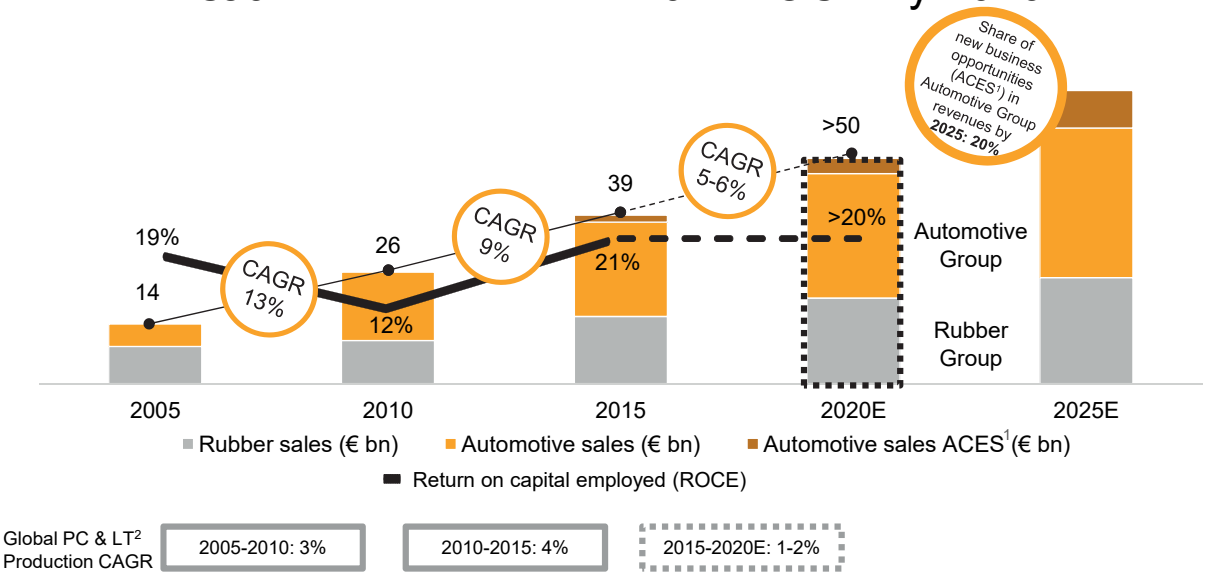
22

II. Continental Strategy – Regional Sales Balance
Balance Distribution of Sales



23

II. Continental Strategy – Outlook 2020
More than €50 bn in Sales and >20% ROCE by 2020



Global PC & LT[2] Production CAGR: 2005-2010: 3% | 2010-2015: 4% | 2015-2020E: 1-2%

[1] ACES: Automated Driving, Connectivity, Electrification and Smart Mobility.
[2] Passenger car and light truck.

24

Topics

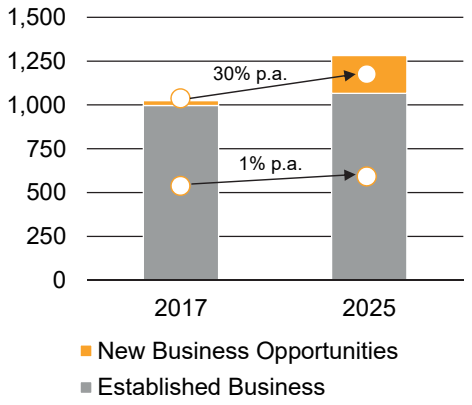
25

III. Automotive Trends

New Business Opportunities Arise (1)

- Revenue pool for suppliers reached more than €1 trn in 2017
- Business related to “established” business will grow by ~1% p.a. and reach ~€1.1 trn in 2025
- Revenues share of Electrification[1], Automated Driving and Holistic Connectivity represented in total <3% in 2017
- Revenue share of Electrification[1], Automated Driving and Holistic Connectivity will grow by ~30% p.a. to >€200 bn in 2025
- It will account for ~15% of the overall supplier revenue market by 2025

Global Supplier Revenue Pool (€ bn)



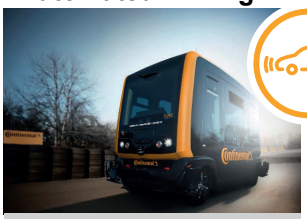
Sources: Roland Berger and Continental estimates. FX rate assumption 1.13 EUR/USD.
[1] Not including market for electric vehicle batteries but including hybrid solutions.

26

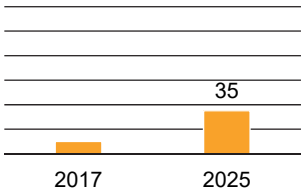
III. Automotive Trends

New Business Opportunities Arise (2)

Automated Driving

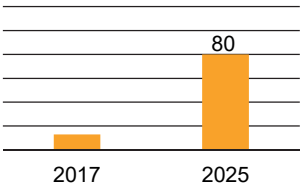


TAM[2] in € bn



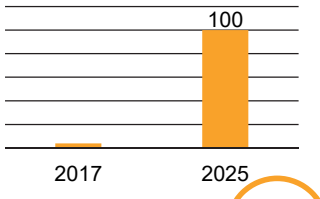
Holistic Connectivity

TAM[2] in € bn[4]



Electrification

TAM[2] in € bn[3]



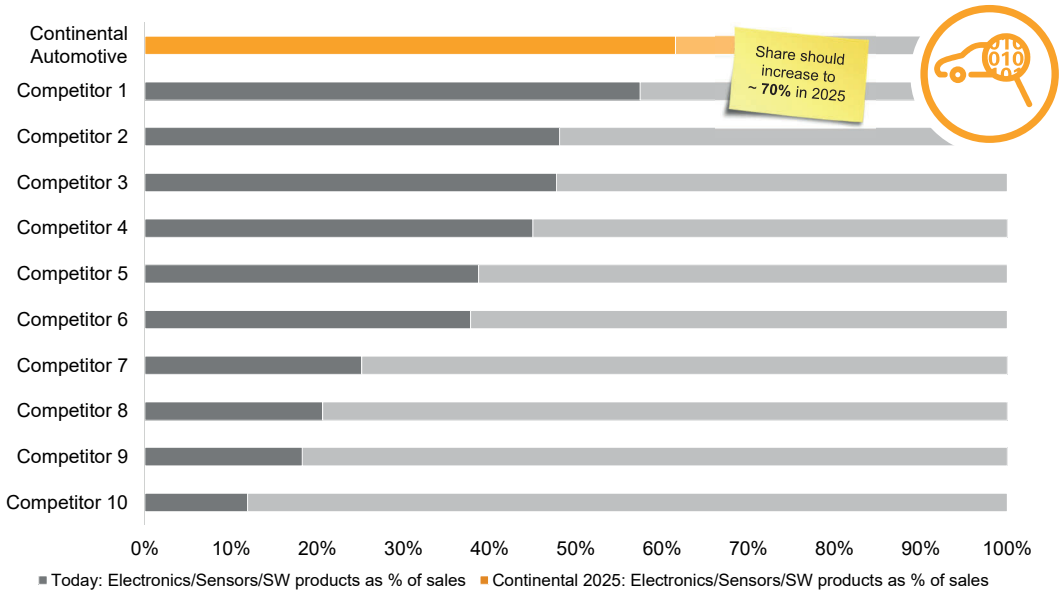
Shared Mobility

Source: McKinsey and Continental estimates.
[1] Four ACES: autonomous, connected, electrified and shared mobility.
[2] Total Addressable Market.
[3] Not including market for batteries but hybrid solutions.
[4] McKinsey estimates a market for digital services of USD70 - 110 billion in 2025; FX rate assumption of 1.13€/$.

27

III. Automotive Trends

The Most Digitalized Portfolio in The Supplier Sector[1]



Source: Company filings and Continental estimates.

[1] Suppliers >€3 bn sales.

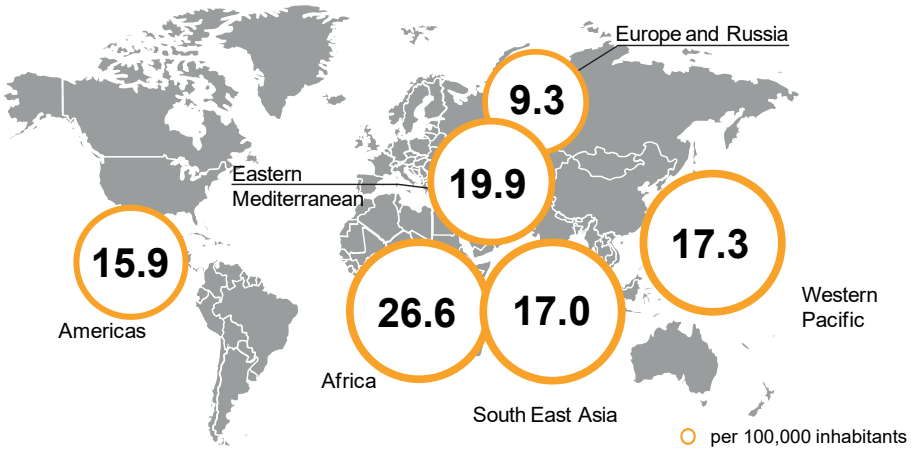
28

III. Automotive Trends: Automated Driving

Road Traffic Deaths per 100,000 Inhabitants by Region[1]

Over **1.25** million people die in road accidents every year

A further **50** million are injured.

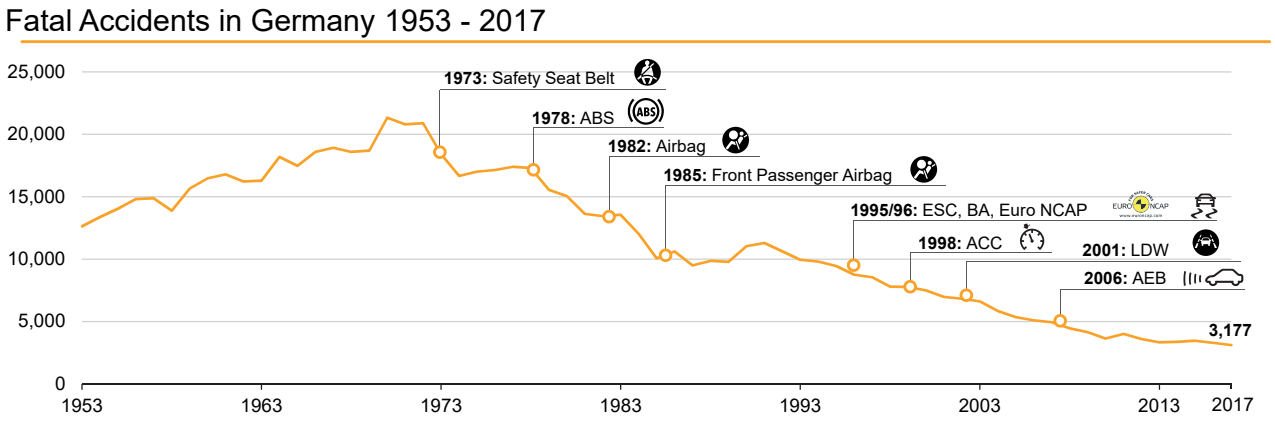


[1] Data Source:
World Health Organization.
Global Status Report on Road Safety 2015.
Road traffic fatality rates per 100.000 population by WHO region.

29

III. Automotive Trends: Automated Driving

History and Roadmap for Accident-Free Driving



*Federal Statistics Office, Germany (Destatis);
ABS - Anti-lock Brake System, ESC - Electronic Stability Control , BA - Brake Assist, ACC - Adaptive Cruise Control, LDW - Lane Departure Warning, AEB – Autonomous Emergency Braking.

30

III. Automotive Trends: Automated Driving

Outlook 2025 - Approaching Automated Driving: Three-Layer Model

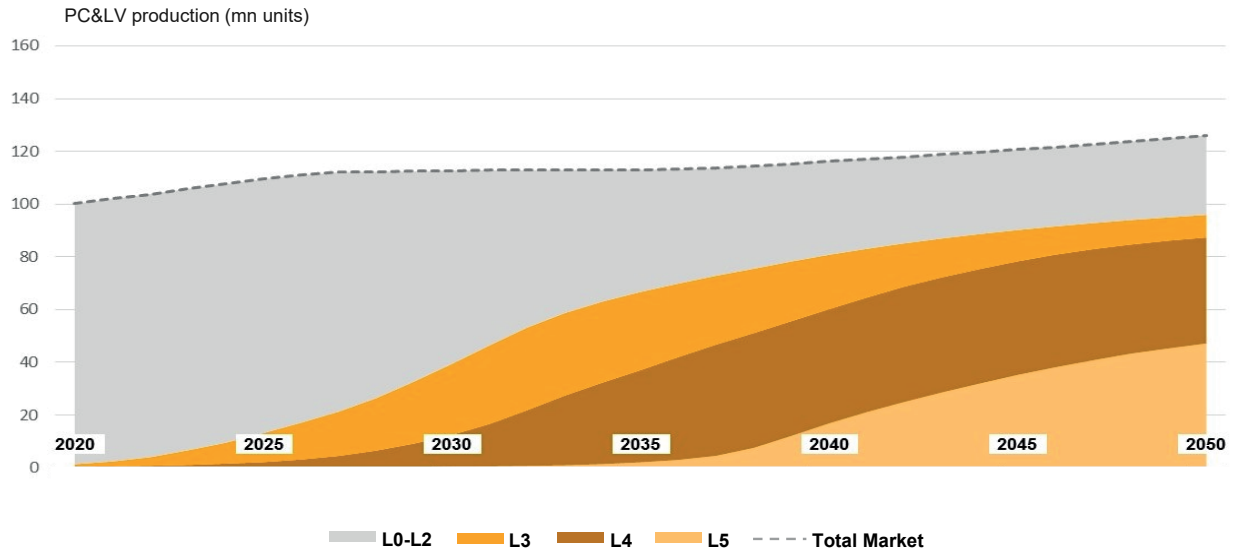
		Market for Automated Driving **~€35 bn[1] by 2025**	Recent additions to the portfolio (incl. cooperations and JVs)
Components	Sensors	~€26 bn[1]	solid-state flash lidar; ADCU
System	Electronics Software Integration	~€7 bn[1]	Elektrobit; easyMile; ARGUS CYBER SECURITY; here; QUANTUM INVENTIONS; HUAWEI
Environmental Model	Software Electronics	~€2 bn[1]	UCIT; NTT Docomo; Baidu; BMW/Intel platform

[1] *Source: Continental estimates.*

31

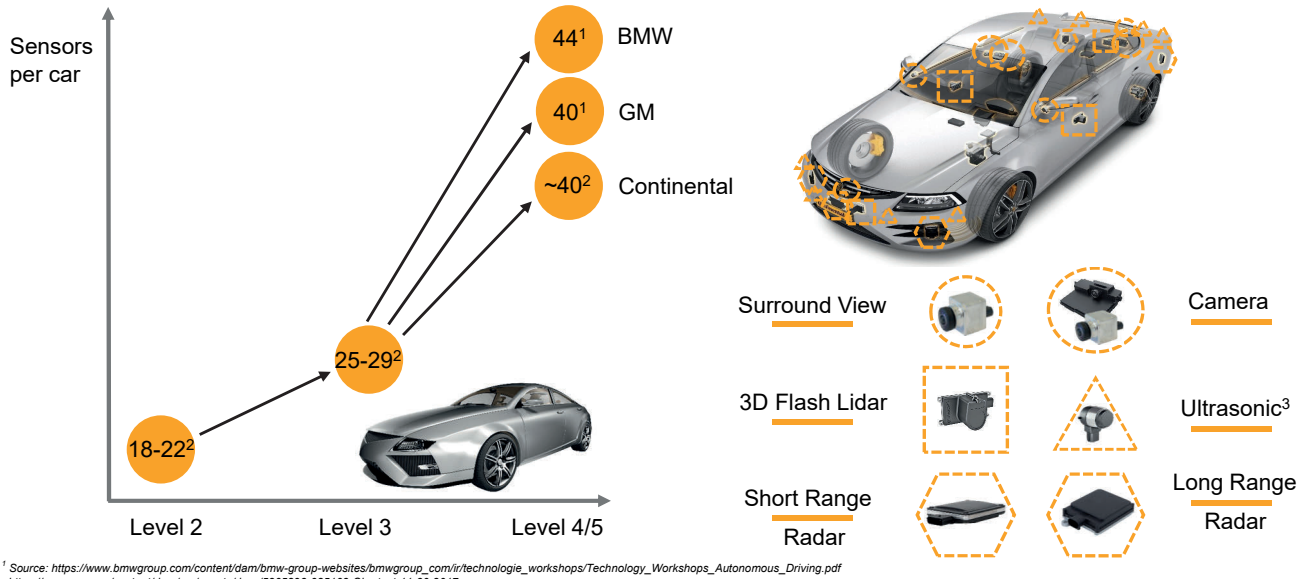
III. Automotive Trends: Automated Driving

Estimated Market Development



32

III. Automotive Trends: Automated Driving
ADAS Sensors per Car



[1] Source: https://www.bmwgroup.com/content/dam/bmw-group-websites/bmwgroup_com/ir/technologie_workshops/Technology_Workshops_Autonomous_Driving.pdf
https://www.gm.com/content/dam/gm/events/docs/5265893-685163-Chartset-11-30-2017.
[2] Continental estimates, depending on customers and future regulatory requirements.
[3] Ultrasonic not in Continental portfolio.

33

III. Automotive Trends: Automated Driving
Function and Sensor Scenarios[1]

Partially automated (L2)	Conditionally automated (L3)	Highly / Fully automated (L4/5)
› Autonomous emergency braking (incl. intersections) › Lane keeping assist › Lane change assist › Adaptive cruise control (Anticipatory and cooperative ACC) › Traffic jam assist › Back-up assist › Parking assist	Additionally to L2: › Cruising chauffeur › Traffic jam chauffeur › Remote parking	Additionally to L3: › Urban chauffeur › Cruising chauffeur (Enhanced) › Traffic jam chauffeur (Enhanced) › Automated parking (e.g. Trained parking, Valet parking)
1x Camera 4x Short range radar 1x Long range radar 1x Surround view system (4 cameras + 1 ECU) 1x Rear view system (Option) 8-12x Ultrasonic sensors[2] 1x ADCU[3] (option)	2-3x Camera 4-6x Short range radar 2-3x Long range radar 1x Flash lidar 1x Surround view system (4 cameras; 1x ECU optional) 1x Rear view system 12x Ultrasonic sensors[2] 1-2x ADCU[3]	3-6x Camera 6x Short range radar 2-3x Long range radar 4-7x Flash lidar 1x Surround view system (4 cameras; 1x ECU optional) 1x Rear view system 2x Mirror view system 12x Ultrasonic sensors[2] 2-3x ADCU[3]

[1] Depending on customers and future regulatory requirements. [2] Ultrasonic sensors not in Continental portfolio. [3] The Assisted & Automated Driving Control Unit.

34

III. Automotive Trends: Automated Driving
Self Driving Car Project CUbE

Continental Urban Mobility Experience

Driving Intelligence
- Situation analysis
- Decision-making
- Low-level vehicle control
- ADCU (mid-term)

Localization
Robust localization in urban areas
- Radar
- Wireless infrastructure beacons

Seat Material
Tailored seat surfaces
- Resilient
- Easy to clean
- Comfortable

Tires
- ContiEcoContact™ 5

Drive Module
- One axle drive from Continental (2018)

Camera Sensing
- Object detection
- Barrier detection
- Front sensor cover drive path

Radar Sensing
Short range sensor
- Object detection
- Barrier detection
- 4 sensors for 360° view

Lidar Sensing
Solid state flash lidar (mid-term)
- Object detection
- Barrier detection
- 4 sensors for 360° view

We will become a full system supplier!

35

III. Automotive Trends: Holistic Connectivity
Information Management – Inside the Vehicle and Beyond

With our holistic, intuitive and ergonomic human-machine interface, we capture commands and prioritize and present information.

We add new functions by providing a holistic connection to the outside world as well as value-added mobility services.

Driver and Passengers | **Devices** | **Infrastructure** | **Other Vehicles**

Vehicle

We manage and optimize the information flow by systems integration of components.

36

III. Automotive Trends: Holistic Connectivity

Product Highlights for Intelligent Mobility

We inform you well

Holistic Human-Machine Interface

Provide the expertise for superior comfort and convenience, ergonomics, and intuitive ease-of-use.

We connect

Holistic Connectivity

Connect the driver by wire or wirelessly and provide value-added mobility services.

All at lower cost

System Integration

Integrate of components and functions into a superior system.

Most complete product portfolio

A necessary and unique selling proposition for us as systems integrator.

37

III. Automotive Trends: Holistic Connectivity

Portfolio Extension Towards Systems and Services

38

III. Automotive Trends: Holistic Connectivity

Holistic Connectivity Car

>30 million[1]
connected vehicles by
Continental

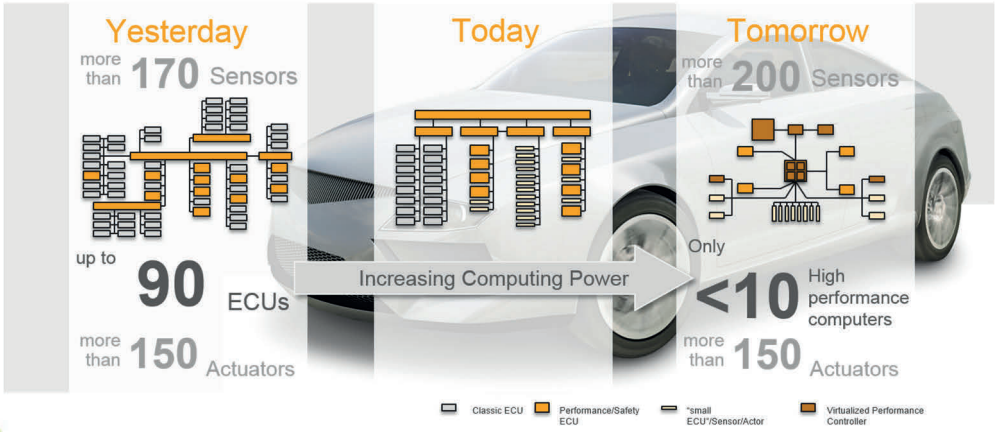
2017: >50%
of produced vehicles are **connected**

2020: >250 million
of the vehicles on the road will be **connected**

[1] *Since 1996.*

III. Automotive Trends: Holistic Connectivity

Software Drives Architecture, Process and Organization



Elektrobit

ARGUS CYBER SECURITY

- Increasing computing power will lead to an centralized E/E architecture
- Hardware will be separated from software – software integration capabilities are needed
- Security supporting approach by multilayered, end-to-end solutions and services required

III. Automotive Trends: Holistic Connectivity

Central Processing Unit in a Server Based Architecture

- Automated driving
- Electrification
- Connectivity
- New Mobility
- SW defined car
- Digitalization
- Internet of Things

› Automotive and cross industry trends require new approaches in EEA*

› Move towards structures known from IT industry

› The In-Vehicle server is a cornerstone of modern vehicle architectures

› The In-vehicle Server offers a HW/SW platform realizing individual use cases:

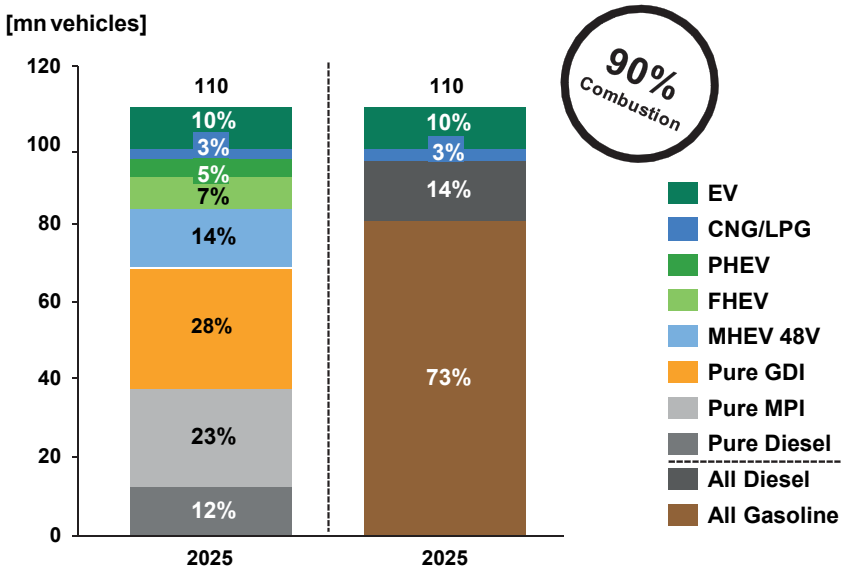
High performance computing unit. Predefined applications as well as new 3rd party SW and service integration.	Redistribution of application SW. Separation of I/O* logic from application function + application fusion across domains.	In-vehicle communication. Increasing demand of in-vehicle network bandwidth.	Master for Cyber Security, SW over-the-air updates and vehicle diagnosis. Elektrobit SW management and Argus cyber security solutions are essential elements.

[1] EEA = Electric/Electronic architecture.
[2] I/O = Input / Output.

41

III. Automotive Trends: Electrification

ICE[1] Expected to Grow at Least Until 2025



[1] Internal Combustion Engine.

42

III. Automotive Trends: Electrification

Relative Value of Continental's Content[1]

Gasoline-related business	Diesel-related business	HEV-related business including extended offering	BEV-related business including extended offering
100%[1]	**160%**	**160-360%**	**400%**
› Engine management systems for solenoid direct injection (injector, ECU, pressure pumps) › Exhaust aftertreatment › Sensors and actuators › Turbochargers	› Engine management systems for diesel piezo common-rail injection (injector, ECUs, pressure pumps) › Exhaust aftertreatment › Sensors and actuators	› Engine management systems (gasoline/diesel) › Exhaust aftertreatment › Sensors and actuators › Turbochargers **and** › 48V solutions (12kW/ 15kW/ 25kW) **or** › Plug-in hybrid solutions (incl. thermal components & charging systems)	› High-voltage axle drive › Power electronics › Onboard charging systems › Battery management systems › DC/DC converter › Thermal management components

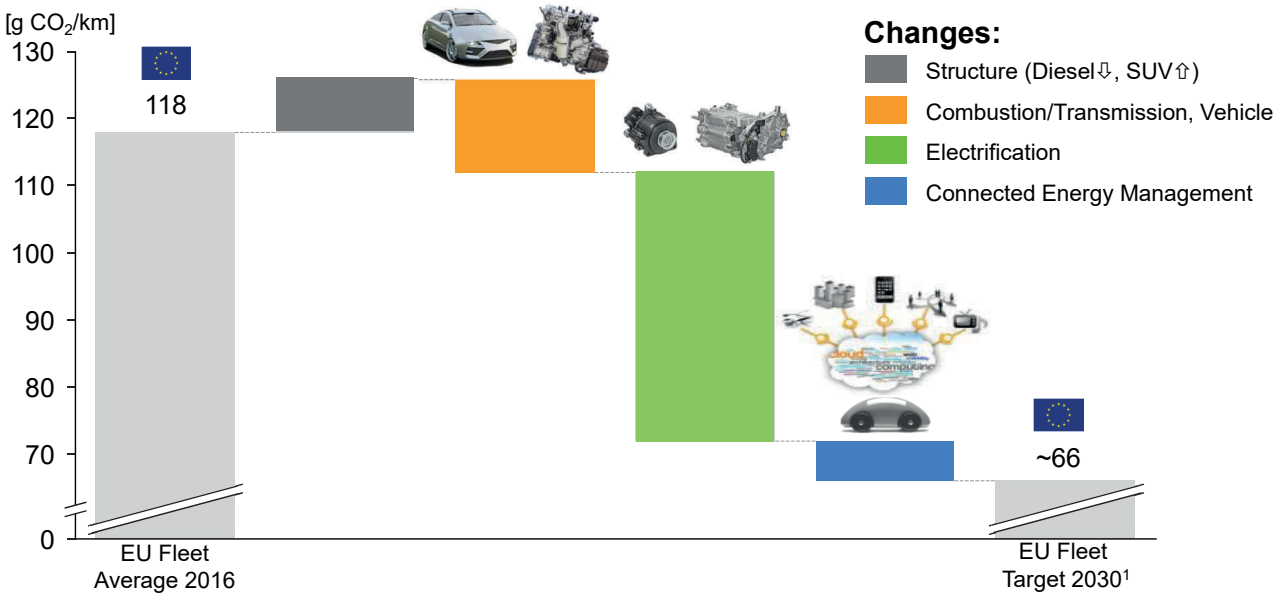
Well positioned in all key technologies!

