



The Future in Motion

Q1 2017 Results

Hanover – May 9, 2017

Ticker: CON

ADR-Ticker: CTTAY

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<http://www.continental-ir.com>

Wolfgang Schaefer – CFO

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1) Corporation Highlights

Most Important KPIs for Q1 2017

- › **Sales up by 12% to €11 bn**; organic sales growth at 10%; FX positive at €96 mn
- › **Adj. EBIT¹ up by 7% to €1.2 bn**; adj. EBIT¹ margin at 10.7%
(PPA² -€41 mn and special effects +€12 mn)
- › **NIAT³ amounted to €750 mn, up by 2%** as net interest result was mainly negatively impacted by FX as forecast
- › **Free cash flow amounted to €133 mn** including €231 mn cash outflow for acquisitions (mainly for Hornschuch); **free cash flow before acquisitions amounted to €364 mn**
- › **Gearing ratio at 18%; equity ratio improved to 42%**
- › Value creation: **trailing ROCE⁴ sustained at 20%**
- › **Other topics:**
 - › €750 mn bond with a coupon of 2.5% p.a. redeemed at maturity on March 20, 2017
 - › Order intake in the Automotive Group increased to more than €9.5 bn in Q1 2017

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

² Amortization of intangibles from PPA

³ Attributable to the shareholders of the parent

⁴ Trailing ROCE is calculated as reported EBIT for the last twelve months (LTM) divided by average operating assets for the LTM

1) Corporation Highlights

Divisional Highlights for Q1 2017

Automotive Group

- › **Chassis & Safety:** 9.6% adj. EBIT¹ margin (PY: 9.7%); organic sales up by 12.5%; ADAS unit sales up by 40%; more than **34 mn camera, lidar and radar sensors** sold since 2014
- › **Powertrain:** 6.3% adj. EBIT¹ margin (PY: 4.0%); organic sales up by 9.5% driven by strong growth in engine ECUs and injector business; operating leverage² at 29%, displaying solid capacity utilization
- › **Interior:** 8.9% adj. EBIT¹ margin (PY: 8.4%); organic sales increased by 11.9% on strong growth in business units Body & Security and Instrumentation & Driver HMI
- › **Automotive Group:** Organic sales increased by 11.3%, exceeding worldwide car production by >6%-points; second quarter sales continue to trend strong; adj. EBIT¹ margin increased by 80 bps to 8.4% in a usually slow quarter; **order intake** in the Automotive Group increased to more than €9.5 bn

Rubber Group

- › **Tires:** adj. EBIT¹ down by 9% as guided; *volume* growth amounted to 5%; *FX* contributed 1.5%; *price/mix* was +1%; organic sales up by 6.3%
- › **Tire markets:** PC & LT tire replacement demand in Europe and North America up by 6% and 2% respectively
- › **ContiTech:** adj. EBIT¹ margin stayed at 9.6%; organic sales up by 7.6%; ContiTech suffered about €9 mn from first time consolidation of Hornschuch (PPA³ and step-up effects) of which only PPA³ amounting to €1.7 mn is adjusted for in Q1 2017
- › **Rubber Group:** Organic sales up by 6.9% and adj. EBIT¹ margin down to 15.1% (PY: 17.2%); raw materials had a negative impact of €100 mn in Q1

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

² Operating leverage is defined as delta adj. EBIT¹ divided by delta adjusted sales

³ Amortization of intangibles from PPA

1) Corporation Highlights

Selected Press Clippings Released Until Recently

Growing Faster with New Mobility Services



[Go to press release](#)

Continental und **China Unicom** Smart Connection Technology sign a strategic joint venture contract. The New Joint Venture will establish and operate a world class **Intelligent Transportation Systems (ITS) solution** provider to satisfy the increasing market demands of China.

Continental Uses Road Condition Detection for Active Driving Safety

Wet and icy road conditions are frequent causes of accidents. Even experienced drivers can misjudge how well the tires are gripping the road. The international technology company **Continental** is developing a new solution called **Road Condition Observer** in response to this threat.



[Go to press release](#)

New Continental Control Unit is Control Center in All Mercedes E-Class



[Go to press release](#)

Whether it's a gasoline vehicle, diesel vehicle, or a plug-in hybrid: in all models of the new Mercedes E-Class, the **central powertrain controller (CPC)** from Continental acts as a gateway in taking on the role of the drive's electronic control center.



[Go to press release](#)

Continental to equip Cat Off-Highway-Trucks

Continental and **Caterpillar Inc.** have signed an agreement to equip Cat Off-Highway-Trucks (model series 770 to 775) with Continental RDT-Master tires in sizes 18.00R33, 21.00R33 and 24.00R35.



[Go to press release](#)

ContiTech Presents Digital Solutions for the Conveyor Industry

International technology company ContiTech is expanding its portfolio of industrial applications for the **conveyor belt** industry. Alongside conveyor belts, the company is working hard on smart systems and expanding its range of services.



[Go to press release](#)

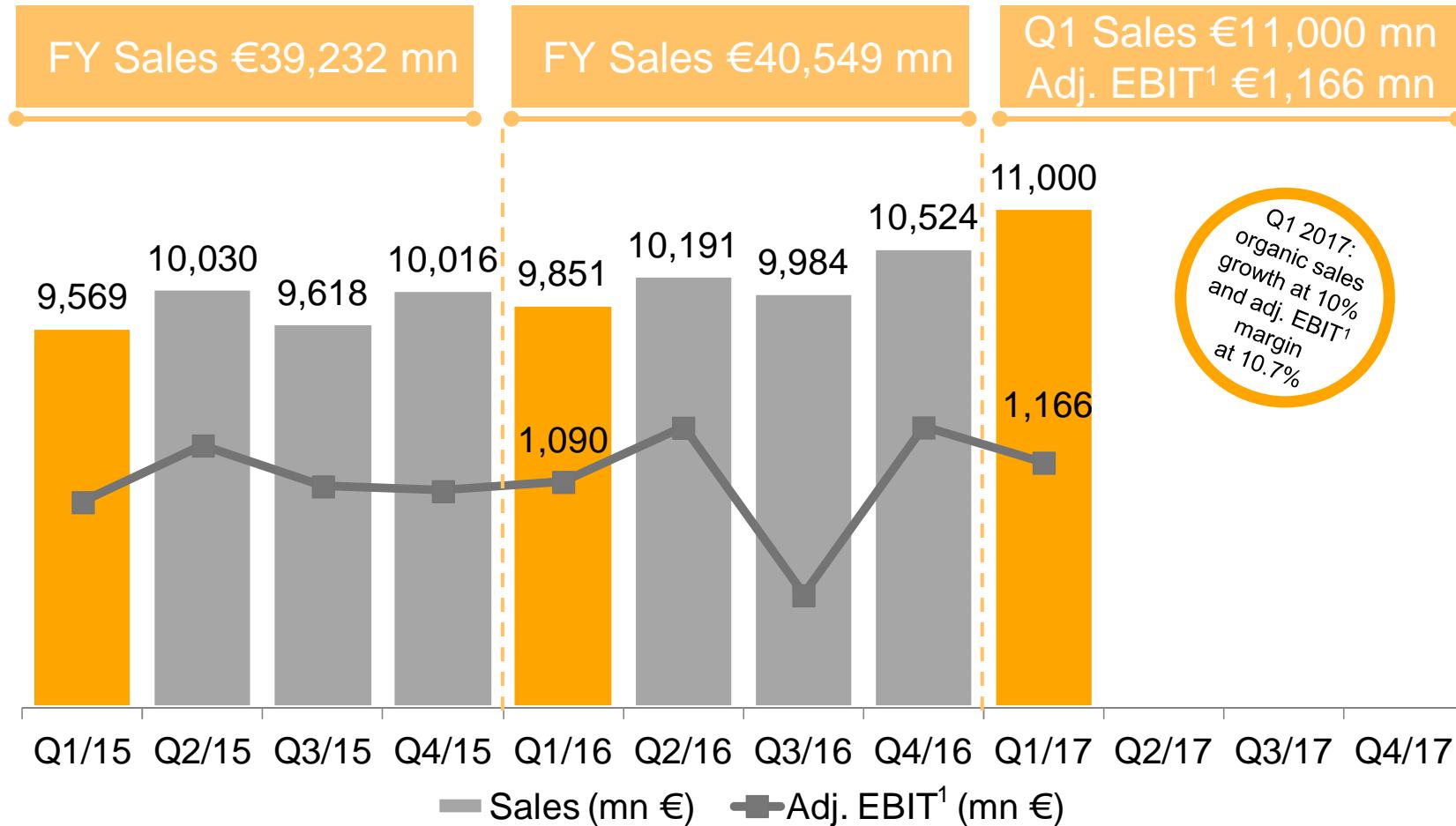
Continental Gestures to a Safer Future

To improve **non-verbal communication** between drivers and their vehicles, the international technology company Continental has devised a range of **user-friendly touch gestures** for the cockpit. Drivers can draw specific, defined symbols on the input display to instantly trigger a diverse array of functions and features for rapid access.



