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Q3

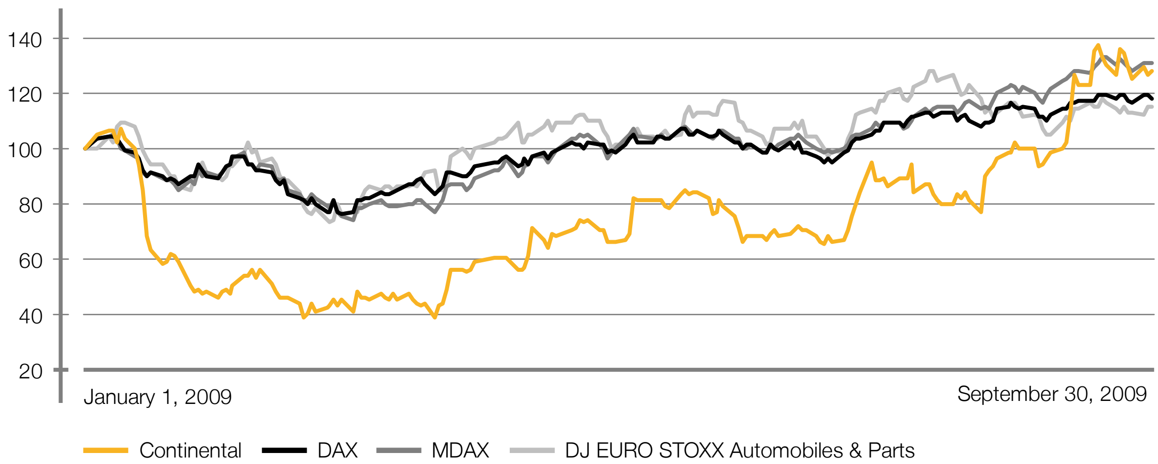
Continental's Share Price Performance

Following the completion of the takeover offer of Schaeffler KG on January 8, 2009, the Continental share price was impacted heavily early in the year primarily by speculation regarding an upcoming capital increase, the alleged need for federal assistance, changes in the management at Executive Board and Supervisory Board levels, as well as the general downwards trend in the automotive sector, reaching a price of €11.35 on March 30, 2009. This corresponded to a loss in value of approximately 61% in comparison to the closing price at the end of 2008. The vague hope of economic stabilization at the end of the first quarter was nurtured throughout the second quarter by numerous positive early indicators and boosted the global stock markets. Most of the economic data for the second quarter of 2009 confirmed that the economies of the Eurozone and the U.S.A. had made it through the serious recession and were heading towards stabilization. This boosted the further positive development on the stock markets in the third quarter. The most recent World Economic Update released by the IMF also confirms that the global economy is slowly stabilizing and will once again achieve growth of more than 3% in the coming year, driven primarily by the Asian economies.

Stocks dependent on economic trends from the chemical, steel, construction and construction materials industries powered the positive development of the overall market. Up 58% since December 31, 2008, financial securities recorded the strongest growth. As of September 30, 2009, DAX and DJ EURO STOXX 50 had risen 55% and 59%, respectively, from the year's low early in March 2009. With index levels at 5,675 and 2,873 points respectively, this corresponds to an increase of 18% and 17% in comparison to the end of 2008. The DJ EURO STOXX Automobiles & Parts demonstrated a similar trend, closing the third quarter up more than 14% (226 points) compared with the end of 2008. It was in this environment that the Continental share demonstrated a positive share price performance, boosted by the good second quarter results and intensified roadshow activities. It again surpassed the year start value of €28.88 at the end of the third quarter. The reshuffling of the Continental AG Executive Board, with Dr. Elmar Degenhart as its new chairman, as well as the announcement that it had been possible to win Prof. Wolfgang Reitzle as new member of the Continental AG Supervisory Board and that he was to be elected as chairman of that board had a positive effect on the share price. As of September 30, 2009, the share price had risen to €36.92, representing a 225% recovery from the year's low and an increase of 28% compared to the end of 2008. It thus outperformed the DAX, DJ EURO STOXX 50 and the European industrial index for the automotive sector by 10, 11 and 14 percentage points, respectively. The Continental share underperformed the MDAX by just less than 3 percentage points.

In the course of the fourth quarter and with the good start to the reporting season for the Q3 results in the U.S.A., the DAX hit a new high for the year, reaching the index level from early September 2008. The Continental share also made substantial gains once again.

Share Price Performance vs. Major Stock Indexes



Key Figures for the Continental Corporation

in € millions	January 1 to September 30		Third Quarter	
	2009	2008	2009	2008
Sales	14,400.2	19,146.0	5,337.0	5,892.0
EBITDA	1,137.8	2,371.2	440.6	596.4
in % of sales	7.9	12.4	8.3	10.1
EBIT	- 1,038.0	1,075.1	- 911.8	162.7
in % of sales	- 7.2	5.6	- 17.1	2.8
Net income attributable to the shareholders of the parent	- 1,495.6	363.5	- 1,038.5	2.4
Earnings per share (in €)	- 8.85	2.24	- 6.14	0.01
Adjusted sales[1]	14,320.4	18,737.9	5,295.7	5,836.4
Adjusted operating result (adjusted EBIT)[2]	662.1	1,502.8	413.4	319.1
in % of adjusted sales	4.6	8.0	7.8	5.5
Free cash flow	1,084.0	123.8	394.2	- 29.0
Net indebtedness (as of September 30)	9,464.8	10,807.1		
Gearing ratio in %	225.9	146.0		
Number of employees (as of September 30)[3]	134,216	146,496		

[1] Before changes in the scope of consolidation.

[2] Before amortization of intangible assets from purchase price allocation (PPA), changes in the scope of consolidation, and special effects.

[3] Excluding trainees.

Key Figures for the Core Business Areas

Automotive Group in € millions	January 1 to September 30		Third Quarter	
	2009	2008	2009	2008
Sales	8,582.1	11,975.5	3,223.0	3,492.0
EBITDA	343.0	1,299.7	169.1	272.0
in % of sales	4.0	10.9	5.2	7.8
EBIT	- 1,499.4	313.6	- 1,058.7	- 56.9
in % of sales	- 17.5	2.6	- 32.8	- 1.6
Depreciation and amortization[1]	1,842.4	986.1	1,227.8	328.9
Capital expenditure[2]	360.9	763.3	106.6	257.5
Operating assets (as of September 30)	11,342.3	15,173.0		
Number of employees (as of September 30)[3]	77,956	87,156		
Adjusted sales[4]	8,549.3	11,601.6	3,207.9	3,435.7
Adjusted operating result (adjusted EBIT)[5]	- 14.8	770.1	94.7	119.8
in % of adjusted sales	- 0.2	6.6	3.0	3.5

Rubber Group in € millions	January 1 to September 30		Third Quarter	
	2009	2008	2009	2008
Sales	5,828.4	7,182.6	2,118.0	2,404.1
EBITDA	920.9	1,103.6	374.4	336.8
in % of sales	15.8	15.4	17.7	14.0
EBIT	588.8	795.3	250.5	232.5
in % of sales	10.1	11.1	11.8	9.7
Depreciation and amortization[1]	332.1	308.3	123.9	104.3
Capital expenditure[2]	226.4	348.5	67.1	122.9
Operating assets (as of September 30)	4,097.8	4,634.1		
Number of employees (as of September 30)[3]	56,044	59,085		
Adjusted sales[4]	5,781.4	7,148.4	2,091.8	2,404.8
Adjusted operating result (adjusted EBIT)[5]	726.6	766.6	344.6	212.2
in % of adjusted sales	12.6	10.7	16.5	8.8

[1] Excluding write-downs of investments.

[2] Capital expenditure on property, plant, equipment and software.

[3] Excluding trainees.

[4] Before changes in the scope of consolidation.

[5] Before amortization of intangible assets from PPA, changes in the scope of consolidation, and special effects.

Corporate Management Report as of Sept. 30, 2009

Changes in the Executive Board

In a special meeting on August 12, 2009, the Supervisory Board of Continental AG decided the following changes in the Executive Board: The chairman of the Executive Board at that time, Dr. Karl-Thomas Neumann, stepped down immediately from Continental's Executive Board. The Supervisory Board thanked Dr. Neumann for his work. Effective August 12, 2009, Dr. Elmar Degenhart, previously chairman of the management board of the Automotive unit in the Schaeffler Group, was appointed as new chairman of the Executive Board of Continental AG. At the same time, he took charge of the Powertrain division. Furthermore, three new members were appointed to the Executive Board: Dr. Ralf Cramer (Chassis & Safety division), Helmut Matschi (Interior division) and Nikolai Setzer (Passenger and Light Truck Tires division).

In the Supervisory Board meeting on October 19, 2009, Wolfgang Schäfer was appointed as a regular member of Continental AG's Executive Board. He will take up his appointment on January 1, 2010, and will be responsible for the areas of finance, controlling, IT and law. At the same time, José A. Avila was likewise appointed as a regular member of Continental AG's Executive Board. He will also assume his position on January 1, 2010, taking over as head of the Powertrain division.

Changes in the Supervisory Board

On September 15, 2009, Dr. Michael Frenzel stepped down from his position as member of Continental AG's Supervisory Board. On September 28, 2009, the district court of Hanover appointed Prof. Wolfgang Reitzle, chairman of the Executive Board of Linde AG, as his successor.

On October 19, 2009, Rolf Koerfer stepped down from his position as chairman of Continental AG's Supervisory Board. The Supervisory Board elected Prof. Wolfgang Reitzle as his successor. Rolf Koerfer continues to be a member of the Supervisory Board and of its Chairman's Committee.

Rubber Group Carve-Out

The legal and organizational restructuring of our tire activities within the corporation has, for the most part, been finished. The carve-out of the German tire operations into a new company was completed on August 3, 2009. The corporation's operational organization with a Rubber Group and an Automotive Group is thus embedded in a clear legal corporate structure.

Extremely Versatile Mid-Range Radar

The newly developed 24-gigahertz mid-range radar generation can operate to the front, the rear and to the side, thus allowing the depiction of a variety of advanced driver assistance functions. By monitoring the adjacent traffic lanes, it facilitates lane changing greatly. When facing rearwards, the radar sensor will detect a possible rear end collision early on. By detecting objects to the side of the vehicle, it can assist the driver when making turns. The radar system monitors the traffic ahead up to a distance of 150 meters. This makes it the ideal choice for use with adaptive cruise control (ACC) not just in urban traffic or on country roads but also on freeways up to the maximum speed limit of 130 km/h which applies in most countries.

The multi-channel radar system works at a resolution frequency which can detect every relevant vehicle from two-wheelers to trucks. In addition, it offers cost benefits compared to radar technologies which employ higher frequencies. Savings on components and production costs, and easier integration in the vehicle, form the basis of a new pricing level, allowing the system to be fitted in all vehicles including the compact and subcompact categories. The new sensor generation will go into series production in 2011.

Complete Electric Drive for Planned Mass-Produced Electric Vehicles

We are developing and manufacturing the complete electric drive train, including the control systems, for a car maker's electric cars slated to be available in large numbers on the European market at the beginning of 2011. This includes, for instance, the development of low-cost drive components and complete systems for the electrification of the powertrain. Now ripe for a production start-up, these allow for the speediest possible market penetration of the eco-friendly technology. Core components involved are the energy accumulator (battery), the power electronics and the electric motor.

Second-generation technology shall already be used for the power electronics. This requires 30% less space than its predecessor, thus making integration in the vehicle much easier. It is also less expensive to produce. Continental is supplying a so-called externally excited synchronous machine as the electric motor in the package together with the speed-transforming transmission and engine management system. This type of motor offers a broad power range and high efficiency as well as better consumption values and a wider margin of safety.

Networked Information System for Electric Vehicle Services Platform

From Better Place, we have been awarded a contract for the development of high-performance networked infotainment systems (head units) for the Better Place electric vehicle services platform. The first systems will be supplied by the end of 2009, so that initial tests with electric cars can be carried out in Israel and Denmark. The system from Continental enables the Better Place in-car software to help the drivers of electric cars know where and when to charge, allows car and driver to communicate with the Better Place network and provides continuously updated, personal energy mapping for drivers.

The multimedia and telematics unit in electric vehicles powered by Better Place is the central information system for the driver and, at the same time, the main interface between the driver and the Better Place network. Drivers receive precise information about battery charge status and recharge options from the head unit. The Better Place electric car services platform combines infrastructure for charging electric cars – charge spots and automated battery switch stations – with aggregated data to optimize charging and manage energy at scale. For trips longer than the single charge range of the battery, the head unit directs the driver to a battery switch station en route. The driver also will have access to media, information and support services through the head unit.