[1] *Value of displayed gasoline content per car is indexed at 100%; all other values read relative to the gasoline content.*

43

III. Automotive Trends: Electrification

Main Driver for CO_2 Reduction until 2030

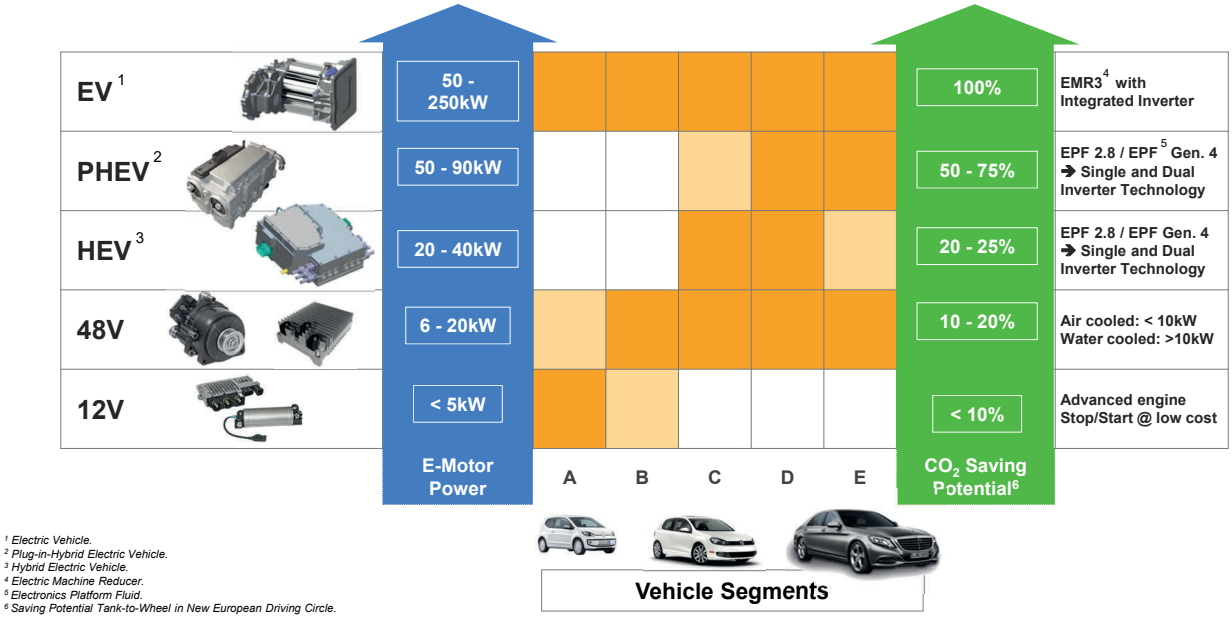


[1] *Proposed 30% reduction for 2030 EU PV fleet target.*

44

III. Automotive Trends: Electrification

Emission Reduction – Electrification Tailored to Fit



[1] Electric Vehicle.
[2] Plug-in-Hybrid Electric Vehicle.
[3] Hybrid Electric Vehicle.
[4] Electric Machine Reducer.
[5] Electronics Platform Fluid.
[6] Saving Potential Tank-to-Wheel in New European Driving Circle.

45

Topics

46

IV. Sustainability at Continental
Main Corporate Memberships

- Continental is a participant of the **United Nations Global Compact**.
- Continental is a signatory company of the **Charter of Diversity.**
- Continental is a signatory company of the **Luxembourg Declaration on Workplace Health Promotion** (WHP).
- Continental is a signatory company of the **European Road Safety Charter.**
- Continental is a member of the **World Business Council for Sustainable Development** (WBCSD) and supports the TIP (Tire Industry Project) Working Group for Sustainable Rubber.
- Continental has endorsed the **Women's Empowerment Principles** since March 2015.

Source: www.charta-der-vielfalt.de (German Federal Government Commissioner for Migration, Refugees and Integration); www.luxemburger-deklaration.de; www.globalcompact.de; http://www.wbcsd.org; http://www.erscharter.eu; http://www.weprinciples.org.

47

IV. Sustainability at Continental
Ratings and Indexes

Indexes

- ECPI
- FTSE4good global and FTSE4good Europe Index
- Stoxx Global ESG Leaders & Stoxx Europe ESG Leaders
- Stoxx Global Reported Low Carbon, Euro Stoxx Low Carbon

Ratings

- CDP rated Continental in the **climate** category with 'Score C', in the **water** category with 'Score D' and in the **supply chain** category with 'Score C'.
- Oekom research rated Continental with 'Prime (C+)'.
- Sustainalytics rated Continental with 76 points in the overall score.
- MSCI rated Continental with 'BB'.

48

IV. Sustainability at Continental
Our Policies and Guidelines

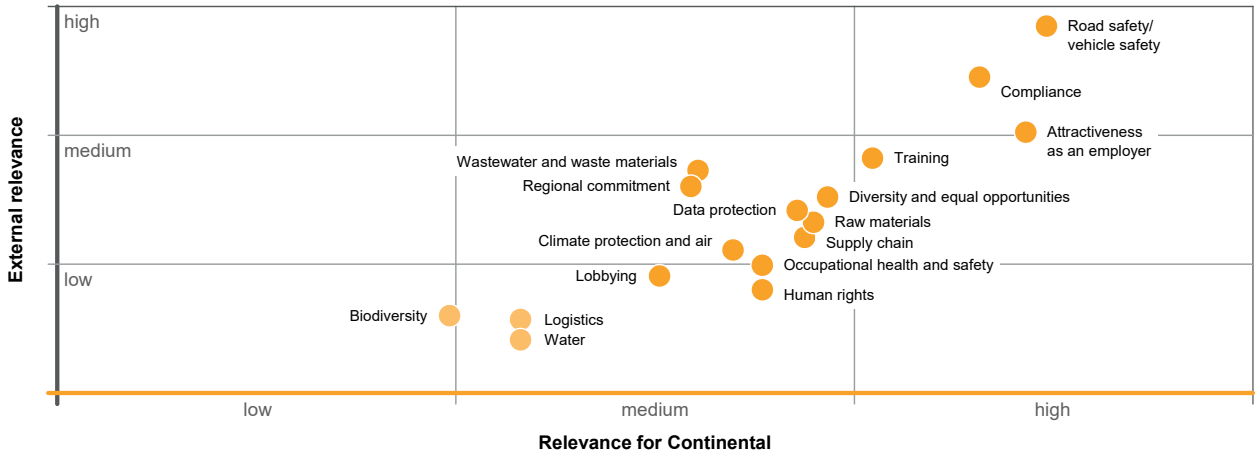
Principles of our Corporate Social Responsibility

Environmental Responsibility	Social Responsibility	Corporate Governance
ESH[1] Policy – implements worldwide the responsibility for protecting the environment	Business Partner Code of Conduct – personal ethics, conflicts of interest The BASICS – the guidelines, codex and basic principles of our business activities	Corporate Governance Policy – to further a responsible management of the company focused on value creation Risk Report – overview of our Risk Management

OUR BASICS Our corporate guidelines

[1] *Environment, Safety and Health.*

IV. Sustainability at Continental
Materiality Matrix



For more information please go to the GRI Report 2016, page 10ff.

IV. Sustainability at Continental
Roadmap 2020

In 2015, we developed a consolidated sustainability program and set ourselves goals for 2020 in order to achieve measurable improvement in our four fields of action. Some of these extend until 2025. These are the fields of activity and main goals form our Roadmap 2020:

Environment	Employees and society	Corporate governance and corporate culture	Products
› Climate protection/air › Waste › Water	› Diversity and equal opportunities › Occupational safety and health › Attractiveness as an employer › Job training and continuing education	› Compliance and Supply Chain › Lobbying	› Road and vehicle safety › Raw materials › Sustainable products

For more information please go to the GRI Report 2016, page 12ff.

51

IV. Sustainability at Continental – Environment
Environmental Strategy 2020

Sustainable management at all stages of the value chain and throughout the entire life cycles of our products is now an essential part of our philosophy.

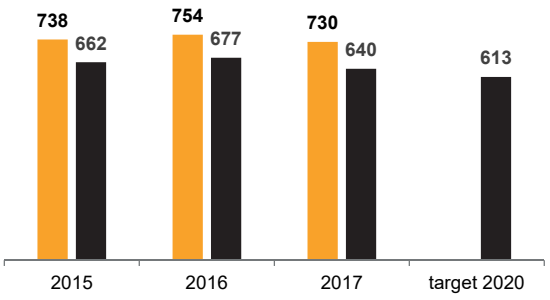
[1] *SDG: Sustainable Development Goals.*

52

IV. Sustainability at Continental – Environment
Corporate Environmental Key Performance Indicators (1)

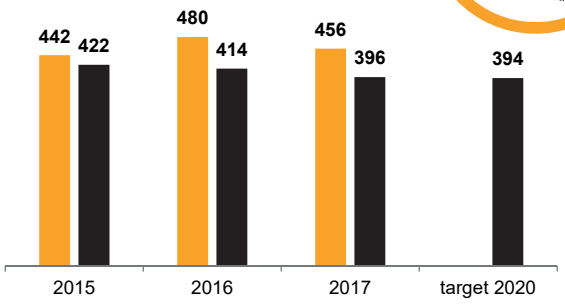
Figures increased because environmental data from a major acquisition was included for the first time, although its sales were already included in 2015 in association with the consolidation.

CO_2 emissions[1]



- Specific CO2 emissions (100kg/ € mn adjusted sales) for all plants (including acquisitions and new constructions)
- Specific CO2 emissions for plants included in 2013

Water consumption[1]



- Specific water consumption (m3/€ mn in adjusted sales) for all plants (including acquisitions and new constructions)
- Specific water consumption for all plants included in 2013

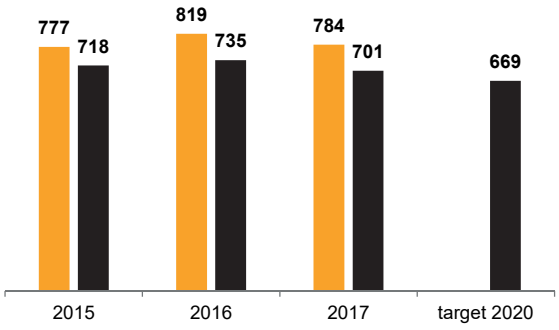
[1] Reviewed with limited assurance by an independent auditor.

53

IV. Sustainability at Continental – Environment
Corporate Environmental Key Performance Indicators (2)

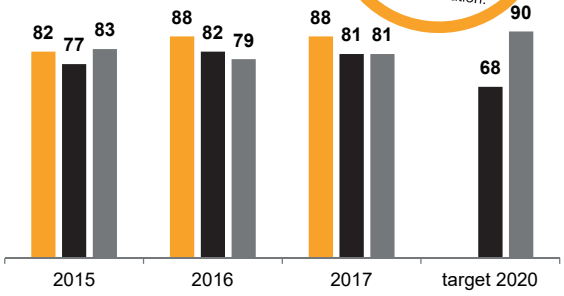
Figures increased because environmental data from a major acquisition was included for the first time, although its sales were already included in 2015 in association with the consolidation.

Energy consumption[1]



- Specific engery consumption (GJ/€ mn in adjusted sales) for all plants (including acquisitions and new constructions)
- Specific engery consumption for plants included in 2013 (GJ/€ mn in adjusted sales)

Waste production[1]



- Specific waste generation (100kg/€ mn in adjusted sales) for all plants (including acquisitions and new constructions)
- Specific waste generation for plants included in 2013
- Waste recycling (%)

[1] Reviewed with limited assurance by an independent auditor.

54

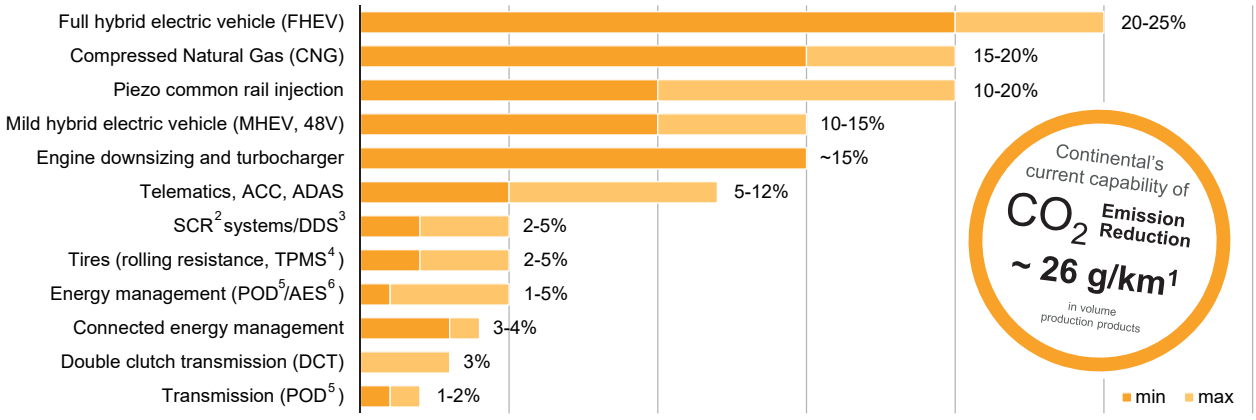
IV. Sustainability at Continental – Environment
Corporate Environmental Key Performance Indicators (3)

Scope 3 emissions in metric tons of CO_2	
› Self commissioned incoming logistics	1,152,124
› Self commissioned outgoing logistics	539,058
› Purchased goods and services	8,721,849
› Waste produced through operational processes	20,660
› Fuels and energy-related activities not included in Scope 1 and 2	449,081
Total	10,882,772

For the selected indirect CO_2 emissions (Scope 3), we follow international standards such as the Corporate Value Chain Accounting and Reporting Protocol of the World Resources Institute (WRI) and the World Business Council for Sustainable Development (WBCSD).

55

IV. Sustainability at Continental – Environment
Reduction of CO_2 Emissions[1]: Solutions by Continental



[1] *Saving potential compared with gasoline direction injection Euro 5 / NEDC.*
[2] *SCR = Selective Catalytic Reduction.*
[3] *DDS = DEKA injector for diesel dosing into exhaust gas.*
[4] *TPMS = Tire Pressure Monitoring System.*
[5] *POD = Power-On-Demand.*
[6] *AES = Advanced Energy Supply.*

56

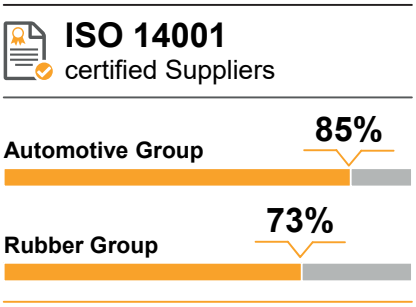
IV. Sustainability at Continental – Environment
Certification of Suppliers

Goal by 2020[1]: 100% of strategic suppliers meet ISO 14001 requirements

1. **Assessments** to determine status of the supplier.
2. **Measures** (joint projects, training sessions, and workshops for example) are initiated to achieve our goals in supplier development as necessary.

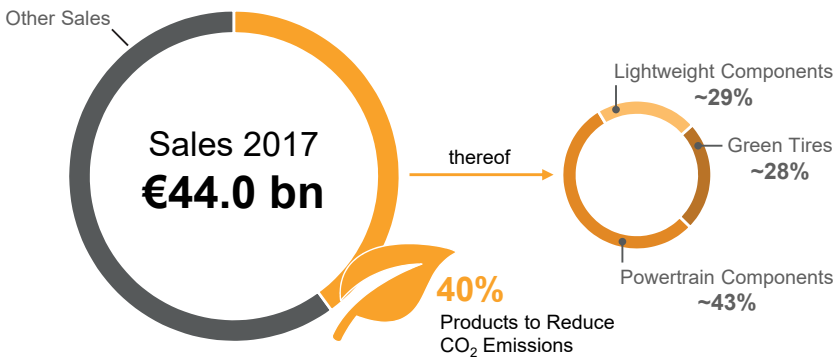
We monitor the environmentally friendly production of our suppliers world wide as part of internal supplier audits. Relevant issues in the scope of these audits include compliance, organization and the provision of resources for EH&S.

Starting in 2017, we will systematically evaluate our suppliers based on sustainability criteria with the help of an independent service provider. Our goal in doing so is to better fulfill our responsibilities and ensure that we are able to comply with our requirements within the worldwide supply chain.



[1] *Roadmap 2020.*
Source: Sustainability Report 2016, page 22.

IV. Sustainability at Continental – Environment
Sales of Products to Reduce CO_2 Emissions



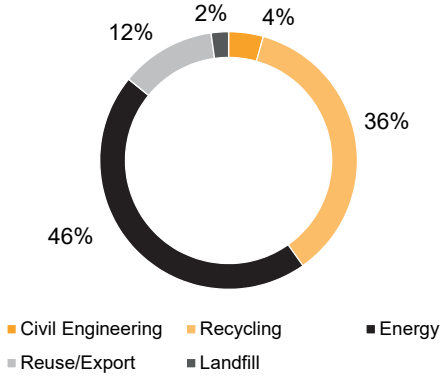
› **Green tires**
Tires optimized on rolling resistance (all tires labelled B and better)

› **Lightweight components**
Light weight brakes, road database (green maps), intelligent transportation systems

IV. Sustainability at Continental – Environment
Tires – Recycling and Recovery

End-of-life tires in the European Union[1]

A total of approximately 3.25 million tons of used tires accumulate in the EU per year.



Recycling versus raw material[2]

Energy needed to produce 1kg of tire compound

[1] Source: ETRMA, June 29, 2016.
[2] Source: Continental Reifen Deutschland.

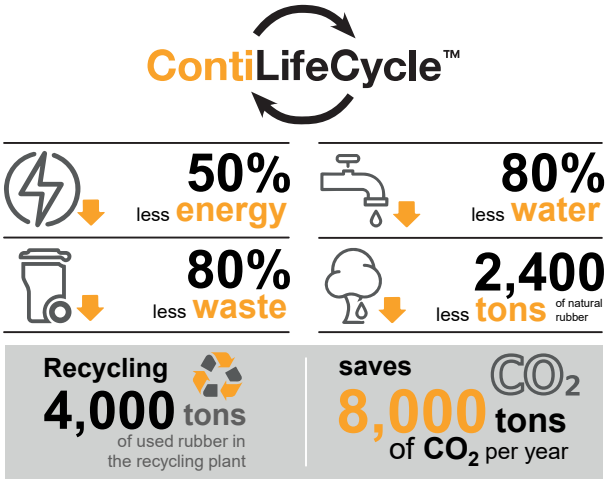
IV. Sustainability at Continental – Environment
Tires – ContiLifeCycle

Breathing life into tires a second and even a third time is the basic idea behind the ContiLifeCycle approach.

Using a novel and proprietary process, Continental has succeeded in recycling rubber from used tires in such a way that the raw material will be directly returned into the production cycle for new or retreaded tires.

At ContiLifeCycle (CLC) plants, we reprocess worn-out truck tires in a retreading process that conserves resources. The rubber powder that is produced during retreading is further processed into recyclate, which is used in the production of new and retreaded tires.

The retreaded tires offer the same performance characteristics and rolling resistance as new tires.



[1] Source: United States Environmental Protection Agency (EPA), September 2012.

IV. Sustainability at Continental – Social Responsibility
Equal Opportunity

Workforce Diversity

The Continental team is made up of people with different backgrounds, cultures, religions, genders and ages. The diversity of different mindsets and points of views, skills and experiences makes us strong.

To promote diversity within the company, we focus on two key areas:

- A balanced mix of men and women
- Internationality

Demographics Program

A comprehensive concept designed to address the far-reaching changes as a result of the expected demographic trend focuses on four topics:

- Workplace design
- Health maintenance for longer employment
- Targeted qualification measures
- Motivation for a longer working life

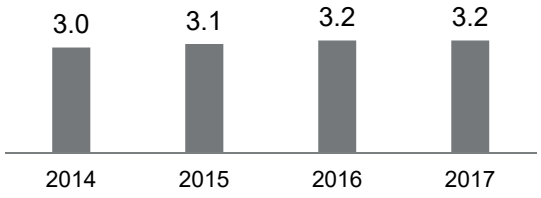
Female employees in management positions:
7.5% in 2010
13.4% in 2017
16% by 2020 (target)

IV. Sustainability at Continental – Social Responsibility
Health and Occupational Safety

Our specialist department Corporate Safety & Health "Safety, Health, Hazardous Substances, Ergonomics" sets protection standards, which apply across the entire Corporation. Standards are the foundation for safety at work, secure production plants and processes, and reflect our responsibility to our employees and to the environment.

Corporate Safety & Health

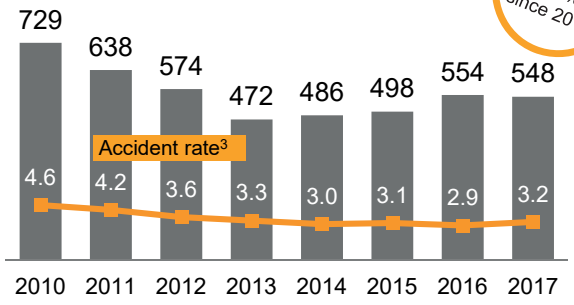
Absences due to sickness[1]



[1] Paid and unpaid absences due to sickness in relation to the contractual working hours in percent (for the corporation).

Hours lost due to accidents[2]

Hours lost: - 25% since 2010



[2] Number of accident-related hours lost worldwide per million hours worked.
[3] Number of work-related accidents worldwide with one or more days lost per million hours worked.

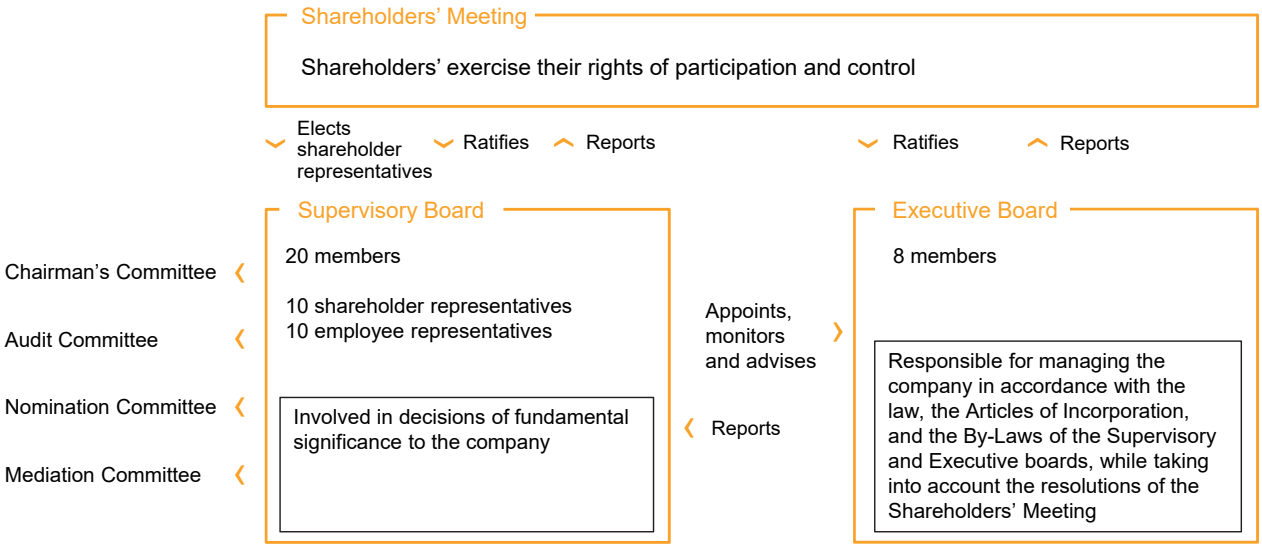
Topics

63

V. Corporate Governance

Two-Tier Board System – Corporate Bodies

Corporate bodies of the company

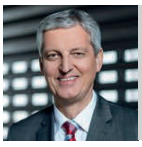


64

V. Corporate Governance
Executive Board Continental AG

Dr. Elmar Degenhart
Chairman of the Executive Board
Born in 1959
Appointed since 2009 until August 2019

José A. Avila
Powertrain Division
Born in 1955
Appointed since 2010 until December 2019



Hans-Jürgen Duensing
ContiTech Division
Born in 1958
Appointed since 2015 until April 2023

Helmut Matschi
Interior Division
Born in 1963
Appointed since 2009 until August 2022

Frank Jourdan
Chassis & Safety Division
Born in 1960
Appointed since 2013 until September 2021

Dr. Ariane Reinhart
Human Relations
Born in 1969
Appointed since 2014 until September 2022

Wolfgang Schäfer
Chief Financial Officer
Born in 1959
Appointed since 2010 until December 2019

Nikolai Setzer
Tires Division
Born in 1971
Appointed since 2009 until August 2022

V. Corporate Governance
Supervisory Board Continental AG – Shareholder Representatives

Prof. Dr.-Ing. Wolfgang Reitzle (Chairman)
Chairman of the Supervisory Board of Linde AG
*1949, nationality: German, elected until 2019, first elected 2009
Memberships[1]: 6 (4 as chairman)

Dr. Gunter Dunkel
Chairman European Debt, Muzinich & Co
*1953, nationality: Austrian, elected until 2019, first elected 2009
Memberships[1]: 1

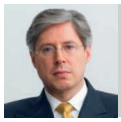
Prof. Dr.-Ing. Peter Gutzmer
Deputy CEO and Member of the Executive Board, CTO of Schaeffler AG, Herzogenaurach
*1953, nationality: German, elected until 2019, first elected 2013
Memberships[1]: 1

Prof. Dr. Klaus Mangold
Chairman of the Supervisory Board of Rothschild GmbH
*1943, nationality: German, elected until 2019, first elected 2009
Memberships[1]: 5 (2 as chairman)

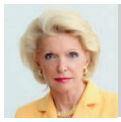
Sabine Neuß
Member of the Management Board of Linde Material Handling GmbH, Aschaffenburg
*1968, nationality: German, elected until 2019, first elected 2014
Memberships[1]: 4

Prof. Dr. Rolf Nonnenmacher
Certified Accountant, self employed, Berg
*1954, nationality: German, elected until 2019, first elected 2014
Memberships[1]: 4

Klaus Rosenfeld
Chief Executive Officer Schaeffler AG, Herzogenaurach
*1966, nationality: German, elected until 2019, first elected 2009
Memberships[1]: 3



Georg F. W. Schaeffler
Co-owner of INA-Holding Schaeffler GmbH & Co. KG, Herzogenaurach
*1964, nationality: German, elected until 2019, first elected 2009
Memberships[1]: 2 (1 as chairman)



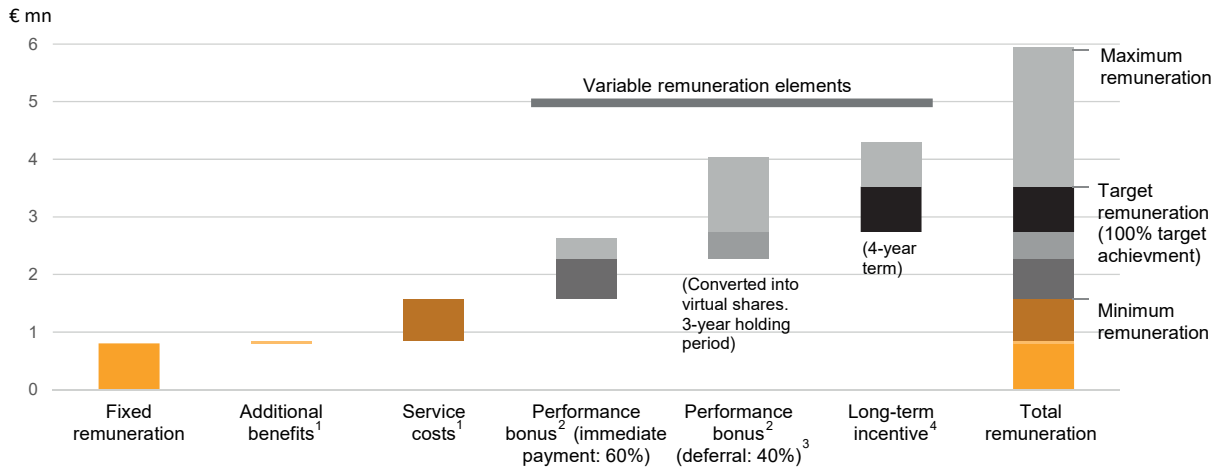
Maria-Elisabeth Schaeffler-Thumann
Co-owner of INA-Holding Schaeffler GmbH & Co. KG, Herzogenaurach
*1941, nationality: German, elected until 2019, first elected 2009
Memberships[1]: 2 (1 as vice chairman)

Prof. KR Ing. Siegfried Wolf
Chairman of the board of directors of Russian Machines LLC, Moscow
*1957, nationality: Austrian, elected until 2019, first elected 2010
Memberships[1]: 8 (3 as chairman)

[1] *Memberships of statutory supervisory boards (including Continental AG) and of comparable controlling bodies of companies in Germany and abroad in accordance with Section 285 No.-10 of the German Commercial Code (Handelsgesetzbuch – HGB).*

V. Corporate Governance
Remuneration of an Executive Board member

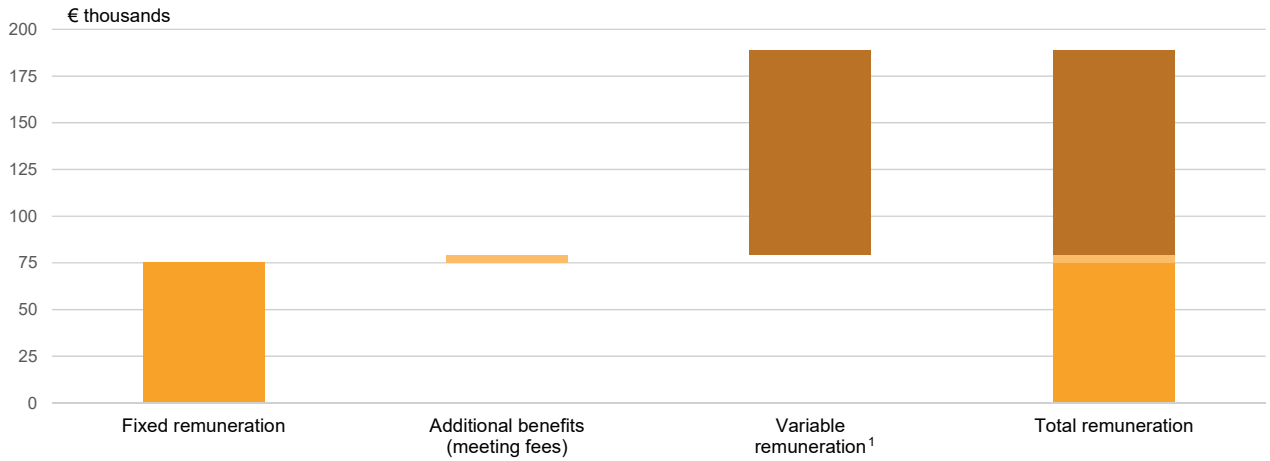
2017 remuneration of an Executive Board member responsible for a division (example)



[1] Average for 2017.
[2] Based on a target bonus (here: €1.167 million), for 100% achievement of defined CVC and ROCE targets, maximum of 150% of the target bonus (including achieving any additional strategic targets as well as any correction of the target achievement of +/- 20% by the Supervisory Board), divided into an immediate payment (60%) and deferral (40%).
[3] The possible increase in the value of the deferral is capped at 250% of the initial value. The maximum amount shown relates to the maximum payment in the performance bonus at 150% target achievement.
[4] Based on achieving average CVC versus planned CVC (max. 200%), multiplied by the degree of achieving the total shareholder return, maximum payment of 200%.