1) Corporation Highlights

Sales and Adjusted EBIT¹ by Quarter

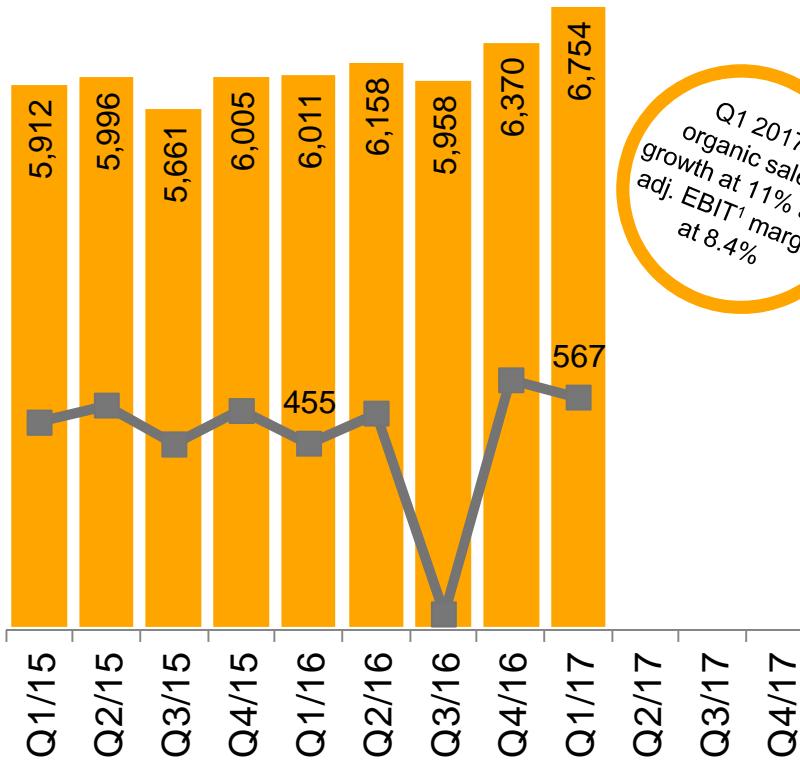


1) Corporation Highlights

Automotive Group and Rubber Group by Quarter

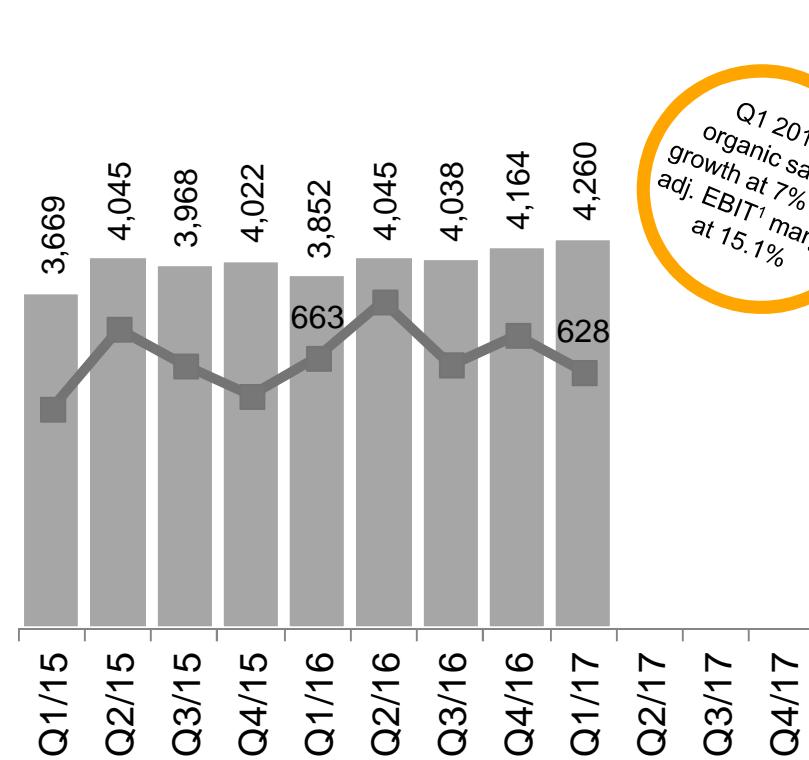
Automotive Group

Sales (mn €) Adj. EBIT¹ (mn €)



Rubber Group

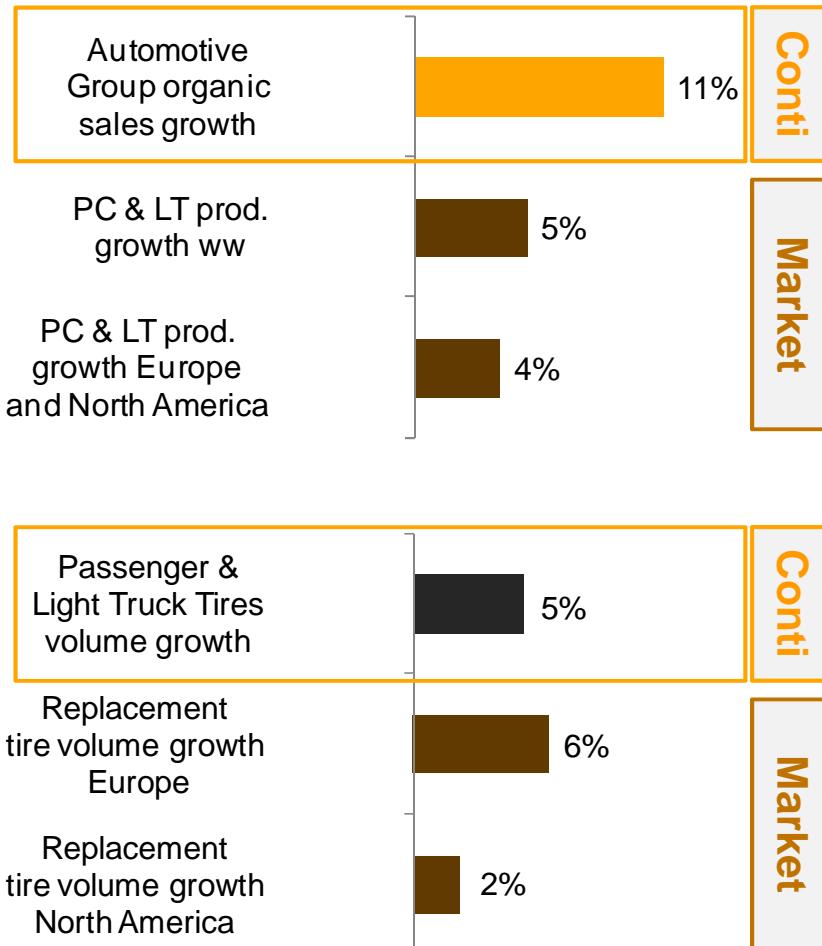
Sales (mn €) Adj. EBIT¹ (mn €)



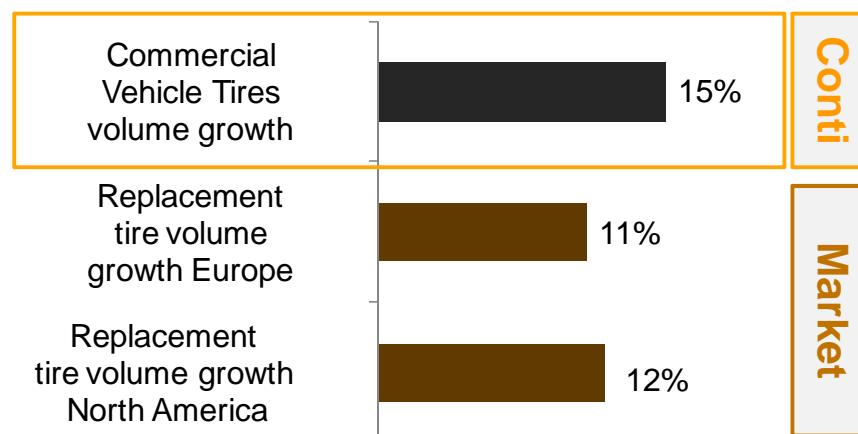
¹ Before amortization of intangibles from PPA, consolidation and special effects