Continental Tires with Top Marks

Continental winter tires again earned top marks from the tire testing experts of leading motoring magazines and automobile clubs in German-speaking countries. In the medium-size vehicle category, the ContiWinterContact TS 830 in size 205/55 R 16 H was unanimously singled out as best in tests conducted by ADAC (the German Automobile Club), the *Stiftung Warentest* consumer reporting institute, ÖAMTC (the Austrian Automobile, Motorcycle and Touring Club), and TCS (the Swiss Touring Club). ContiWinterContact TS 830 in the same size was also awarded first place by the *auto motor und sport* magazine and was the only winter tire to receive a "highly recommended" rating. ADAC, ÖAMTC and TCS likewise assigned their best rating "highly recommended" to the ContiWinterContact TS 800 in size 185/60 R 14 T, and *Stiftung Warentest* declared this compact-category tire as its test winner. The ContiWinterContact TS 830 P for powerful vehicles was assigned the rating "exemplary" by the *Autobild* magazine.

In a comparison of braking results in the summer tire tests published by 24 European trade journals in 2009, the tires of our premium brand, Continental, are clearly at the forefront: In many comparisons of braking performance on wet and dry roads, Continental tires hold first place – a total of 25 times in 87 individual tests, receiving the best marks nearly twice as often as the two next-best competitors. The comparison looked at tests carried out on 14 tire sizes by trade magazines and consumer groups from ten European countries. Test vehicles included all-wheel, front-wheel and rear-wheel driven compact, medium-size and full-size cars.

Foothold in Indian Truck Tire Market

We have revived the cooperation with Modi Tyres Company Private Ltd. (New Delhi) that began in 1974. This cooperation provides Continental access to the Indian market, where around 12 million commercial vehicle tires are required and annual growth rates of around 7% have been forecast. Modi will produce over 1 million bias-ply tires for trucks under the Continental brand. Production already began at the start of June 2009.

So far, the agreements include technical cooperation and license rights for Continental-brand bias-ply tires. The Continental bias-ply tires will be distributed via the Modi sales network. Bias tire technology still accounts for a good 90% of the Indian market. Modern radial technology will remain of secondary importance for the replacement market for a while to come.

Lightweight Torque Rod Support in the Porsche Panamera

Sustainable solutions for lighter-weight cars that also satisfy aesthetic demands – that is what the auto industry is in search of for its present and future customers. ContiTech Vibration Control and BASF have joined forces to create such solutions. The result is an innovative torque rod support for the new Porsche Panamera. Made of a high-strength polyamide from the family of Ultramid® CR materials and a function-optimized natural rubber compound from the NR+ group, the high-load composite component ensures sturdy suspension for engine torques of up to 650 Nm. At the same time it guarantees excellent acoustic performance and a secure mount for the vehicle engine. Compared to a metal part with similar functionality, the new torque rod support provides a 35% saving in weight.

Printing Blankets for Climate Protection

ContiTech Elastomer Coatings is the world's first manufacturer to have a carbon footprint drawn up for printing blankets. Accordingly, there are up to 70% fewer climatically detrimental CO_2 emissions in ContiTech printing blanket production than in world-standard manufactured printing blankets. These are the certified findings of a scientific analysis (University of East Westphalia-Lippe). ContiTech AG is thus the innovation leader for environmental and climate protection in the field of printing blankets and makes a significant contribution to climate-friendly printing.

Economic Climate

According to the assessment of the IWF, the global economy has passed through the serious recession and appears to be on the road back to growth. The primary driving force behind the stabilization and the improved prospects are the speedy and comprehensive fiscal as well as monetary assistance measures implemented by the governments and central banks of the developed economies and threshold countries. These ensured the supply of liquidity and credit, and supported the banking system with guarantees and capital investments while at the same time stimulating economic demand.

After the world's economy shrank 6.5% in the first three months of the year, the latest IWF estimates assume that global economic activity increased already by 3% in the second quarter of 2009. Selected early indicators of the IWF, such as industrial production, retail sales, trade exports, and the Purchasing Manager's Index, also indicate stronger growth in the second half of 2009. For that reason, the IWF improved its global economic performance forecast for the second time in a row, increasing it by 0.3 percentage points to -1.1% for 2009.

Within the Eurozone, for which a 4.8% decline in the real GDP was forecast for 2009, forecasts improved to a 4.2% decrease. Although the correction undertaken in Germany for 2009 (+0.9 percentage points) was the highest amongst the countries of the Eurozone, the country, with -5.3%, clearly continues to be hit the hardest by the economic downturn.

In the U.S.A., economic performance is expected to drop this year by 2.7%. For 2010 the IWF anticipates that the world's economic activity will rise by 3.1%, driven primarily by growth in the Asian economies.

In the course of 2009, raw material prices, fostered by a continuing weak U.S. dollar, recovered substantially in advance of the recovery of the global economy. For instance, by the end of September 2009, the price for Brent crude oil had climbed to more than $70 per barrel, up 54% compared to the end of 2008. Metal prices also rose during the period from January to September 2009, although the extent of the price increase for the various types of metal varied substantially. For instance, the price for warm steel rose only about 8% while copper jumped approximately 111%. Compared to the average prices for crude oil in 2008, the prices at the end of September 2009 were however 35% lower. This had an effect on the inflation rate in the Eurozone, which fell by 0.3% for the year according to information from the European Central Bank.

The recovery of the global economy described here entails however considerable risks stemming mainly from the substantial rise in government debts as well as the need to maintain state economic stimulus schemes until a stabile, self-supporting upturn has been achieved and the financial system has been sufficiently strengthened. The increasing number of unemployed persons and company bankruptcies foster further uncertainty. In addition, there is still no sign of real estate prices having bottomed out in many regions of Europe. We can therefore assume that the recovery of the global economy will be sluggish in the coming quarters.

In the automotive industry, there were initial signs of recovery in the second quarter, and these continued to intensify. The commercial vehicle market in Europe, however, has not yet been caught up in this trend. After new car registrations fell 16% in the first six months worldwide (Q1 2009: -21%), they were up 2% in the third quarter. Regional differences in the triad markets Europe, North America and Japan which could be observed in the first half-year were less pronounced in the third quarter. This resulted from the car scrapping incentives, the full impact of which became apparent in the triad markets. In Europe, the number of new vehicle registrations from July to September was up year-on-year approximately 4% (H1 2009: -10%). In the same period of time, Japan also experienced an increase of

1% (H1 2009: -21%). In the U.S.A., the 34% decline in the first six months was lessened to 10% in the third quarter thanks to the “Cash for Clunkers” incentive program which had been introduced at short notice.

The second quarter in the BRIC countries already saw an upswing which gained momentum in the third quarter. In the period from July to September, new vehicle registrations rose more than 22% (H1 2009: 4%) compared to the previous year level, thanks chiefly to the record sales figures in China. There was a 16% drop in the first nine months in the triad markets, whereas the BRIC countries experienced an increase of some 10%. Worldwide, new vehicle registrations were down approximately 11% in the period from January to September.

However, manufacturers continued to use the substantially improved situation on the sales markets in the third quarter to improve the inventory situation. At 11%, the decline in third quarter production figures in Europe was smaller than in the first six months (H1 2009: -32%). Thanks to the resumption of production at Chrysler late in June and the lower basis of the previous year, the number of vehicles produced in North America from July to September fell year-on-year less drastically than in the first six months. At -20%, the decline in Q3 was much more moderate (H1 2009: -50%). In the same period in Japan, production cutbacks at 25% were also more moderate than the 44% in the first six months. All in all, looking at the two regions where Continental makes roughly 80% of its sales in the automotive sector – North America and Europe – vehicle production fell another 15% after 38% in the first six months, compared to the previous year. Thanks to the success of the car scrapping incentives in Europe, production cuts were much less substantial since the beginning of the second quarter than in the first quarter of 2009, particularly at the large scale manufacturers in Europe. Nonetheless, in the first nine months of the year some 11 million vehicles fewer were produced worldwide, a decline of 24%.

On the commercial vehicle markets, the third quarter brought no significant improvement in the already very tight situation of the first six months. Output in Europe, with cutbacks in truck production at 67%, persisted at a low level similar to the level in the first six months (H1 2009: -64%). In North America, commercial vehicle production was down 42%. The decline was thus somewhat more moderate in the third quarter than in the first six months (H1 2009: -43%). Production in the first nine months was thus down roughly 66% in Europe and about 43% in North America.

In view of this trend, the forecast for the development of commercial vehicle production in 2009 needs to be adjusted. As things look now, declines of 65% in Europe and 45% in North America must be expected.

The passenger tire replacement markets, which tend to be less cyclical, were able to recover slightly in the third quarter. After a decrease of 11% in Europe in the first half of the year, the number of tires sold fell by only about 3% in the third quarter, whereby the market in September was up slightly by 2% after 8 months of negative growth. The North American market got back on the road to growth in June. The number of miles driven in the U.S. was up in April for the first time in 16 months, providing the market with an increase of some 3% in the third quarter (H1 2009: -15%). The replacement business followed the production trend described above. The truck tire replacement markets were also characterized by a substantial drop in sales. Market figures in Europe declined 17% from July to September (H1 2009: -29%). The decline slowed in North America, with a 12% drop after 23% in the first half of the year, resulting primarily from the already low values in 2008.

The decrease in the first nine months was 27% in Europe and 21% in North America.

Earnings, Financial and Net Assets Position of the Continental Corporation

Earnings Position

Sales Down 24.8%;

Sales Down 23.5% Before Changes in the Scope of Consolidation and Exchange Rate Effects

Consolidated sales for the first nine months of 2009 fell by 24.8% year-on-year to €14,400.2 million (PY: €19,146.0 million). Before changes in the scope of consolidation and exchange rate effects, sales dropped by 23.5%, primarily as a result of volume decreases caused by the global economic crisis.

In the third quarter of 2009, consolidated sales fell by 9.4% to €5,337.0 million in comparison to the same period of 2008 (PY: €5,892.0 million). Before changes in the scope of consolidation and exchange rate effects, sales dropped by 8.6%. On a comparable basis, the decrease in the second quarter was still as high as 27.4%.

Adjusted EBIT Down 55.9%

The adjusted EBIT was down in the first nine months of 2009 compared with the same period of 2008 by €840.7 million, or 55.9%, to €662.1 million (PY: €1,502.8 million), equivalent to 4.6% (PY: 8.0%) of adjusted sales.

The adjusted EBIT rose in the third quarter of 2009 compared with the same period of last year by €94.3 million, or 29.6%, to €413.4 million (PY: €319.1 million), equivalent to 7.8% (PY: 5.5%) of adjusted sales. On a comparable basis, there was an adjusted EBIT of €283.0 million in the second quarter of 2009.

EBIT Down 196.5%

In the first nine months of 2009, the EBIT was down €2,113.1 million on the previous year to -€1,038.0 million (PY: €1,075.1 million), a decrease of 196.5%. The return on sales fell to -7.2% (PY: 5.6%).

The amortization of intangible assets from PPA reduced EBIT by €338.3 million in the first nine months of 2009 (PY: €336.1 million).

Special Effects in the First Nine Months of 2009

In the third quarter of 2009, the impairment test on goodwill led to an impairment requirement of €875.8 million. €61.4 million of this related to the Interior division, €367.0 million to the Chassis & Safety division and €447.4 million to the Powertrain division.

In the Interior division, the product portfolio was reviewed in 2008 in conjunction with the acquisition of Siemens VDO, and business sections in the non-OE sector were identified that are not part of our core business. In 2008 the sale process was initiated for one of these business sections, leading to further recognition of impairment losses in the amount of €1.2 million.

The associate Hyundai Autonet Co. Ltd., Kyoungki-do, South Korea, of the Interior division was sold at a price of €126.6 million. The transaction resulted in recognition of impairment losses in the amount of €73.6 million.

In view of a probable disposal, impairment losses in the amount of €44.0 million were recognized for an associated company in the Interior division.

The research and development location in Neubiberg, Germany, is to be closed. This led to restructuring expenses of €9.0 million in the Interior and Powertrain divisions.

The plant in Huntsville, Alabama, U.S.A., is to be closed at the end of 2010. This decision was based upon the persistent unfavorable situation in the U.S. market as well as the overcapacities in production, research and development in North America. By closing Huntsville and consolidating production capacities as well as concentrating research and development activities, we expect to optimize regional production and reduce costs significantly. In the first nine months of 2009, the Interior and Powertrain divisions incurred restructuring expenses of €82.7 million.

Capacities in the Passenger and Light Truck Tires division have to be brought into line with prevailing market conditions in Europe. Current production overcapacities in Europe mean a much reduced demand for primary materials as well. The closure of the compounding and rubberization activities in Traiskirchen, Austria, at the end of this year led to restructuring expenses of €12.6 million in the Passenger and Light Truck Tires division for the first nine months of 2009.

Measures introduced for the location in Stöcken, Germany, led to restructuring expenses of €46.4 million in the Commercial Vehicle Tires division for the first nine months of 2009.

The closure and transfer of Western European locations of the Fluid Technology business unit in the ContiTech division led to restructuring expenses of €25.9 million for the first nine months of 2009.

The antitrust proceedings initiated in 2007 against Dunlop Oil & Marine Ltd., UK, a subsidiary of ContiTech AG, in the area of offshore hoses, resulted in further expenses of €1.9 million in the first nine months of 2009.