V. Corporate Governance
Remuneration of a Supervisory Board member

2017 remuneration of a Supervisory Board member (example)



[1] Basis for calculation: €90 for each cent of earnings per share over €2, calculated as an average of the last three years.

Topics

69

VI. Continental Corporation

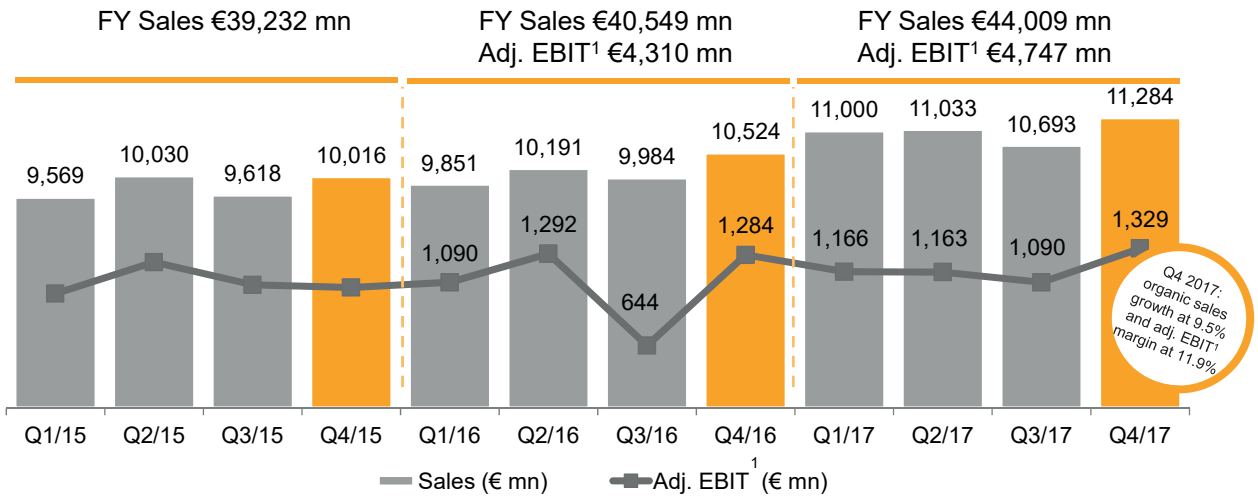
Key Consolidated Figures

€ mn	2015	2016	2017
Sales	39,232.0	40,549.5	44,009.5
EBITDA	6,001.4	6,057.4	6,678.9
in % of sales	15.3	14.9	15.2
EBIT	4,115.6	4,095.8	4,561.5
in % of sales	10.5	10.1	10.4
EBIT adjusted[1]		4,309.8	4,746.9
in % of sales[1]		10.6	10.9
Operating assets (average)	19,680.7	20,453.1	22,172.4
ROCE	20.9	20.0	20.6
R, D & E expenses	2,449.6	2,811.5	3,103.7
in % of sales	6.2	6.9	7.1
Capex[2]	2,178.8	2,593.0	2,854.4
in % of sales	5.6	6.4	6.5
Depreciation and amortization[3]	1,885.8	1,961.6	2,117.4
in % of sales	4.8	4.8	4.8
thereof impairment[4]	93.6	58.6	40.2

[1] *EBIT before amortization of intangible assets from PPA, consolidation and special effects; sales before changes in the scope of consolidation.*
[2] *Capital expenditure on property, plant and equipment, and software.*
[3] *Excluding impairment on financial investments.*
[4] *Impairment also includes necessary reversals of impairment losses.*

70

VI. Continental Corporation
Sales and Adjusted EBIT[1] by Quarter



[1] Before amortization of intangibles from PPA, consolidation and special effects.

71

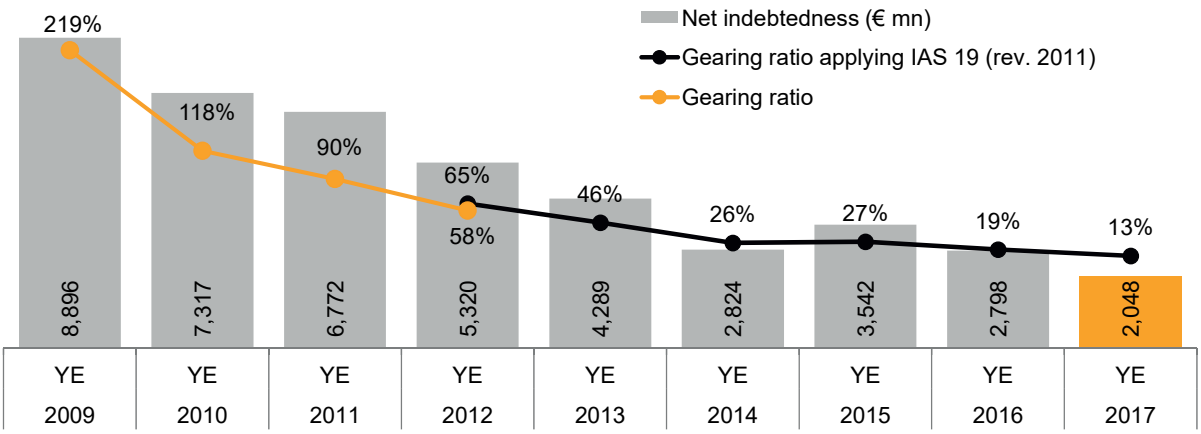
VI. Continental Corporation
Key Historical Credit Metrics

(€ mn)[1]	2013	2014	2015	2016	2017
Statement of Cash Flows					
Adjusted EBITDA[2]	**5,094**	**5,318**	**6,094**	**6,125**	**6,701**
Reported EBITDA	**5,095**	**5,134**	**6,001**	**6,057**	**6,679**
Net cash interest paid	-534	-158	-174	-112	-105
Tax paid	-805	-775	-1,015	-1,047	-1,122
Change in net working capital[3]	-4	-207	-107	-210	-484
Other[4]	-30	175	210	250	253
Cash flow arising from operating activities	**3,722**	**4,168**	**4,916**	**4,938**	**5,221**
Cash flow arising from investing activities	**-1,904**	**-2,153**	**-3,472**	**-3,167**	**-3,468**
- thereof acquisitions	-154	-129	-1,257	-516	-596
- thereof capex in PPE and intangibles	-2,024	-2,110	-2,265	-2,708	-2,951
Cash flow before financing activities	**1,818**	**2,015**	**1,444**	**1,771**	**1,753**
Cash flow before acquisitions	**1,972**	**2,144**	**2,701**	**2,288**	**2,349**
Statement of Financial Position					
Cash and cash equivalents	2,045	3,244	1,622	2,107	1,882
Derivative instruments and interest-bearing investments	303	364	81	48	161
Total indebtedness	6,638	6,432	5,245	4,952	4,090
Net indebtedness	**4,289**	**2,824**	**3,542**	**2,798**	**2,048**
Credit Ratios					
Net indebtedness / adjusted EBITDA[2]	**0.8x**	**0.5x**	**0.6x**	**0.5x**	**0.3x**
Net cash interest paid coverage (Ratio)[5]	**9.5x**	**33.7x**	**35.1x**	**54.8x**	**63.6x**

[1] Amounts shown may contain rounding differences.
[2] Adjusted EBITDA as defined in syndicated loan.
[3] Includes changes in inventories, trade accounts receivable, trade accounts payable and discounted notes.
[4] Includes dividends received, income from equity accounted and other investments, incl. impairment and reversal of impairment losses, gains / losses from the disposal of assets, companies and business operations, other non-cash items as well as changes in employee benefits and other provisions and in other assets and liabilities.
[5] Adjusted EBITDA to net cash interest paid.

72

VI. Continental Corporation
Net Indebtedness and Gearing Ratio

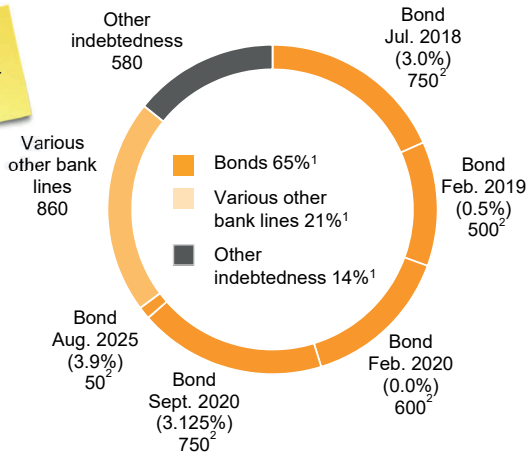


73

VI. Continental Corporation
Gross Indebtedness by Source at YE 2017 (€ mn)

- **Gross indebtedness**
  €4,090 mn
  (PY: €4,952 mn)
- **Cash**
  €1,882 mn
  (PY: €2,107 mn)
- **Net indebtedness**
  €2,048 mn
  (PY: €2,798 mn)
- **Available credit lines**
  €3,687 mn
  (PY: €3,888 mn)

Syndicated loan not utilized as at Dec 31, 2017



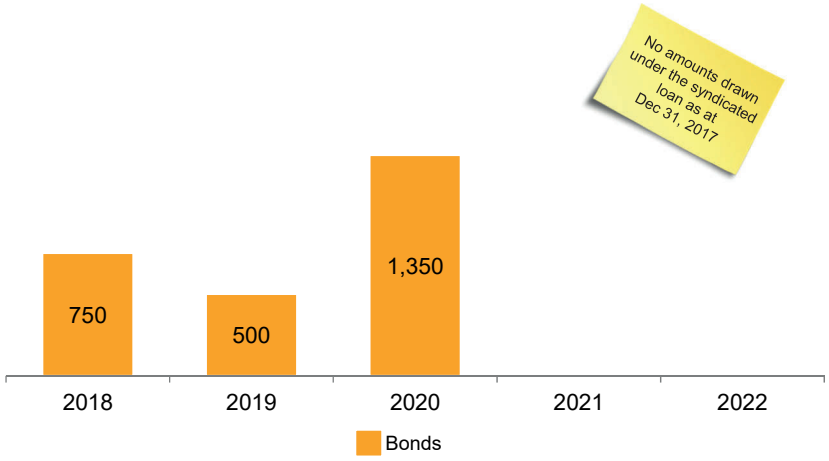
[1] Percentages are calculated as share of gross indebtedness.
[2] Amounts shown are nominal values.

74

VI. Continental Corporation
Maturities for Bonds[1] (€ mn)

As at December 31, 2017

(€ mn)	FY 16	FY 17
Gross indebtedness	4,952	4,090
Cash	2,107	1,882
Net indebtedness	**2,798**	**2,048**
Available credit lines	3,888	3,687
Total liquidity	5,995	5,568



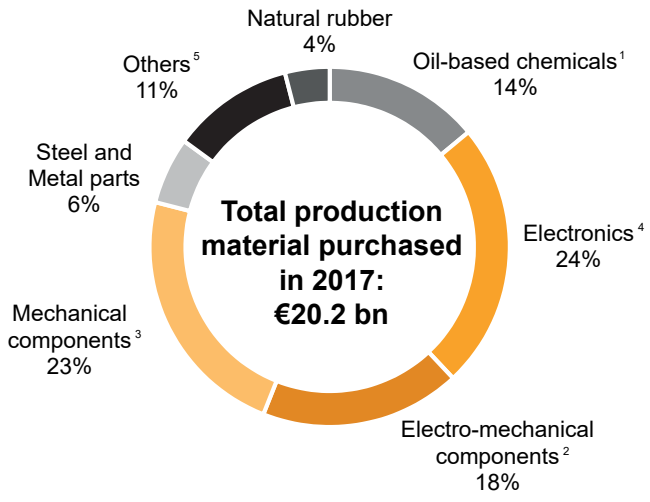
[1] *All amounts shown are nominal values.*

75

VI. Continental Corporation
Purchasing – Production Materials 2017

Purchasing Contracts

- Continental has a wide range of sources for production materials worldwide.
- A specific strategy for each production material group is set up and the appropriate supplier panel is selected. This way we ensure the competitiveness and availability of the materials.
- For some materials, prices might have a long lead time until they become fully reflected in the cost of our final products.

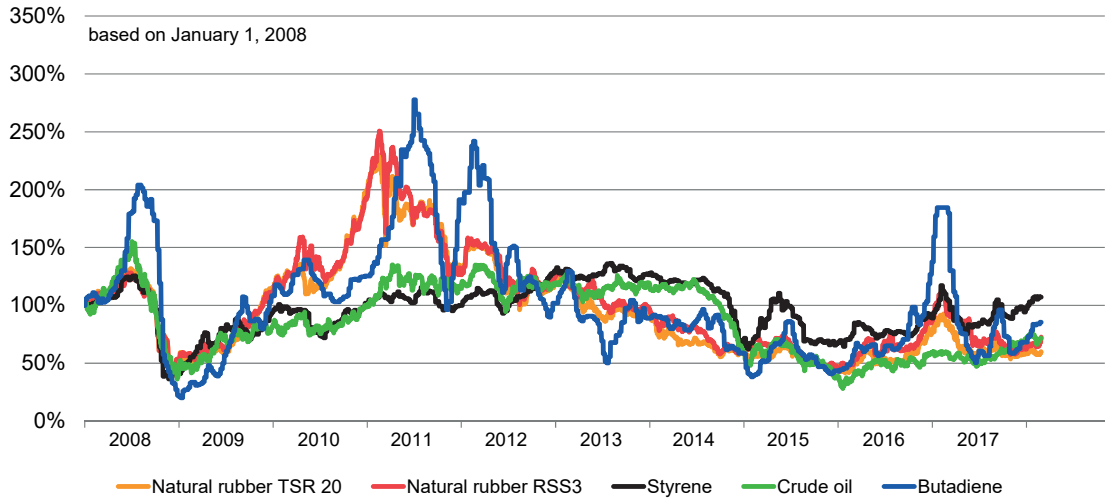


[1] *E.g. synthetic rubber, carbon black, chemicals.*
[2] *E.g. printed circuit boards, mechatronics, motors, components.*
[3] *E.g. stamped parts, engine system specific, forgings, bearings, fasteners.*
[4] *E.g. discrete/ standards, microcontroller, LCD.*
[5] *E.g. textiles, plastics.*

76

VI. Continental Corporation

Raw Material Prices



Sources:
Natural rubber: Rolling one-month contracts from the Singapore Exchange (U.S.$ cents per kg).
Crude oil: Europe Brent Forties Oseberg Ekofisk price from Bloomberg (U.S.$ per barrel).
Butadiene, styrene: South Korea export price (FOB) from PolymerUpdate.com (U.S.$ per metric ton).

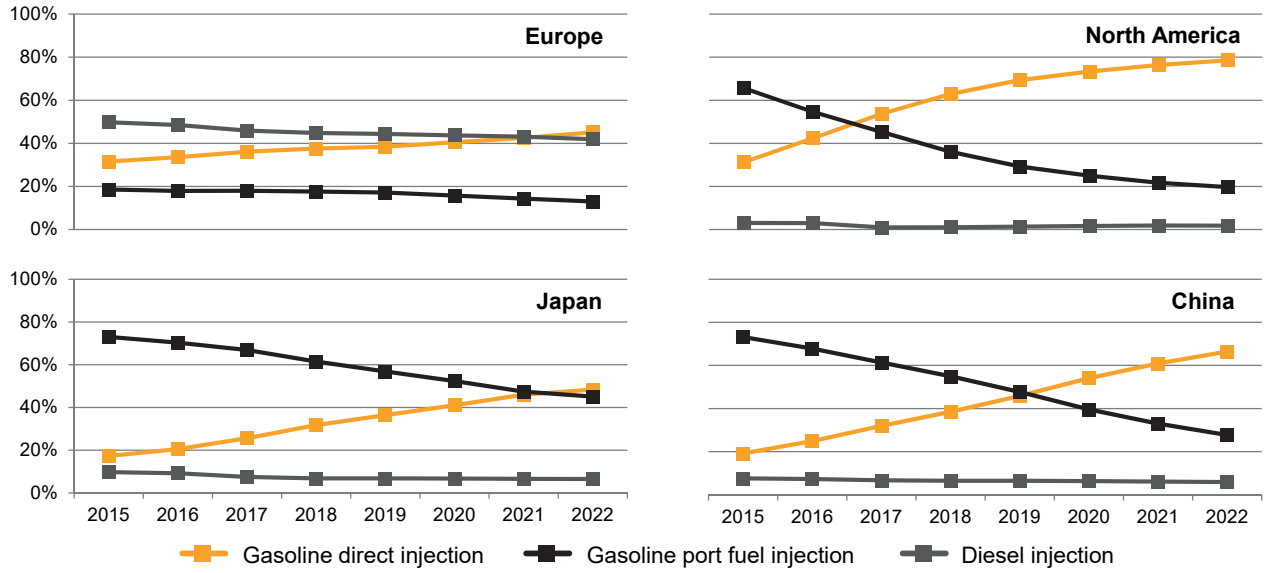
77

Topics

78

VII. Market Data

Installation Rates of Fuel Injection Systems[1]

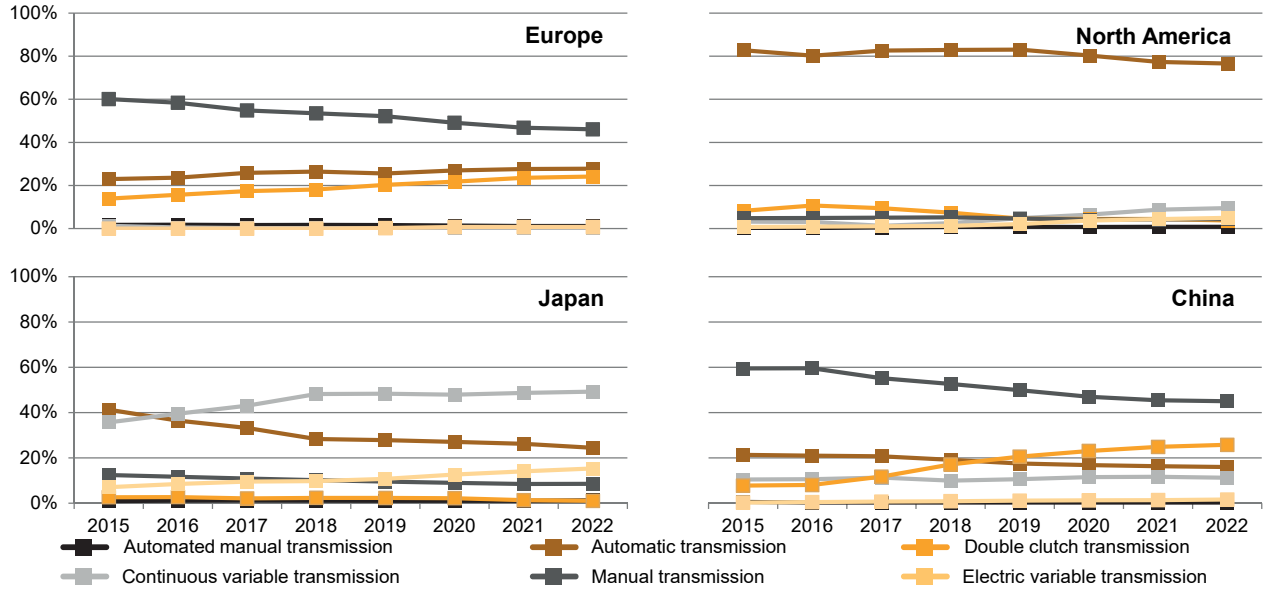


Source: Market data and Continental estimates.
[1] Based on production of diesel and gasoline engines for passenger cars and light vehicles.

79

VII. Market Data

Development of Transmissions Technologies[1]



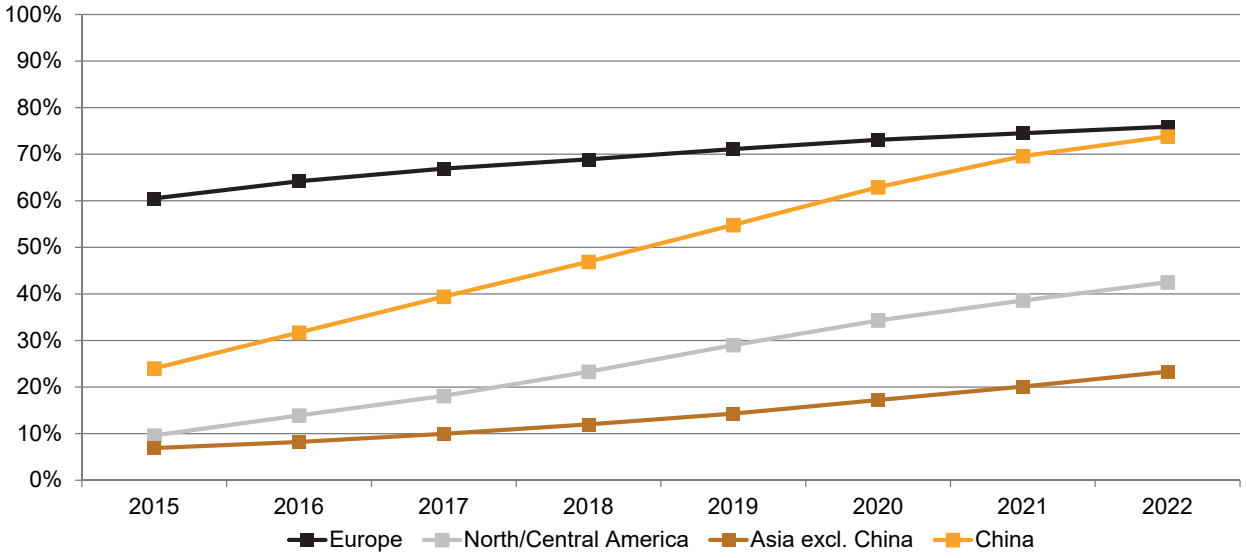
Source: Market data and Continental estimates.

[1] Based on production of transmissions for passenger cars and light vehicles.

80

VII. Market Data

Installation Rates of Turbochargers in Gasoline Engines

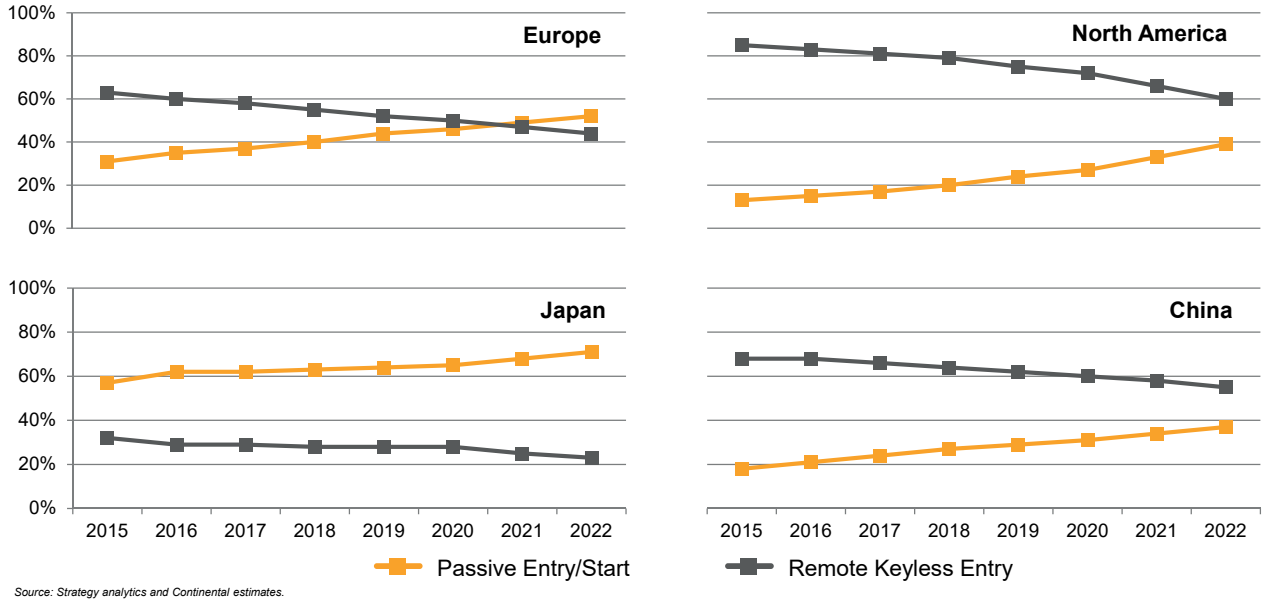


Source: IHS 01/2018.

81

VII. Market Data

Installation Rates of Keyless Entry Systems

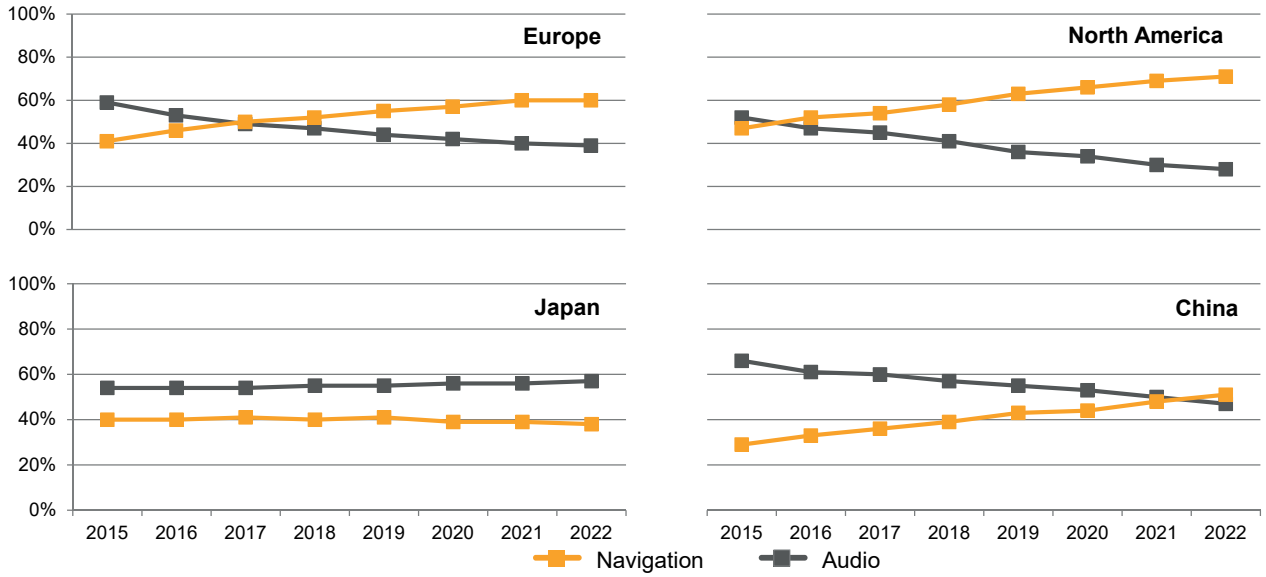


Source: Strategy analytics and Continental estimates.

82

VII. Market Data

Installation Rates of Multimedia Systems[1]

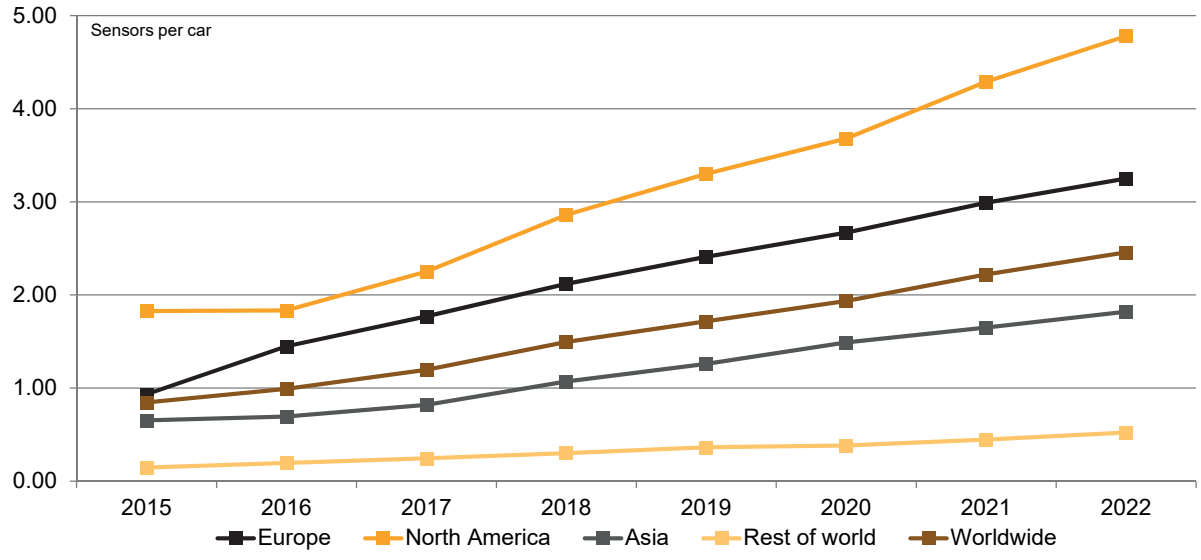


Source: Strategy Analytics, JD Powers, and Continental estimates.
[1] "Audio" refers to stand-alone radios, "Navigation" only to embedded navigation in the car, not connected navigation where e.g. a smartphone delivers navigation calculation and the screen of the car is used as a display.