1) Corporation Highlights

Growth Profile of the Corporation Q1 2017

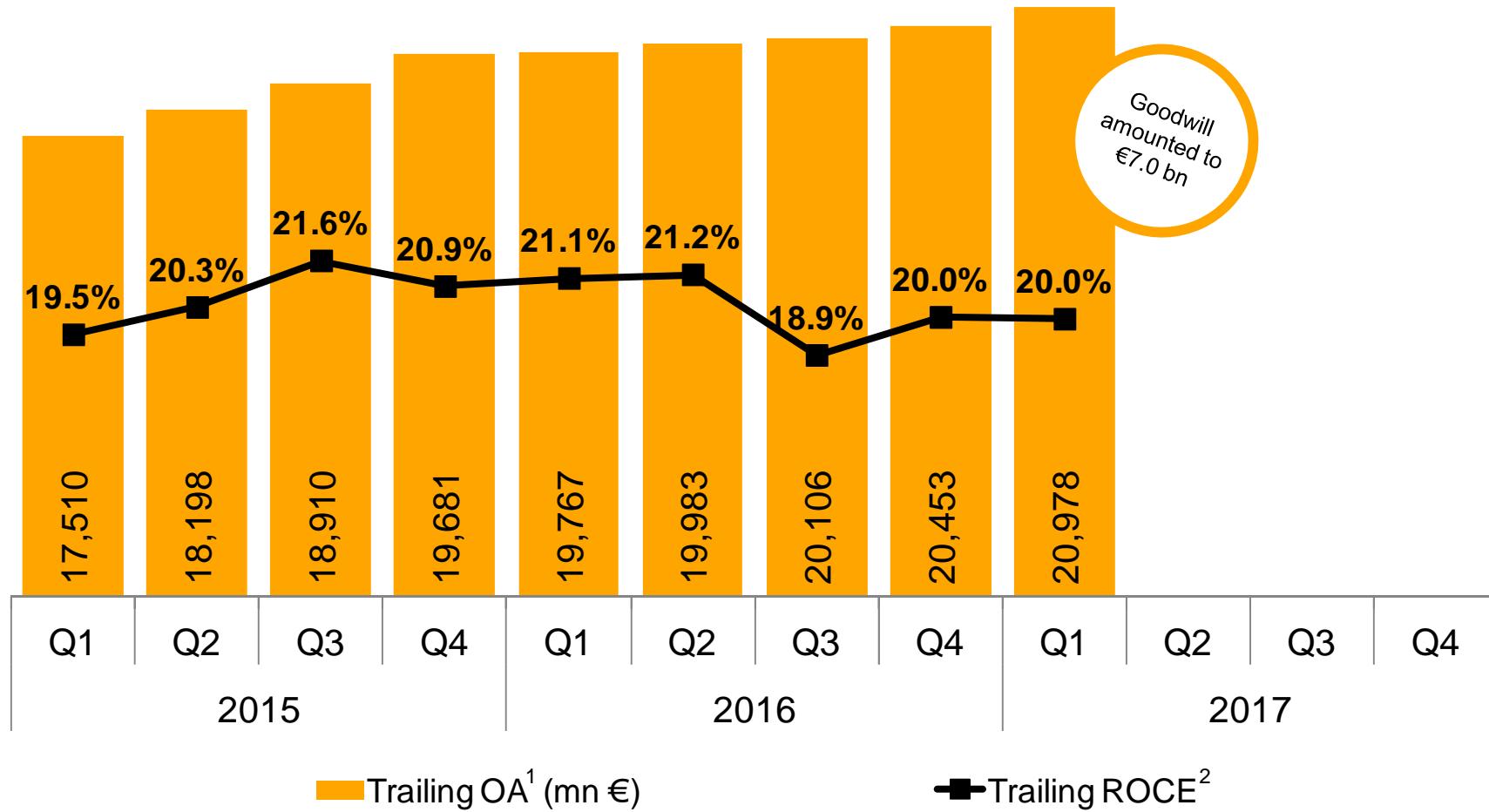


¹ According to IMF definition (WEO Update April 2017)



1) Corporation Highlights

Sustainable Value Creation

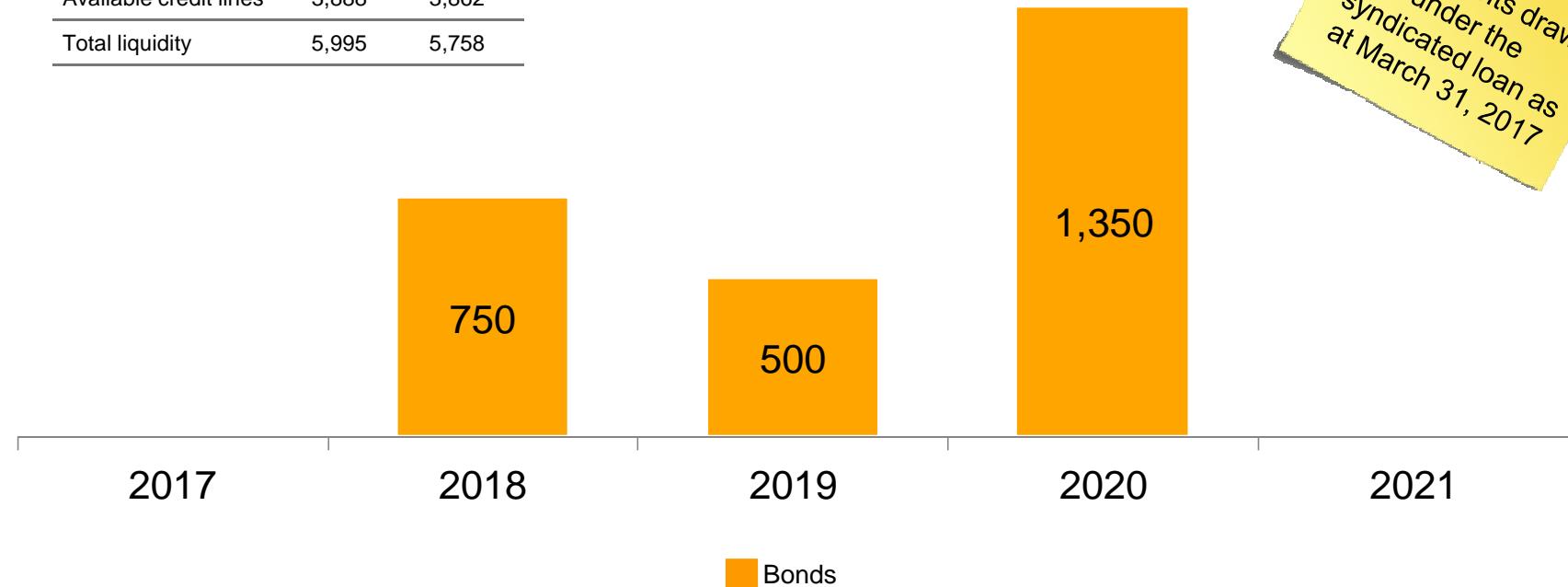


1) Corporation Highlights

Maturities for Bonds¹ (mn €)

As at March 31, 2017

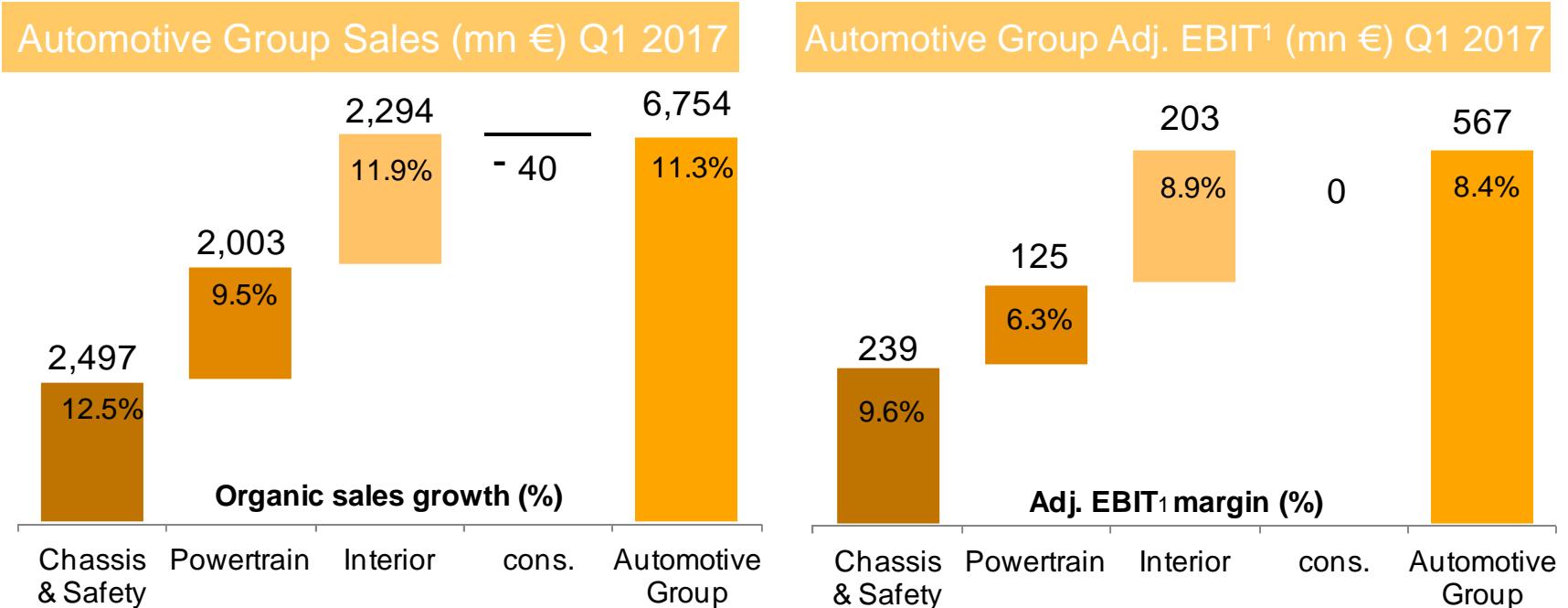
(mn €)	FY 16	Q1 17
Gross indebtedness	4,952	4,723
Cash	2,107	1,896
Net indebtedness	2,798	2,768
Available credit lines	3,888	3,862
Total liquidity	5,995	5,758