For the ContiTech division, the first consolidation of the conveyor belt company Kolubara Univerzal D.O.O., Serbia, led to a gain of €0.7 million from the negative balance.

In addition, the Automotive Group incurred expenses, chiefly from restructuring measures, totaling €17.6 million in the first nine months of 2009. The Rubber Group incurred further expenses totaling €19.4 million in the first nine months of 2009, also primarily from restructuring measures.

In the first nine months of 2009, the cost-cutting program initiated worldwide in response to the economic crisis led to expenses for severance payments totaling €79.5 million (Interior €17.5 million, Chassis & Safety €13.0 million, Powertrain €11.9 million, Passenger and Light Truck Tires €9.4 million, Commercial Vehicle Tires €3.3 million, ContiTech €17.0 million, Holding €7.4 million).

The cash outflow for the syndicated loan taken out to finance the acquisition of Siemens VDO will be higher as a result of increasing interest margins. The carrying amount was thus adjusted by €70.3 million. This deferral will be amortized over the term of this facility, and reduces expenses accordingly.

The total consolidated net expense from special effects amounted to €1,359.2 million in the first nine months of 2009.

Special Effects in the First Nine Months of 2008

Unutilized provisions of €1.1 million were reversed in the first nine months of 2008 as part of the winding up of restructuring activities at the plant in Angers, France. This was partially offset in the 2008 reporting period by restructuring expenses of €0.3 million from the ongoing integration of the automotive electronics business acquired from Motorola.

At the plant in Wetzlar, Germany, production for the Interior division was shut down due to a lack of orders. Research and development activities are to remain in Wetzlar. This led to restructuring expenses in the amount of €18.6 million in the 2008 reporting period.

In the Interior division, the product portfolio was reviewed in conjunction with the acquisition of Siemens VDO, and business sections in the non-OE sector were identified that are not part of our core business. The sale process was initiated for one of these business sections and led to recognition of impairment losses in the amount of €26.3 million.

Production at the plant in Rambouillet, France, is to be relocated. R&D activities as well as administration are to remain at the location. This led to restructuring expenses in the Interior division in the amount of €43.3 million in the 2008 reporting period.

In addition, restructuring expenses of €4.8 million were incurred in the first nine months of 2008 for the Interior division, primarily for the research and development location in Munich, Germany.

The electric motors activities were sold – primarily under an asset deal – to the Brose Group effective April 1, 2008. This sale generated an overall gain of €6.0 million for the Powertrain division.

The sensors business of the Chassis & Safety and Powertrain divisions at the Dortmund location in Germany will be closed due to reductions in volume and a lack of follow-up orders. This led to restructuring expenses in the amount of €14.6 million in the 2008 reporting period.

In connection with the transfer of the R&D activities of the Chassis & Safety and Powertrain divisions, restructuring expenses of €2.3 million were incurred at the Elkhart plant in the U.S.A. in the 2008 reporting period.

Expenses amounting to €3.6 million resulted primarily from the scrapping of unusable machinery as part of the winding up of the restructuring measures at the tire plants in Charlotte and Mayfield, U.S.A.

Unutilized provisions of €3.0 million were reversed in the ContiTech division in the 2008 reporting period as part of the winding up of restructuring activities, primarily for Roulunds, Denmark, and ContiTech Schlauch, Northeim, Germany, as well as from the sale of the Benecke-Kaliko unit's furniture covering business. The sale of the Benecke-Kaliko unit's furniture covering business resulted in a gain of €4.7 million in the ContiTech division.

The sale of Phoenix Dichtungstechnik GmbH led to a gain of €24.3 million in the ContiTech division in the 2008 reporting period.

The total consolidated net expense from special effects in the first nine months of 2008 was €113.5 million. Special effects totaling €38.8 million had a positive impact, resulting in overall expense from special effects of €74.7 million for the corporation.

Research and Development Expenses
In the first nine months of 2009, research and development expenses declined by 9.9% compared with the same period of 2008 to €1,092.4 million (PY: €1,212.5 million), representing 7.6% (PY: 6.3%) of sales. Of that sum, €926.9 million (PY: €1,041.3 million) was attributable to the Automotive Group, corresponding to 10.8% (PY: 8.7%) of sales, and €165.5 million (PY: €171.2 million) to the Rubber Group, corresponding to 2.8% (PY: 2.4%) of sales.

Net Interest Expense
At -€517.4 million, net interest expense rose by €7.7 million in the first nine months of 2009 compared with the same period of 2008 (PY: -€509.7 million).

Compared to the same period of 2008, interest expense increased by €8.7 million to €540.4 million (PY: €531.7 million). For the first nine months of 2009, interest income was €22.0 million (PY: €56.8 million). The substantial decrease in interest income compared to the same period of 2008 was due to the steady fall in interest rates in the course of 2009 worldwide. This effect was largely offset on the interest expense side by higher margins resulting from adjustments agreed upon in January 2009 for the credit conditions of the syndicated loan taken out for the acquisition of Siemens VDO. The downgradings of Continental AG's credit rating undertaken in 2009 continued to have a negative impact.

At €1.0 million, the exchange rate effects, for the most part with no effect on cash, were €35.8 million higher than in 2008 (PY: -€34.8 million).

Income Tax Expense
In the first nine months of 2009, income tax expense improved by €251.0 million in comparison to the previous year to €85.3 million (PY: -€165.7 million).

The goodwill impairment losses recognized in an amount of €875.8 million in the period under review did not lead to any tax gain.

Tax expense in the period under review was influenced primarily by the valuation allowance of deferred tax assets on tax losses carried forward and limitations of interest deduction in Germany. In the annual financial statements for 2008, these had been recognized with the unrestricted possibility of offsetting due to expected results to be taxed.

In June 2009 we became aware that, according to the opinion of the German finance authorities, a harmful change of shareholder has already occurred according to section 8c of the *Körperschaftsteuergesetz* (German Corporate Tax Law) since, with the acquisition of shares by Schaeffler KG in 2008, the 25% threshold was exceeded. Even though Continental does not agree with this interpretation of the law and will be appealing it in due time, in the period under review the respective deferred tax assets in an amount of €108.5 million had to be written off. These relate to loss and interest carryforwards that can no longer be utilized in the opinion of the finance authorities.

Net Income Attributable to the Shareholders of the Parent
Net income attributable to the shareholders of the parent was down €1,859.1 to -€1,495.6 million (PY: €363.5 million), with earnings per share lower at -€8.85 (PY: €2.24).

Financial Position

Cash Flow

At €1,612.8 million, net cash flow from operating activities as of September 30, 2009, was €683.1 million higher than on September 30, 2008 (€929.7 million).

For the first nine months of 2009, there was a free cash flow of €1,084.0 million (PY: €123.8 million), up €960.2 million on the same period of 2008. A decrease in working capital, which increased cash flow by €1,045.0 million compared to the same period of 2008, had a positive effect. This decrease in working capital in comparison to the first nine months of 2008, which was achieved by improved working capital management and which has an effect on cash and cash equivalents, resulted primarily from the reduction of inventories in an amount of €675.3 million as well as an increase in operating liabilities in an amount of €227.7 million.

Interest payments totaling €590.6 million (PY: €448.9 million) resulting from the purchase price financing for the acquisition of Siemens VDO in particular had a negative impact. Free cash flow was impacted by the squeeze out redemption paid to the minority shareholders of ContiTech AG on February 16, 2009, amounting to €37.2 million. The refund of cumulative pension payments since mid-2006 amounting to €112.1 million from the related Contractual Trust Arrangements (CTA) existing for several subsidiaries in Germany had a positive effect on cash flow, as did the overall discontinuation of the status as qualifying plan assets following changes in the asset allocations, allowing the purchase of ContiTech AG shares by Continental Pension Trust e.V. in an amount of 24.9% at a purchase price of €475.6 million. These assets, as well as other assets of the respective CTAs in an amount of €95.1 million, were no longer netted against the related obligations.

In the first nine months of 2009, total cash outflows amounting to €528.8 million (PY: €805.9 million) resulted from investment activities. In addition to the reduction in investments in property, plant, equipment, and software, cash flow in the amount of €126.6 million from the sale of the associate Hyundai Autonet Co., Ltd. to Hyundai Mobis Co., Ltd. in June 2009 had a positive effect.

Financing

At €9,464.8 million, the net indebtedness of the corporation on September 30, 2009, was €1,018.7 million lower than on December 31, 2008, and €1,342.3 million lower than on September 30, 2008 (€10,807.1 million).

At 225.9%, the gearing ratio is higher than the previous year's level of 146.0% despite the reduction in net indebtedness due to reduced equity in comparison to the end of September 2008.

Bonds were down €459.5 million in comparison to September 30, 2008, due primarily to the repayment of a bond of Continental AG in a nominal amount of €369.5 million in December 2008 as well as a bond of Continental Rubber of America in a nominal amount of €70.0 million in the third quarter of 2009.

With the repayment of tranche A due in August 2009 of the syndicated loan to finance the acquisition of Siemens VDO (nominal amount of €800.0 million), the total committed amount decreased from €11.8 billion to €11.0 billion. This loan was drawn upon at the end of September 2009 in the nominal amount of €9,693.3 million. The cash outflow for the syndicated loan taken out to finance the acquisition of Siemens VDO will be higher as a result of increasing interest margins. The carrying amount was thus adjusted by €70.3 million. This deferral will be amortized over the term of this facility, and reduces expenses accordingly.

For tranche C with a nominal value of €5,000.0 million due in August 2012, there were interest hedges at the end of September 2009 amounting to €3,125.0 million. The resulting average fixed interest rate to be paid is 4.19% plus margin.

In the first nine months of 2009, the measures relating to the Contractual Trust Arrangements (CTA) existing for several subsidiaries as described in the "Cash Flow" section reduced the indebtedness of the corporation.

Work is currently underway on a collateralization structure for the loan with the European Investment Bank (EIB). This provides for a collateralization by cession of trade receivables.

As of September 30, 2009, Continental had at its disposal liquidity reserves totaling €3,290.5 million, consisting of cash and cash equivalents of €1,556.3 million as well as unused credit lines totaling €1,734.2 million.

Capital Expenditure (Additions)
In the first three quarters of 2009, €587.5 million (PY: €1,123.1 million) was invested in property, plant, equipment and software, corresponding to a capital expenditure ratio of 4.1% (PY: 5.9%). €360.9 million (PY: €763.3 million) of this sum, or 4.2% (PY: 6.4%) of sales, was attributable to the Automotive Group.

The Automotive Group invested primarily in production equipment for the manufacture of new products and the implementation of new technologies for electronic brake and safety systems as well as engine and transmission control units, whereby the transfer of manufacturing capacities to best-cost locations was intensified.

The Rubber Group invested €226.4 million (PY: €348.5 million), which is equivalent to 3.9% (PY: 4.9%) of sales. In the Tire divisions, investments focused on the areas of quality assurance and cost reduction. ContiTech invested in rationalizing production processes and in new products. In addition, investment projects were carried out in Romania (Fluid Technology), China (Vibration Control) and Brazil (Conveyor Belt Group).

Net Assets Position
At €23,371.6 million, total assets on September 30, 2009, were €3,609.5 million lower than on the same date in 2008. This decline is mainly due to goodwill impairment at the end of 2008 totaling €1,230.0 million and in September 2009 totaling €875.8 million, and a €1,324.1 million reduction in inventories and receivables. This is partially offset by a €587.7 million increase in cash and cash equivalents.

Total equity including minority interests was down €3,209.9 million compared with September 30, 2009, due primarily to the negative net income attributable to the shareholders of the parent totaling €2,982.6 million as well as the negative exchange rate effects of €187.2 million.

Total assets were down €1,316.3 million compared with December 31, 2008. In addition to goodwill impairment in 2009, this decline resulted from €346.1 million from the other intangible assets; €257.7 million from property, plant, and equipment; and €303.3 million from the investments in associated companies. This is partially offset by a €218.5 million increase in inventories and receivables and by €176.6 million from deferred tax assets. The increase in pension provisions totaling €685.6 million resulted in particular from asset reclassification and restructuring within individual CTAs in Germany. We refer to the remarks under the "Financial Position" section.

Total equity including minority interests was down €1,339.2 million compared with year-end 2008. This decline was caused chiefly by the negative net income (attributable to the shareholders of the parent) totaling €1,495.6 million. This was partially offset by positive currency exchange effects of €131.5 million.

Employees
At the end of the third quarter of 2009, the corporation's employees numbered 134,216, a decrease of 4,939 compared with the end of 2008. The economic situation led to a substantial workforce reduction of 4,781 employees, above all in the Automotive Group. Due to volume declines, it was necessary to implement capacity adjustments and hiring freezes. In the Rubber Group, the number of staff was reduced in total by only 110 after first consolidations.

Compared with the reporting date for 2008, there were 12,280 fewer employees.