83

VII. Market Data

Sensors per car of Advanced Driver Assistance Systems[1]

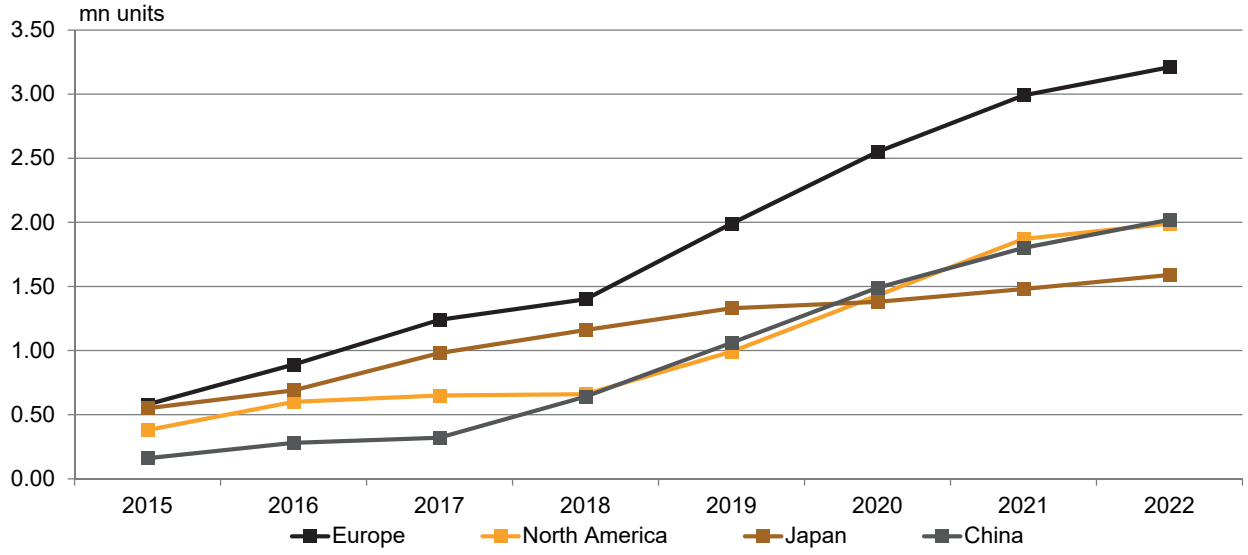


Source: Market data and Continental estimates.
[1] Market definition: Average amount of ADAS including sensing rear/surround view cameras but w/o parking assist functions based on ultrasonic sensors.
*Example: 2017 worldwide – Total number of produced cars: 95.1mn Average sensors per car: 1.20 95.1mn*1.20 = 114.1 mn*

84

VII. Market Data

Rising Volumes of Head-Up Displays



Source: Market data and Continental estimates.

85

VII. Market Data

Production of Passenger Cars and Light Commercial Vehicles (<6t)

mn units	2015	2016	2017	2018E
Europe[1]	**20.8**	**21.4**	**22.1**	**22.5**
North America	**17.5**	**17.8**	**17.1**	**16.8**
South America	**3.1**	**2.7**	**3.3**	**3.6**
Asia[2]	**46.4**	**50.0**	**51.5**	**52.5**
Other markets	**1.0**	**1.1**	**1.1**	**1.1**
Total	**88.8**	**93.1**	**95.1**	**96.5**

Source: IHS, January 2018 and Continental estimates.
[1] West, Central and East incl. Russia and Turkey.
[2] Asia including Kazakhstan, Uzbekistan, Middle East and Oceania with Australia.

86

VII. Market Data

Production of Medium and Heavy Commercial Vehicles (>6t)

tsd units	2015	2016	2017	2018E
Europe[1]	**609**	**606**	**660**	**673**
North America	**581**	**475**	**513**	**559**
South America	**106**	**85**	**102**	**112**
Asia[2]	**1,636**	**1,894**	**2,140**	**2,033**
Other markets	**0**	**0**	**0**	**0**
Total	**2,931**	**3,059**	**3,415**	**3,377**

Source: IHS, January 2018 and Continental estimates.
[1] West, Central and East incl. Russia and Turkey.
[2] Asia including Kazakhstan, Uzbekistan, Middle East and Oceania with Australia.

VII. Market Data

Replacement Tires – Passenger Cars and Light Commercial Vehicles (<6t)

mn units	2015	2016	2017	2018E
Europe	**328**	**340**	**351**	**358**
North America	**278**	**285**	**285**	**290**
South America	**65**	**66**	**73**	**76**
Asia	**409**	**431**	**453**	**475**
Other markets	**43**	**45**	**47**	**48**
Total	**1,123**	**1,168**	**1,208**	**1,247**

Source: LMC World Tyre Forecast Service, December 2017 and Continental estimates.

VII. Market Data

Replacement Tires – Medium and Heavy Commercial Vehicles (>6t)

mn units	2015	2016	2017	2018E
Europe	22.9	24.4	25.3	25.8
North Amercia	22.8	23.6	24.5	25.3
South America	13.5	13.7	15.7	16.4
Asia	83.5	86.6	89.2	91.0
Other markets	7.2	7.5	7.8	7.8
Total	149.8	155.8	162.5	166.3

Source: LMC World Tyre Forecast Service, December 2017 and Continental estimates.

89

Topics

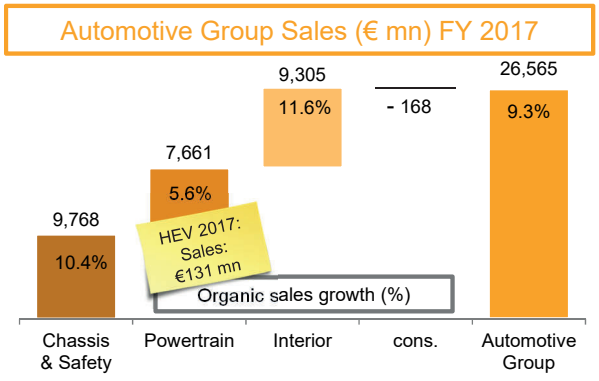
90

VIII. Automotive Group
Key Figures

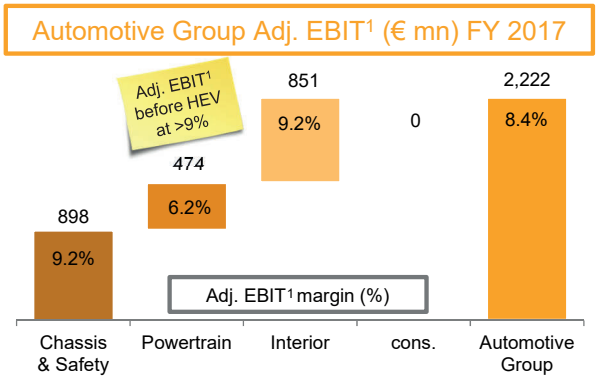
€ mn	2015	2016	2017
Sales	23,574.5	24,496.4	26,565.4
EBITDA	2,973.2	2,615.0	3,296.4
in % of sales	12.6	10.7	12.4
EBIT	2,014.4	1,526.6	2,086.8
in % of sales	8.5	6.2	7.9
EBIT adjusted[1]		1,613.4	2,222.1
in % of sales[1]		6.6	8.4
Operating assets (average)	11,237.5	11,978.3	12,874.1
ROCE	17.9	12.7	16.2
R, D & E expenses	2,097.2	2,430.9	2,675.5
in % of sales	8.9	9.9	10.1
Capex[2]	1,274.7	1,497.0	1,789.5
in % of sales	5.4	6.1	6.7
Depreciation and amortization[3]	958.8	1,088.4	1,209.6
in % of sales	4.1	4.4	4.6
thereof impairment[4]	0.7	21.4	37.3

[1] EBIT before amortization of intangible assets from PPA, consolidation and special effects; sales before changes in the scope of consolidation.
[2] Capital expenditure on property, plant and equipment, and software.
[3] Excluding impairment on financial investments.
[4] Impairment also includes necessary reversals of impairment losses.

VIII. Automotive Group
Sales and Adjusted EBIT[1] by Division



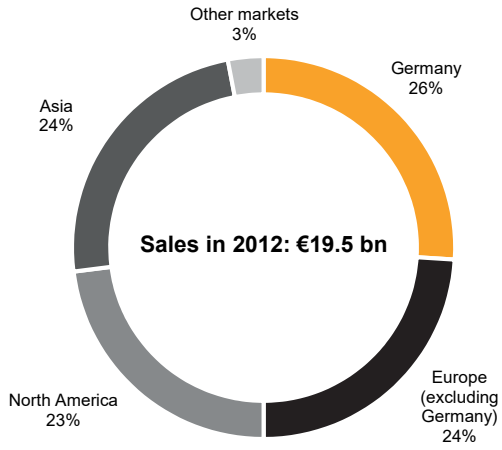
Reported Sales change
- Chassis & Safety: 8.8%
- Powertrain: 4.7%
- Interior: 11.8%
- Automotive Group: 8.4%

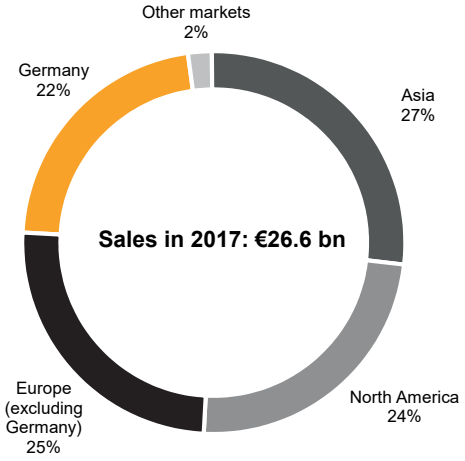


- Reported EBITDA: €3,296 mn (12.4% of sales)
- Reported EBIT: €2,087 mn (7.9% of sales)
- R&D (net): €2,676 mn (10.1% of sales)
- Capex: €1,790 mn (6.7% of sales)

[1] Before amortization of intangibles from PPA, consolidation and special effects.

VIII. Automotive Group
Sales by Market

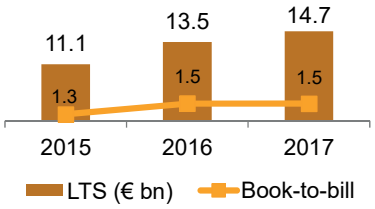


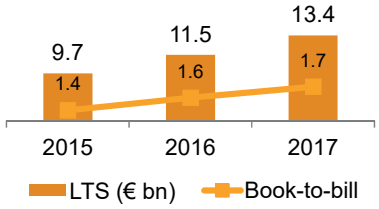


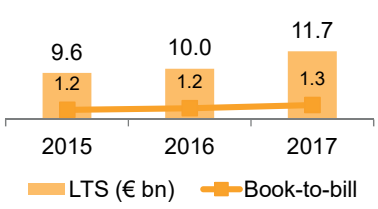
93

VIII. Automotive Group
Order Intake (LTS[1]) in the Automotive Group of Almost €40 bn in 2017

Chassis & Safety	Powertrain	Interior
› ADAS order intake at ~€3.5 bn[2] › VED book-to-bill at 1.6x mainly on new MK100 and MK C1 › More than 35% of the order intake was acquired outside of Europe and North America	› Engine Systems book-to-bill ratio at 1.4x › Sensors & Actuators book-to-bill ratio at 1.7x › Nearly all business units recorded an order intake above prior year level	› Overall solid order backlog with book-to-bill in IC and CVAM running at >1.7x › New orders acquired in ITS › 38% of order intake was acquired in Asia





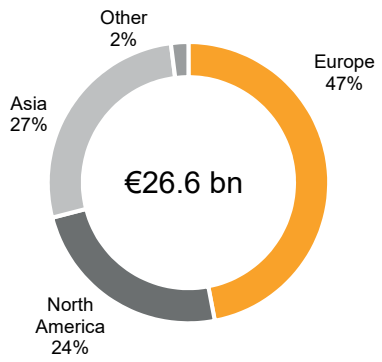


[1] LTS = Life Time Sales.
[2] Includes ADAS related CVAM business order intake.

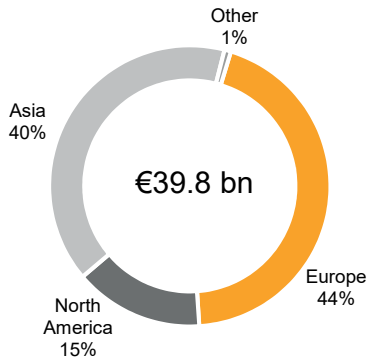
94

VIII. Automotive Group
Order Intake Well Balanced

Sales by market 2017



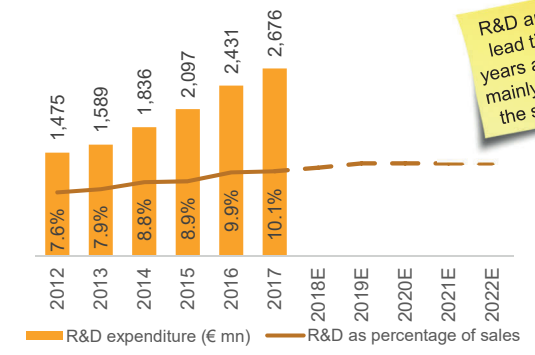
Order intake by market 2017



95

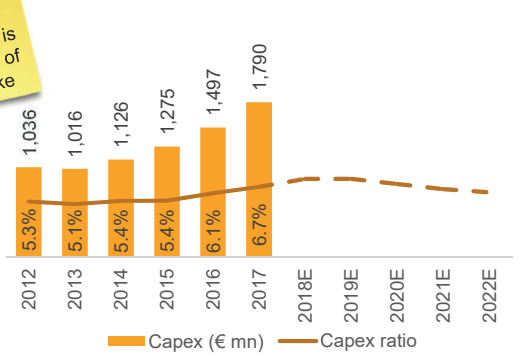
VIII. Automotive Group
Digitalization Causes Sustained High R&D and Capex

Automotive Group R&D (€ mn)



R&D and capex have a lead time of about 2-3 years and the increase is mainly a consequence of the strong order intake

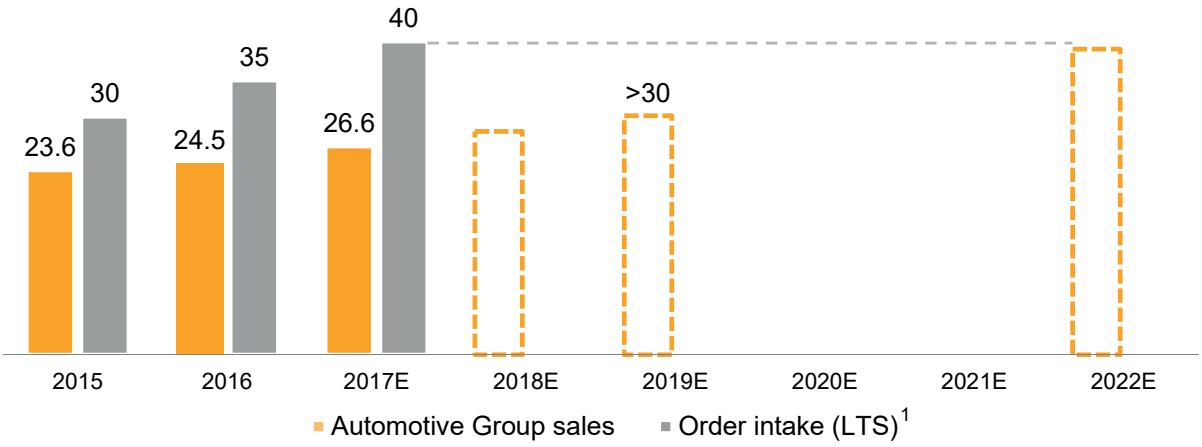
Automotive Group Capex (€ mn)



96

VIII. Automotive Group
Strong Order Intake Drives Sustainable Growth

Automotive Group: Strong Order Intake (€ bn)



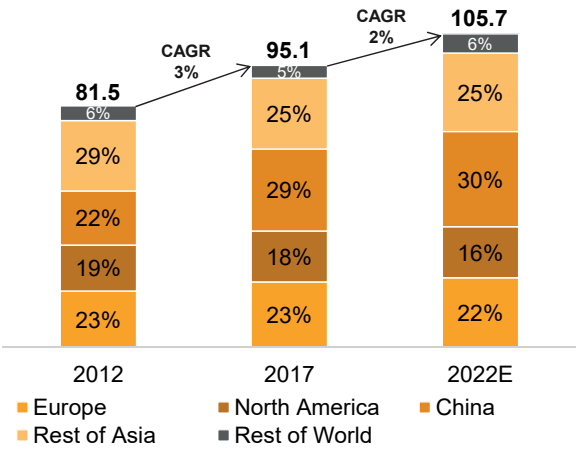
[1] Lifetime Sales.

97

VII. Automotive Group
Production of Passenger Cars and Light Trucks (<6t)

- Worldwide PC&LT production showed a CAGR 2012-17 of 3%
- IHS forecasts 2022E 105.7mn units (CAGR 2017-22 of 2%)
- China is the largest market for PC&LT vehicles produced. CAGR expected to slow to 3% in 2017-22E from 9% during 2012-2017
- Rest of Asia expected to grow 2017-22E at 2%
- Europe expected to grow 2017-22E at ~1%
- North America expected to stagnate (CAGR 2017-22E of 0.1%)

PC&LT[1] production (mn units)



Source: IHS, February 2018.
Europe incl. West, Central and Eastern Europe, Russia and Turkey.
Asia including Kazakhstan, Uzbekistan, Middle East and Oceania with Australia.
[1] Passenger car & light truck (<6t).

98

Topics

99

VIII. Chassis & Safety
Business Units and Key Products

Vehicle Dynamics

- Electronic Brake Systems
  - Passenger Cars / Motorcycles
  - ABS / ESC / oCB
- Software functions
  - Traction control
  - Adaptive cruise control
  - Regenerative brake system
  - Active front steering
  - Hill start assist
  - Hydraulic brake assist
  - Trailer stability assist
- Air Suspension systems

Hydraulic Brake Systems

- Calipers
- Drum brakes
- Brake hoses
- Boosters
- Tandem master cylinders
- Electric parking brakes
- Pedal modules
- Brake pressure regulators
- Washer systems

Passive Safety & Sensorics

- Integrated vehicle safety development, safety testing & validation
- Airbag control units / safety (domain) control units
- Crash sensors
- Inertial measurement units
- Chassis and driver intention sensors
- Battery and energy monitoring sensors
- Electronic components (1st tier customer)
- Wheel, engine and transmission speed sensors
- V2X-Communication
- Electronic Chassis Components

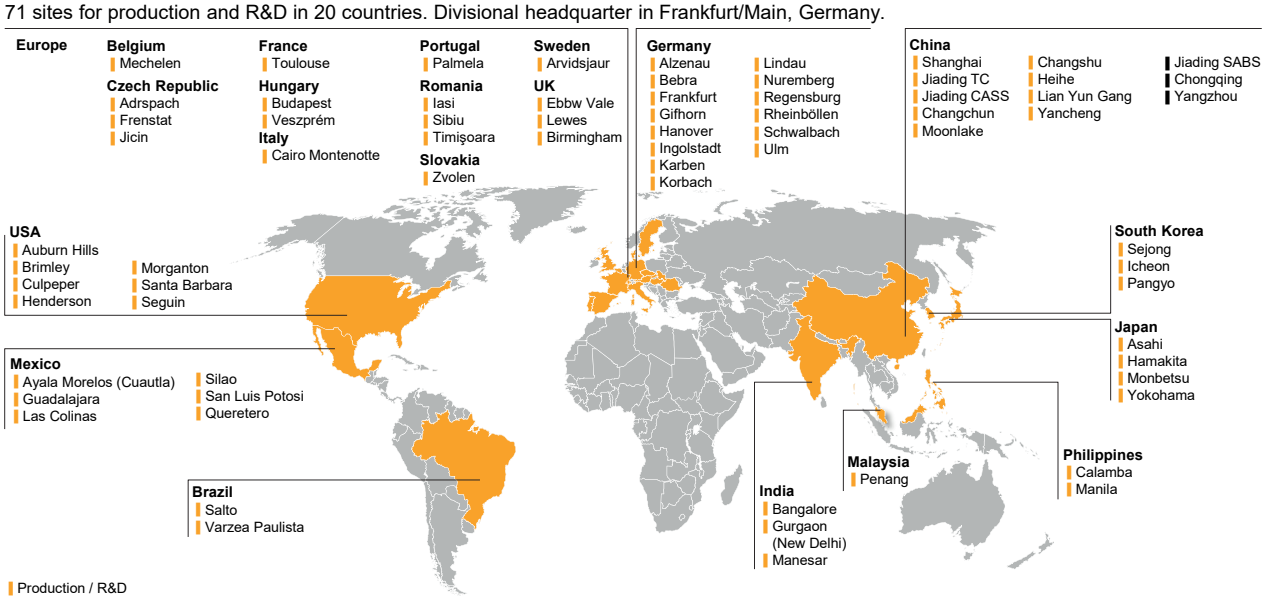
Advanced Driver Assistance Systems

- Sensors
  - Camera
  - Surround View
  - Long Range Radar
  - Short Range Radar
  - High Resolution Flash Lidar
  - Short Range Lidar
- ADCU
  - Assisted Driving Control Unit
  - Automated Driving Control Unit
- Driving Functions

100

VIII. Chassis & Safety
Locations Worldwide

71 sites for production and R&D in 20 countries. Divisional headquarter in Frankfurt/Main, Germany.



101

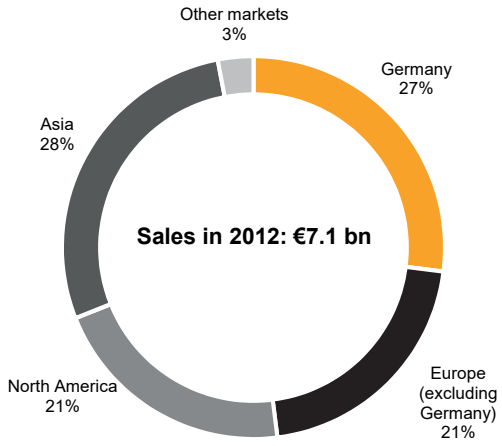
VIII. Chassis & Safety
Key Figures

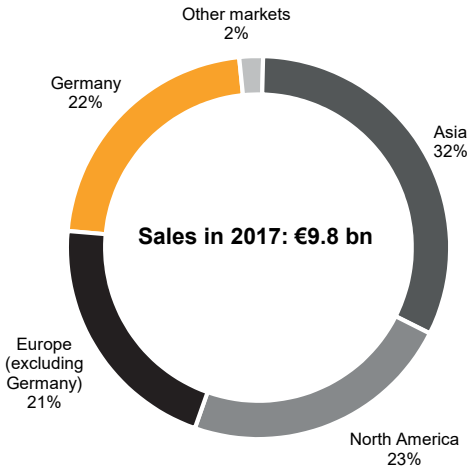
€ mn	2015	2016	2017
Sales	8,449.7	8,977.6	9,767.8
EBITDA	1,160.3	954.6	1,301.6
in % of sales	13.7	10.6	13.3
EBIT	814.3	580.8	897.7
in % of sales	9.6	6.5	9.2
EBIT adjusted[1]		582.6	898.1
in % of sales[1]		6.5	9.2
Operating assets (average)	4,277.7	4,448.7	4,519.6
ROCE	19.0	13.1	19.9
R, D & E expenses	691.2	773.4	913.8
in % of sales	8.2	8.6	9.4
Capex[2]	470.3	523.7	682.5
in % of sales	5.6	5.8	7.0
Depreciation and amortization[3]	346.0	373.8	403.9
in % of sales	4.1	4.2	4.1
thereof impairment[4]	-0.1	1.5	0.5

[1] *EBIT before amortization of intangible assets from PPA, consolidation and special effects; sales before changes in the scope of consolidation.*
[2] *Capital expenditure on property, plant and equipment, and software.*
[3] *Excluding impairment on financial investments.*
[4] *Impairment also includes necessary reversals of impairment losses.*

102

VIII. Chassis & Safety
Sales by Market





103

VIII. Chassis & Safety
Market-Specific Initiatives – Towards Safer Mobility (1)

EU

- **Electronic stability control (ESC)**
  - mandatory as of Nov. 2011 for all new types of vehicles
  - mandatory as of Nov. 2014 for all new vehicles[1]
- **Tire pressure monitoring system (TPMS)**
  - mandatory as of Nov. 2012 for all new types of passenger cars
  - mandatory as of Nov. 2014 for all new passenger cars[2]
- **Advanced emergency braking system and lane departure warning**
  - mandatory as of Nov. 2013 for all new types of heavy commercial vehicles and buses
  - mandatory as of Nov. 2015 for all new heavy commercial vehicles and buses[2]
- **Brake assist system**
  - mandatory as of Nov. 2009 for all new types of passenger cars
  - mandatory as of Nov. 2011 for all new passenger cars[3]
- **Motorcycle anti-lock brake system (ABS)**
  - mandatory as of Jan. 2016 for all new types of vehicles
  - mandatory as of Jan. 2017 for all new vehicles[4]

USA

- **Electronic stability control (ESC)**
  - mandatory since 2011 for all new light vehicles[5]
- **Tire pressure monitoring system (TPMS)**
  - mandatory as of Sept. 2007 for all new light vehicles[6]
- **Rear Visibility**
  - mandatory as of May 1, 2016 with a phase in schedule for all vehicles and low-speed vehicles with a gross vehicle weight rating (GVWR) of 10,000 pounds or less[12]
- **Electronic stability control (ESC)**
  - mandatory as of Jan. 2014 for all new types of light vehicles
  - mandatory as of Jan. 2016 for all new light vehicles[8]
- **Tire pressure monitoring system (TPMS)**
  - mandatory as of Jan. 2016 for all new types of light vehicles[8]

[1] Regulation (EC) No. 661/2009; refers to all vehicles of category M and N.
[2] Commission Implementation Regulations for (EC) No. 661/2009: 347/2012 (Advanced Emergency Braking Systems); 351/2012 (Lane Departure Warning).
[3] Regulation (EC) No. 78/2009; refers to passenger cars for maximum 8 passengers plus driver.
[4] COM(2010) 542 from Oct. 2010. ABS mandatory for motorcycles with engine capacity of > 125 ccm. ABS or combined brake system (CBS) mandatory for engine capacity of ≤125 ccm.

[5] Federal Motor Vehicle Safety Standard (FMVSS) No. 126 of the National Highway Traffic Safety Administration (NHTSA); refers to vehicles with a gross vehicle weight of ≤4.536 t.
[6] Federal Motor Vehicle Safety Standard (FMVSS) No. 138 of the National Highway Traffic Safety Administration (NHTSA); refers to vehicles with a gross vehicle weight of ≤4.536 t.
[7] Federal Motor Vehicle Safety Standards; Rear Visibility; Final Rule; 49 CFR Part 571.
[8] Russia Decree 720/2009; refers to passenger cars, buses with a weight of ≤ 5 t and light trucks with a weight of ≤ 3.5 t.