¹ All amounts shown are nominal values

2) Automotive Group

Sales and Adj. EBIT¹ by Division



Reported change in sales

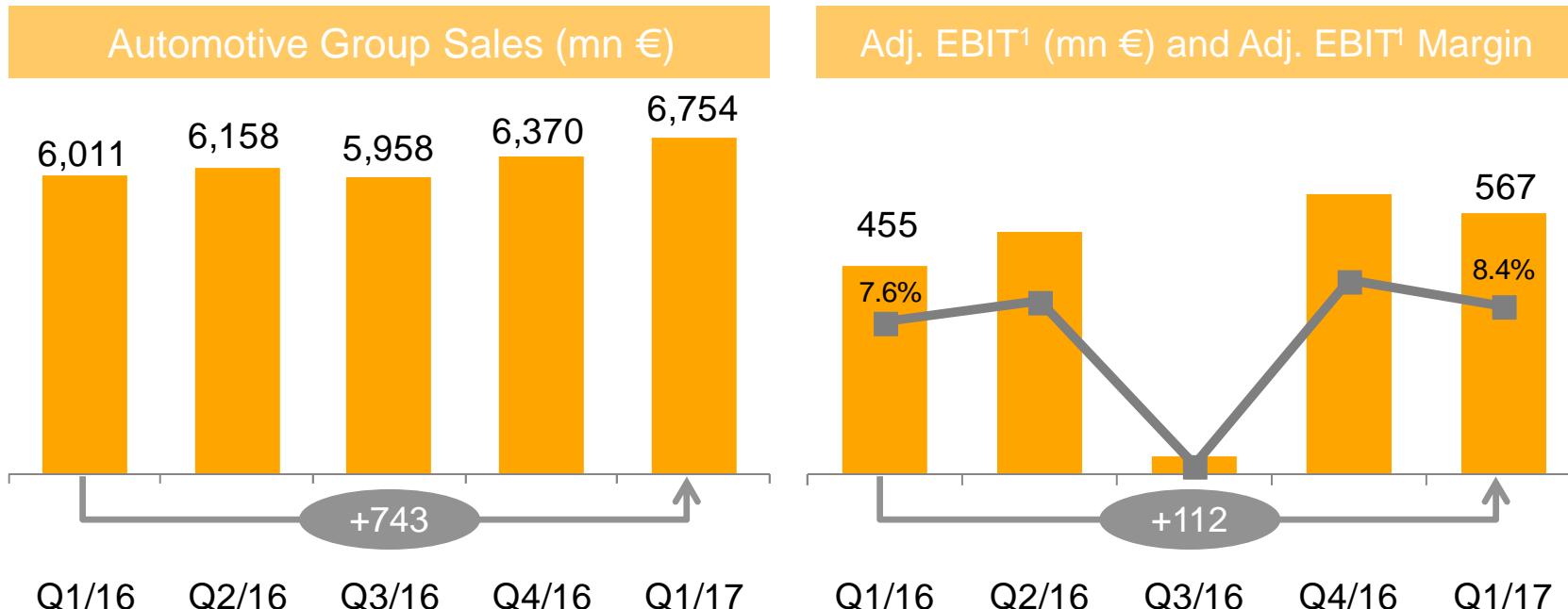
- › Chassis & Safety: 13.4%
- › Powertrain: 10.5%
- › Interior: 13.4%
- › Automotive Group: 12.4%

- › Reported EBITDA: €824 mn (12.2% of sales)
- › Reported EBIT: €542 mn (8.0% of sales)
- › R&D: €676 mn (10.0% of sales)
- › Capex: €287 mn (4.3% of sales)

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

2) Automotive Group

Q1 2017: Strong Start to the Year



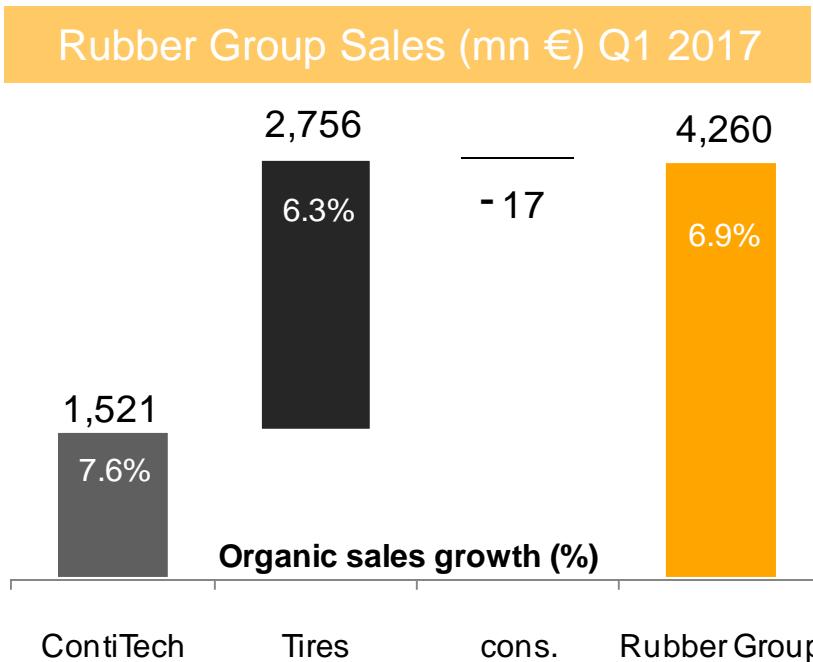
- › Sales increased by €743 mn; organic sales growth in Q1 2017 at 11.3%
- › Adj. EBIT¹ increased by €112 mn; operating leverage² at 16%
- › Adj. EBIT¹ margin at 8.4% (PY: 7.6%)

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

² Operating leverage is defined as delta adj. EBIT¹ divided by delta adjusted sales

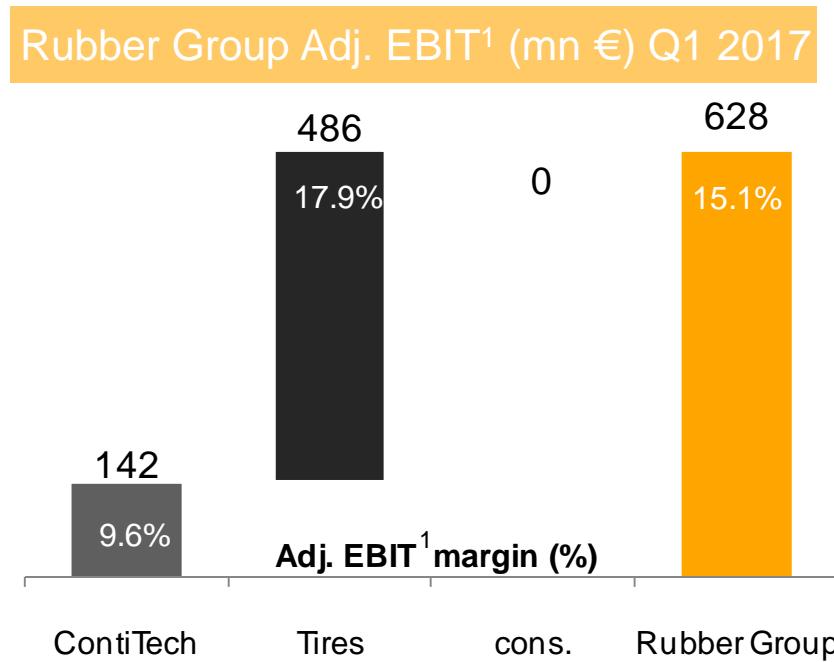
3) Rubber Group

Profitability Temporarily Impacted by Rising Raw Materials



Reported change in sales

- › ContiTech: 11.9%
- › Tires: 9.7%
- › Rubber Group: 10.6%

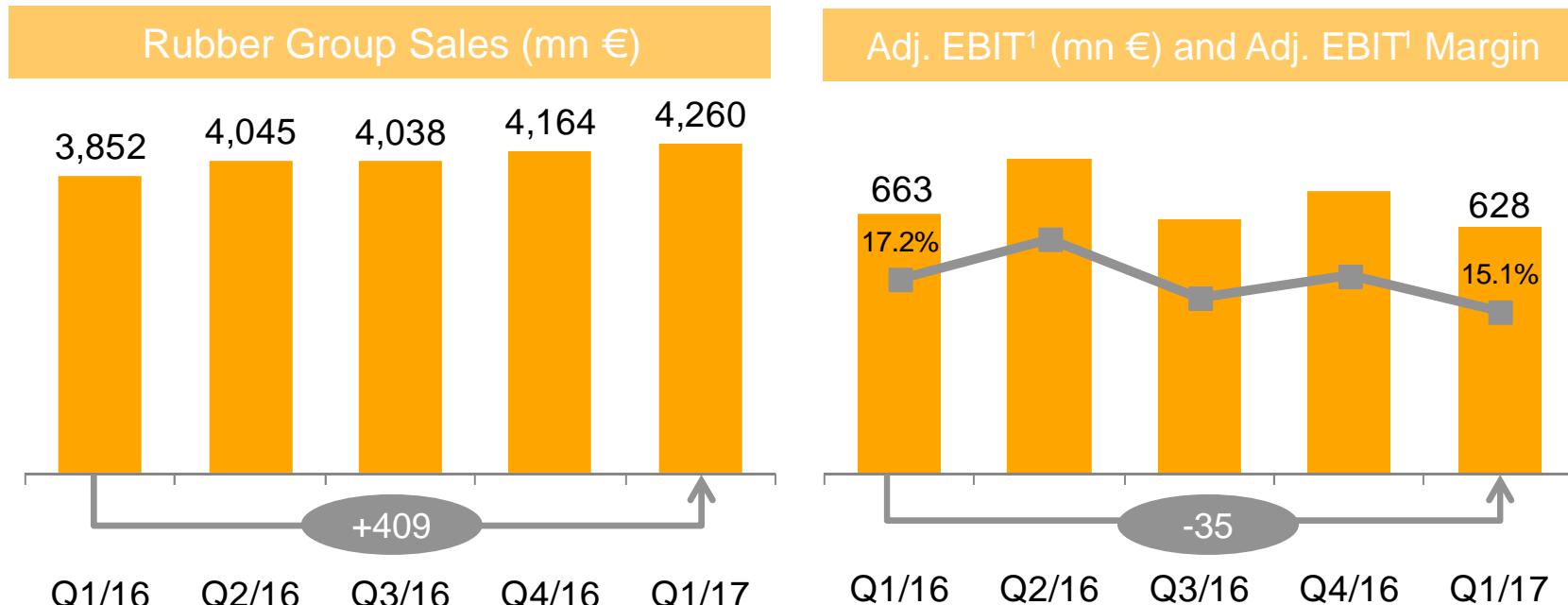


- › Reported EBITDA: €843 mn (19.8% of sales)
- › Reported EBIT: €622 mn (14.6% of sales)
- › R&D: €105 mn (2.5% of sales)
- › Capex: €215 mn (5.0% of sales)