Development of the Continental Corporation

in € millions	January 1 to September 30		Third Quarter	
	2009	2008	2009	2008
Sales	14,400.2	19,146.0	5,337.0	5,892.0
EBITDA	1,137.8	2,371.2	440.6	596.4
in % of sales	7.9	12.4	8.3	10.1
EBIT	- 1,038.0	1,075.1	- 911.8	162.7
in % of sales	- 7.2	5.6	- 17.1	2.8
Net income attributable to the shareholders of the parent	- 1,495.6	363.5	- 1,038.5	2.4
Earnings per share (in €)	- 8.85	2.24	- 6.14	0.01
Research and development expenses	1,092.4	1,212.5	361.8	372.9
Depreciation and amortization[1]	2,175.8	1,296.1	1,352.4	433.7
Capital expenditure[2]	587.5	1,123.1	173.8	391.6
Operating assets (as of September 30)	15,492.9	19,812.2		
Number of employees (as of September 30)[3]	134,216	146,496		
Adjusted sales[4]	14,320.4	18,737.9	5,295.7	5,836.4
Adjusted operating result (adjusted EBIT)[5]	662.1	1,502.8	413.4	319.1
in % of adjusted sales	4.6	8.0	7.8	5.5
Net indebtedness (as of September 30)	9,464.8	10,807.1		
Gearing ratio in %	225.9	146.0		

[1] Excluding write-downs of investments.
[2] Capital expenditure on property, plant, equipment and software.
[3] Excluding trainees.
[4] Before changes in the scope of consolidation.
[5] Before amortization of intangible assets from PPA, changes in the scope of consolidation, and special effects.

Reconciliation of EBIT to Net Income

in € millions	January 1 to September 30		Third Quarter	
	2009	2008	2009	2008
Chassis & Safety	- 196.2	394.7	- 252.6	103.2
Powertrain	- 856.3	- 176.4	- 603.6	- 127.5
Interior	- 446.9	95.3	- 202.5	- 32.6
Passenger and Light Truck Tires	504.2	454.8	221.4	133.5
Commercial Vehicle Tires	- 39.1	35.1	- 25.1	6.8
ContiTech	123.7	305.4	54.2	92.3
Other/consolidation	- 127.4	- 33.8	- 103.6	- 13.0
EBIT	**- 1,038.0**	**1,075.1**	**- 911.8**	**162.7**
Net interest expense	- 517.4	- 509.7	- 188.2	- 133.7
Earnings before income taxes	**- 1,555.4**	**565.4**	**- 1,100.0**	**29.0**
Income taxes	85.3	- 165.7	72.1	- 15.5
Net income	**- 1,470.1**	**399.7**	**- 1,027.9**	**13.5**
Minority interests	- 25.5	- 36.2	- 10.6	- 11.1
Net income attributable to the shareholders of the parent	**- 1,495.6**	**363.5**	**- 1,038.5**	**2.4**
Earnings per share (in €), undiluted	- 8.85	2.24	- 6.14	0.01

Reconciliation of Cash Flow to the Change in Net Indebtedness

	January 1 to September 30		Third Quarter	
in € millions	**2009**	**2008**	**2009**	**2008**
Cash provided by operating activities	1,612.8	929.7	615.2	293.5
Cash used for investing activities	- 528.8	- 805.9	- 221.0	- 322.5
Cash flow before financing activities (free cash flow)	**1,084.0**	**123.8**	**394.2**	**- 29.0**
Dividends paid	—	- 323.4	—	—
Dividends paid and repayment of capital to minority interests	- 27.3	- 33.5	- 19.9	- 25.8
Proceeds from the issuance of shares	—	1.0	—	- 0.6
Non-cash changes	- 60.7	277.9	- 86.4	207.6
Other	13.8	9.1	- 15.6	17.2
Foreign exchange effects	8.9	- 5.6	9.5	1.9
Reduction in net indebtedness	**1,018.7**	**49.3**	**281.8**	**171.3**

Development of the Divisions

Chassis & Safety in € millions	January 1 to September 30		Third Quarter	
	2009	2008	2009	2008
Sales	3,105.0	4,119.6	1,188.9	1,224.4
EBITDA	427.6	644.0	205.6	186.8
in % of sales	13.8	15.6	17.3	15.3
EBIT	- 196.2	394.7	- 252.6	103.2
in % of sales	- 6.3	9.6	- 21.2	8.4
Depreciation and amortization[1]	623.8	249.3	458.2	83.6
Capital expenditure[2]	99.1	233.1	37.3	84.6
Operating assets (as of September 30)	3,840.9	4,628.1		
Number of employees (as of September 30)[3]	26,563	28,234		
Adjusted sales[4]	3,105.0	4,108.6	1,188.9	1,220.1
Adjusted operating result (adjusted EBIT)[5]	223.1	436.2	134.7	121.3
in % of adjusted sales	7.2	10.6	11.3	9.9

[1] Excluding write-downs of investments.

[2] Capital expenditure on property, plant, equipment and software.

[3] Excluding trainees.

[4] Before changes in the scope of consolidation.

[5] Before amortization of intangible assets from PPA, changes in the scope of consolidation, and special effects.

Chassis & Safety

Sales Volumes

In the Electronic Brake Systems business unit, sales volumes of electronic brake systems fell 23.6% to 8.8 million units in the first nine months of 2009 compared to the same period in 2008.

In our Hydraulic Brake Systems business unit, sales of brake boosters were down by 20.0% to 8.4 million units in the first three quarters of 2009 compared with the same period of last year. Sales of brake calipers for the first nine months dropped to 17.7 million units, a decline of 29.5% year-on-year.

In our Passive Safety & Advanced Driver Assistance Systems business unit, sales volumes of air bag control units were down by 21.7% to 8.3 million units in the first nine months of 2009 compared with the same period of last year. In contrast, sales of driver assistance systems were up to 418,100 units in the first nine months of 2009, an increase of 97.2% in comparison to the same period of 2008.

Sales Down 24.6%;

Sales Down 25.6% Before Changes in the Scope of Consolidation and Exchange Rate Effects

Sales of the Chassis & Safety division fell by 24.6% to €3,105.0 million in the first nine months of 2009 compared with the same period of 2008 (PY: €4,119.6 million). Before changes in the scope of consolidation and exchange rate effects, sales dropped by 25.6%, due primarily to significant production declines in North America and Europe.

Adjusted EBIT Down 48.9%

The Chassis & Safety division's adjusted EBIT was down in the first three quarters of 2009 compared with the same period of 2008 by €213.1 million, or 48.9%, to €223.1 million (PY: €436.2 million), equivalent to 7.2% (PY: 10.6%) of adjusted sales.

EBIT Down 149.7%

Compared with the same period of last year, the Chassis & Safety division reported a decrease in EBIT of €590.9 million, or 149.7%, to -€196.2 million (PY: €394.7 million) in the first nine months of 2009. The return on sales fell to -6.3% (PY: 9.6%).

The amortization of intangible assets from PPA reduced EBIT by €40.0 million in the first nine months of 2009 (PY: €39.1 million).

Special Effects in the First Nine Months of 2009

In the third quarter of 2009, the impairment test on goodwill led to an impairment requirement of €367.0 million in the Chassis & Safety division.

Unutilized provisions of €1.7 million were reversed in the Chassis & Safety division during the first nine months of 2009 as part of the winding up of restructuring activities at the plant in Dortmund, Germany.

Impairment losses of €1.0 million were recognized on property, plant, and equipment in the Chassis & Safety division.

The cost-cutting program initiated worldwide in response to the economic crisis led to expenses for severance payments totaling €13.0 million in the Chassis & Safety division in the first three quarters of 2009.

For the Chassis & Safety division, the total net expense from special effects amounted to €379.3 million in the first nine months of 2009.

Special Effects in the First Nine Months of 2008

The sensors business at the Dortmund location in Germany will be closed due to reductions in volumes and a lack of follow-up orders. This led to restructuring expenses in the Chassis & Safety division in the amount of €6.1 million in the 2008 reporting period.

In connection with the transfer of the R&D activities at the Elkhart plant in the U.S.A., restructuring expenses of €0.4 million were incurred by the Chassis & Safety division in the 2008 reporting period.

For the first nine months of 2008, the total adverse impact of special effects on the Chassis & Safety division amounted to €6.5 million.

Powertrain in € millions	January 1 to September 30		Third Quarter	
	2009	2008	2009	2008
Sales	2,394.9	3,283.3	907.4	912.9
EBITDA	- 63.0	189.2	- 31.1	- 4.8
in % of sales	- 2.6	5.8	- 3.4	- 0.5
EBIT	- 856.3	- 176.4	- 603.6	- 127.5
in % of sales	- 35.8	- 5.4	- 66.5	- 14.0
Depreciation and amortization[1]	793.3	365.6	572.5	122.7
Capital expenditure[2]	167.5	337.8	39.6	120.0
Operating assets (as of September 30)	3,050.2	4,795.9		
Number of employees (as of September 30)[3]	23,955	26,503		
Adjusted sales[4]	2,364.3	3,017.7	892.5	889.1
Adjusted operating result (adjusted EBIT)[5]	- 222.6	- 40.3	- 72.7	- 76.7
in % of adjusted sales	- 9.4	- 1.3	- 8.1	- 8.6

[1] Excluding write-downs of investments.

[2] Capital expenditure on property, plant, equipment and software.

[3] Excluding trainees.

[4] Before changes in the scope of consolidation.

[5] Before amortization of intangible assets from PPA, changes in the scope of consolidation, and special effects.

Powertrain

Sales Volumes

In the first nine months of 2009, the economic situation in all regions led to sales figures 20% to 40% below the levels in the first nine months of 2008 for all business units. In North America, the situation was aggravated further by the production stop at Chrysler in May and June. The Engine Systems business unit was hit hardest by the severe slump in North America. In addition, the Powertrain division is also represented in the light truck and commercial vehicle sector, which experienced a decline on the whole of more than 50% worldwide.

Sales Down 27.1%; Sales Down 22.9% Before Changes in the Scope of Consolidation and Exchange Rate Effects

Sales of the Powertrain division fell by 27.1% to €2,394.9 million in the first nine months of 2009 compared with the same period of 2008 (PY: €3,283.3 million). Before changes in the scope of consolidation and exchange rate effects, sales decreased by 22.9%, primarily as a result of volume declines.

Adjusted EBIT Down 452.4%

The Powertrain division's adjusted EBIT was down in the first three quarters of 2009 compared with the same period of 2008 by €182.3 million, or 452.4%, to -€222.6 million (PY: -€40.3 million), equivalent to -9.4% (PY: -1.3%) of adjusted sales.

EBIT Down 385.4%

Compared with the same period of last year, the Powertrain division reported in the first nine months of 2009 a decrease in EBIT of €679.9 million or 385.4% to -€856.3 million (PY: -€176.4 million). The return on sales fell to -35.8% (PY: -5.4%).

The amortization of intangible assets from PPA reduced EBIT by €131.7 million in the first nine months of 2009 (PY: €129.1 million).

Special Effects in the First Nine Months of 2009

In the third quarter of 2009, the impairment test on goodwill led to an impairment requirement of €447.4 million in the Powertrain division.

The research and development location in Neubiberg, Germany, is to be closed. This led to restructuring expenses of €1.0 million in the Powertrain division.

The plant in Huntsville, Alabama, U.S.A., is to be closed at the end of 2010. This decision was based upon the persistent unfavorable situation in the U.S. market as well as the overcapacities in production, research and development in North America. By closing Huntsville and consolidating production capacities as well as concentrating research and development activities, we expect to optimize regional production and reduce costs significantly. In the first nine months of 2009, the Powertrain division incurred restructuring expenses of €24.9 million.

In the first nine months of 2009, the Powertrain division incurred further expenses totaling €14.9 million, primarily from restructuring measures.

The cost-cutting program initiated worldwide in response to the economic crisis led to expenses for severance payments totaling €11.9 million in the Powertrain division in the first nine months of 2009.

For the Powertrain division, the total net expense from special effects in the first nine months of 2009 amounted to €500.1 million.

Special Effects in the First Nine Months of 2008

Unutilized provisions of €0.7 million were reversed during the first nine months of 2008 as part of the winding up of restructuring activities at the plant in Angers, France. This was partially offset by restructuring expenses of €0.2 million from the ongoing integration of the automotive electronics business acquired from Motorola.

The electric motors activities were sold – primarily under an asset deal – to the Brose Group effective April 1, 2008. This sale generated an overall gain of €6.0 million for the Powertrain division.

The sensors business at the Dortmund location in Germany will be closed due to reductions in volumes and a lack of follow-up orders. This led to restructuring expenses in the Powertrain division in the amount of €8.5 million.

In connection with the transfer of the R&D activities at the Elkhart plant in the U.S.A., restructuring expenses of €1.9 million were incurred by the Powertrain division in the first three quarters of 2008.

The total net expense from special effects in the first nine months of 2008 was €3.9 million for the Powertrain division.