104

VIII. Chassis & Safety
Market-Specific Initiatives – Towards Safer Mobility (2)

Japan	Brazil	South Korea
› **Electronic stability control (ESC)** › mandatory as of Oct. 2012 for all new types of passenger cars › mandatory as of Oct. 2014 for all new passenger cars[1] › **Advanced emergency braking system** and **lane departure warning** › expected to be mandatory for all new heavy commercial vehicles and buses following the EU decision[2]	› **Anti-lock brake system (ABS)** › mandatory as of Jan. 2014 for all new passenger cars, after phase-in which began in 2010[3]	› **Electronic stability control (ESC)** › mandatory as of Jan. 2012 for all new light vehicles[4] › **Tire pressure monitoring system (TPMS)** › mandatory as of Jan. 2013 for all new passenger cars[4]

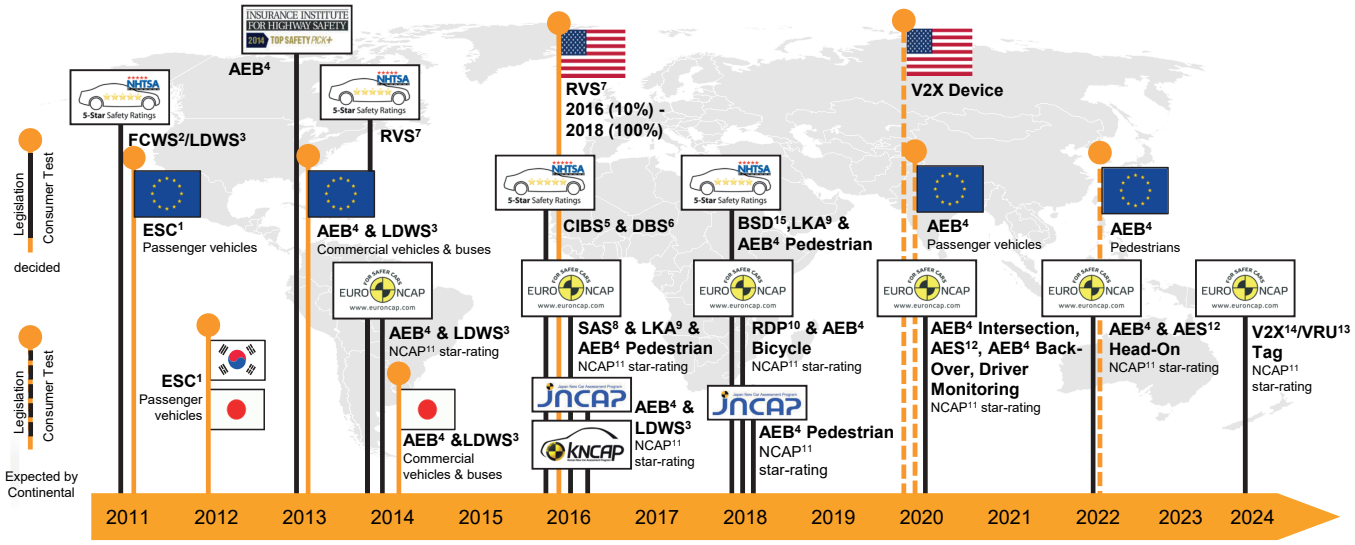
Other markets are following EU/USA on ESC and Motorcycle ABS regulation

› **Electronic stability control (ESC):** Australia (11/2011 for new car types, 11/2013 for all new cars), Turkey (02/2012 for new car types, 11/2014 for all new cars, 01/2015 for new heavy vehicle types, 01/2016 for all new heavy vehicles), New Zealand (07/2015 for all new cars), Malaysia (01/2016 for all new cars), Ecuador (01/2018 for new car types, 01/2020 for all new cars), Argentina (01/2018 for new car types , 01/2020 for all new cars), Brazil (01/2020 for new car types, 01/2022 for all new cars)

› **Motorcycle anti-lock brake system (ABS):** Brazil (01/2016: 10% of new motorcycles > 300ccm, ramping up until 01/2019: 100% of new motorcycles > 300ccm), India (04/2018 for new motorcycle types > 125ccm, 04/2019 for all new motorcycles > 125ccm, for motorcycles ≤ 125ccm same dates apply with requirement to have either ABS or a Combined Brake System)

[1] *Source: Ministry of Land, Infrastructure, Transport and Tourism (MLIT) in Japan.*
[2] *Japan expected to adopt EU regulation. Final decision on timing pending.*
[3] *CONTRAN 312/2009.*
[4] *G/TBT/N/KOR/286 and MLTM Notification 2010-631 (Ministry of Land, Transport and Maritime Affairs).*

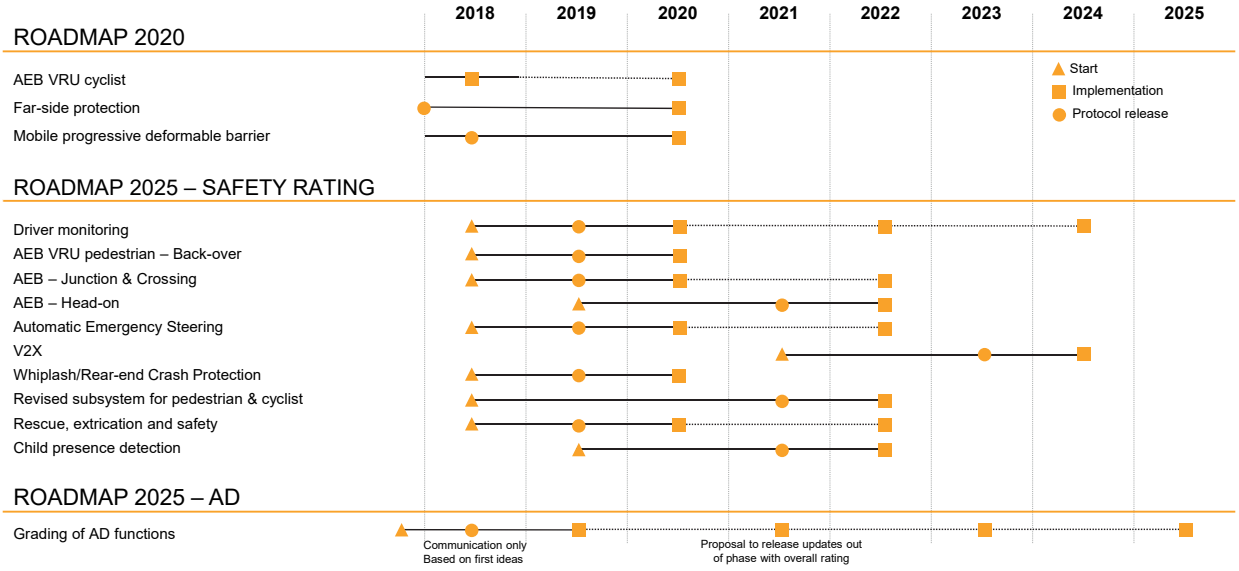
VIII. Chassis & Safety
Global Development of Active Safety Regulations & Ratings



[1] *ESC = Electronic Stability Control;* [2] *FCWS = Forward Collision Warning System;* [3] *LDWS = Lane Departure Warning System;* [4] *AEB(S) = Advanced Emergency Braking System;* [5] *CIBS = Crash Imminent Braking System;* [6] *DBS = Dynamic Brake Support;* [7] *RVS = Rearview Video System;* [8] *SAS = Speed Assist System;* [9] *LKA = Lane Keeping Assist;* [10] *RDP = Road Departure Protection;* [11] *NCAP = New Car Assessment Program;* [12] *AES = Advanced Emergency Steering;* [13] *VRU = Vulnerable Road User;* [14] *V2X = Vehicle to everything;* [15] *BSD = Blind Spot Detection.*

VIII. Chassis & Safety

NCAP Roadmap

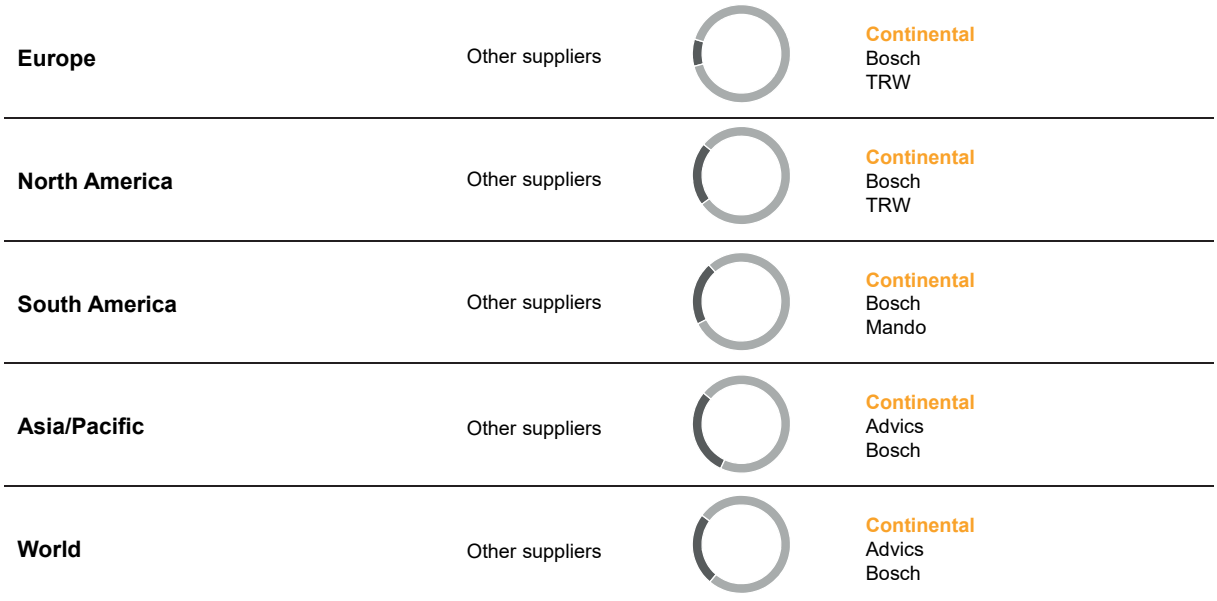


Source: https://cdn.euroncap.com/media/30700/euroncap-roadmap-2025-v4.pdf.

107

VIII. Chassis & Safety

Market Position Electronic Brake Systems in 2017



Source: Continental estimates.

108

VIII. Chassis & Safety

Market Position for Foundation Brake Systems in 2017

Europe	Other suppliers		**Continental** CBI TRW
North America	Other suppliers		**Continental** Akebono TRW
South America	Other suppliers		**Continental** CBI TRW
Asia/Pacific	Other suppliers		**Continental** Advics TRW
World	Other suppliers		**Continental** Advics TRW

Source: Continental estimates.

Market share of all suppliers other than top 3

109

VIII. Chassis & Safety

Market Position for Actuation in 2017

Europe	Other suppliers		**Continental** Bosch TRW
North America	Other suppliers		**Continental** Bosch TRW
South America	Other suppliers		**Continental** Bosch TRW
Asia/Pacific	Other suppliers		**Continental** Advics Bosch
World	Other suppliers		**Continental** Bosch TRW

Source: Continental estimates.

Market share of all suppliers other than top 3

110

VIII. Chassis & Safety

Market Position for Airbag Electronics in 2017

Europe	Other suppliers		**Continental** Autoliv Bosch
North America	Other suppliers		**Continental** Autoliv Bosch
South America	Other suppliers		**Continental** Autoliv Bosch
Asia/Pacific	Other suppliers		**Continental** Autoliv Denso
World	Other suppliers		**Continental** Autoliv Bosch

Source: Continental estimates.

Market share of all suppliers other than top 3

111

VIII. Chassis & Safety

Market Position for Advanced Driver Assistance Systems in 2017

Europe	Other suppliers		**Continental** Bosch Valeo
North America	Other suppliers		**Continental** Bosch Magna
Asia	Other suppliers		**Continental** Bosch Denso
World	Other suppliers		**Continental** Bosch Valeo

Source: Continental estimates.

Market share of all suppliers other than top 3

112

Topics

VIII. Powertrain
Business Units and Key Products

Engine Systems

Engine management passenger cars
- Diesel piezo common rail injection
- Gasoline direct and port fuel injection
- Alternative fuels
- Exhaust gas after-treatment

Engine management commercial vehicles
- Diesel piezo common rail injection
- Exhaust gas after-treatment

Engine management non-automotive

Turbocharger

Electrification and e-mobility
- On-board high voltage battery charger
- Wireless power transfer system
- Electric vehicle control units

Transmission

Transmission control units for automatic transmissions
- Step-AT, DCT, CVT, DHT, AMT

Transmission actuators
- Clutch, gearshift

Transmission sensors
- Sensorcluster

Electric transmission oil pumps

Shift-by-wire and ePark solutions

Micromobility electric drivetrains
- Pedelec drive unit

Hybrid Electric Vehicle

Power electronics

Electric motors

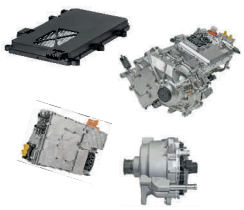
Electric axle drive

48V power electronics

48V drives

Battery management systems

Power net systems



Sensors & Actuators

Actuators for
- Thermal management
- Electric pumps
- Electric throttle
- Exhaust and emission
- General purpose

Exhaust and emission sensors for
- Exhaust gas
- Fluids: Oil level, fuel, UREA
- Temperature

Engine and transmission sensors
- Mass airflow
- Combustion
- Position
- Pressure

Vehicle access sensors

Fuel & Exhaust Management

Fuel delivery modules

Fuel level sensors

Fuel pumps

Electronics for fuel pump control
- Standalone & flange integrated

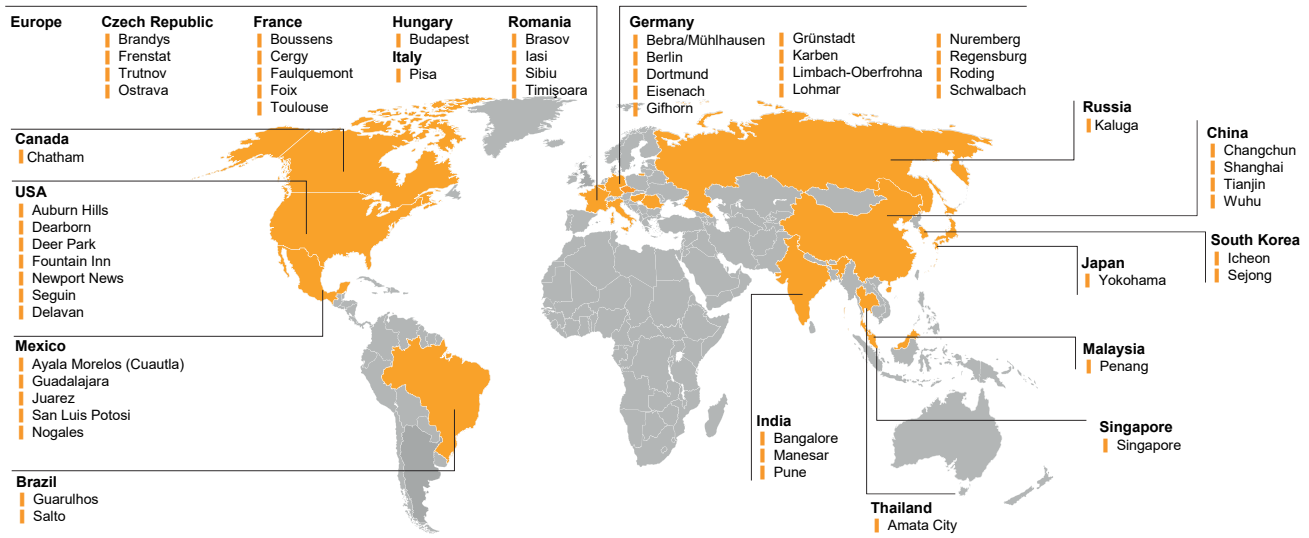
Fluid level sensor with sealed contact system

Exhaust aftertreatment
- Catalysts and filters
- Electronics
- SCR Urea extraction unit

Water delivery module

VIII. Powertrain
Locations Worldwide

57 sites for production and R&D in 18 countries. Divisional headquarters in Regensburg, Germany.



Locations shown might be shared with other Continental divisions.

115

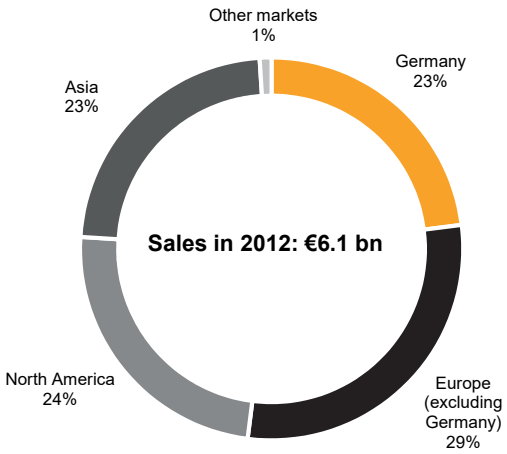
VIII. Powertrain
Key Figures

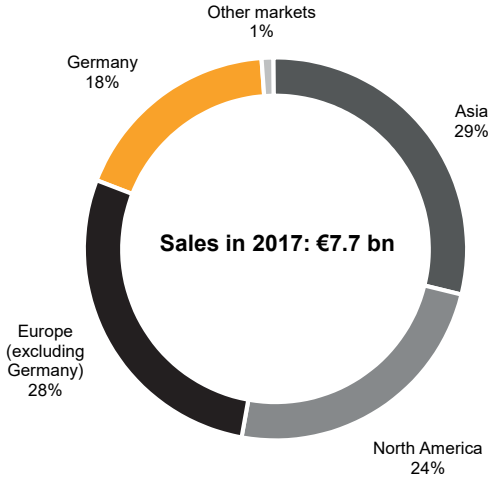
€ mn	2015	2016	2017
Sales	7,068.5	7,319.5	7,660.9
EBITDA	730.7	756.2	854.8
in % of sales	10.3	10.3	11.2
EBIT	395.6	378.0	439.9
in % of sales	5.6	5.2	5.7
EBIT adjusted[1]		398.1	473.5
in % of sales[1]		5.4	6.2
Operating assets (average)	2,767.8	3,015.8	3,325.6
ROCE	14.3	12.5	13.2
R, D & E expenses	708.7	701.5	699.0
in % of sales	10.0	9.6	9.1
Capex[2]	468.4	544.4	653.7
in % of sales	6.6	7.4	8.5
Depreciation and amortization[3]	335.1	378.2	414.9
in % of sales	4.7	5.2	5.4
thereof impairment[4]	0.5	8.3	18.6

[1] *EBIT before amortization of intangible assets from PPA, consolidation and special effects; sales before changes in the scope of consolidation.*
[2] *Capital expenditure on property, plant and equipment, and software.*
[3] *Excluding impairment on financial investments.*
[4] *Impairment also includes necessary reversals of impairment losses.*

116

VIII. Powertrain
Sales by Market





117

VIII. Powertrain
Initiatives in EU, USA and Japan – Targeting Lower CO_2 Emissions

EU[1]

EU vehicle CO_2 emissions targets are enacted:

- Average CO_2 emission target for new **passenger car** registrations:
  - 130 g/km* (2015-2019)
  - 95 g/km from 2020[2] onwards
- Average CO_2 emission target for new **light commercial vehicle** registrations:
  - 175 g/km (2017-2019)
  - 147 g/km from 2020 onwards
- Excess emissions premium for non compliance with fleet targets is defined
- For PCs and LCVs further reductions of 15%/30% are proposed for 2025/2030[3]

Test cycle: NEDC (New European Driving Cycle)
* Gram per kilometer.

USA[4,5]

Enacted CAFE[6] regulation defines fuel economy standards for vehicles:

- **For passenger cars and light trucks** combined, CAFE[6] targets to improve overall fleet average to:
  - 35.5 mpg* by 2016
  - 54.5 mpg* by 2025
- CAFE[6] mandates annual fuel economy improvements
- For non compliance with CAFE[6] targets penalties are defined

Test cycle: Federal test procedure/Highway Fuel Economy Test)
* Miles per gallon.

Japan[7]

ECCJ[8] aims to improve fuel efficiency standards by 23.5% 2015 vs. 2004:

- For **passenger cars**, the aim is to increase average fuel efficiency to:
  - 20.3 km/l by 2020 (JC08/WLTC)
- For **light commercial vehicles (GVW <3.5t),** the aim is to increase average fuel efficiency to:
  - 17.9 km/l by 2020 (JC08/WLTC)
- For **medium / heavy-duty vehicles (GVW>3.5t)**, proposed new fuel efficiency standard[9]:
  - Trucks: 7.63 km/l by 2025
  - Buses: 6.52 km/l by 2025

Emerging markets likely to follow Europe/USA/Japan on fuel efficiency standards

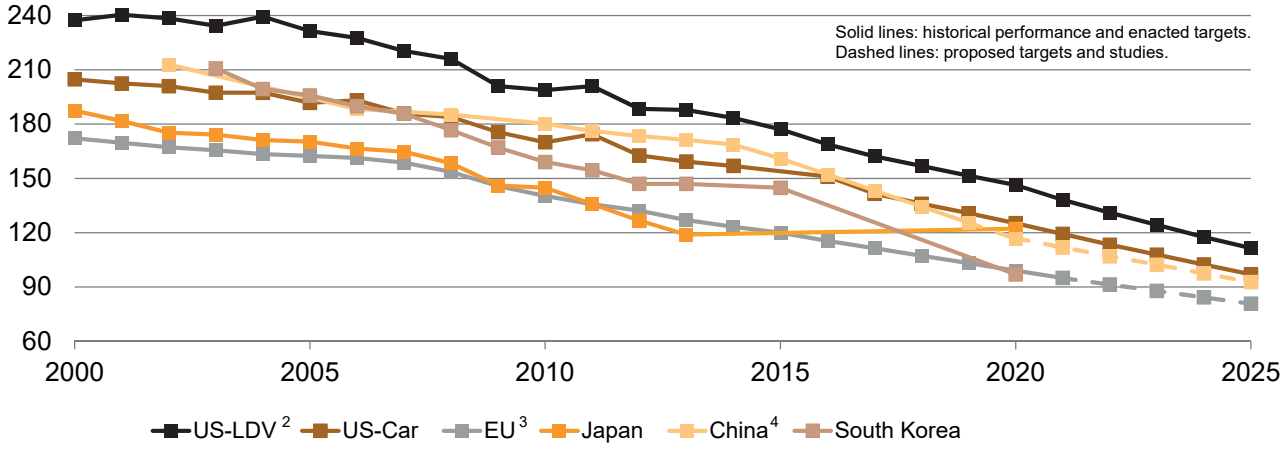
[1] *Regulations (EC) No. 443/2009 and (EU) No. 510/2011.*
[2] *2020: 95% of fleet; 2021: 100% of fleet.*
[3] *https://ec.europa.eu/clima/policies/transport/vehicles/proposal_en.*
[4] *US Federal Register (May 7th, 2010): Light-Duty Vehicle Greenhouse "Gas Emission" Standards and Corporate Average Fuel Economy Standards; Final Rule.*
[5] *US Federal Register (Oct. 15th, 2012): 2017 and Later Model Year Light-Duty Vehicle Greenhouse Gas Emissions and Corporate Average Fuel Economy Standards; Final Rule.*
[6] *CAFE: Corporate Average Fuel Economy.*
[7] *Refers to "Act on the Rational Use of Energy" of the Ministry of Economics, Trade and Industry (METI), Ministry of Land, Infrastructure, Transport and Tourism (MLIT).*
[8] *ECCJ: Energy Conservation Center Japan.*
[9] *http://www.meti.go.jp/english/press/2017/1212_001.html.*

118

VIII. Powertrain

Initiatives for Cleaner Mobility in Various Markets

Gram CO_2 per kilometer, normalized to NEDC[1]



Source: International Council on Clean Transportation (ICCT), as at February 2016.
Due to different test procedures (U.S. CAFE, NEDC, JC08 and WLTC) the ICCT updated the set of conversion factors.
[1] New European Driving Cycle.
[2] US light-duty vehicles include light commercial vehicles.
[3] In 2020 mandatory for 95% of the OEMs' fleets. As of 2021 mandatory for 100%.
[4] China's target reflects a gasoline fleet scenario. With other fuel types included, the target would be lower.

VIII. Powertrain

Market Position for Diesel Injection Systems[1] in 2017

Europe	Other suppliers		**Continental** Bosch Delphi
Asia/Pacific	**Continental** Other suppliers		Bosch Delphi Denso
World	**Continental** Other suppliers		Bosch Delphi Denso

Source: Continental estimates.
[1] For passenger cars and light trucks.

■ Market share of all suppliers other than top 3

VIII. Powertrain

Market Position for Gasoline Injection Systems[1] in 2017

Europe	Other suppliers		**Continental** Bosch Denso
North America	Other suppliers		**Continental** Bosch Denso
South America	**Continental** Other suppliers		Bosch Delphi Magneti Marelli
Asia/Pacific	Other suppliers		**Continental** Bosch Denso
World	Other suppliers		**Continental** Bosch Denso

Source: Continental estimates.
[1] For passenger cars and light trucks.

Market share of all suppliers other than top 3

121

VIII. Powertrain

Market Position for Transmission Control Units[1] in 2017

Europe	Other suppliers		**Continental** Aisin Bosch
North America	Other suppliers		**Continental** Bosch Hitachi
Asia/Pacific	Other suppliers		**Continental** Denso Hitachi
World	Other suppliers		**Continental** Bosch Denso

Source: Continental estimates.
[1] For passenger cars and light trucks.

Market share of all suppliers other than top 3

122

Topics

VIII. Interior

Business Units and Key Products

Instrumentation & Driver HMI

- Instrument clusters
- Full digital clusters
- Integrated Interior Platform
- Display solutions
- Head-up displays
- Haptic controls
- Interior cameras

Infotainment & Connectivity

- Radios
- Infotainment
- Connectivity and telematics
- Software and connected solutions

Intelligent Transportation Systems

- Key as a service
- In-car data as a service
- Map data and solutions
- City data as a service

Body & Security

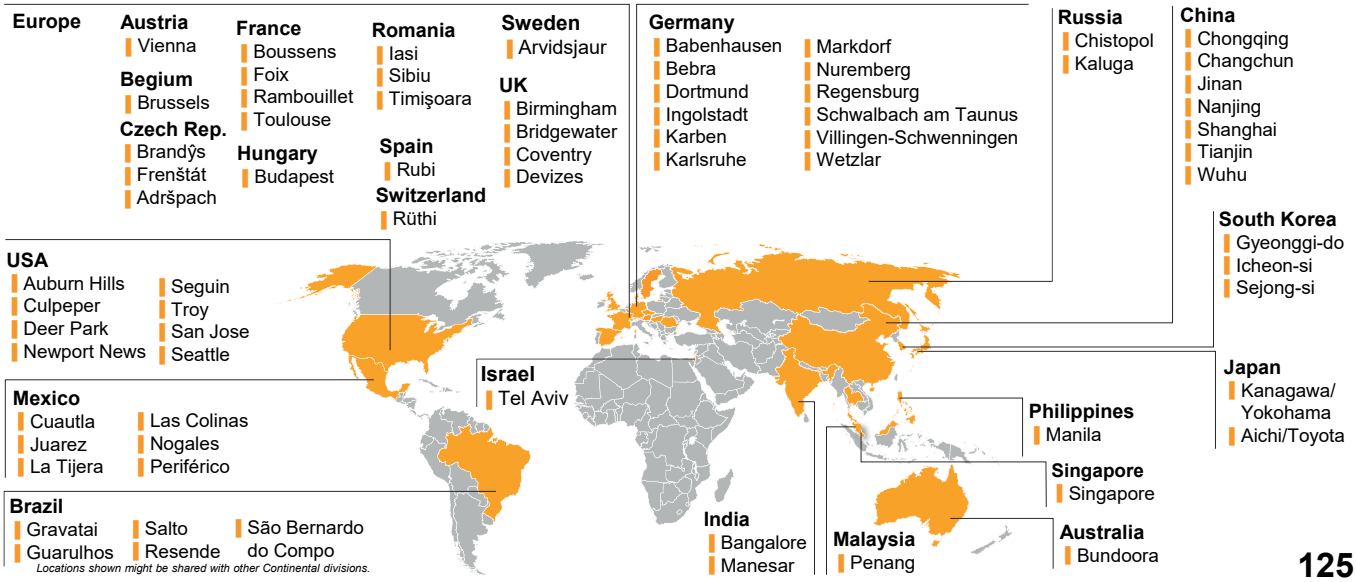
- Body control modules
- Access control systems
- Power closures
- Door control units
- Intelligent glass control
- Seat comfort systems
- Tire information systems
- Gateways
- Power stabilization
- Lighting control units
- Intelligent antenna modules
- Smart device integration

Commercial Vehicles & Aftermarket

- Fleet management services
- Tachographs, telematics and services
- Visual and haptic human-machine interface
- Chassis, body, and transmission electronics
- Spare parts, wear parts, tools, services, and multi-brand vehicle diagnostics for the independent aftermarket, as well as diagnostics and services for vehicle manufacturers
- Original equipment services

VIII. Interior
Locations Worldwide

78 sites for production and R&D in 25 countries. Divisional headquarters in Regensburg, Germany.



Locations shown might be shared with other Continental divisions.

125

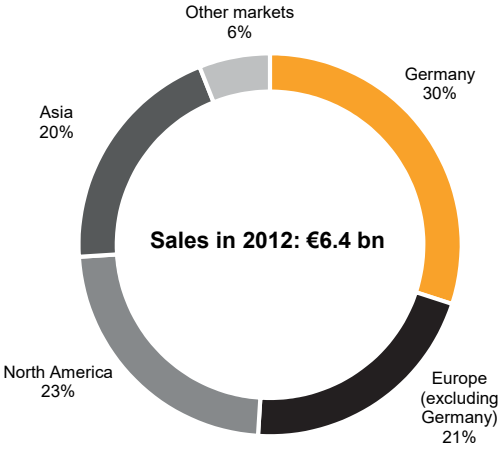
VIII. Interior
Key Figures

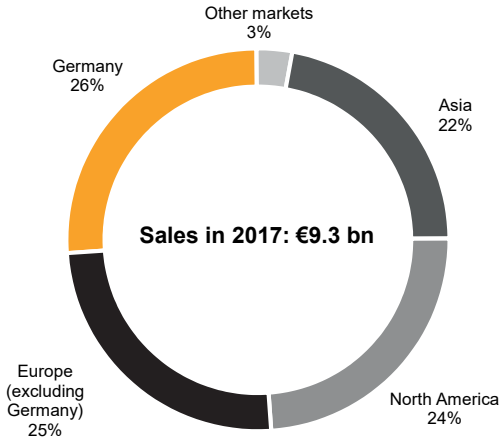
€ mn	2015	2016	2017
Sales	8,154.8	8,324.7	9,305.2
EBITDA	1,082.2	904.2	1,140.0
in % of sales	13.3	10.9	12.3
EBIT	804.5	567.8	749.2
in % of sales	9.9	6.8	8.1
EBIT adjusted[1]		632.7	850.5
in % of sales[1]		7.6	9.2
Operating assets (average)	4,192.0	4,513.8	5,028.9
ROCE	19.2	12.6	14.9
R, D & E expenses	697.3	956.0	1,062.7
in % of sales	8.6	11.5	11.4
Capex[2]	336.0	428.9	453.3
in % of sales	4.1	5.2	4.9
Depreciation and amortization[3]	277.7	336.4	390.8
in % of sales	3.4	4.0	4.2
thereof impairment[4]	0.3	11.6	18.2

[1] *EBIT before amortization of intangible assets from PPA, consolidation and special effects; sales before changes in the scope of consolidation.*
[2] *Capital expenditure on property, plant and equipment, and software.*
[3] *Excluding impairment on financial investments.*
[4] *Impairment also includes necessary reversals of impairment losses.*

126

VIII. Interior
Sales by Market





VIII. Interior
Examples of Market-Specific Initiatives and Projects

Holistic Connectivity

- Connectivity (telematics, IAM, connected gateways)
- High speed connection (5G solutions)
- Infotainment (multimedia)
- Digital tachographs (DTCO)
- Cyber security (Argus)
- Systems integration (E2E)

Holistic HMI

- Information systems (Integrated Interior Platform)
- Cutting edge HMI (FDC, Augmented Reality HUD)
- Assist and warning functions (Digital companion)

Services

- Fleet services (TIS Web, Zonar)
- Map/road services (eHorizon)
- Key as a service (OTA keys)
- Smart city (Quantum Inventions)
- Service backend (Continental.cloud)

Several initiatives at e.g.:
- *ITS = Intelligent Transportation Systems.*
- *ERTICO = European road transport telematics implementation coordination organisation.*
- *Ongoing programs and field tests in Asia, America and Europe, e.g. Japan, Singapore, Germany, France.*

IAM = Intelligent Antenna Module.
HMI = Human Machine Interface.
FDC = Full Digital Cluster.

