



COVID-19 Business Update

Hanover – April 1, 2020

Ticker: CON
ADR-Ticker: CTTAY
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1 | Current Situation

Business situation

- › Global PC<¹ production Q1E 2020: ~-25% YoY
 - China: ~-50% YoY
 - Europe: ~-20% YoY
 - North America: ~-15% YoY
- › Business continuity
 - Main focus on employee health & safety
 - >85k employees working remotely
 - Coordination with customers and suppliers to fulfill customer requirements and maintain supply chain integrity
- › Mitigation measures
 - >40% plants worldwide idled
 - ~30k employees registered for short-time work in Germany
 - Free cash flow tracking better than prior year period²
 - Temporary measures to postpone investments

Our priorities

- › 2020 outlook withdrawn
 - Timing for new outlook cannot be determined at this time
- › Sustain solid financial position
 - Strict focus on cost and cash management
 - Cash and cash equivalents: €2.3 bn²
 - Unused committed credit lines including revolver: €4.6 bn²
- › Structural program continuing; assessment of additional measures ongoing
- › Upcoming events
 - Annual Shareholders' Meeting postponed
 - Spin-off preparations remain on track
 - CMD for Vitesco Technologies and Continental postponed
 - New dates to be announced in due course

¹ Passenger cars and light trucks <6t

² As at February 29, 2020

2 | Our Measures

As at March 31, 2020

Automotive

- › Current production activities
 - China capacities now back at ~75%
 - Europe & North America: ~40%
- › Cost management
 - Leverage short-time work and forced shutdowns to reduce personnel costs
- › R&D
 - Adapting processes and priorities to meet customer schedules with reduced working time
- › Capital expenditures
 - Temporary measures to postpone investments

Rubber

- › Tires
 - China production fully online; utilization ~80%
 - Production in all other regions idled
 - Captive retail & distribution network remains committed to serve fleet customers
 - Focused on balancing inventory reduction and product availability
- › ContiTech
 - Significant demand drop in Automotive outside of China
 - Limited impact at present in industrial fluid, conveyor belt and other non-OE areas

Other

- › Sales and Marketing
 - Sales activities concentrated on securing supply chain integrity
 - Reduction of marketing budgets
- › Administration
 - Non-critical functions at minimum required levels
 - Substantial cutbacks in travel and discretionary expenses
 - Voluntary temporary wage reduction in upper and middle management

3 | Financial Resilience

Financial situation

- › Expected Q1E 2020 performance
 - › Group
 - Sales: around €9.4 bn to €9.8 bn
 - Adj EBIT Margin: around 2% to 3%
 - › Automotive
 - Sales: around €5.7 bn to €5.9 bn
 - Adj EBIT Margin: around 0%
 - › Rubber
 - Sales: around €3.7 bn to €3.9 bn
 - Adj EBIT Margin: around 7% to 8%

Balance Sheet¹

- › Bonds
 - €750 mn due Sept. 2020
 - €200 mn due Apr. 2021
 - €1.2 bn due ≥ Sept. 2023
 - No bonds subject to financial covenants or rating triggers
- › Pensions
 - No requirements for additional funding seen at present

Liquidity¹

- › Cash & cash equivalents: €2.3 bn
- › Unused committed credit lines including revolver: €4.6 bn
 - › Unused revolving credit facility: €4.0 bn
 - Renewed Dec. 2019 for 5 years with syndicate of 27 banks
- › Credit facilities not subject to financial covenants or rating triggers
- › Capital expenditures
 - Temporary measures to postpone investments
 - Spendings expected to be clearly below 2019 level

¹ As at February 29, 2020

Thank you!



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- › Note: Due to the application of the modified retrospective approach during first time adoption of IFRS 9, *Financial Instruments*, and IFRS 15, *Revenues from Contracts with Customers*, as at January 1, 2018, all the figures from comparative periods are shown unadjusted. Due to the application of the modified retrospective approach during first-time adoption of IFRS 16, *Leases*, as at January 1, 2019, all the figures from comparative periods are shown unadjusted.

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Financial Calendar

2020

Annual Financial Press Conference	March 5, 2020
Q1 Financial Report	May 7, 2020
Half-Year Financial Report	August 5, 2020
Nine-Month Financial Report	November 11, 2020
Annual Shareholders' Meeting	tba
Capital Market Day of Vitesco Technologies	tba
Capital Market Days of Continental	tba

2021

Annual Financial Press Conference	March 2021
Annual Shareholders' Meeting (incl. key data for Q1 2021)	April 29, 2021
Q1 Financial Report	May 2021
Half-Year Financial Report	August 2021
Nine-Month Financial Report	November 2021