Interior in € millions	January 1 to September 30		Third Quarter	
	2009	2008	2009	2008
Sales	3,154.8	4,683.0	1,150.5	1,387.4
EBITDA	-21.5	466.5	-5.3	90.1
in % of sales	-0.7	10.0	-0.5	6.5
EBIT	-446.9	95.3	-202.5	-32.6
in % of sales	-14.2	2.0	-17.6	-2.3
Depreciation and amortization[1]	425.4	371.2	197.2	122.7
Capital expenditure[2]	94.4	192.3	29.9	52.8
Operating assets (as of September 30)	4,451.1	5,749.0		
Number of employees (as of September 30)[3]	27,438	32,419		
Adjusted sales[4]	3,152.6	4,570.0	1,150.3	1,359.0
Adjusted operating result (adjusted EBIT)[5]	-15.2	374.1	32.8	75.2
in % of adjusted sales	-0.5	8.2	2.9	5.5

[1] Excluding write-downs of investments.

[2] Capital expenditure on property, plant, equipment and software.

[3] Excluding trainees.

[4] Before changes in the scope of consolidation.

[5] Before amortization of intangible assets from PPA, changes in the scope of consolidation, and special effects.

Interior

Sales Volumes

During the first nine months, sales volumes for access control systems and body electronics fell to 34.2 million units in the Body & Security business unit, down 29.9% from the same period in 2008.

In the Instrumentation & Driver HMI business unit, sale volumes of instrument clusters fell 19.9% to 10.5 million units in the first three quarters of 2009 compared to the same period in 2008.

Year-on-year, sales volumes of digital tachographs in the Commercial Vehicles & Aftermarket business unit declined 57.3% to 168,800 units in the first nine months of 2009.

Volume increases from new projects were not able to offset the decrease in sales in most ongoing projects in the Infotainment and Connectivity business unit either.

Sales Down 32.6%;

Sales Down 30.8% Before Changes in the Scope of Consolidation and Exchange Rate Effects

Sales of the Interior division fell by 32.6% to €3,154.8 million in the first nine months of 2009 compared with the same period of 2008 (PY: €4,683.0 million). Before changes in the scope of consolidation and exchange rate effects, sales dropped by 30.8%, primarily as a result of reductions in global production of cars and commercial vehicles.

Adjusted EBIT Down 104.1%

The Interior division's adjusted EBIT was down in the first nine months of 2009 compared with the same period of 2008 by €389.3 million, or 104.1%, to -€15.2 million (PY: €374.1 million), equivalent to -0.5% (PY: 8.2%) of adjusted sales.

EBIT Down 568.9%

Compared with the same period of last year, the Interior division reported in the first nine months of 2009 a decrease in EBIT of €542.2 million or 568.9% to -€446.9 million (PY: €95.3 million). The return on sales fell to -14.2% (PY: 2.0%).

The amortization of intangible assets from PPA reduced EBIT by €160.4 million in the first nine months of 2009 (PY: €163.1 million).

Special Effects in the First Nine Months of 2009

In the third quarter of 2009, the impairment test on goodwill led to an impairment requirement of €61.4 million in the Interior division.

In the Interior division, the product portfolio was reviewed in 2008 in conjunction with the acquisition of Siemens VDO, and business sections in the non-OE sector were identified that are not part of our core business. In 2008 the sale process was initiated for one of these business sections, leading to recognition of impairment losses in the amount of €1.2 million.

The associate Hyundai Autonet Co. Ltd., Kyoungki-do, South Korea, of the Interior division was sold at a price of €126.6 million. The transaction resulted in recognition of impairment losses in the amount of €73.6 million.

In view of a probable disposal, impairment losses in the amount of €44.0 million were recognized for an associated company in the Interior division.

The research and development location in Neubiberg, Germany, is to be closed. This led to restructuring expenses of €8.0 million in the Interior division.

The plant in Huntsville, Alabama, U.S.A., is to be closed at the end of 2010. This decision was based upon the persistent unfavorable situation on the domestic market as well as the overcapacities in production, research and development in North America. By closing Huntsville and consolidating production capacities as well as concentrating research and development activities, we expect to optimize regional production and reduce costs significantly. In the first nine months of 2009, the Interior division incurred restructuring expenses of €57.8 million.

In the first nine months of 2009, the Interior division incurred further expenses totaling €3.4 million, primarily from restructuring measures.

The cost-cutting program initiated worldwide in response to the economic crisis led to expenses for severance payments totaling €17.5 million in the Interior division in the first three quarters of 2009.

For the Interior division, the total net expense from special effects amounted to €266.9 million in the first nine months of 2009.

Special Effects in the First Nine Months of 2008

In the Interior division, unutilized provisions of €0.4 million were reversed during the first nine months of 2008 as part of the winding up of restructuring activities at the plant in Angers, France. This was partially offset by restructuring expenses of €0.1 million from the ongoing integration of the automotive electronics business acquired from Motorola.

At the plant in Wetzlar, Germany, production for the Interior division was shut down due to a lack of orders. Research and development activities are to remain in Wetzlar. In the first three quarters of 2008, restructuring expenses of €18.6 million were incurred in this context.

The product portfolio was reviewed in conjunction with the acquisition of Siemens VDO, and business sections in the non-OE sector were identified that are not part of our core business. The sale process was initiated for one of these business sections and led to recognition of impairment losses in the amount of €26.3 million in the first nine months of 2008.

Production at the plant in Rambouillet, France, is to be relocated. R&D activities as well as administration are to remain at the location. This led to restructuring expenses in the amount of €43.3 million in the 2008 reporting period.

In addition, restructuring expenses of €4.8 million were incurred in the first nine months of 2008 for the Interior division, primarily for the research and development location in Munich, Germany.

The total net expense from special effects in the first nine months of 2008 was €92.7 million for the Interior division.

Passenger and Light Truck Tires in € millions	January 1 to September 30		Third Quarter	
	2009	2008	2009	2008
Sales	3,355.9	3,861.8	1,240.7	1,326.0
EBITDA	682.2	627.7	283.2	192.7
in % of sales	20.3	16.3	22.8	14.5
EBIT	504.2	454.8	221.4	133.5
in % of sales	15.0	11.8	17.8	10.1
Depreciation and amortization[1]	178.0	172.9	61.8	59.2
Capital expenditure[2]	130.1	198.2	38.0	68.5
Operating assets (as of September 30)	2,484.1	2,700.0		
Number of employees (as of September 30)[3]	26,717	27,010		
Adjusted sales[4]	3,333.5	3,871.0	1,223.6	1,328.8
Adjusted operating result (adjusted EBIT)[5]	538.0	463.2	241.4	138.0
in % of adjusted sales	16.1	12.0	19.7	10.4

[1] Excluding write-downs of investments.

[2] Capital expenditure on property, plant, equipment and software.

[3] Excluding trainees.

[4] Before changes in the scope of consolidation.

[5] Before amortization of intangible assets from PPA, changes in the scope of consolidation, and special effects.

Passenger and Light Truck Tires
Sales Volumes

In the first three quarters of 2009, the replacement business in Europe and Asia posted volume losses compared with the same period of 2008, while the replacement business in The Americas region was able to achieve volume increases in contrast to the market trend. Sales volumes in the original equipment sector fell on a global basis compared with the figures for the first nine months of 2008, with decreases in the NAFTA region being greater than in Europe. The declines correlated to the reductions in vehicle production.

Sales Down 13.1%;
Sales Down 12.5% Before Changes in the Scope of Consolidation and Exchange Rate Effects

Sales of the Passenger and Light Truck Tires division fell by 13.1% to €3,355.9 million in the first nine months of 2009 compared with the same period of 2008 (PY: €3,861.8 million). Before changes in the scope of consolidation and exchange rate effects, sales decreased by 12.5%.

Adjusted EBIT Up 16.1%

The Passenger and Light Truck Tires division's adjusted EBIT rose in the first nine months of 2009 compared with the same period of 2008 by €74.8 million, or 16.1%, to €538.0 million (PY: €463.2 million), equivalent to 16.1% (PY: 12.0%) of adjusted sales.

EBIT Up 10.9%

Compared with the same period of last year, in the first nine months of 2009 the Passenger and Light Truck Tires division reported an increase in EBIT of €49.4 million or 10.9% to €504.2 million (PY: €454.8 million). The return on sales increased to 15.0% (PY: 11.8%).

Special Effects in the First Nine Months of 2009

Capacities in the Passenger and Light Truck Tires division have to be brought into line with prevailing market conditions in Europe. Current production overcapacities in Europe mean a much reduced demand for primary materials as well. The closure of the compounding and rubberization activities in Traiskirchen, Austria, at the end of this year led to restructuring expenses of €12.6 million in the Passenger and Light Truck Tires division for the first nine months of 2009.

In the first nine months of 2009, the Passenger and Light Truck Tires division incurred further expenses totaling €10.7 million, primarily from restructuring measures.

The cost-cutting program initiated worldwide in response to the economic crisis led to expenses for severance payments totaling €9.4 million in the Passenger and Light Truck Tires division in the period under review.

For the Passenger and Light Truck Tires division, the total net expense from special effects amounted to €32.7 million in the first nine months of 2009.

Special Effects in the First Nine Months of 2008

In the first nine months of 2008, expenses amounting to €3.6 million were primarily attributable to the scrapping of unusable machinery as part of the winding up of the restructuring measures at the tire plants in Charlotte and Mayfield, U.S.A.

The total net expense from special effects in the first three quarters of 2008 was €3.6 million for the Passenger and Light Truck Tires division.

Commercial Vehicle Tires in € millions	January 1 to September 30		Third Quarter	
	2009	2008	2009	2008
Sales	766.5	1,070.9	288.7	385.5
EBITDA	38.7	95.5	11.1	27.2
in % of sales	5.0	8.9	3.8	7.1
EBIT	- 39.1	35.1	- 25.1	6.8
in % of sales	- 5.1	3.3	- 8.7	1.8
Depreciation and amortization[1]	77.8	60.4	36.2	20.4
Capital expenditure[2]	32.2	70.1	11.1	24.8
Operating assets (as of September 30)	624.3	815.6		
Number of employees (as of September 30)[3]	7,638	8,361		
Adjusted sales[4]	756.9	1,061.7	281.5	382.7
Adjusted operating result (adjusted EBIT)[5]	19.2	33.1	32.5	6.3
in % of adjusted sales	2.5	3.1	11.5	1.6

[1] Excluding write-downs of investments.
[2] Capital expenditure on property, plant, equipment and software.
[3] Excluding trainees.
[4] Before changes in the scope of consolidation.
[5] Before amortization of intangible assets from PPA, changes in the scope of consolidation, and special effects.

Commercial Vehicle Tires
Sales Volumes
The global economic crisis with its extreme market downturns in all regions pushed sales figures below the previous year's level. In Europe, the figures for the replacement business as well as for the original equipment business were down substantially on last year's figures. In Asia we also posted declines in sales. In The Americas region, sales figures for the original equipment business remained well below the previous year's level, whereby in the replacement business sales fell just short of the previous year's level, thanks particularly to the good development in South America.

Sales Down 28.4%;
Sales Down 28.3% Before Changes in the Scope of Consolidation and Exchange Rate Effects
Sales of the Commercial Vehicle Tires division fell by 28.4% to €766.5 million in the first nine months of 2009 compared with the same period of 2008 (PY: €1,070.9 million). Before changes in the scope of consolidation and exchange rate effects, sales dropped by 28.3%.

Adjusted EBIT Down 42.0%
The Commercial Vehicle Tires division's adjusted EBIT was down in the first nine months of 2009 compared with the same period of 2008 by €13.9 million, or 42.0%, to €19.2 million (PY: €33.1 million), equivalent to 2.5% (PY: 3.1%) of adjusted sales.

EBIT Down 211.4%
Compared with the same period of last year, in the first nine months of 2009 the Commercial Vehicle Tires division reported a decrease in EBIT of €74.2 million or 211.4% to -€39.1 million (PY: €35.1 million). The return on sales fell to -5.1% (PY: 3.3%).

Special Effects in the First Nine Months of 2009
Measures introduced for the location in Stöcken, Germany, led to restructuring expenses of €46.4 million in the Commercial Vehicle Tires division for the first nine months of 2009.

Unutilized provisions of €0.2 million were reversed in the Commercial Vehicle Tires division during the first nine months of 2009 as part of the winding up of restructuring activities in Alor Gajah, Malaysia.

The closure of the Conti Machinery location in Puchov, Slovakia, led to restructuring expenses of €8.6 million.

The cost-cutting program initiated worldwide in response to the economic crisis led to expenses for severance payments totaling €3.3 million in the Commercial Vehicle Tires division in the first three quarters of 2009.

For the Commercial Vehicle Tires division, the total net expense from special effects amounted to €58.1 million in the first nine months of 2009.

Special Effects in the First Nine Months of 2008

There were no special effects for the Commercial Vehicle Tires division in the first nine months of 2008.