E2E = End to End.
OTA = Over The Air.
HUD = Head-Up Display.

VIII. Interior

VDA Agreement – Data Usage Categories

Category 1	Category 2	Category 3a	Category 3b	Category 4
Data for improved traffic safety	**Data for cross brand service**	**Data for brand specific services**	**Data for component analysis and product improvement**	**Personal Data**
Traffic safety relevant data	None differentiating vehicle data	Vehicle data differentiating and IP relevant for OEM	Vehicle data differentiating and IP relevant for OEM and supplier	"Right of access" granted only to the parties authorized to process data by law, contract or consent
Data for e.g. public traffic management institutions	Non-discriminatory data access to third parties[2,3]	OEM or Partner on OEMs behalf	OEM or Partner on OEMs behalf	Customer selected partner
Fire Department, Police, 911…	**Product**	**Dealer, Subsidiary**	**Product**	**Customer**

The customer[1] will be informed of data usage and OEMs will provide the customer with decision options which the customer can reserve at any time, unless the function is required by law.

[1] *The term customer is used uniformly and is to be interpreted broadly. Depending on the context, it comparises drivers, owners and users.*
[2] *Participation and technical adaption of the vehicle cannot be demanded of the OEM.*
[3] *The guiding priciples are to be observed when using the defined data interface. Use of the interface incorporates rights and obligations.*

VIII. Interior

Market Position for Body & Security in 2017

Source: Continental estimates.

Market share of all suppliers other than top 3

VIII. Interior

Market Position for Instrumentation & Driver HMI[1] in 2017

Europe	Other suppliers		**Continental** Bosch Visteon
North America	Other suppliers		**Continental** Nippon Seiki Visteon
South America	Other suppliers		**Continental** Magneti M. Visteon
Asia/Pacific	Other suppliers		**Continental** Denso Visteon
World	Other suppliers		**Continental** Denso Visteon

Source: Continental estimates.

[1] Excluding cockpit modules.

■ Market share of all suppliers other than top 3

131

VIII. Interior

Market Position for Infotainment & Connectivity in 2017

Europe	Other suppliers		**Continental** Harman LG
North America	**Continental** Other suppliers		Bosch Harman Panasonic
South America	Other suppliers		**Continental** Alpine Harman
Asia/Pacific	**Continental** Other suppliers		Harman Mobis Panasonic
World	Other suppliers		**Continental** Harman Panasonic

Source: Continental estimates.

■ Market share of all suppliers other than top 3

132

VIII. Interior

Market Position for Commercial Vehicles[1] in 2017

Europe	Other suppliers		**Continental** Stoneridge Wabco
North America	Other suppliers		**Continental** Stoneridge Phoenix
South America	Other suppliers		**Continental** Bosch Wabco
Asia/Pacific	Other suppliers		**Continental** DETC Yazaki
World	Other suppliers		**Continental** Stoneridge Yazaki

Source: Continental estimates.
[1] Market shares for commercial vehicle business as described in BU structure excluding automotive aftermarket.

■ Market share of all suppliers other than top 3

133

Topics

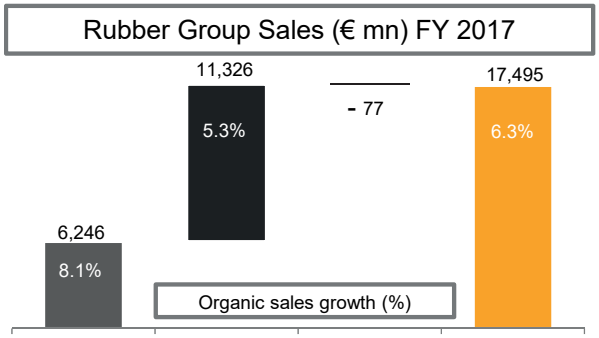
134

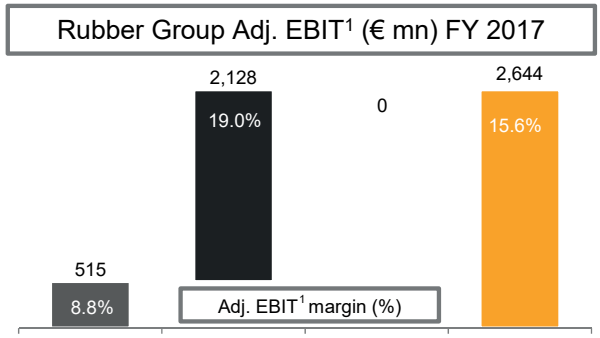
IX. Rubber Group
Key Figures

€ mn	2015	2016	2017
Sales	15,704.6	16,097.6	17,494.7
EBITDA	3,181.5	3,559.6	3,499.6
in % of sales	20.3	22.1	20.0
EBIT	2,255.8	2,688.6	2,593.5
in % of sales	14.4	16.7	14.8
EBIT adjusted[1]		2,815.8	2,643.6
in % of sales[1]		17.5	15.6
Operating assets (average)	8,556.6	8,561.4	9,325.1
ROCE	26.4	31.4	27.8
R, D & E expenses	352.4	380.6	428.2
in % of sales	2.2	2.4	2.4
Capex[2]	903.4	1,094.1	1,060.2
in % of sales	5.8	6.8	6.1
Depreciation and amortization[3]	925.7	871.0	906.1
in % of sales	5.9	5.4	5.2
thereof impairment[4]	92.9	37.2	2.9

[1] EBIT before amortization of intangible assets from PPA, consolidation and special effects; sales before changes in the scope of consolidation.
[2] Capital expenditure on property, plant and equipment, and software.
[3] Excluding impairment on financial investments.
[4] Impairment also includes necessary reversals of impairment losses.

IX. Rubber Group
Sales and Adjusted EBIT[1] by Division



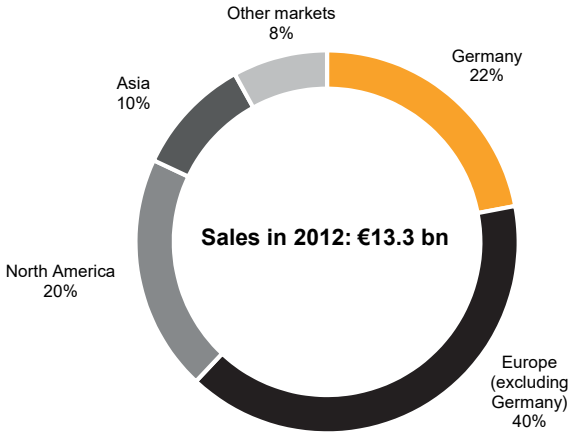


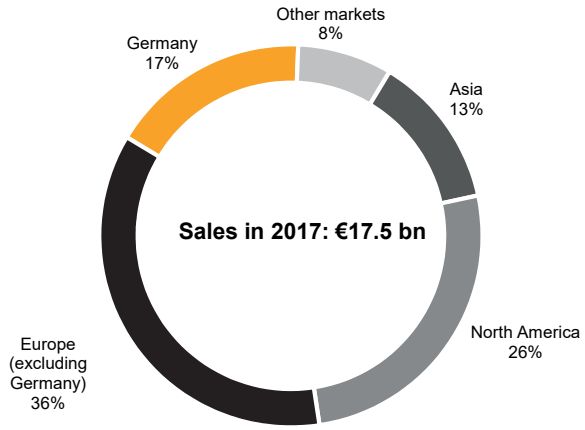
Reported sales change
- ContiTech: 14.4%
- Tires: 5.7%
- Rubber Group: 8.7%

- Reported EBITDA: €3,500 mn (20.0% of sales)
- Reported EBIT: €2,594 mn (14.8% of sales)
- R&D (net): €428 mn (2.4% of sales)
- Capex: €1,060 mn (6.1% of sales)

[1] Before amortization of intangibles from PPA, consolidation and special effects.

IX. Rubber Group
Sales by Market



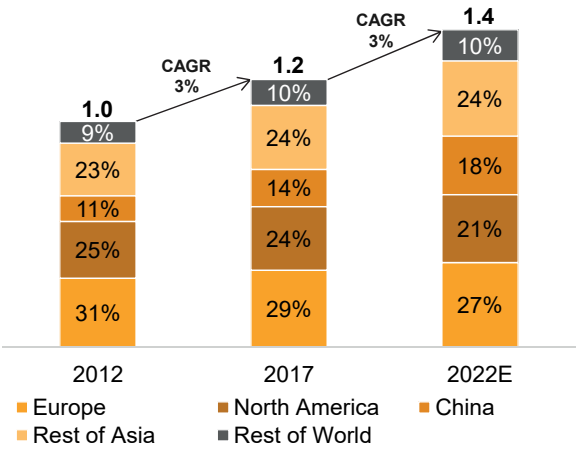


137

IX. Rubber Group
Growth Opportunities – Demand for PC&LT Replacement Tires

- Global replacement tire market to continue to grow with a CAGR of 3% from 2017 to 2022E
- Europe to stay the largest replacement tire market by volume; CAGR expected to stay at 2% from 2017 to 2022E
- North America expected to expand at a slightly lower pace of 1% from 2017 to 2022E (vs. 2% from 2012 to 2017)
- China expected to show a CAGR of ~10% from 2017 to 2022E (vs. 8% from 2012 to 2017)

PC&LT[1] Replacement Tires (bn units)

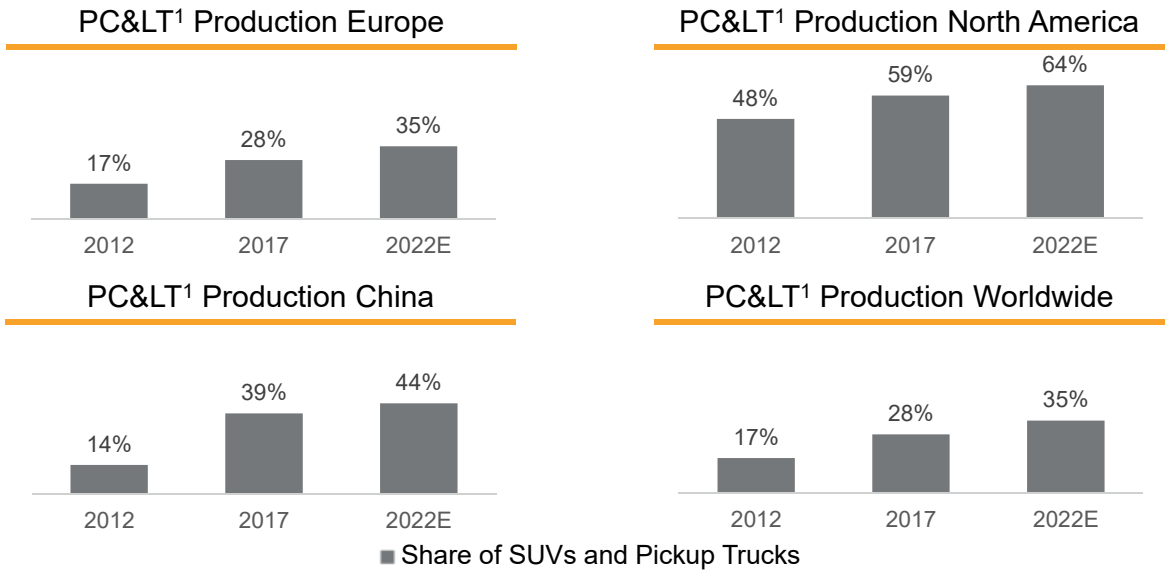


Source: LMC, December 2017.
[1] Passenger car & light truck (<6t).

138

IX. Rubber Group

Growth Opportunities – Improving Tire Mix due to Rising SUV & Pickup Share

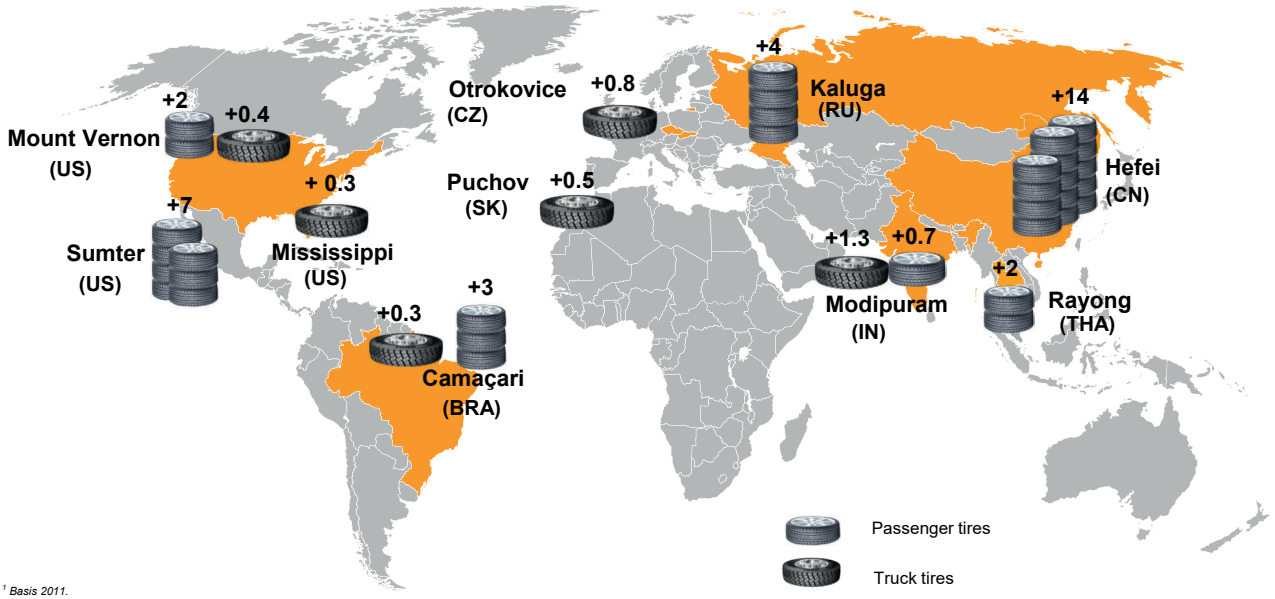


[1] Passenger car & light truck (<6t). Source: IHS, February 2018.

139

IX. Rubber Group

Additional Tire Production Capacity of around 37mn[1] Units by 2020/21



[1] Basis 2011.

140

IX. Rubber Group
Update on 2025 Strategy

Stage 1: 2001 – 2010

Create Value

- Global footprint and business optimized
- Strong cost focus
- Global presence of CVT sustained (SA/APAC)
- Turnaround of PLT business in North America region succeeded
- Worldwide technology gap to competition closed

Stage 2: 2011 – 2015

Sustain Value

- Accelerated global growth (focus BRIC countries)
- Leverage cost position
- Improved technology position to establish among "Best In Class"

Stage 3: 2016 – 2025

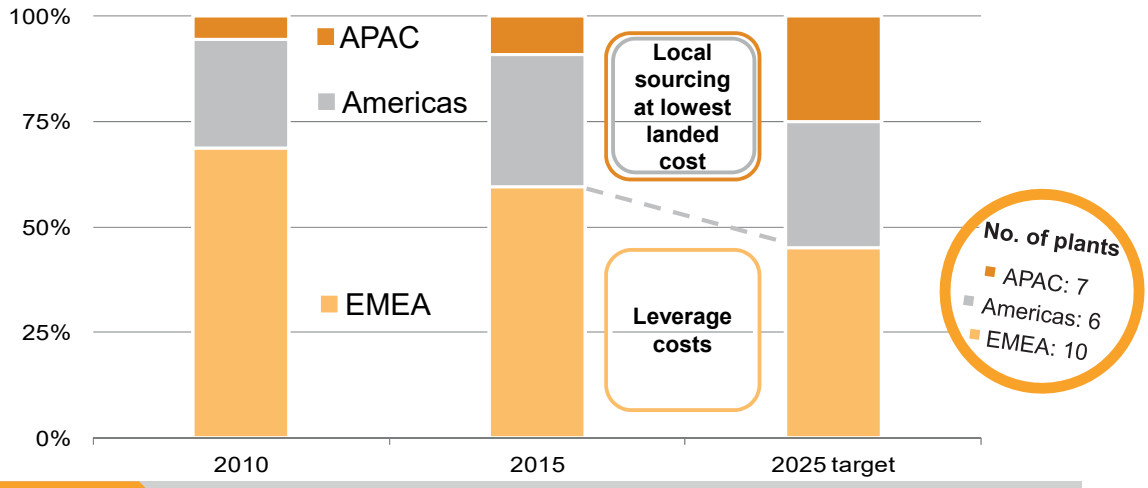
Enhance Value

- Balance the global footprint
- Benefit from excellent cost position
- Achieve podium position in technology worldwide
- Improve brand awareness further
- Rank among the top 3 globally

Continuous value creation is our driving force!

141

IX. Rubber Group
Balanced Global Manufacturing Footprint

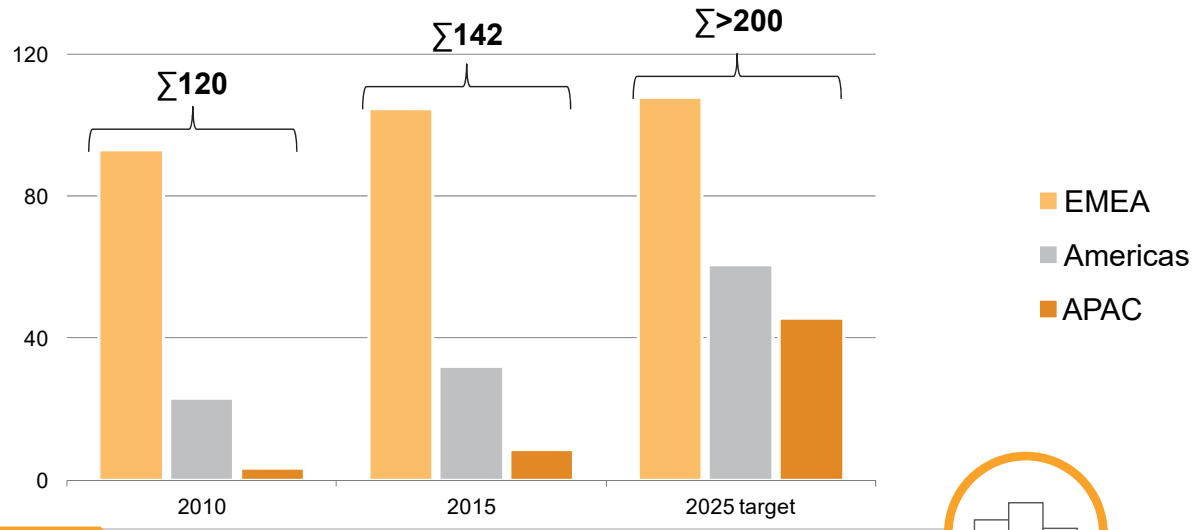


2025 Local sourcing at competitive landed cost

142

IX. Rubber Group

Strategy 2025: Globalize Growth (mn units)[1]

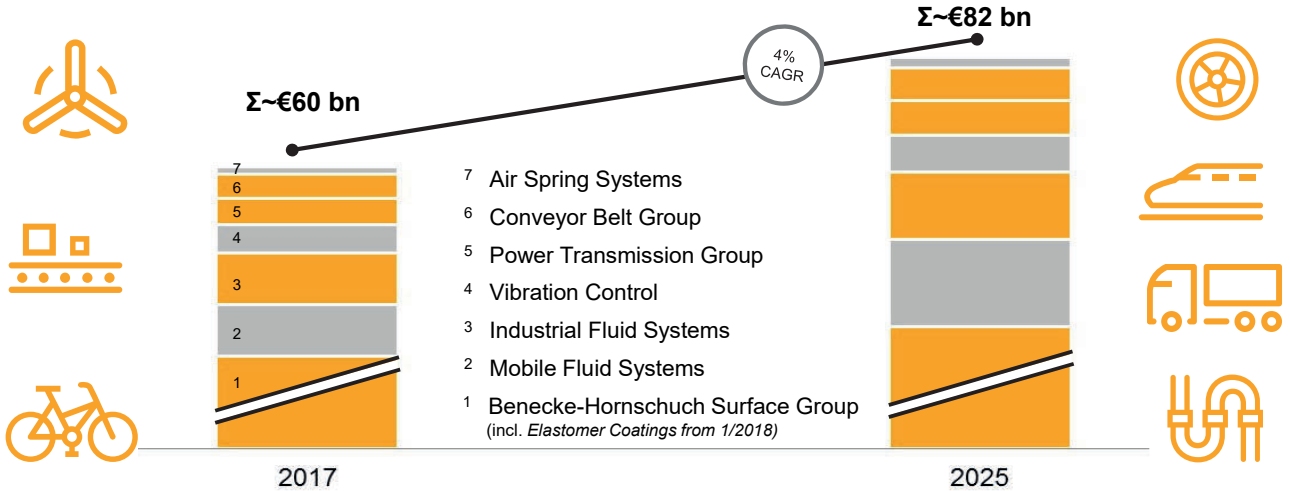


2025 Continental's growth to outperform global market

[1] *Continental global production capacity of PC&LT and CV tires.*

IX. Rubber Group

Relevant Market and Growth Opportunities for ContiTech Products



Balanced portfolio of OE Automotive and Non-OE Automotive businesses

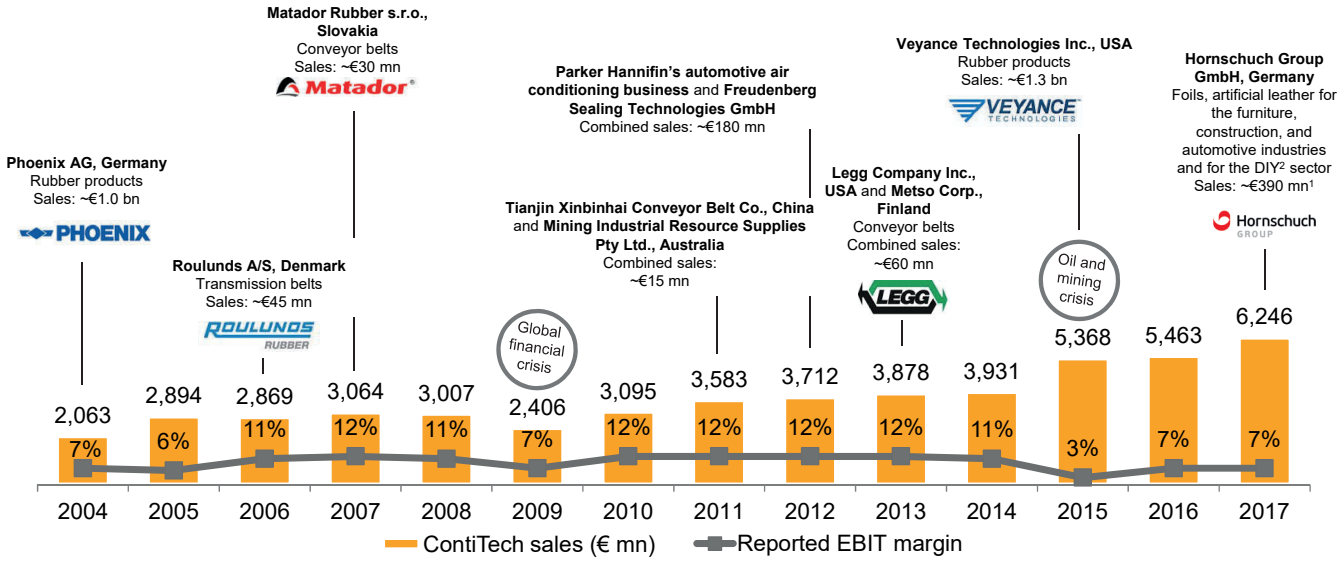
Growth through volume and (added) value[1] expansion of products

Source: Market data and Continental estimates.

[1] *Additional sales driven by servitization and software.*

IX. Rubber Group

Strong Track Record of Acquiring and Integrating Operations



All sales of acquisitions shown are pro forma sales in the year of the acquisition. *¹ Incorporated starting March 1, 2017.* *² Do It Yourself.*

145

Topics

146

IX. Tires
Business Units and Tire Brands

PLT Original Equipment	PLT Replacement EMEA	PLT Replacement The Americas	PLT Replacement APAC	CVT Truck Tires EMEA	CVT Truck Tires The Americas	CVT Truck Tires APAC	CVT Commercial Specialty Tires	Two Wheel Tires
Tires for: › Compact, medium-size and full-size cars › 4x4 and SUVs › Vans, light trucks and recreational vehicles				Tires, services and solutions for customer segments: › Goods › People › Construction			Tires, services and solutions for the app-lications: Material handling, Agriculture and Earthmoving	Tires and tubes for Bicycles and Motorcycles
								
Ext. mobility systems: › SSR › Minispares › Conti MobilityKit › ContiSeal › ContiSilent	1 UNIROYAL, SEMPERIT, GENERAL TIRE, Gislaved, Barum, Matador, VIKING, MABOR	GENERAL TIRE, Euzkadi, Gislaved, SEMPERIT, Barum, VIKING Racing Tires only: Hoosier Racing Tire	2 GENERAL TIRE, 3 4 VIKING, Gislaved, DUNLOP, SIMEX, Matador	GENERAL TIRE, SEMPERIT, UNIROYAL, Barum, Matador	GENERAL TIRE, Euzkadi, Ameri Steel, Barum	GENERAL TIRE, SEMPERIT	GENERAL TIRE, Barum, SIMEX, NOVUM, ASTRUM blue	3 DUNLOP

– – – Segmentation into Premium, Quality and Budget.
[1] Except North America, Colombia, Peru.
[2] Only in Australia and Taiwan.
[3] Trademark rights for Malaysia, Singapore and Brunei.
[4] Only in Australia, China, Malaysia and Taiwan.

147

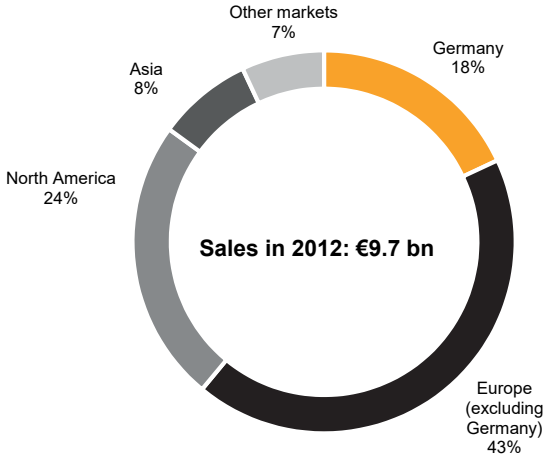
IX. Tires
Key Figures

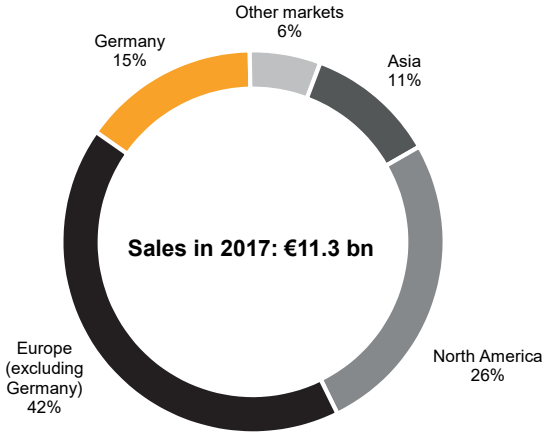
€ mn	2015	2016	2017
Sales	10,408.8	10,717.4	11,325.8
EBITDA	2,604.3	2,828.7	2,748.7
in % of sales	25.0	26.4	24.3
EBIT	2,085.2	2,289.4	2,151.3
in % of sales	20.0	21.4	19.0
EBIT adjusted[1]		2,296.6	2,128.2
in % of sales[1]		21.4	19.0
Operating assets (average)	5,322.2	5,612.7	6,143.0
ROCE	39.2	40.8	35.0
R, D & E expenses	244.9	260.9	289.8
in % of sales	2.4	2.4	2.6
Capex[2]	658.2	882.1	847.0
in % of sales	6.3	8.2	7.5
Depreciation and amortization[3]	519.1	539.3	597.4
in % of sales	5.0	5.0	5.3
thereof impairment[4]	6.8	0.2	0.5

[1] EBIT before amortization of intangible assets from PPA, consolidation and special effects; sales before changes in the scope of consolidation.
[2] Capital expenditure on property, plant and equipment, and software.
[3] Excluding impairment on financial investments.
[4] Impairment also includes necessary reversals of impairment losses.