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

3) Rubber Group

Q1 2017: Challenging Start to the Year



- › Healthy sales growth on abating pressure from rising raw materials prices; sales increased by €409 mn; organic sales growth at 7%
- › Adj. EBIT¹ decreased by €35 mn as raw material cost negatively impacted the quarter with about €100 mn; adj. EBIT¹ margin at 15.1% (PY: 17.2%)
- › First time consolidation of Hornschuch negatively impacted ContiTech EBIT with about €9 mn

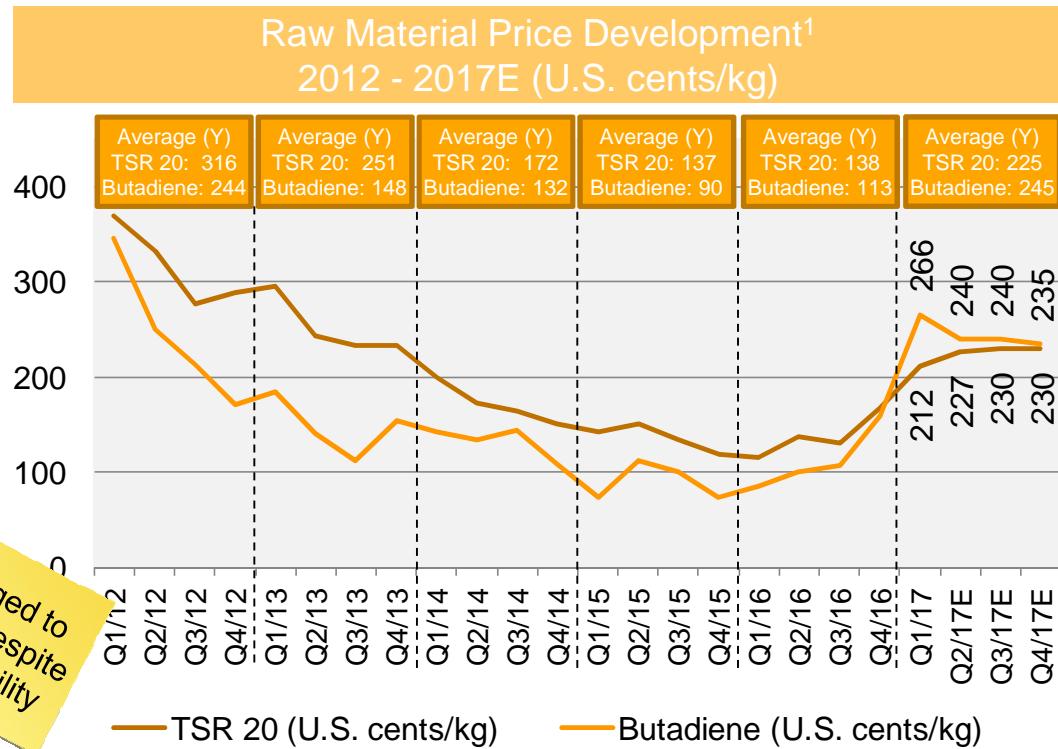
¹ Before amortization of intangibles from PPA, consolidation and special effects

3) Rubber Group

Expected Raw Material Price Development in 2017

- › Natural rubber price (TSR 20) expected to average U.S. \$2.25 in 2017 (PY: U.S. \$1.38)
- › Synthetic rubber price (butadiene feedstock) forecasted to average U.S. \$2.45 in 2017 (PY: U.S. \$1.13)
- › U.S. \$50 mn gross burden expected for every U.S. \$10 rise in oil price (average was U.S. \$44 in 2016)
- › Headwind from rising raw materials cost to amount to about €500 mn in 2017
- › Biggest negative impact expected for Q2 2017; PM will start to offset raw material headwinds in course of H2 2017

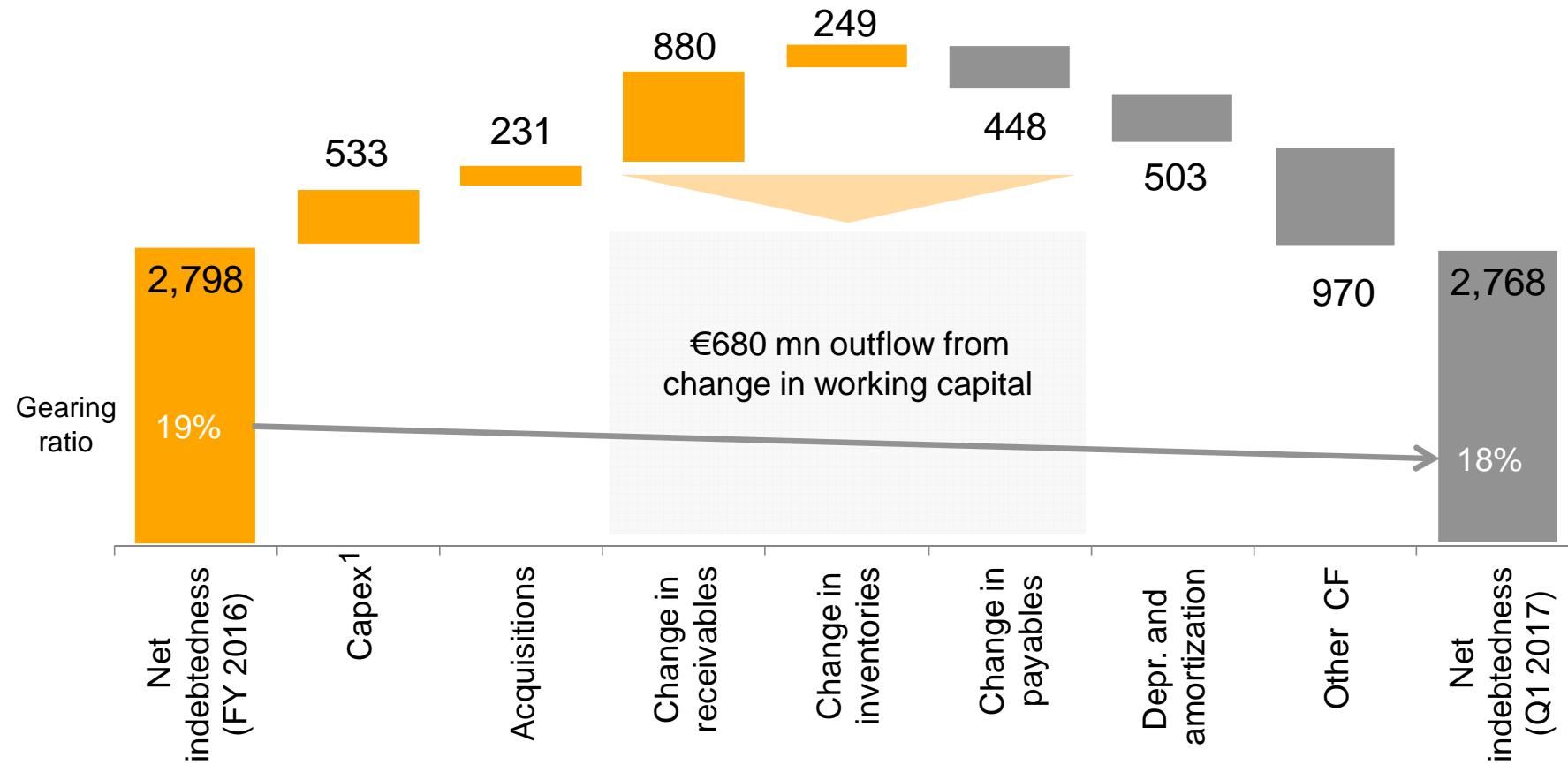
Unchanged to
March 2, despite
recent volatility