ContiTech in € millions	January 1 to September 30		Third Quarter	
	2009	2008	2009	2008
Sales	1,771.1	2,372.3	614.1	741.4
EBITDA	199.9	380.4	80.0	117.0
in % of sales	11.3	16.0	13.0	15.8
EBIT	123.7	305.4	54.2	92.3
in % of sales	7.0	12.9	8.8	12.4
Depreciation and amortization[1]	76.2	75.0	25.8	24.7
Capital expenditure[2]	64.1	80.3	18.0	29.8
Operating assets (as of September 30)	989.5	1,118.6		
Number of employees (as of September 30)[3]	21,689	23,714		
Adjusted sales[4]	1,756.1	2,338.1	612.2	742.1
Adjusted operating result (adjusted EBIT)[5]	169.3	270.3	70.5	68.0
in % of adjusted sales	9.6	11.6	11.5	9.2

[1] Excluding write-downs of investments.

[2] Capital expenditure on property, plant, equipment and software.

[3] Excluding trainees.

[4] Before changes in the scope of consolidation.

[5] Before amortization of intangible assets from PPA, changes in the scope of consolidation, and special effects.

ContiTech
Sales Down 25.3%;
Sales Down 23.2% Before Changes in the Scope of Consolidation and Exchange Rate Effects

Sales of the ContiTech division fell by 25.3% to €1,771.1 million in the first nine months of 2009 compared with the same period in 2008 (PY: €2,372.3 million). Before changes in the scope of consolidation and exchange rate effects, sales dropped by 23.2%, primarily as a result of volume decreases. With a 31.7% drop in sales, the automotive OE operations in particular contributed to this decline. Sales in the industrial sector fell 19.5%. In contrast, sales to the automotive replacement market were up 3.9%.

Adjusted EBIT Down 37.4%

The ContiTech division's adjusted EBIT was down in the first nine months of 2009 compared with the same period of 2008 by €101.0 million, or 37.4%, to €169.3 million (PY: €270.3 million), equivalent to 9.6% (PY: 11.6%) of adjusted sales.

EBIT Down 59.5%

Compared with the same period of last year, the ContiTech division reported in the first nine months of 2009 a decrease in EBIT of €181.7 million or 59.5% to €123.7 million (PY: €305.4 million). The return on sales fell to 7.0% (PY: 12.9%).

Special Effects in the First Nine Months of 2009

The closure and transfer of Western European locations of the Fluid Technology business unit in the ContiTech division led to restructuring expenses of €25.9 million for the first nine months of 2009.

The antitrust proceedings initiated in 2007 against Dunlop Oil & Marine Ltd., UK, a subsidiary of ContiTech AG, in the area of offshore hoses, resulted in further expenses of €1.9 million in the first nine months of 2009.

For the ContiTech division, the first consolidation of the conveyor belt company Kolubara Univerzal D.O.O., Serbia, led to a gain of €0.7 million from the negative balance.

In the ContiTech division there were minor impairment losses on property, plant, and equipment totaling €0.3 million.

The cost-cutting program initiated worldwide in response to the economic crisis led to expenses for severance payments totaling €17.0 million in the first three quarters of 2009.

For the ContiTech division, the total net expense from special effects amounted to €44.4 million in the first three quarters of 2009.

Special Effects in the First Nine Months of 2008

Provisions no longer required totaling €3.0 million were reversed in the 2008 reporting period as part of the winding up of restructuring activities, primarily for Roulunds, Denmark, and ContiTech Schlauch, Northeim, Germany, as well as in connection with the sale of the Benecke-Kaliko unit's furniture covering business.

The sale of the Benecke-Kaliko unit’s furniture covering business resulted in a gain of €4.7 million.

The sale of Phoenix Dichtungstechnik GmbH resulted in a gain of €24.3 million.

In the first nine months of 2008, special effects improved earnings in the ContiTech division by a total of €32.0 million.

Report on Expected Developments and Outlook for the Corporation

Despite the stabilization of the financial markets, the dominant topics continue to be the situation of the global financial system as well as the low-level stabilization of economic growth in many parts of the world. Moreover, it is extremely difficult to make a forecast for the last quarter of the year due to the uncertainty concerning trends in output volumes and sales markets, which reflects the still prevailing unstable situation especially for the national economies of Europe and America. It is positive that the adjusted EBIT results for the first nine months were achieved primarily thanks to the cost-cutting measures that were initiated and only to a minor extent to the slight recovery of the relevant consumer markets. Given the considerable reduction of inventories in Europe and North America and the lower base values from the last quarter of 2008, there are hopes of a further revival of business activities in the fourth quarter of 2009 versus the same period of 2008, so that the development of sales and earnings from operations in the first nine months of the year should represent a good basis for the further course of business in 2009. We are therefore assuming, as things look now, that we will be able to comply with our covenants for the fourth quarter as well, in spite of the persistent adverse economic conditions and existing uncertainties.

Despite the payment of tranche A in an amount of €800 million which came due in August, the available liquidity (cash and cash equivalents as well as unused approved credit lines), at approximately €3.3 billion, was at a solid level at the end of the first nine months. Owing to increasing capital expenditures in the fourth quarter and a so far atypical seasonal pattern in working capital requirements, net indebtedness could rise again before the end of the year.

Continental is currently looking into various options for the repayment or refinancing of tranche B of our loan facility, which is due in August 2010, with the goal of substantially improving the capital structure as well. For this, the company is planning a capital increase of €1.0 billion to €1.5 billion by the end of the first quarter of 2010 at the latest. Parallel to that, we are planning on completing the negotiations regarding the refinancing of the €3.5 billion due in August 2010 also by the end of the first quarter of 2010 at the latest. In view of Continental AG's good operational performance, the substantially improved cost structures and the good strategic setup, the Executive Board is confident that it will be possible to achieve refinancing.

Based upon the latest information, we are expecting the final quarter to see a significant improvement in sales and EBIT compared to the figures for 2008. However, the planned plant closures and announced production adjustments will result in further restructuring expenses for the corporation. As a result of this and other factors, considerable deviations can thus still arise in comparison with last year's figures.

Consolidated Financial Statements as of Sept. 30, 2009

Consolidated Income Statements

in € millions	January 1 to September 30		Third Quarter	
	2009	2008	2009	2008
Sales	**14,400.2**	**19,146.0**	**5,337.0**	**5,892.0**
Cost of sales	- 11,579.6	- 15,307.2	- 4,113.1	- 4,850.9
Gross margin on sales	**2,820.6**	**3,838.8**	**1,223.9**	**1,041.1**
Research and development expenses	- 1,092.4	- 1,212.5	- 361.8	- 372.9
Selling and logistics expenses	- 845.0	- 884.7	- 277.1	- 291.5
Administrative expenses	- 450.4	- 559.8	- 148.9	- 179.5
Other income and expenses	- 1,389.0	- 161.3	- 1,315.3	- 48.5
At-equity share in earnings of associates	- 90.3	46.3	- 33.5	12.2
Other income from investments	8.5	8.3	0.9	1.8
Earnings before interest and taxes	**- 1,038.0**	**1,075.1**	**- 911.8**	**162.7**
Interest income	22.0	56.8	6.3	18.1
Interest expense	- 539.4	- 566.5	- 194.5	- 151.8
Net interest expense	**- 517.4**	**- 509.7**	**- 188.2**	**- 133.7**
Earnings before taxes	**- 1,555.4**	**565.4**	**- 1,100.0**	**29.0**
Income tax expense	85.3	- 165.7	72.1	- 15.5
Net income	**- 1,470.1**	**399.7**	**- 1,027.9**	**13.5**
Minority interests	- 25.5	- 36.2	- 10.6	- 11.1
Net income attributable to the shareholders of the parent	**- 1,495.6**	**363.5**	**- 1,038.5**	**2.4**
Undiluted earnings per share in €	**- 8.85**	**2.24**	**- 6.14**	**0.01**
Diluted earnings per share in €	**- 8.85**	**2.23**	**- 6.14**	**0.01**

Consolidated Statements of Income and Comprehensive Income

in € millions	January 1 to September 30		Third Quarter	
	2009	2008	2009	2008
Net income	**- 1,470.1**	**399.7**	**- 1,027.9**	**13.5**
Adjustments from contingent considerations	—	11.3	—	—
Retained earnings	**- 1,470.1**	**411.0**	**- 1,027.9**	**13.5**
Differences from currency translation	127.9	124.6	- 11.5	77.9
Available-for-sale financial assets	1.2	- 1.8	1.2	- 3.5
Deferred taxes on available-for-sale financial assets	- 0.3	0.0	- 0.3	0.0
Cash flow hedges	- 41.0	32.3	- 13.4	- 56.8
Deferred taxes on cash flow hedges	12.0	- 9.3	4.2	25.6
Revaluation due to successive share purchases	1.9	2.2	1.3	—
Other comprehensive income	**101.7**	**148.0**	**- 18.5**	**43.2**
Total comprehensive income	**- 1,368.4**	**559.0**	**- 1,046.4**	**56.7**
Minority interests	21.9	37.8	14.6	16.7
Total comprehensive income attributable to the shareholders of the parent	- 1,390.3	521.2	- 1,061.0	40.0

Consolidated Balance Sheets

Assets in € millions	Sept. 30, 2009	*Dec. 31, 2008*	Sept. 30, 2008
Goodwill	5,563.6	*6,384.1*	7,277.8
Other intangible assets	2,176.6	*2,522.7*	2,656.2
Property, plant, and equipment	5,864.5	*6,122.2*	6,184.0
Investment properties	16.5	*19.9*	26.8
Investments in associates	415.0	*718.3*	773.4
Other investments	9.5	*14.2*	13.2
Deferred tax assets	581.6	*391.3*	260.6
Deferred pension charges	72.9	*116.0*	95.3
Long-term derivative instruments and interest-bearing investments	9.5	*16.6*	52.0
Other long-term financial assets	34.3	*34.1*	34.4
Other assets	13.0	*9.0*	19.7
Non-current assets	**14,757.0**	***16,348.4***	**17,393.4**
Inventories	2,254.6	*2,570.5*	2,836.3
Trade accounts receivable	3,821.9	*3,287.5*	4,564.3
Other short-term financial assets	148.8	*126.8*	184.5
Other assets	564.0	*543.0*	634.0
Income tax receivable	107.3	*148.0*	112.7
Short-term derivative instruments and interest-bearing investments	98.1	*47.8*	25.6
Cash and cash equivalents	1,556.3	*1,569.4*	968.6
Assets held for sale	63.6	*46.5*	261.7
Current assets	**8,614.6**	***8,339.5***	**9,587.7**
Total assets	**23,371.6**	***24,687.9***	**26,981.1**

Total equity and liabilities in € millions	Sept. 30, 2009	*Dec. 31, 2008*	Sept. 30, 2008
Common stock	432.6	*432.6*	432.3
Capital reserves	3,130.9	*3,097.9*	3,090.9
Retained earnings	790.0	*2,217.2*	3,708.5
Other comprehensive income	- 445.4	*- 482.3*	- 107.6
Equity attributable to the shareholders of the parent	**3,908.1**	***5,265.4***	**7,124.1**
Minority interests	282.6	*264.5*	276.5
Total equity	**4,190.7**	***5,529.9***	**7,400.6**
Provisions for pension liabilities and other post-employment benefits	1,355.3	*669.7*	688.3
Deferred tax liabilities	295.2	*401.7*	490.3
Long-term provisions for other risks	354.4	*429.7*	438.6
Long-term portion of indebtedness	5,995.9	*9,768.3*	9,623.9
Other long-term financial liabilities	—	*—*	46.8
Other non-current liabilities	39.9	*40.9*	51.5
Non-current liabilities	**8,040.7**	***11,310.3***	**11,339.4**
Trade accounts payable	2,642.3	*2,469.8*	2,697.5
Income tax payable	553.1	*507.8*	519.2
Short-term provisions for other risks	1,068.9	*1,026.3*	867.3
Indebtedness	5,132.8	*2,349.0*	2,229.4
Other short-term financial liabilities	896.1	*889.2*	1,028.5
Other liabilities	788.8	*566.0*	784.4
Liabilities held for sale	58.2	*39.6*	114.8
Current liabilities	**11,140.2**	***7,847.7***	**8,241.1**
Total equity and liabilities	**23,371.6**	***24,687.9***	**26,981.1**