148

IX. Tires
Sales by Market





149

IX. Tires
Winter Tire Regulations[1]

Europe: Winter Tires Mandatory or Situationally Mandatory

Austria	November 1 to April 15 when winter weather conditions prevail
Bosnia and Herzegovina	November 15 to April 15 when winter weather conditions prevail
Bulgaria	Mandatory when winter weather conditions prevail
Czech Republic	November 1 to March 31
Estonia	December 1 to end of February
Finland	December 1 to end of February
Germany	Mandatory when winter weather conditions prevail (tire produced from 1.1.18 must be marked with snowflake symbol)
Iceland	November 15 to April 1
Latvia	December 1 to end of February
Lithuania	November 1 to April 1
Luxembourg	Mandatory when winter weather conditions prevail
Macedonia	November 15 to March 15 when winter weather conditions prevail
Norway	Mandatory when winter weather conditions prevail; November 15 to March 31 for trucks
Romania	November 1 to March 31
Russia	December 1 to February 28
Serbia	November 1 to April 1
Slovakia	November 15 to March 31 when roads are snowy/icy
Slovenia	November 15 to March 15 when winter weather conditions prevail
Sweden	December 1 to March 31 when winter weather conditions prevail
Turkey	December 1 to April 1 for commercially used vehicles
Ukraine	November 1 to March 31

Europe: Winter Tires Partly Mandatory

France, Italy, Spain	Mandatory on certain roads, marked with signs
Switzerland	Drivers may be held liable, if they cause an accident with summer tires mounted when winter weather conditions prevail

Canada: Winter Tires Partly Mandatory

Canada	Mandatory in Québec December 15 to March 15; mandatory on certain roads in the mountains of Canada when winter weather conditions prevail

The snowflake symbol: a tire can be marked with this symbol (in addition to the M+S[2] marking), if its braking or traction performance on snow exceeds that of a standard reference tire by a certain margin.

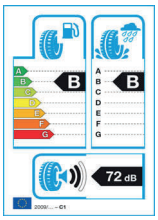
[1] *Source: Continental AG and websites of country ministries, automobile associations and ETRMA (European Tyre and Rubber Manufacturers' Association).*
[2] *Mud + snow. The M+S marking is given by the manufacturer and is not linked to a performance definition.*

150

IX. Tires

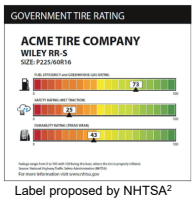
Tire Labeling Initiatives in Europe, USA, Japan, South Korea and Brazil

EU[1]



- Mandatory since November 2012
- Applies to all tires sold
- Information to be shown: **rolling resistance** (fuel efficiency), **wet grip** (braking performance on wet roads) and **noise performance** (external rolling noise). Either directly on the tire by means of a label or in some other way
- Self-certification policy
- EU member states are responsible for market surveillance

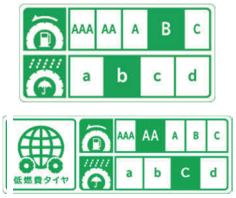
USA[2]



Label proposed by NHTSA[2]

- Final decision pending
- The NHTSA Tire Fuel Efficiency Consumer Information Program proposes to inform consumers about the effect of tires on **fuel efficiency, safety**, and **durability**
- The program aims to implement a national tire fuel efficiency rating system for replacement tires, with the information provided to consumers at the point of sale and online

Japan[3]



- Voluntary since 2010
- Introduced by JATMA[3]
- Applies to replacement summer tires for passenger cars; includes information on **rolling resistance** and **wet grip** performance
- Tires with a grading of A and above for rolling resistance performance are defined as “fuel efficient tires” and are marked with an additional symbol (the lower of the symbols above)

South Korea[4]

- Mandatory since November 2012
- Introduced by MKE[4]
- Applies to all tires sold in South Korea (OE and replacement) for passenger cars and light trucks; includes information on **rolling resistance** and **wet grip** performance
- The label has to be attached to the tread of each tire; for OE tires the information has to be provided in the car manual
- Registration of all products required

Brazil[5]

- Available as of April 2015
- Mandatory as of October 2016
- Introduced by INMETRO[5]
- Applies to all tires sold (with certain exceptions). Includes information on **rolling resistance, wet grip** and **noise** performance
- Certification to be carried out by a product certification body accredited by INMETRO

[1] *Regulation (EC) No.1222/2009 of the European Parliament and of the Council and Commission Regulations (EU) No. 228/2011 and (EU) No.1235/2011. Also implemented in Norway, Switzerland, Turkey, Israel.*
[2] *Source: National Highway Traffic Safety Administration (NHTSA).*
[3] *Source: Japan Automobile Tyre Manufacturers Association (JATMA).*
[4] *Source: South Korean Ministry of Knowledge Economy (MKE).*
[5] *Source: National Institute of Metrology, Quality and Technology (INMETRO).*

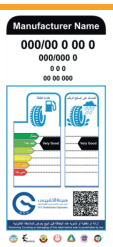
IX. Tires

Tire Labeling Initiatives in Gulf Countries and China

Saudi Arabia[1]

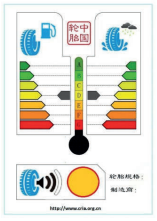
- Mandatory since November 2015 (truck tires as of Nov 2016)
- Applies to all replacement tires
- Information to be shown: **rolling resistance** (fuel efficiency) and **wet grip** (braking performance on wet roads)
  Directly on the tire by means of a label
- Registration of all products required

Gulf Countries[2]



- Mandatory since January 2016 (light truck and truck tires as of Jan 2017)
- Applies to all replacement tires
- Information to be shown: **rolling resistance** (fuel efficiency) and **wet grip** (braking performance on wet roads)
  Directly on the tire by means of a label
- Registration of all products required

China[3]



- Voluntary as of 2017
- Introduced by CRIA[3]
- Applies to all replacement tires for passenger cars
- Information to be shown: **rolling resistance** (fuel efficiency), **wet grip** (braking performance on wet roads) and **noise performance** (external rolling noise)

Source:
[1] *Saudi Standards, Metrology and Quality Organization Standard 2857/2015, SASO.*
[2] *Standardization Organization of the Gulf Cooperation Council Countries, GSO.*
[3] *Chinese Rubber Industry Association (CRIA).*

IX. Passenger and Light Truck Tires

Market Share for Passenger and Light Truck Tires[1] in 2017

Europe[2]	Other suppliers		**Continental** Goodyear/Sumitomo[3] Michelin
North America	**Continental** Other suppliers		Bridgestone/Firestone Goodyear Michelin

Source: Continental estimates.
[1] Replacement.
[2] Western and Central Europe including Turkey.
[3] Dissolving of alliance in October 2015.

■ Market share of all suppliers other than top 3

IX. Commercial Vehicle Tires

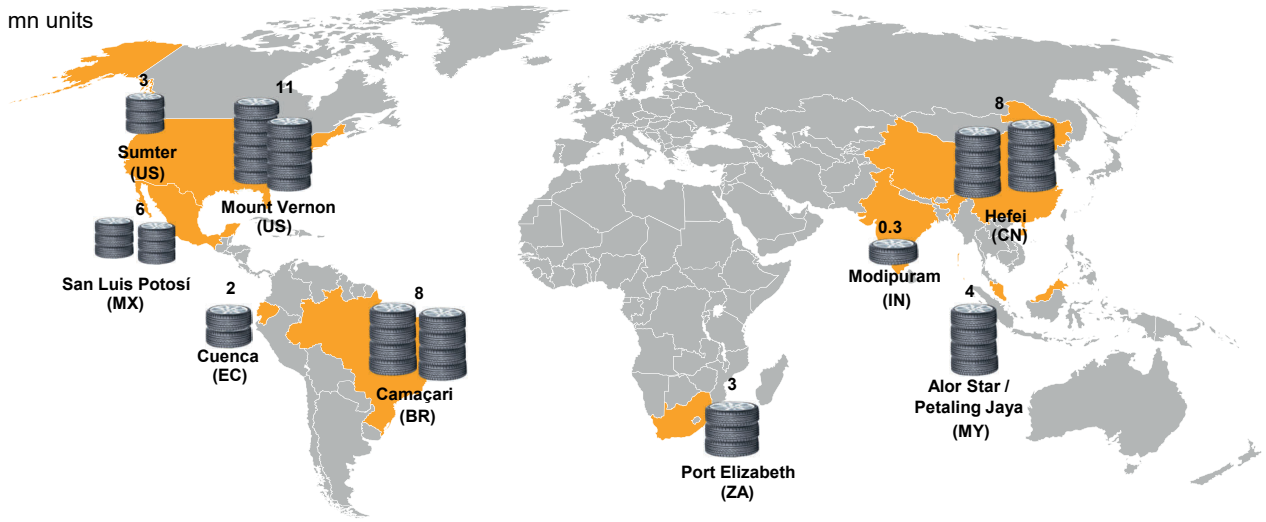
Market Share for Truck Tires[1] in 2017

Europe[2]	**Continental** Other suppliers		Bridgestone/Firestone Goodyear/Sumitomo[3] Michelin
North America	**Continental** Other suppliers		Bridgestone/Firestone Goodyear Michelin

Source: Continental estimates.
[1] Replacement.
[2] Western and Central Europe including Turkey.
[3] Dissolving of alliance in October 2015.

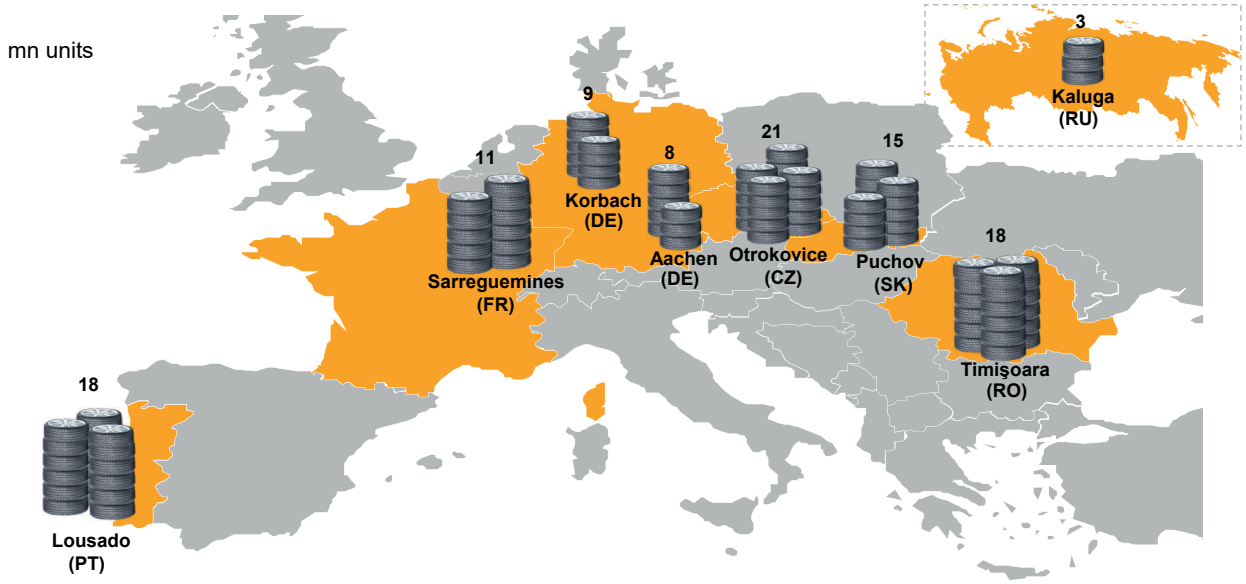
■ Market share of all suppliers other than top 3

IX. Passenger and Light Truck Tires
Continental Worldwide PLT Production in 2017[1]



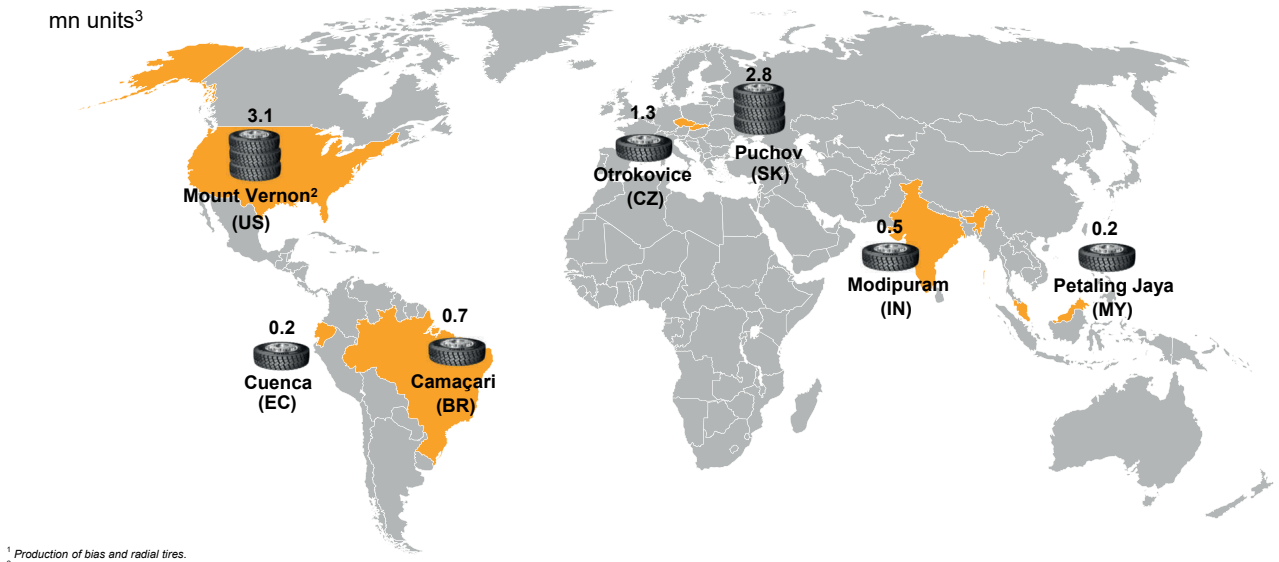
[1] *Without Europe.*

IX. Passenger and Light Truck Tires
Continental European PLT Production in 2017



IX. Commercial Vehicle Tires

Continental Worldwide Truck Tire Production[1] in 2017

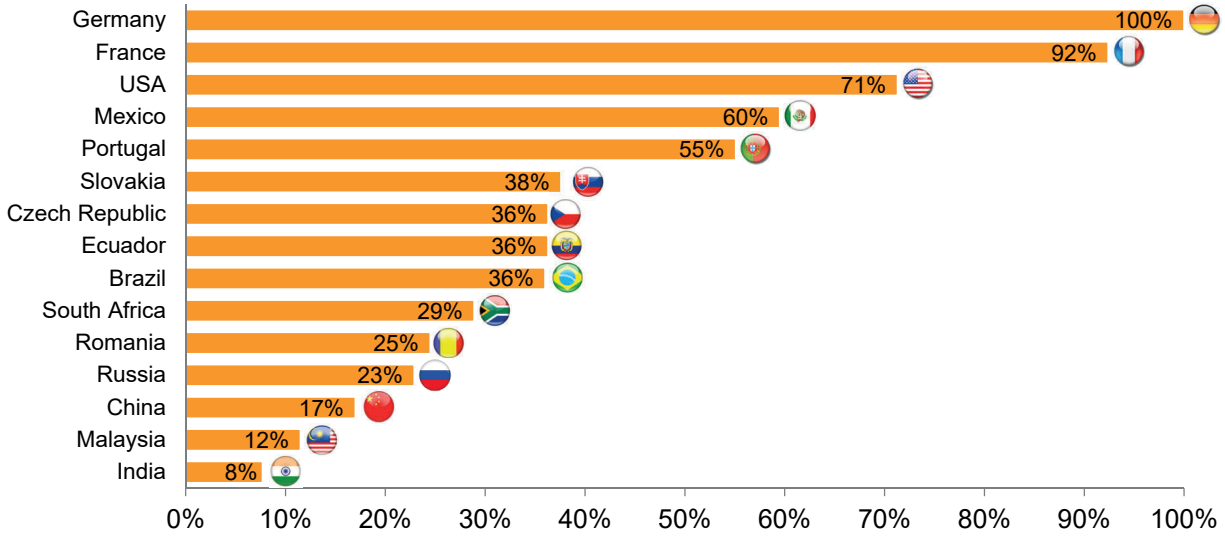


[1] Production of bias and radial tires.
[2] Including deliveries to joint venture partners.
[3] Including TBR & TBX, w/o Retread & CST.

157

IX. Commercial Vehicle Tires

Cost of Labor at Continental Manufacturing Sites[1]

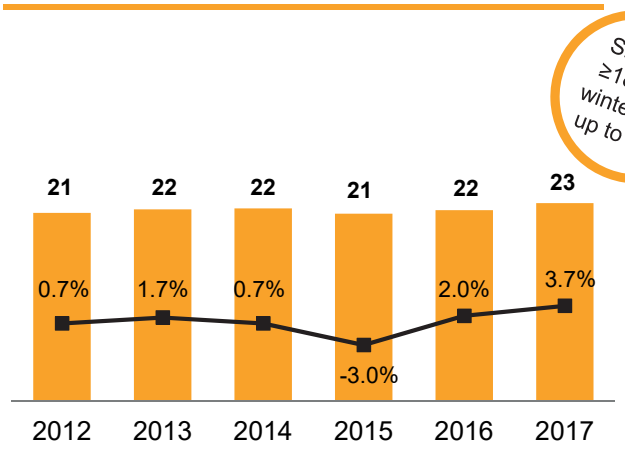


[1] Based on average currency exchange rates in 2017.

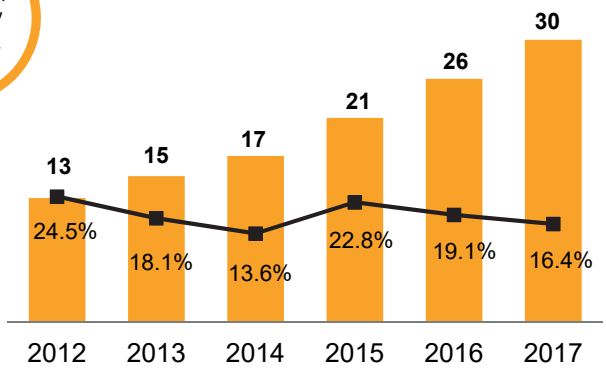
158

IX. Passenger and Light Truck Tires
Product Mix Improvement

Winter tires worldwide[1]
(in mn units / increase year-on-year in %)

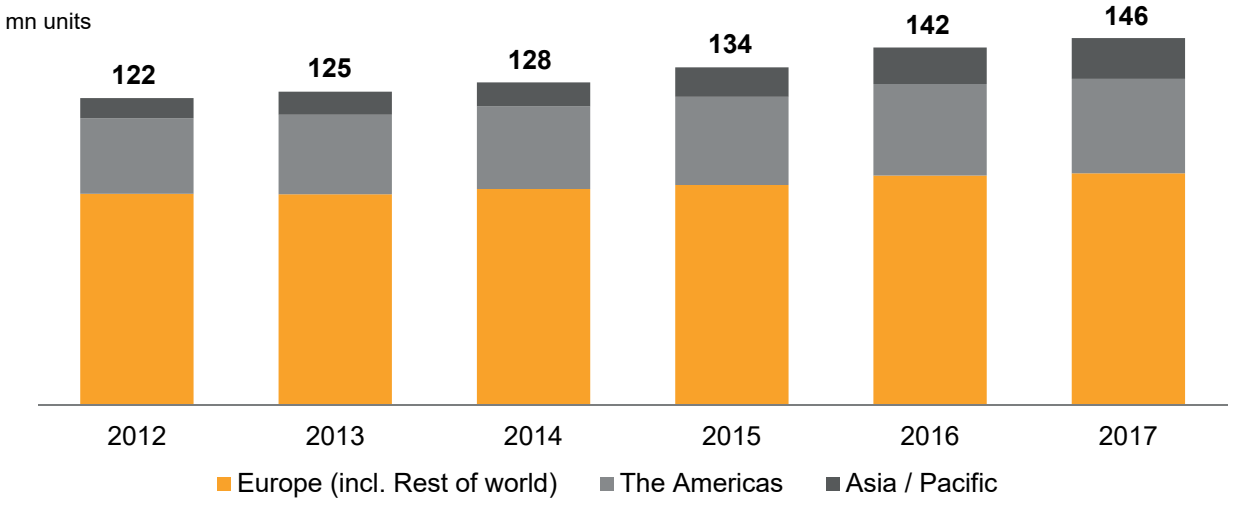


High performance summer tires worldwide[2]
(in mn units / increase year-on-year in %)



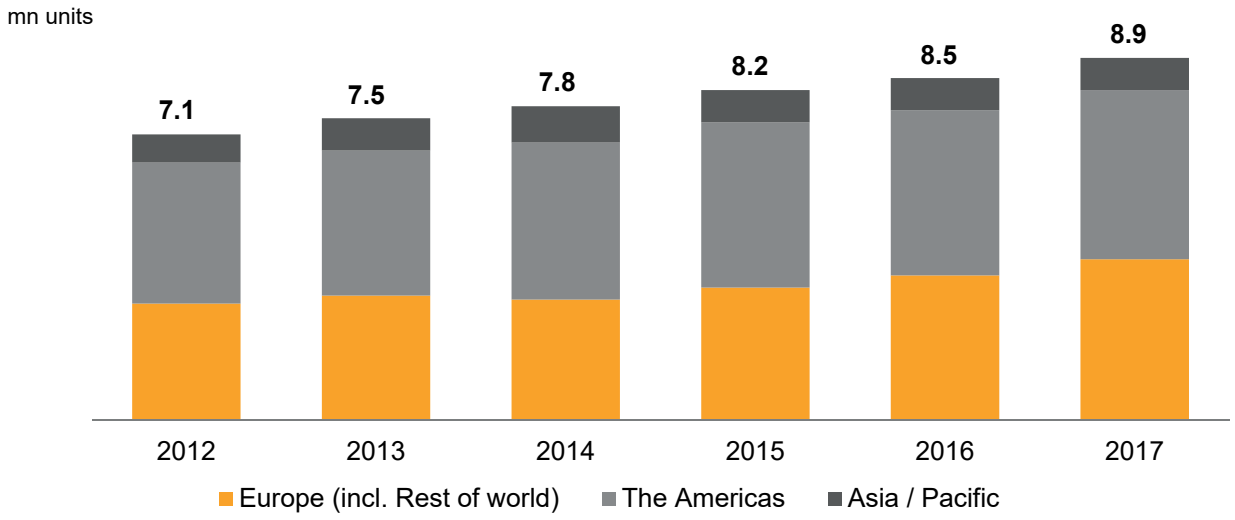
[1] OE and replacement (excl. all-season tires).
[2] All summer tires and all-season tires with rim sizes of at least 18 inches.

IX. Passenger and Light Truck Tires
Unit Sales 2012 – 2017



IX. Commercial Vehicle Tires

Unit Sales 2012 – 2017



161

Topics

162

IX. ContiTech
Business Units and Key Products

Air Spring Systems

- Air suspensions for bus, trucks and rail vehicle
- Air actuators for pneumatics and vibration isolation
- Expansion joints

Benecke-Hornschuch Surface Group

- Surface materials for automotive interior trim
- Surface materials for decorative & technical applications

Compounding Technology[1]

- Compounds
- Compound development
- Testing services

Conveyor Belt Group

- Steel cord and textile conveyor belts
- Conveying services
- Special conveyor belts
- PVC light belts
- Service material and components
- Rubber tracks

Elastomer Coatings[2]

- Coated fabrics
- Printing blankets/ -forms
- Diaphragms /-materials
- Gasholder diaphragms
- Collapsible fuel tanks
- Collapsible tanks
- Concertina walls

Industrial Fluid Solutions

- Industrial and foodstuff hoses
- On- and offshore hoses
- Fittings

Mobile Fluid Systems

Vehicle hose lines for

- Exhaust and fuel systems
- Powertrain
- Air conditioning
- Heating / cooling systems
- Steering and chassis
- Turbocharger

Power Transmission Group

- V-belts
- Multiple V-ribbed belts
- Timing belts
- Flat belts
- Belt drive systems
- Drive systems for eBikes and pedelecs

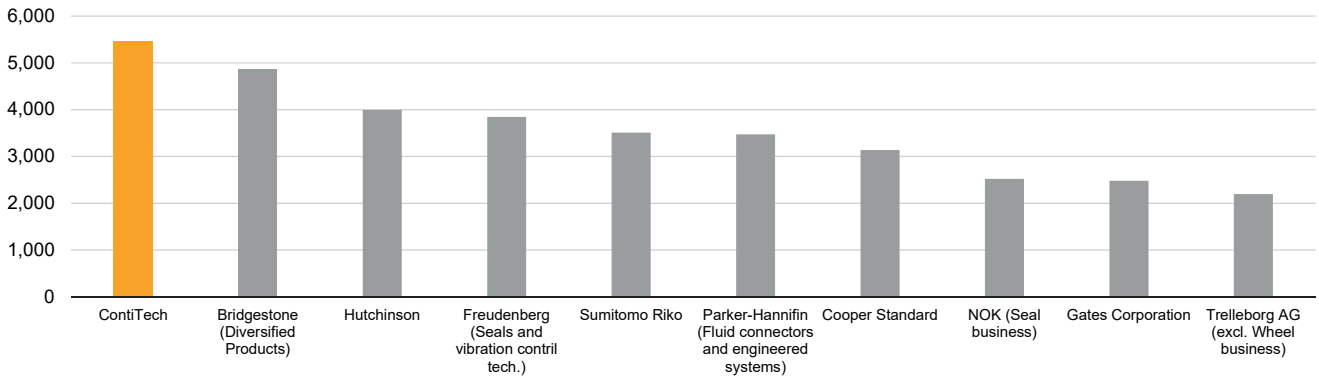
Vibration Control

- Rubber-to-metal bonded products
- Hydromounts
- Mount systems
- Precision molded parts
- Blow molded parts
- Plastic parts

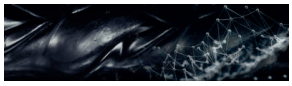
[1] From 2018 reorganized as central function.
[2] From 2018 combined with Benecke-Hornschuch Surface Group.

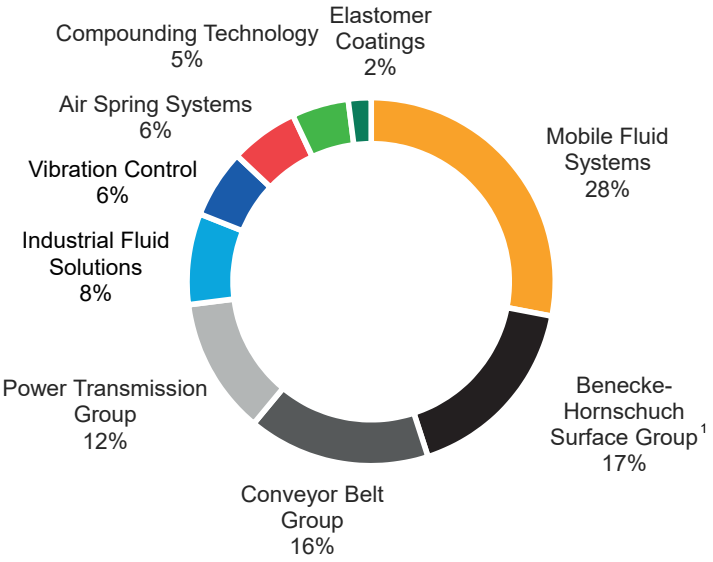
IX. ContiTech
Forming a Global Player in Rubber and Plastics Technologies

Top 10 Non-Tire Rubber Companies – 2016 Sales (€ mn)



IX. ContiTech
Sales Distribution 2017




[1] *Renamed from Benecke-Kaliko Group in June 2017.*

IX. ContiTech
Locations Worldwide

108 sites for production and R&D in 30 countries. Divisional headquarters in Hanover, Germany.