¹ Source: Bloomberg and Continental estimates for 2017

4) Indebtedness and Cash Flow

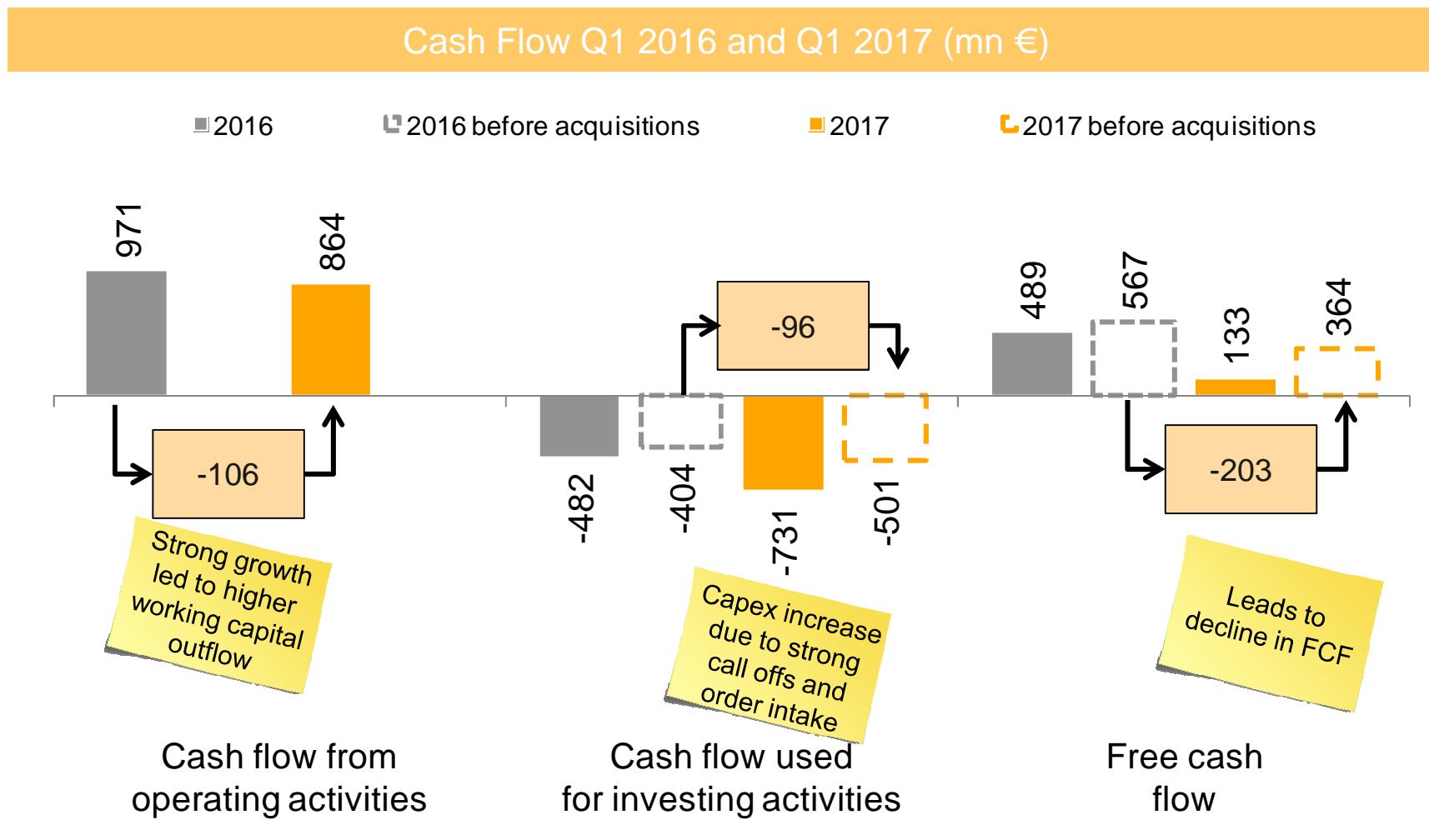
Net Indebtedness Bridge (mn €)