Consolidated Cash Flow Statements

in € millions	January 1 to September 30		Third Quarter	
	2009	2008	**2009**	2008
EBIT	- 1,038.0	1,075.1	- 911.8	162.7
Interest paid	- 590.6	- 448.9	- 199.0	- 160.3
Interest received	23.1	54.9	7.3	18.4
Income tax paid	- 133.0	- 184.6	- 86.5	- 54.8
Dividends received	67.3	36.0	16.5	4.3
Depreciation, amortization and impairments	2,175.8	1,296.1	1,352.4	433.7
At-equity share in earnings of associates and accrued dividend income from other investments, incl. impairments	54.1	- 54.6	5.0	- 13.9
Gains from the disposal of assets, subsidiaries and management units	- 6.3	- 12.2	- 0.8	- 31.2
Other non-cash changes	70.3	—	70.3	—
Changes in				
inventories	357.3	- 318.0	- 15.4	- 65.0
trade accounts receivable	- 469.9	- 617.4	- 618.5	59.9
trade accounts payable	141.3	- 86.4	185.9	- 139.4
pension and post-employment provisions[1]	722.2	24.8	588.1	4.1
other assets and liabilities	239.2	164.9	221.7	75.0
Cash flow provided by operating activities	**1,612.8**	**929.7**	**615.2**	**293.5**
Proceeds on disposal of property, plant, equipment and intangible assets	44.3	34.5	9.7	2.4
Capital expenditure on property, plant, equipment and software	- 587.5	- 1,123.1	- 173.8	- 391.6
Capital expenditure on other intangible assets and intangible assets from development projects	- 35.0	- 3.7	- 11.7	- 2.1
Proceeds on disposal of subsidiaries and management units, including surrendered cash and cash equivalents	137.0	343.4	0.0	93.5
Acquisition of subsidiaries and management units, incl. acquired cash and cash equivalents	- 89.0	- 69.4	- 45.2	- 31.9
Interest bearing advances	1.4	12.4	—	7.2
Cash used for investing activities	**- 528.8**	**- 805.9**	**- 221.0**	**- 322.5**
Cash flow before financing activities	**1,084.0**	**123.8**	**394.2**	**- 29.0**
Change in indebtedness	- 1,093.6	- 1,008.7	- 822.1	- 201.5
Proceeds from the issuance of shares	—	1.0	—	- 0.6
Dividends paid	—	- 323.4	—	—
Dividends paid and repayment of capital to minority interests	- 27.3	- 33.5	- 19.9	- 5.9
Investment agreement Schaeffler[2]	20.0	—	20.0	—
Cash flow used for financing activities	**- 1,100.9**	**- 1,364.6**	**- 822.0**	**- 208.0**
Change in cash and cash equivalents	**- 16.9**	**- 1,240.8**	**- 427.8**	**- 237.0**
Cash and cash equivalents at the beginning of the reporting period	1,569.4	2,199.4	2,000.5	1,181.1
Effect of exchange rate changes on cash and cash equivalents	3.8	10.0	- 16.4	24.5
Cash and cash equivalents at the end of the reporting period[3]	**1,556.3**	**968.6**	**1,556.3**	**968.6**

[1] The change in pension provisions resulted in particular from asset reclassification and restructuring within individual CTAs in Germany. We refer to the remarks in the Cash Changes in Post-Employment Obligations section.

[2] We refer to the remarks in the “Transactions with Related Parties” section.

[3] €77.8 million (PY: none) of these are restricted cash.

Consolidated Statements of Changes in Total Equity

in € millions	Number of shares (thousands)	Common stock	Capital reserves	Retained earnings	Other comprehensive income – Difference from successive share purchases[1]	Other comprehensive income – Difference from currency translation	Other comprehensive income – Difference from financial instruments[2]	Subtotal	Minority interests	Total
As of Jan. 1, 2008	**161,712**	**414.0**	**2,808.7**	**3,614.4**	**- 35.6**	**- 218.5**	**0.2**	**6,583.2**	**272.9**	**6,856.1**
Net income	—	—	—	363.5	—	—	—	363.5	36.2	**399.7**
Comprehensive income	—	—	—	11.3	2.2	123.0	21.2	157.7	1.6	**159.3**
Net profit for the period	**—**	**—**	**—**	**374.8**	**2.2**	**123.0**	**21.2**	**521.2**	**37.8**	**559.0**
Dividends paid	—	—	—	- 323.4	—	—	—	- 323.4	- 13.6	**- 337.0**
Issuance of shares[3]	7,141	18,3	324.8	—	—	—	—	343.1	—	**343.1**
Reclassification of equity component on the conversion of convertible bonds	—	—	- 42.6	42.6	—	—	—	—	—	**—**
Changes in minority interests[4]	—	—	—	—	—	—	—	—	- 20.6	**- 20.6**
As of Sept. 30, 2008	**168,853**	**432.3**	**3,090.9**	**3,708.5**	**- 33.4**	**- 95.6**	**21.4**	**7,124.1**	**276.5**	**7,400.6**
As of Jan. 1, 2009	**169,006**	**432.6**	**3,097.9**	**2,217.2**	**- 33.4**	**- 346.0**	**- 102.9**	**5,265.4**	**264.5**	**5,529.9**
Net income	—	—	—	- 1,495.6	—	—	—	- 1,495.6	25.5	**- 1,470.1**
Comprehensive income	—	—	—	—	1.9	131.5	- 28.1	105.3	- 3.6	**101.7**
Net profit for the period	**—**	**—**	**—**	**- 1,495.6**	**1.9**	**131.5**	**- 28.1**	**- 1,390.3**	**21.9**	**- 1,368.4**
Dividends paid	—	—	—	—	—	—	—	—	- 27.9	**- 27.9**
Issuance of shares[3]	—	—	13.0	—	—	—	—	13.0	—	**13.0**
Changes in minority interests[4]	—	—	—	—	—	—	—	—	24.1	**24.1**
Euro introduction in Slovakia	—	—	—	68.4	—	- 68.4	—	—	—	**—**
Schaeffler investor agreement[5]	—	—	20.0	—	—	—	—	20.0	—	**20.0**
As of Sept. 30, 2009	**169,006**	**432.6**	**3,130.9**	**790.0**	**- 31.5**	**- 282.9**	**- 131.0**	**3,908.1**	**282.6**	**4,190.7**

[1] Successive acquisitions of shares of fully consolidated companies. The comparative figures for "Comprehensive income" as of September 30, 2008, are shown adjusted accordingly.

[2] The difference from financial instruments, including deferred taxes, is mainly due to the change in the market value of the cash flow hedges on interest.

[3] Includes the expenditure resulting from stock option plans, the redemption offer for granted and not yet exercised stock options, as well as the exercise in 2008 of rights derived from stock option plans.

[4] Relates in particular to changes in minority interests from consolidation changes, capital increases or capital reductions.

[5] We refer to the remarks in the "Transactions with Related Parties" section.

Explanatory Notes to the Consolidated Financial Statements

Accounting Principles

This Interim Report, as presented, has been prepared in accordance with the International Financial Reporting Standards (IFRS) applicable on the closing date and endorsed by the European Union, as well as the interpretations of the International Financial Reporting Interpretation Committee (IFRIC). The Interim Report was drawn up in compliance with IAS 34, Interim Financial Reporting. The same accounting principles and basis of valuation are applied in the Interim Report as were used in the annual financial statements for 2008. These methods are disclosed in detail in the Annual Report 2008. In addition, the IFRS amendments and new regulations mandated as of September 30, 2009, are applied in the Interim Report. These mandatory IFRS amendments and new regulations were disclosed in detail in the Annual Report 2008. They had no significant effect on the Continental Corporation.

Processes and systems are and will be introduced at group member companies so that – as opposed to the annual financial statements – no interim adjustments are made to certain accrued fixed cost items. This mainly applies to fixed costs capitalized for finished goods and work-in-progress inventories. Taxes are calculated based on the estimated, weighted-average annual tax rate expected for the year as a whole, taking into account the tax impact of specific significant items not expected to reoccur in the remainder of the year.

Although certain elements of the corporation's business are seasonal, the overall comparability of the interim consolidated financial statements is not compromised. All significant effects in the current period are shown in the financial summaries or in the accompanying explanations. Changes in the recognition or valuation of assets and liabilities within the scope of company acquisitions are applied retroactively once the final purchase price allocation has been determined.

Continental intends to substantially improve its capital structure. For this, the company is planning to implement a capital increase of €1.0 billion to €1.5 billion by the end of the first quarter of 2010 at the latest. Parallel to that, Continental is planning on completing the negotiations on refinancing the €3.5 billion due in August 2010 also by the end of the first quarter of 2010 at the latest, since as things look now, tranche B cannot be repaid from the free cash flow (cash flow after investments) and existing liquidity (including available credit lines) because of the impact of the financial and economic crisis. Failure to pay back tranche B, due in August 2010 in the amount of €3.5 billion, or non-compliance with the covenants could result in the entire loan amount being called for repayment, thus endangering the company’s existence. In view of Continental AG's good operational performance, the substantially improved cost structures and the good strategic setup as well as the possibility of further suitable measures to ensure its ability to make repayments, the Executive Board is confident that it will be possible to achieve refinancing or to maintain the current financing. These interim financial statements have therefore been prepared under the assumption that the company will continue as a going concern.

Pension Obligations

Consolidated net pension expenses can be summarized as follows:

in € millions	January 1 to September 30, 2009					January 1 to September 30, 2008				
	Germany	U.S.A./ CAN	UK	Others	Total	Germany	U.S.A./ CAN	UK	Others	Total
Current service cost	38.5	5.9	2.0	7.4	**53.8**	41.8	6.2	2.8	6.1	**56.9**
Interest on defined benefit obligation	65.6	40.8	8.0	7.5	**121.9**	62.5	35.6	8.3	6.1	**112.5**
Expected return on plan assets	- 42.3	- 34.7	- 7.8	- 3.0	**- 87.8**	- 46.7	- 47.4	- 10.7	- 4.1	**- 108.9**
Amortization of actuarial gains and losses as well as other costs	3.3	19.6	0.6	0.1	**23.6**	0.0	0.2	- 0.1	0.1	**0.2**
Effects of asset limitation and curtailments	—	- 0.1	0.0	0.0	**- 0.1**	—	1.4	0.1	0.0	**1.5**
Curtailments and settlements	—	3.8	—	—	**3.8**	—	—	—	—	—
Net periodic pension cost	**65.1**	**35.3**	**2.8**	**12.0**	**115.2**	**57.6**	**- 4.0**	**0.4**	**8.2**	**62.2**

The refunds from the CTAs, the asset reclassification and restructuring within the CTAs, as well as the discontinuation of the status of the remaining assets of the respective CTAs as qualifying plan assets had no significant effect on the net pension expenses in the period under review.

Consolidated net expenses for retirement healthcare and life insurance obligations in the U.S.A. and Canada are made up of the following:

in € millions	January 1 to September 30	
	2009	2008
Current service cost	3.1	3.2
Interest cost on defined benefit obligation	8.9	8.4
Amortization of actuarial gains and losses as well as other costs	- 3.7	- 0.4
Curtailments and settlements	- 10.0	—
Net cost of other post-employment benefits	**- 1.7**	**11.2**

Cash Changes in Post-Employment Obligations

Pension funds exist solely for pension obligations, particularly in Germany, the U.S.A., Canada and the United Kingdom, and not for other benefit obligations. The companies of the Continental Corporation paid €10.8 million (PY: €10.2 million) into these pension funds for the period from January 1 to September 30, 2009. From the Contractual Trust Arrangements (CTA) in Germany and from assets transferred to a trustee in this conjunction, there was a refund in the period under review totaling €112.1 million (PY: none) for pension payments that arose since the creation of the CTAs and advanced by the Continental Corporation to date.

Due to asset reclassification and restructuring within individual CTAs in Germany – linked with a sale of shares of ContiTech AG to the Continental Pension Trust e.V. in an amount of 24.9% at a purchase price of €475.6 million – the status of the assets as qualifying plan assets was discontinued. In addition to this asset reclassification and restructuring, the other assets of the respective CTAs in an amount of €95.1 million are no longer netted against the related obligations.

In the period from January 1 to September 30, 2009, payments for retirement benefit obligations totaled €123.3 million (PY: €114.5 million). Payments for other post-employment benefits totaled €9.8 million (PY: €9.8 million).

Companies Consolidated

In addition to the parent company, the consolidated financial statements include a total of 364 domestic and foreign companies in which Continental Aktiengesellschaft holds a direct or indirect interest of at least 20% of the voting rights. Of these companies, 317 are fully consolidated and 47 are carried at equity.

Since December 31, 2008, the total number of consolidated companies has increased by seven. Eight companies were newly formed, and three companies were purchased. A total of five other companies were included in the scope of consolidation for the first time as a result of the acquisition of shares in an associated company. Two companies were merged, one company was liquidated, two companies were sold, and four companies deconsolidated.

In relation to September 30, 2008, the net number of consolidated companies decreased by two. Reductions in the scope of consolidated companies relate primarily to deconsolidations and liquidations in the ContiTech division. The additions relate primarily to acquisitions of the Rubber Group and the Powertrain division as well as the founding of new companies in the framework of the carve-out project of the Rubber Group.

Acquisition and Sale of Companies

In order to significantly improve the market position for industrial solid tires in the growth region of Asia as well as in the U.S. dollar zone, Continental Global Holding Netherlands BV, the Netherlands, purchased 51% of the shares of EuRetec (Private) Limited, which is headquartered in Kalutara, Sri Lanka. The purchase agreement was signed on February 25, 2009. The first consolidation on March 01, 2009, as well as the previous preliminary purchase price allocation had no material effect on the earnings, financial and net assets position of Continental on September 30, 2009. The company has been assigned to the Commercial Vehicle Tires division.