Czech Republic
- Ostrava-Hrabova

France
- Andrezieux
- Caluire
- Villeurbanne

Finland
- Tampere

Canada
- Granby

Greece
- Vólos

Hungary
- Makó
- Nyiregyhaza (2)
- Szeged
- Vác

Poland
- Wągrowiec

Romania
- Carei
- Nadab
- Timişoara

Russia
- Moscow
- Kaluga

Serbia
- Subotica
- Veliki Crljeni

Slovakia
- Dolné Vestenice
- Puchov

Slovenia
- Kranj

Spain
- Pamplona

Turkey
- Bursa

UK
- Ashington
- Grimsby
- Wigan

Germany
- Aachen
- Bad Blankenburg
- Berlin/Hoppegarten
- Dannenberg
- Eislingen
- Hamburg
- Hanover (3)
- Hann. Münden
- Hedemünden
- Herbholzheim
- Herzogenaurach
- Hofheim
- Karben
- Kohren-Sahlis
- Korbach
- Moers
- Northeim
- Oedelsheim
- Oppenweiler
- Stolzenau
- Waltershausen (3)
- Weißbach

USA
- Auburn Hills
- Fairlawn
- Halstead
- Hogansville
- Houston
- Lincoln
- Marysville
- Mount Pleasant
- Norfolk
- Porterdale
- Rochester Hills, MI
- Rochester, NH
- San José
- Somersworth
- Spring Hope
- St. Marys
- Sun Prairie
- Valparaiso
- Winchester

Mexico
- Chihuahua
- Delicias
- Mexico City
- Montemorelos
- Monterrey
- San Luis Potosí (4)

Chile
- Santiago de Chile (2)

Morrocco
- Jorf Lasfar

Venezuela
- Tinaquillo

Brazil
- Americana
- Macaé
- Ponta Grossa
- Santana de Parnaiba

VAE
- Dubai

South-Africa
- Pinetown
- Uitenhage

Australia
- Bayswater
- Sydney

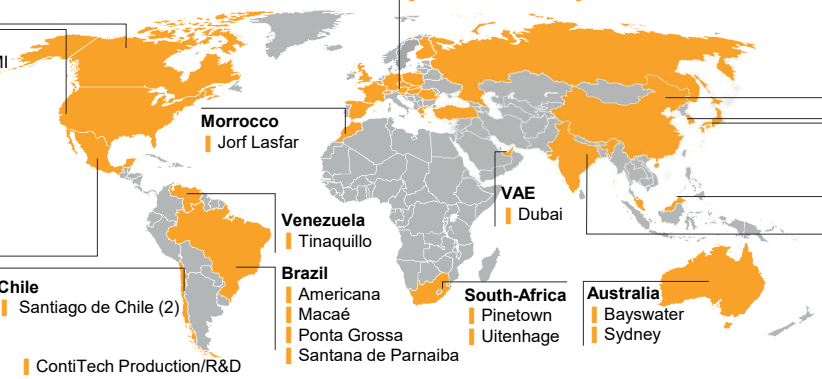
China
- Changchun
- Changshu
- Changzhi
- Changzhou
- Hangzhou
- Ninghai
- Qingdao
- Sanmen
- Shanghai (2)
- Yanzhou
- Zhangjiagang

South Korea
- Cheonan (2)
- Jeonju
- Yangsan

Japan
- Kurashiki
- Yokohama

Malaysia
- Seremban

India
- Kolkata
- Sonepat



Cooperation, Joint Ventures < 50% | ContiTech Production/R&D

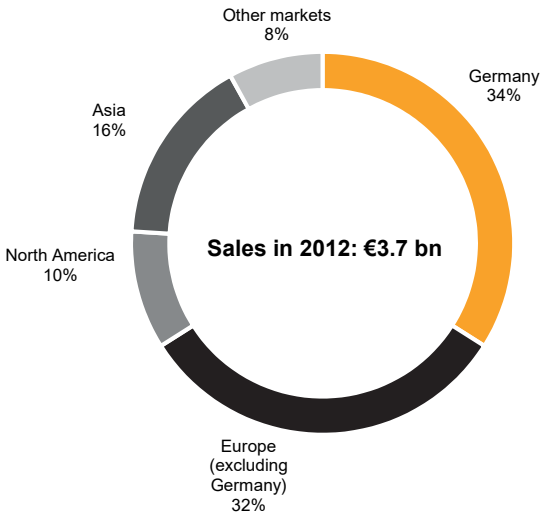
IX. ContiTech
Key Figures

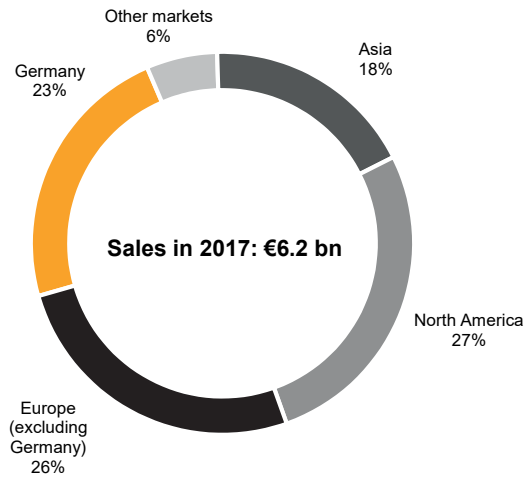
€ mn	2015	2016	2017
Sales	5,367.8	5,462.5	6,246.4
EBITDA	577.2	730.9	750.9
in % of sales	10.8	13.4	12.0
EBIT	170.6	399.2	442.2
in % of sales	3.2	7.3	7.1
EBIT adjusted[1]		519.2	515.4
in % of sales[1]		9.5	8.8
Operating assets (average)	3,234.4	2,948.7	3,182.1
ROCE	5.3	13.5	13.9
R, D & E expenses	107.5	119.7	138.4
in % of sales	2.0	2.2	2.2
Capex[2]	245.2	212.0	213.2
in % of sales	4.6	3.9	3.4
Depreciation and amortization[3]	406.6	331.7	308.7
in % of sales	7.6	6.1	4.9
thereof impairment[4]	86.1	37.0	2.4

[1] *EBIT before amortization of intangible assets from PPA, consolidation and special effects; sales before changes in the scope of consolidation.*
[2] *Capital expenditure on property, plant and equipment, and software.*
[3] *Excluding impairment on financial investments.*
[4] *Impairment also includes necessary reversals of impairment losses.*

167

IX. ContiTech
Sales by Market

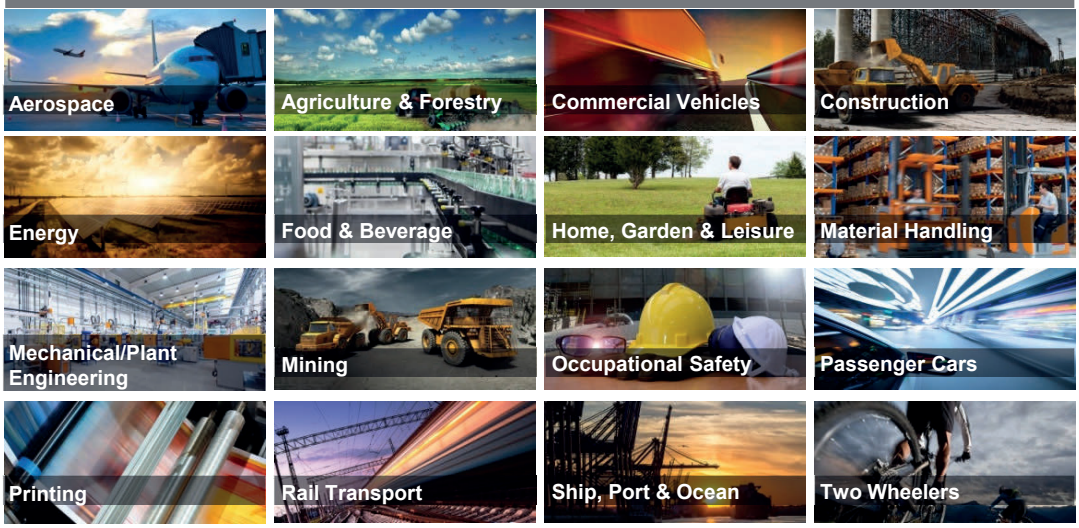




168

IX. ContiTech
Product Overview

We are experts in a large variety of industries with an understanding for the opportunities of digitalization.



169

Topics

170

X. Share and Bond Information
Share Data / ADR Data

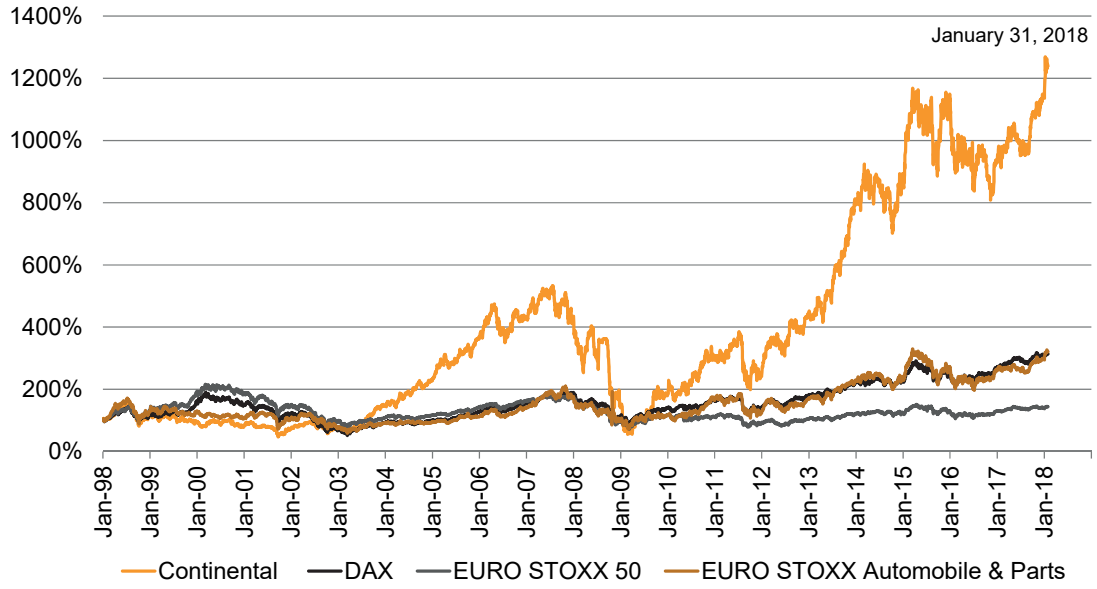
Share Data	
Type of share	No-par value share
Bloomberg ticker	CON
Reuters ticker	CONG
German security identification number (WKN)	543 900
ISIN	DE0005439004
Shares outstanding as at December 31, 2017	200,005,983

ADR Data[1]	
Ratio (ordinary share : ADR)	1:5
Bloomberg ticker	CTTAY
Reuters ticker	CTTAY.PK
ISIN	US2107712000
ADR level	Level 1
Exchange	OTC
Sponsor	Deutsche Bank Trust Company Americas

[1] *As at January 2018.*

171

X. Share and Bond Information
Share Price Development vs. Major Stock Indexes

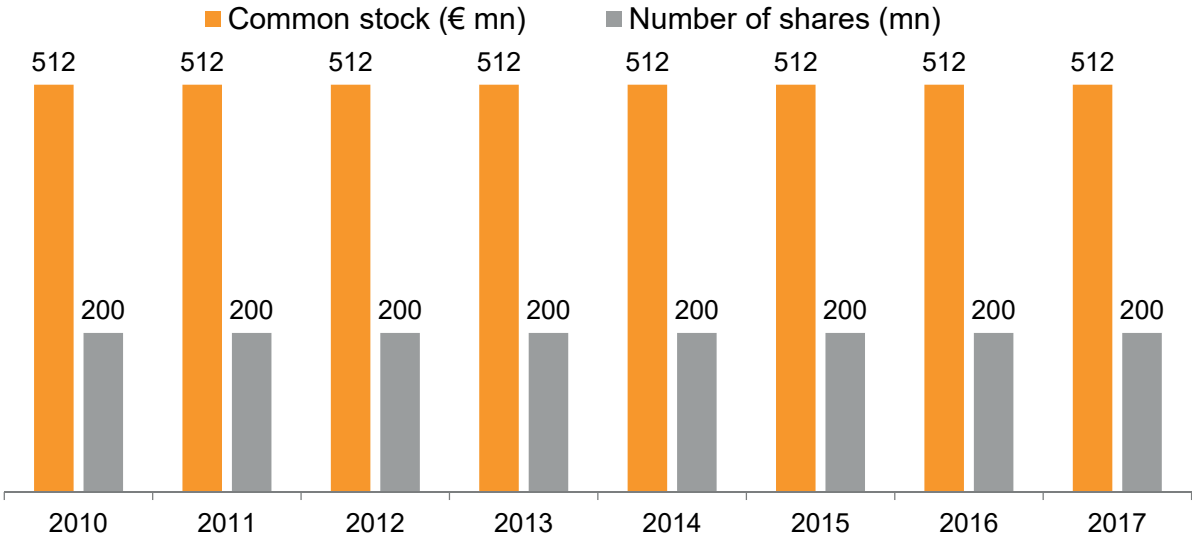


Source: Bloomberg.

172

X. Share and Bond Information

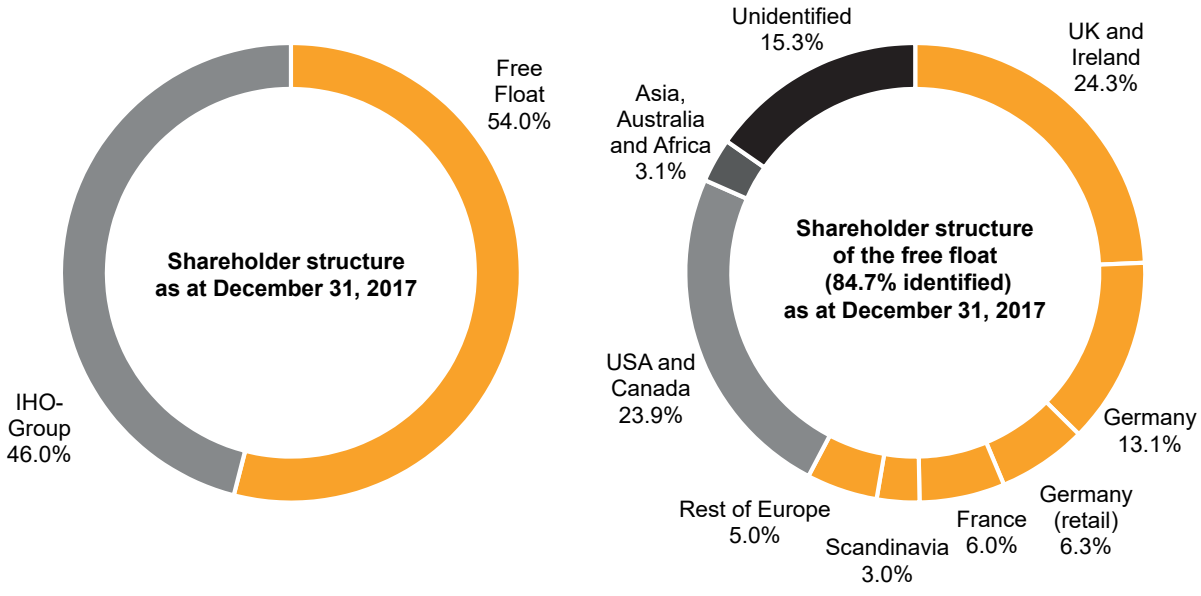
Common Stock



173

X. Share and Bond Information

Shareholder Structure



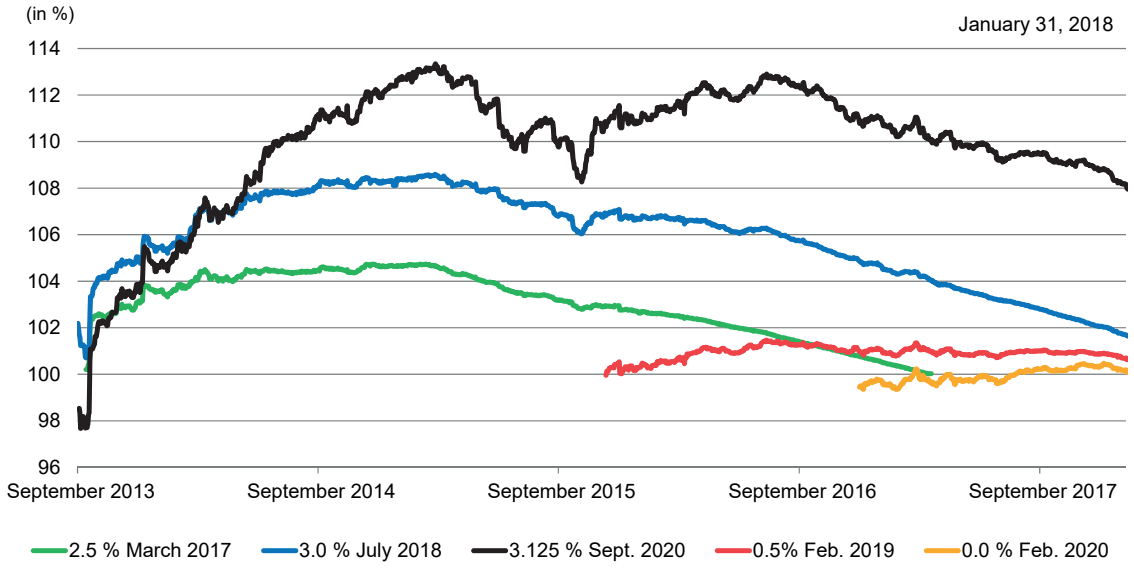
174

X. Share and Bond Information
Bond Data

Issuer	Continental AG	Continental Rubber of America, Corp.[1]	Continental AG	Continental AG
Issue	Senior Notes	Senior Notes	Senior Notes	Senior Notes
Principal amount	€750 mn	€500 mn	€600 mn	€750 mn
Offering price	98.950%	99.739%	99.410%	99.228%
Rating at issuance date	Ba2 (Moody's[4]) BB (S&P) BB (Fitch[2])	BBB (S&P) BBB (Fitch)	BBB+ (S&P) BBB+ (Fitch)	Ba1 (Moody's[4]) BB (S&P) BBB (Fitch[2])
Current corporation and bond ratings[3]	**BBB+ (Fitch), BBB+ (S&P), Baa1 (Moody's[4])**			
Coupon	3.0% p.a.	0.5% p.a.	0.0% p.a.	3.125% p.a.
Issue date	July 16, 2013	November 19, 2015	December 5, 2016	September 9, 2013
Maturity	**July 16, 2018**	**February 19, 2019**	**February 5, 2020**	**September 9, 2020**
Interest payment	Semi annual January 16/July 16	Annual February 19, commencing on February 20, 2017	Not applicable	Annual September 9
WKN	A1X24V	A1Z7C3	A2DARM	A1X3B7
ISIN	XS0953199634	DE000A1Z7C39	XS1529561182	XS0969344083
Denomination	€1,000 with min. tradable amount €1,000	€1,000 with min. tradable amount €1,000	€1,000 with min. tradable amount €1,000	€1,000 with min. tradable amount €1,000

[1] Guaranteed by Continental AG.
[2] Non-contracted rating at date of issuance.
[3] Fitch since October 24, 2016; S&P since May 11, 2016; Moody's since June 30, 2015.
[4] Non-contracted rating since February 1, 2014.

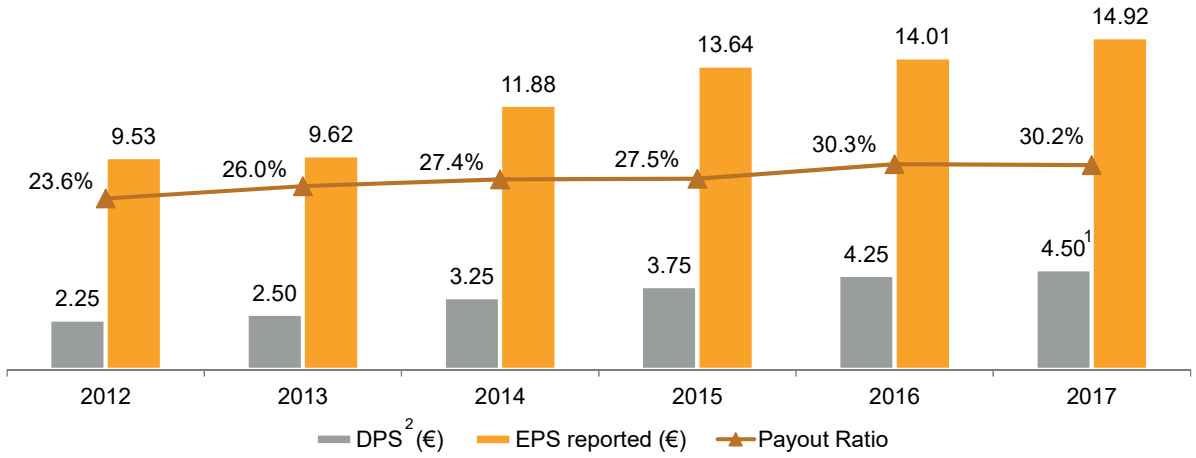
X. Share and Bond Information
Development of the Bonds



Source: Bloomberg.

X. Share and Bond Information

Earnings and Dividend per Share; Payout Ratio

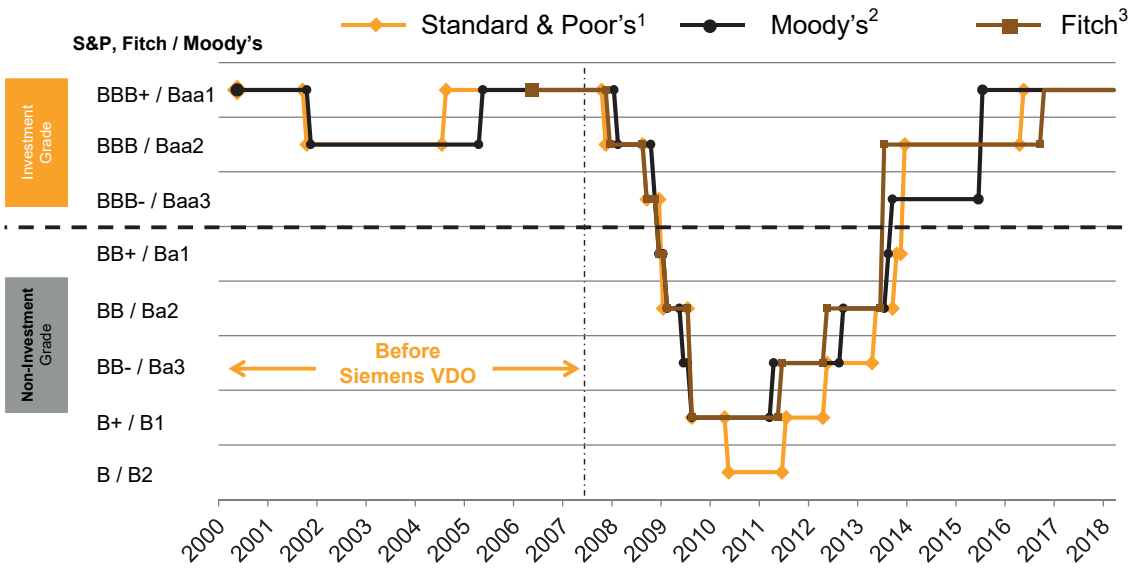


[1] Dividend for FY 2017 subject to approval of the Annual Shareholders' Meeting (ASM) on April 27, 2018.
[2] Dividend paid for the respective fiscal year, payout in the subsequent year.

177

X. Share and Bond Information

Development of Continental's Credit Rating



[1] Contracted rating since May 19, 2000. [2] Non-contracted rating since February 1, 2014. [3] Contracted rating since November 7, 2013.

178

X. Share and Bond Information

10 Year Financial Overview

		2017	2016	2015	2014	2013	2012 [6]	2011	2010	2009	2008
Balance sheet											
Non-current assets	€ mn	22,038.4	21,321.0	19,666.6	16,923.3	15,569.5	15,685.7	15,075.5	14,887.9	14,724.6	16,348.4
Current assets	€ mn	15,402.1	14,853.9	13,169.1	13,317.8	11,251.3	11,764.4	10,962.9	9,502.6	8,324.6	8,339.5
Total assets	€ mn	37,440.5	36,174.9	32,835.7	30,241.1	26,820.8	27,450.1	26,038.4	24,390.5	23,049.2	24,687.9
Shareholders' equity (excl. non-controlling interests)	€ mn	15,828.4	14,270.0	12,786.3	10,672.1	9,011.2	7,779.0	7,146.1	5,859.6	3,772.6	5,265.4
Non-controlling interests	€ mn	461.9	464.8	427.6	352.5	311.0	377.4	397.2	343.3	289.1	264.5
Total equity (incl. non-controlling interests)	€ mn	16,290.3	14,734.8	13,213.9	11,024.6	9,322.2	8,156.4	7,543.3	6,202.9	4,061.7	5,529.9
Equity ratio[1]	%	43.5	40.7	40.2	36.5	34.8	29.7	29.0	25.4	17.6	22.4
Capital expenditure[2]	€ mn	2,854.4	2,593.0	2,178.8	2,045.4	1,981.1	2,019.4	1,711.3	1,296.4	860.1	1,595.2
Net indebtedness	€ mn	2,047.6	2,797.8	3,541.9	2,823.5	4,289.3	5,319.9	6,772.1	7,317.0	8,895.5	10,483.5
Gearing ratio	%	12.6	19.0	26.8	25.6	46.0	65.2	89.8	118.0	219.0	189.6
Income statement											
Sales	€ mn	44,009.5	40,549.5	39,232.0	34,505.7	33,331.0	32,736.2	30,504.9	26,046.9	20,095.7	24,238.7
Share of foreign sales	%	79.7	79.3	78.6	76.6	76.2	75.4	73.7	72.8	71.0	68.5
Cost of sales[3]	%	74.2	73.4	74.1	74.9	76.6	78.3	79.0	77.8	80.0	80.4
Research and development expenses[3]	%	7.1	6.9	6.2	6.2	5.6	5.3	5.3	5.6	6.7	6.2
Selling and logistics expenses[3]	%	5.5	5.6	5.6	5.3	5.0	4.8	4.7	5.0	5.6	4.9
Administrative expenses[3]	%	2.6	2.5	2.4	2.2	2.1	2.0	2.1	2.5	3.0	3.2
EBITDA	€ mn	6,678.9	6,057.4	6,001.4	5,133.8	5,095.0	4,967.4	4,228.0	3,587.6	1,591.2	2,771.4
EBITDA[3]	%	15.2	14.9	15.3	14.9	15.3	15.2	13.9	13.8	7.9	11.4
Personnel expenses	€ mn	10,687.3	9,695.7	9,164.6	7,757.2	7,124.5	6,813.7	6,354.3	5,891.7	5,199.8	5,746.3
Depreciation and amortization[4]	€ mn	2,117.4	1,961.6	1,885.8	1,789.0	1,831.3	1,781.2	1,631.1	1,652.4	2,631.6	3,067.6
Net income attributable to the shareholders of the parent	€ mn	2,984.6	2,802.5	2,727.4	2,375.3	1,923.1	1,905.2	1,242.2	576.0	-1,649.2	-1,123.5
Dividend and earnings per share											
Dividend for the fiscal year	€ mn	900,0 [5]	850.0	750.0	650.0	500.0	450.0	300.0	—	—	—
Number of shares as at December 31	mn	200.0	200.0	200.0	200.0	200.0	200.0	200.0	200.0	169.0	169.0
Net income (per share) attributable to the shareholders of the parent	€	14.92	14.01	13.64	11.88	9.62	9.53	6.21	2.88	-9.76	-6.84
Employees											
Annual average	tsd	230.7	216.0	204.7	186.0	175.4	169.0	159.7	142.7	133.4	148.4

[1] Including non-controlling interests.
[2] Capital expenditure on property, plant and equipment, and software.
[3] As a percentage of sales.
[4] Excluding impairment on financial investments.
[5] Subject to the approval of the Annual Shareholders' Meeting on April 27, 2018.
[6] IAS 19 (revised 2011), Employee Benefits, has been applied since 2012.

Topics

XI. Glossary
Financial Glossary

ADR	American Depositary Receipt
Capex	Capital expenditure on property, plant and equipment, and software
EBIT	Earnings Before Interest and Taxes
EBITDA	EBIT Before Depreciation and Amortization
EBIT margin	EBIT as a percentage of sales
EBITDA margin	EBITDA as a percentage of sales
FCF	The sum of cash flow arising from operating activities and cash flow arising from investing activities. Also referred to as cash flow before financing activities
Gearing ratio	Net indebtedness divided by equity. Also known as the debt to equity ratio
ISIN	International Securities Identification Number
Net indebtedness	The net amount of interest-bearing financial liabilities as recognized in the statement of financial position, the positive fair values of the derivative instruments, cash and cash equivalents, as well as other interest-bearing investments
NIAT	Net Income Attributable to the shareholders of the parent
OA	The assets less liabilities as reported in the balance sheet, without recognizing the net indebtedness, sales of accounts receivable, deferred tax assets, income tax receivables and payables, as well as other financial assets and debts. Average operating assets are calculated as at the end of the quarterly periods and, according to our definition, correspond to the capital employed
PPA	Purchase Price Allocation
R, D & E expenses	Research, Development and Engineering Expenses
ROCE (average)	Return On Capital Employed. We define ROCE as the ratio of EBIT to average operating assets for the fiscal year

181

XI. Glossary
Product and Division Glossary

ABS	Anti-Lock Brake System
ACC	Adaptive Cruise Control
ADAS	Advanced Driver Assistance Systems
CAGR	Compound Annual Growth Rate
C&S	Chassis & Safety Division
CT	ContiTech Division
CV	Commercial Vehicle
CVT	Commercial Vehicle Tires
ECU	Electronic Control Unit
EBS	Electronic Brake System
ESC	Electronic Stability Control
E2E	End to End
FDG	Full Digital Cluster
HEV	Hybrid Electric Vehicle
HMI	Human Machine Interface
HUD	Head Up Display
I	Interior Division
IAM	Intelligent Antenna Module
LT	Light Truck
NVH	Noise Vibration Harshness
OCB	Optimized Curve Break
OTA	Other The Air
PC	Passenger Car
PLT	Passenger and Light Truck Tires
PT	Powertrain Division
RV	Recreational Vehicle
SSR	Self-Supporting Runflat Tires
SUV	Sport Utility Vehicle
TCS	Traction Control System
TPMS	Tire Pressure Monitoring System
V2X	Vehicle-to-everything

182

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Financial Calendar

2018	
Preliminary figures for the fiscal year 2017	January 9, 2018
Annual Financial Press Conference	March 8, 2018
Annual Shareholders' Meeting (incl. key data for Q1 2018)	April 27, 2018
Q1 Financial Report	May 8, 2018
Half Year Financial Report	August 2, 2018
Nine Month Financial Report	November 8, 2018

2019	
Preliminary figures for the fiscal year 2018	January 2019
Annual Financial Press Conference	March 2019
Annual Shareholders' Meeting (incl. key data for Q1 2019)	April 26, 2019
Q1 Financial Report	May 2019
Half Year Financial Report	August 2019
Nine Month Financial Report	November 2019

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