¹ According to cash flow statement incl. intangible assets

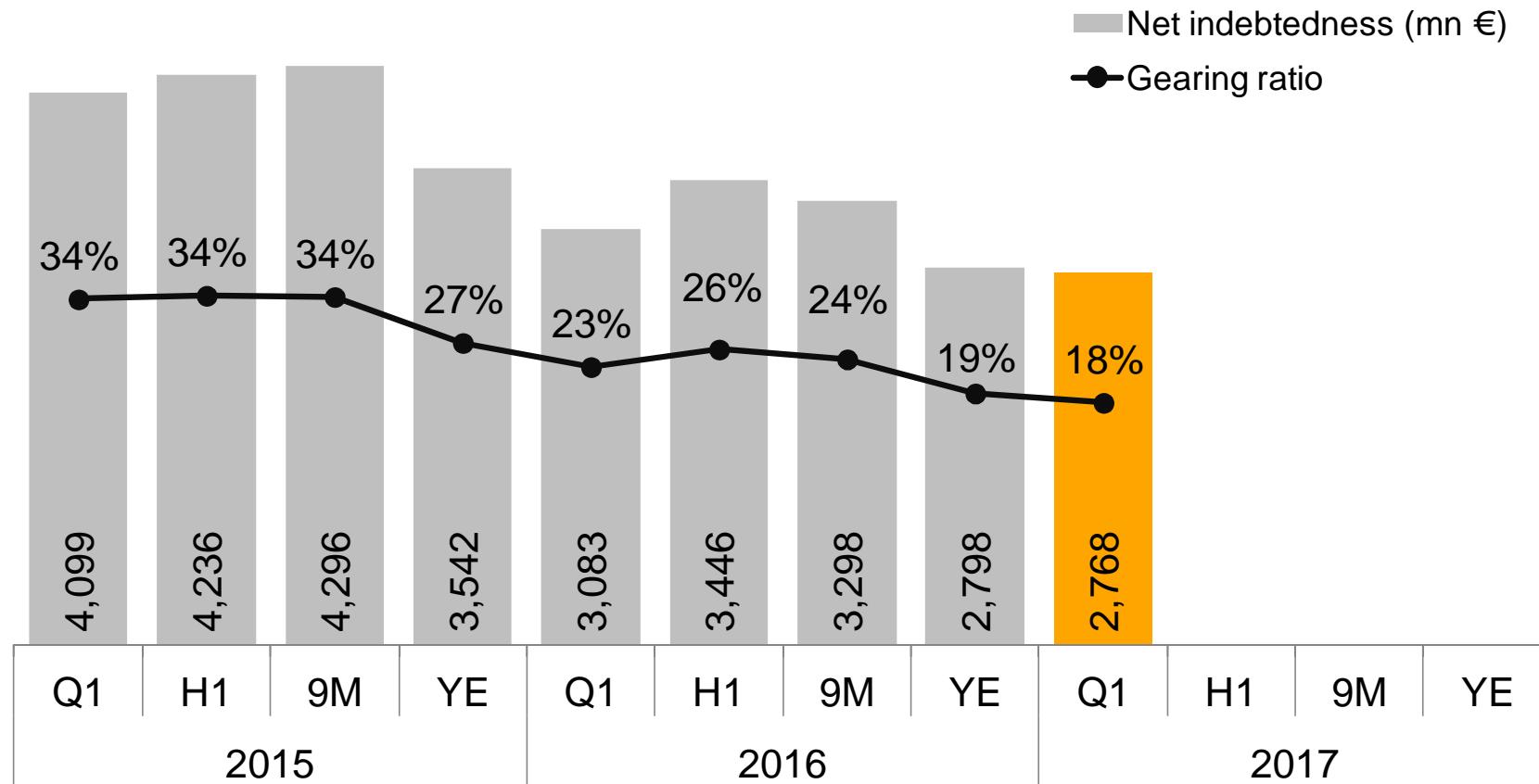
4) Indebtedness and Cash Flow

Cash Flow Overview



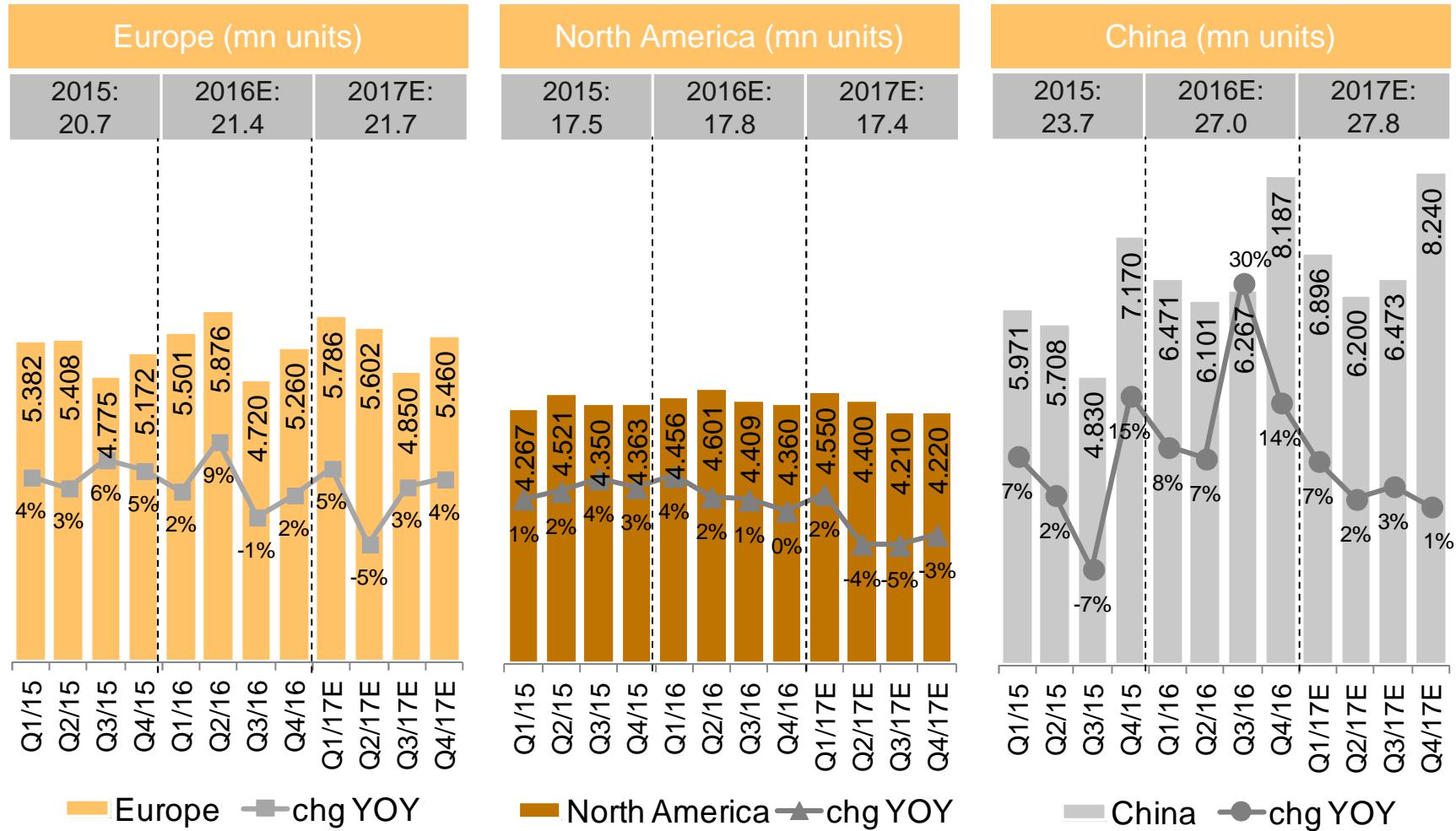
4) Indebtedness and Cash Flow

Net Indebtedness and Gearing Ratio



5) Outlook 2017

PC & LT Production by Quarter in Major Regions¹

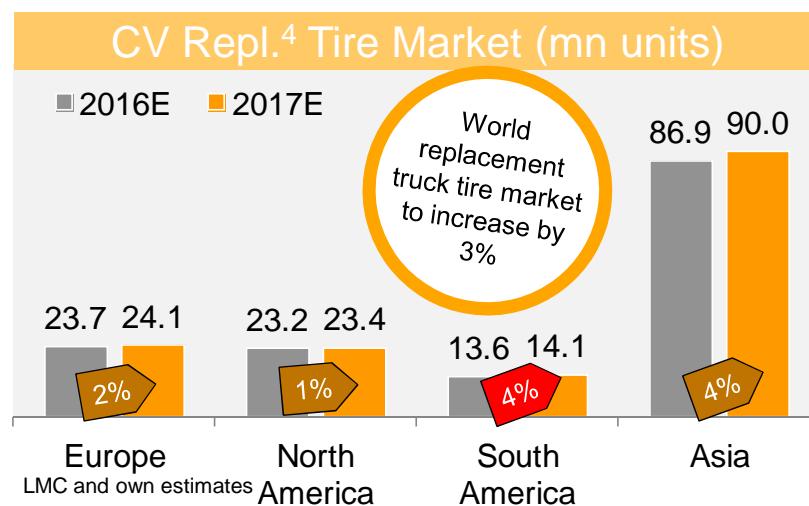
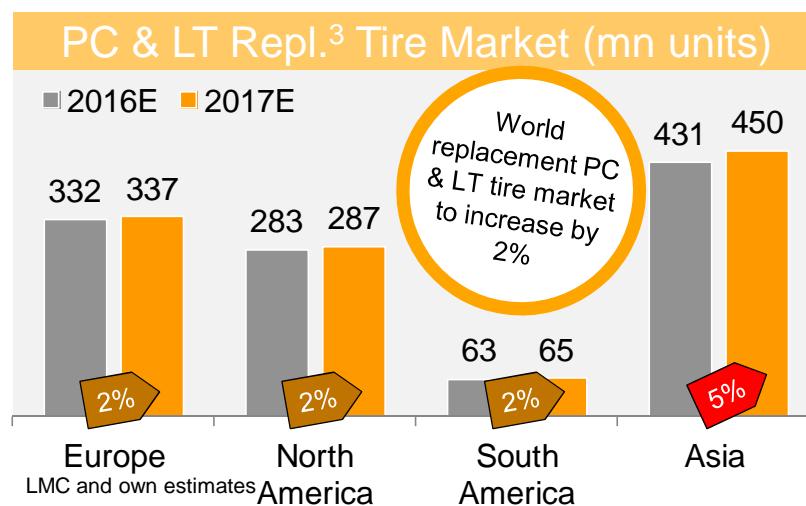
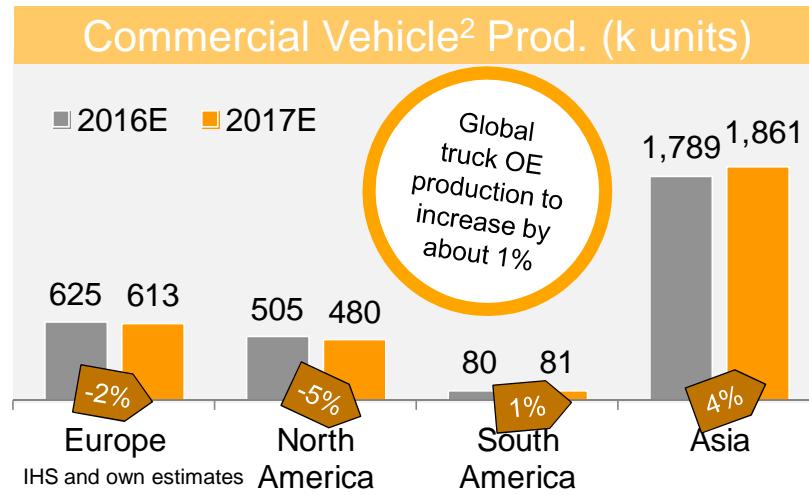
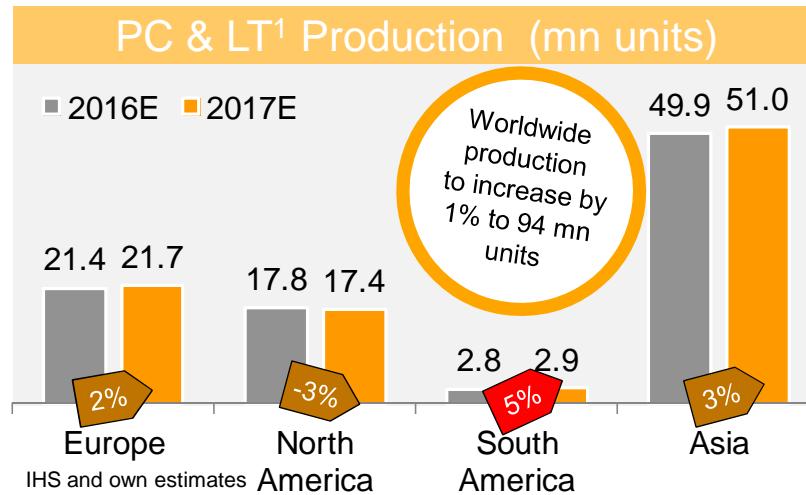


¹Source: IHS and own estimates, Europe excluding Kazakhstan and Uzbekistan

5) Outlook 2017

Market Outlook for Major Regions

Changes in
comparison to the
YE 2016 presentation
marked in red



5) Outlook 2017

Continental Corporation

Changes in
comparison to the
FY 2016 presentation
are underlined

	2016	2017E
Consolidated sales adj. EBIT ¹ margin	€40.5 bn €4.3 bn	To increase to <u>>€43.5 bn</u> at constant FX rates <u>>10.5%</u> adj. EBIT ¹ margin
Automotive Group adj. EBIT ¹	€24.5 bn €1.6 bn	To increase to <u>>€26 bn</u> at constant FX rates <u>~8.5%</u> adj. EBIT ¹ margin
Rubber Group adj. EBIT ¹	€16.1 bn €2.8 bn	To increase to <u>>€17 bn</u> at constant FX rates <u>>15%</u> adj. EBIT ¹ margin
Raw material cost impact	Relief of about €150 mn	Raw materials to burden Rubber Group with about €500 mn
Special effects	-€70 mn	About -€100 mn
Net interest result Tax rate	-€117 mn 28%	~€200 mn at constant FX rates <30%
Capex PPA	€2.6 bn €144 mn	Capex at around 6.5% of sales PPA amortization: ~€200 mn
Free cash flow before acquisitions	€2.3 bn	~€2 bn

¹ Before amortization of intangibles from PPA, consolidation (2016 in comparison to 2015) and special effects

Thank you!



Disclaimer

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- › Unless otherwise stated, all amounts are shown in millions of euro. Please note that differences may arise as a result of the use of rounded amounts and percentages.