To strengthen the market position for injectors and injection systems in the non-automotive sector, Continental Automotive Systems US, Inc., U.S.A., purchased a further 8% of the shares of Synerject LLC, U.S.A., and its subsidiaries, thus attaining a majority holding in the company which had previously been jointly managed. The purchase agreement was signed on March 27, 2009. The first consolidation on March 31, 2009, as well as the previous preliminary purchase price allocation had no material effect on the earnings, financial and net assets position of Continental on September 30, 2009. The company has been assigned to the Powertrain division.

ContiTech Rubber Industrial Kft. Hungary, acquired Kolubara Univerzal D.O.O. in Veliki Crljeni, Serbia, on April 6, 2009. The company produces conveyor belts and has been assigned to the Conveyor Belt Group unit of the ContiTech division, thus improving the business unit's access to the market in Eastern Europe. The first consolidation on April 1, 2009, as well as the preliminary purchase price allocation had no material effect on the earnings, financial and net assets position of Continental on September 30, 2009.

The resolution to transfer minority shareholders' shares to ContiTech Universe Verwaltungs-GmbH for a cash redemption offer in accordance with section 327a of the *Aktiengesetz* as passed at the Annual Shareholders' Meeting of ContiTech AG on August 22, 2007, was entered in the commercial register of ContiTech AG on February 10, 2009, thus becoming effective. The squeeze-out redemption in an amount of €24.38 per share was paid out on February 16, 2009.

Acquisitions of subsidiaries also relate to contingent considerations received in later periods, in particular relating to the acquisition of Siemens VDO in 2007. In addition, the remaining minority interests in a tire sales company and in an automotive company were acquired.

As a result of the determination of the final purchase price in connection with the sale of the electric motor activities to the Brose Group, €11.6 million in outstanding purchase price claims were received in the first half of 2009. The final selling price totaled €241.6 million.

In the second quarter, the associate Hyundai Autonet Co. Ltd., Kyoungki-do, South Korea was sold at a price of €126.6 million. This led to a recognition of impairment losses in the amount of €73.6 million.

On July 1, 2009, Continental Tire North America acquired a majority holding in the previously associated Compañía Ecuatoriana del Caucho (Erco), which is headquartered in Cuenca, Ecuador. This further boosts our market position for passenger, light truck and commercial vehicle tires in the growth region of Latin America. Erco has had a market share of 11% in the countries of Chile, Peru, Bolivia, Columbia, Venezuela and Ecuador. Erco has experienced annual growth rates of 15% to 20% in recent years, whereas the market displayed growth of 7% to 8%. The first consolidation on July 1, 2009, as well as the previous preliminary purchase price allocation had no material effect on the earnings, financial and net assets position of Continental on September 30, 2009. The company has been assigned to the Passenger and Light Truck Tires and Commercial Vehicle Tires divisions.

Effective July 1, 2009, the option for the acquisition of the remaining shares in the tire and conveyor belt business of the Matador Group was exercised in the amount of €46.8 million.

Impairment

Continental AG immediately reviews intangible assets and property, plant, and equipment as well as investment property as soon as there is an indication of impairment. In the period under review, the result of such a test resulted in the recognition of impairment losses totaling €933.5 million, €875.8 million of which related to goodwill, €2.2 million to other intangible assets, and €55.5 million to property, plant, equipment, and investment property. No significant impairment was recognized in the same period of 2008. The impairment test for goodwill was carried out in accordance with the procedure for the annual impairment test as described in the 2008 Annual Report based upon the 5-year plan adopted in the period under review. The interest rate used in this context to discount the cash flow was 11.4% in the period under review. This interest rate was 11.5% in December 2008.

The disposal of the associate Hyundai Autonet Co. Ltd., Kyoungki-do, South Korea, in the period under review led to the recognition of further impairment losses in the amount of €73.6 million. Further impairment of €44.0 million was recognized for the investment in another associated company within the scope of the probable disposal.

Dividend Payment

Due to Continental AG’s net loss for the year, no dividend was distributed for fiscal 2008. In the same period of 2008, a dividend of €2.00 per share was paid for fiscal 2007, representing a total dividend payment of €323.4 million.

Earnings per Share

Undiluted earnings per share for the first nine months of 2009 amounted to -€8.85 (PY: €2.24), and for the period July 1 to September 30, 2009, -€6.14 (PY: €0.01). Diluted earnings per share for the first nine months of 2009 amounted to -€8.85 (PY: €2.23) and for the third quarter of 2009 -€6.14 (PY: €0.01).

Contingent Liabilities and Other Financial Obligations

As of September 30, 2009, there were increases in the non-recognized contingent liabilities and other financial obligations as described in the Annual Report 2008, particularly in connection with a guarantee for a larger project, as well as order commitments related to a plant expansion. In the scope of the announced production adjustments in particular at a Western European tire location (Clairoix, France), it is expected that agreements on the type and scope of said adjustments will be made in the fourth quarter, which could lead to substantial obligations.

Transactions with Related Parties

On March 27, 2009, Continental and the Schaeffler Group agreed upon a global purchasing cooperation. We refer to the remarks in the Half-Year Financial Report as of June 30, 2009.

In the period under review, a claim arising in January 2009 in connection with the negative impact from losses carried forward in the U.S.A. in accordance with the investment agreement of Continental AG, was received cash effective in the capital reserves from Schaeffler KG totaling €20.0 million.

There were no other significant changes in the nature of transactions with related parties compared with the same period of the previous year.

German Corporate Governance Code

The annual declaration in accordance with section 161 of the *Aktiengesetz* (German Stock Corporation Act) regarding the German Corporate Governance Code from the Executive Board and Supervisory Board of Continental AG was made permanently available to shareholders on Continental's website. Earlier declarations in accordance with section 161 of the *Aktiengesetz* also can be found on the website.

Indebtedness and Net Income from Financial Activities

The carrying amount of the loan facility was adjusted by €70.3 million due to the anticipated higher cash flow resulting from increasing interest margins, in accordance with IAS 39. Increasing interest margins due to rating changes were taken into account insofar as the rating changes for Continental exceeded the rating changes for comparable industrial companies in the automotive industry. This deferral will be amortized over the term of the facility, and reduces expenses accordingly.

Further comments on the indebtedness and the net income from financial activities are provided in the Corporate Management Report as of September 30, 2009.

Income Tax Expense

The goodwill impairment recognized in the period under review did not lead to any tax gain.

Tax expense in the period under review was influenced primarily by the valuation allowance of deferred tax assets on tax losses carried forward and limitations of interest deduction in Germany. In the annual financial statements for 2008, these had been recognized with the unrestricted possibility of offsetting due to expected results to be taxed.

In June 2009, we became aware that, according to the opinion of the German finance authorities, a harmful change of shareholder has already occurred according to section 8c of the *Körperschaftsteuergesetz* (German Corporate Tax Law) since, with the acquisition of shares by Schaeffler KG in 2008, the 25% threshold was exceeded. Even though Continental does not agree with this interpretation of the law and will be appealing it in due time, in the period under review the respective deferred tax assets in an amount of €108.5 million had to be written off. These relate to loss and interest carryforwards that can no longer be utilized in the opinion of the finance authorities.

Shareholder Structure

Since January 8, 2009, the shareholder structure with regard to the 169,005,983 outstanding Continental shares has been as follows: Schaeffler KG, 49.90%; Sal. Oppenheim jr. & Cie., 19.86%; and B. Metzler seel. Sohn & Co., 19.50%. The free float rate is 10.74%.

Segment Reporting

Segment report by division for the period from January 1 to September 30, 2009

in € millions	Chassis & Safety	Powertrain	Interior	Passenger and Light Truck Tires
Sales	3,105.0	2,394.9	3,154.8	3,355.9
EBITDA	427.6	- 63.0	- 21.5	682.2
in % of sales	13.8	- 2.6	- 0.7	20.3
EBIT	- 196.2	- 856.3	- 446.9	504.2
in % of sales	- 6.3	- 35.8	- 14.2	15.0
Depreciation and amortization[1]	623.8	793.3	425.4	178.0
Capital expenditure[2]	99.1	167.5	94.4	130.1
Operating assets (as of September 30)	3,840.9	3,050.2	4,451.1	2,484.1
Number of employees (as of September 30)[3]	26,563	23,955	27,438	26,717
Adjusted sales[4]	3,105.0	2,364.3	3,152.6	3,333.5
Adjusted operating result (adjusted EBIT)[5]	223.1	- 222.6	- 15.2	538.0
in % of adjusted sales	7.2	- 9.4	- 0.5	16.1

in € millions	Commercial Vehicle Tires	Conti-Tech	Other/Con-solidation	Continental Corporation
Sales	766.5	1,771.1	- 148.0	14,400.2
EBITDA	38.7	199.9	- 126.1	1,137.8
in % of sales	5.0	11.3		7.9
EBIT	- 39.1	123.7	- 127.4	- 1,038.0
in % of sales	- 5.1	7.0		- 7.2
Depreciation and amortization[1]	77.8	76.2	1.3	2,175.8
Capital expenditure[2]	32.2	64.1	0.1	587.5
Operating assets (as of September 30)	624.3	989.5	52.8	15,492.9
Number of employees (as of September 30)[3]	7,638	21,689	216	134,216
Adjusted sales[4]	756.9	1,756.1	- 148.0	14,320.4
Adjusted operating result (adjusted EBIT)[5]	19.2	169.3	- 49.7	662.1
in % of adjusted sales	2.5	9.6		4.6

1 Excluding write-downs of investments.

2 Capital expenditure on property, plant, equipment and software.

3 Excluding trainees.

4 Before changes in the scope of consolidation.

5 Before amortization of intangible assets from PPA, changes in the scope of consolidation, and special effects.

Segment report by division for the period from January 1 to September 30, 2008

in € millions	Chassis & Safety	Powertrain	Interior	Passenger and Light Truck Tires
Sales	4,119.6	3,283.3	4,683.0	3,861.8
EBITDA	644.0	189.2	466.5	627.7
in % of sales	15.6	5.8	10.0	16.3
EBIT	394.7	- 176.4	95.3	454.8
in % of sales	9.6	- 5.4	2.0	11.8
Depreciation and amortization[1]	249.3	365.6	371.2	172.9
Capital expenditure[2]	233.1	337.8	192.3	198.2
Operating assets (as of September 30)	4,628.1	4,795.9	5,749.0	2,700.0
Number of employees (as of September 30)[3]	28,234	26,503	32,419	27,010
Adjusted sales[4]	4,108.6	3,017.7	4,570.0	3,871.0
Adjusted operating result (adjusted EBIT)[5]	436.2	- 40.3	374.1	463.2
in % of adjusted sales	10.6	- 1.3	8.2	12.0

in € millions	Commercial Vehicle Tires	Conti-Tech	Other/Con-solidation	Continental Corporation
Sales	1,070.9	2,372.3	- 244.9	19,146.0
EBITDA	95.5	380.4	- 32.1	2,371.2
in % of sales	8.9	16.0		12.4
EBIT	35.1	305.4	- 33.8	1,075.1
in % of sales	3.3	12.9		5.6
Depreciation and amortization[1]	60.4	75.0	1.7	1,296.1
Capital expenditure[2]	70.1	80.3	11.3	1,123.1
Operating assets (as of September 30)	815.6	1,118.6	5.0	19,812.2
Number of employees (as of September 30)[3]	8,361	23,714	255	146,496
Adjusted sales[4]	1,061.7	2,338.1	- 229.2	18,737.9
Adjusted operating result (adjusted EBIT)[5]	33.1	270.3	- 33.8	1,502.8
in % of adjusted sales	3.1	11.6		8.0

[1] Excluding write-downs of investments.

[2] Capital expenditure on property, plant, equipment and software.

[3] Excluding trainees.

[4] Before changes in the scope of consolidation.

[5] Before amortization of intangible assets from PPA, changes in the scope of consolidation, and special effects.

Significant Events after September 30, 2009

In its meeting on October 19, 2009, the Supervisory Board of Continental AG elected Prof. Wolfgang Reitzle, chairman of the Executive Board of Linde AG, as chairman of Continental AG's controlling body. At the same time, the Supervisory Board appointed Wolfgang Schäfer as a regular member of the Continental AG Executive Board. He will take up his appointment on January 1, 2010, and will be responsible for the areas of finance, controlling, IT and law. José A. Avila was also appointed to the Executive Board of Continental AG. He will likewise assume his position on January 1, 2010, taking over as head of the Powertrain division.

Hanover, October 28, 2009

The Executive Board of Continental Aktiengesellschaft

Dr. Elmar Degenhart

Dr. Ralf Cramer

Helmut Matschi

Nikolai Setzer

Dr. Hans-Joachim Nikolin

Heinz-Gerhard Wente

Financial Calendar

2009

Financial press conference	February 19
Analyst telephone conference	February 19
Annual Shareholders' Meeting	April 23
Interim Report as of March 31, 2009	April 29
Interim Report as of June 30, 2009	July 30
Interim Report as of September 30, 2009	October 29

2010

Financial press conference	February
Analyst telephone conference	February
Annual Shareholders' Meeting	April 28
Interim Report as of March 31, 2010	May
Interim Report as of June 30, 2010	August
Interim Report as of September 30, 2010	October

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Continental