Contact

Equity and Debt Markets Relations

Vahrenwalder Str. 9
30165 Hanover
Germany
E-mail: ir@conti.de
Fax: +49 511 938 1080
www.continental-ir.com

Rolf Woller
Head of IR
Phone: +49 511 938 1068
E-mail: rolf.woller@conti.de

Jana Cross
Assistant to the Head of IR
Roadshow and Conference Organization
Phone: +49 511 938 1163
E-mail: jana.cross@conti.de

Michael Saemann
Analysts, Institutional Investors and Sustainability Investors
Phone: +49 511 938 1307
E-mail: michael.saemann@conti.de

Klaus Paesler
Analysts, Institutional Investors, ADR and Private Investors
Phone: +49 511 938 1316
E-mail: klaus.paesler@conti.de

Sabine Reese
Sustainability, ASM, CMD Organization, IR Website,
Capital Market Disclosure Requirements
Phone: +49 511 938 1027
E-mail: sabine.reese@conti.de

Marvin Kalberlah
Social Media
Phone: +49 511 938 14034
E-mail: marvin.kalberlah@conti.de

Continental

Financial Calendar

2017

Preliminary figures for fiscal 2016	January 9, 2017
Annual Financial Press Conference	March 2, 2017
Annual Shareholders' Meeting (incl. key data for Q1 2017)	April 28, 2017
Q1 Financial Report	May 9, 2017
Half-Year Financial Report	August 3, 2017
Nine-Month Financial Report	November 9, 2017

2018

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

Continental

Share Data/ADR Data

Share Data

Type of share	No-par value share
Bloomberg Ticker	CON
Reuters Ticker	CONG
German Security Identification Number (WKN)	543 900
ISIN	DE0005439004
Shares outstanding as at March 31, 2017	200,005,983

ADR Data

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

Continental

Bond Data

Issuer	Continental AG	Continental Rubber of America, Corp. ¹	Continental AG	Continental AG
Issue	Senior Notes	Senior Notes	Senior Notes	Senior Notes
Principal amount	€750 mn	€500 mn	€600 mn	€750 mn
Offering price	98.950%	99.739%	99.410%	99.228%
Rating at issuance date	Ba2 (Moody's ⁴) BB (S&P) BB (Fitch ²)	BBB (S&P) BBB (Fitch)	BBB+ (S&P) BBB+ (Fitch)	Ba1 (Moody's ⁴) BB (S&P) BBB (Fitch ²)
Current corporation and bond ratings³		BBB+ (Fitch), BBB+ (S&P), Baa1 (Moody's⁴)		
Coupon	3.0% p.a.	0.5% p.a.	0.0% p.a	3.125% p.a.
Issue date	July 16, 2013	November 19, 2015	December 5, 2016	September 9, 2013
Maturity	July 16, 2018	February 19, 2019	February 5, 2020	September 9, 2020
Interest payment	Semi annual January 16/July 16	Annual February 19, commencing on February 20, 2017	Not applicable	Annual September 9
WKN	A1X24V	A1Z7C3	A2DARM	A1X3B7
ISIN	XS0953199634	DE000A1Z7C39	XS1529561182	XS0969344083
Denomination	€1,000 with min. tradable amount €1,000	€1,000 with min. tradable amount €1,000	€1,000 with min. tradable amount €1,000	€1,000 with min. tradable amount €1,000

¹ Guaranteed by Continental AG

² Non-contracted rating at date of issuance

³ Fitch since October 24, 2016; S&P since May 11, 2016; Moody's since June 30, 2015

⁴ Non-contracted rating since February 1, 2014

Back-up

6) Back-up

Corporation Highlights Q1 2017

› Sales	Increase of 11.7% to €10,999.9 mn (PY: €9,850.7 mn); organic sales up 9.5%
› EBITDA	Increase of 8.8% to €1,638.5 mn (PY: €1,505.5 mn)
› EBIT	Increase of 9.1% to €1,135.1 mn (PY: €1,040.7 mn); Adj. EBIT ¹ increase to €1,165.5 mn (10.7% adj. EBIT ¹ margin); PPA ² effect -€41.2 mn; total special effects +€12.4 mn
› NIAT ³	Increase of 2.1% to €749.6 mn (PY: €733.9 mn)
› EPS ³	EPS of €3.75 (PY: €3.67) EPS before PPA ² €3.90 (PY: €3.79 before PPA ²)
› Capex	Capex increased to €502.7 mn (PY: €397.8 mn); capex ratio 4.6% of sales; capex to depreciation coverage 1.0x (1.1x ex PPA ²)
› R&D	Expenses for research and development increased by 9.0% to €780.7 mn (PY: €716.1 mn); R&D ratio 7.1% of sales (PY: 7.3%)
› Cash flow	Operating cash flow down by €106.5 mn to €864.3 mn; free cash flow at €133.0 mn
› Net debt	Net indebtedness down by €30.2 mn to €2,767.6 mn vs FY 2016; Liquidity and undrawn credit lines amounted to €5,758.1 mn
› PaSO	Pensions and similar obligations amounted to €4,092.8 mn

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

² Amortization of intangibles from PPA, tax rate of 28% applied for EPS calculation

³ Attributable to the shareholders of the parent

6) Back-up

Overview of Volume Development

Units (YOY change)	Q1/15	H1/15	9M/15	FY 15	Q1/16	H1/16	9M/16	FY 16	Q1/17
Market data for PC and LT production									
Europe	4%	3%	4%	4%	2%	5%	3%	3%	5%
North America	1%	2%	3%	3%	4%	3%	2%	2%	2%
Europe and North America combined	3%	3%	4%	4%	3%	4%	3%	2%	4%
Worldwide	2%	1%	2%	2%	2%	3%	3%	4%	5%
Continental									
Electronic Brake Systems (EBS)	8%	6%	5%	5%	0%	4%	6%	6%	13%
Boosters	-1%	-4%	-8%	-7%	-3%	-3%	-1%	1%	3%
EPB-Systems	59%	53%	47%	48%	38%	58%	51%	48%	47%
Advanced driver assistance systems (ADAS)	46%	53%	59%	58%	51%	45%	38%	36%	40%
Engine electronic control units (ECUs)	-1%	-3%	-5%	-5%	-2%	3%	6%	8%	12%
Injectors	-8%	-8%	-11%	-11%	-5%	-5%	2%	7%	19%
Transmissions	6%	2%	0%	-1%	-1%	-1%	1%	1%	-2%
Turbochargers	59%	45%	50%	43%	23%	24%	18%	17%	45%
Market data tires									
PC and LT replacement tires Europe	-1%	2%	0%	0%	2%	2%	2%	2%	6%
PC and LT replacement tires North America	-6%	0%	1%	1%	5%	2%	2%	2%	2%
Commercial vehicle tires OE Europe	0%	4%	5%	5%	6%	5%	3%	3%	9%
Commercial vehicle tires OE North America	21%	17%	12%	7%	-12%	-9%	-16%	-13%	-8%
Commercial vehicle replacement tires Europe	-4%	2%	-1%	0%	2%	3%	3%	3%	11%
Commercial vehicle replacement tires North America	3%	5%	3%	3%	4%	3%	3%	2%	12%
Continental									
PC and LT tires	-1%	3%	2%	5%	9%	8%	6%	6%	5%
Commercial vehicle tires	-3%	0%	3%	5%	7%	8%	4%	4%	15%
ContiTech organic sales growth	2%	4%	4%	4%	3%	2%	2%	2%	8%

Note: Following products have been replaced in the statistics in order to better reflect current market trends. The ABS (anti-locking brake systems) and ESC (electronic stability control) are included in an electronic brake system (EBS). The sequential decline in unit sales in early 2016 is largely attributable to the change over from MK60 to MK100 brake system. Calipers have been replaced by electronic parking brake systems (EPB Systems) as the former cable puller handbrake is being replaced ever more often by an EPB. The EPB Systems integrate the caliper into the electronic parking brake. This causes a decline in classical caliper sales which is more than compensated by the increase in EPB systems. We sold more than 14 mn EPB systems in 2016.

6) Back-up

Key Historical Credit Metrics

(mn €) ¹	2013	2014	2015	2016	LTM 2017
<u>Statement of Cash Flows</u>					
Adjusted EBITDA²	5,094	5,318	6,094	6,125	6,237
Reported EBITDA	5,095	5,134	6,001	6,057	6,190
Net cash interest paid	-534	-158	-174	-112	-112
Tax paid	-805	-775	-1,015	-1,047	-1,090
Change in net working capital ³	-4	-207	-107	-210	-396
Other ⁴	-30	175	210	250	239
Cash flow arising from operating activities	3,722	4,168	4,916	4,938	4,832
Cash flow arising from investing activities	-1,904	-2,153	-3,472	-3,167	-3,416
- thereof capex in PPE and intangibles	-2,024	-2,110	-2,265	-2,708	-2,833
Cash flow before financing activities	1,818	2,015	1,444	1,771	1,415
<u>Statement of Financial Position</u>					
Cash and cash equivalents	2,045	3,244	1,622	2,107	1,896
Derivative instruments and interest-bearing investments	303	364	81	48	59
Total indebtedness	6,638	6,432	5,245	4,952	4,723
Net indebtedness	4,289	2,824	3,542	2,798	2,768
<u>Credit Ratios</u>					
Net indebtedness / adjusted EBITDA²	0.8x	0.5x	0.6x	0.5x	0.4x
Net cash interest paid coverage (Ratio)⁵	9.5x	33.7x	35.1x	54.8x	55.8x

¹ Amounts shown may contain rounding differences

² Adjusted EBITDA as defined in syndicated loan

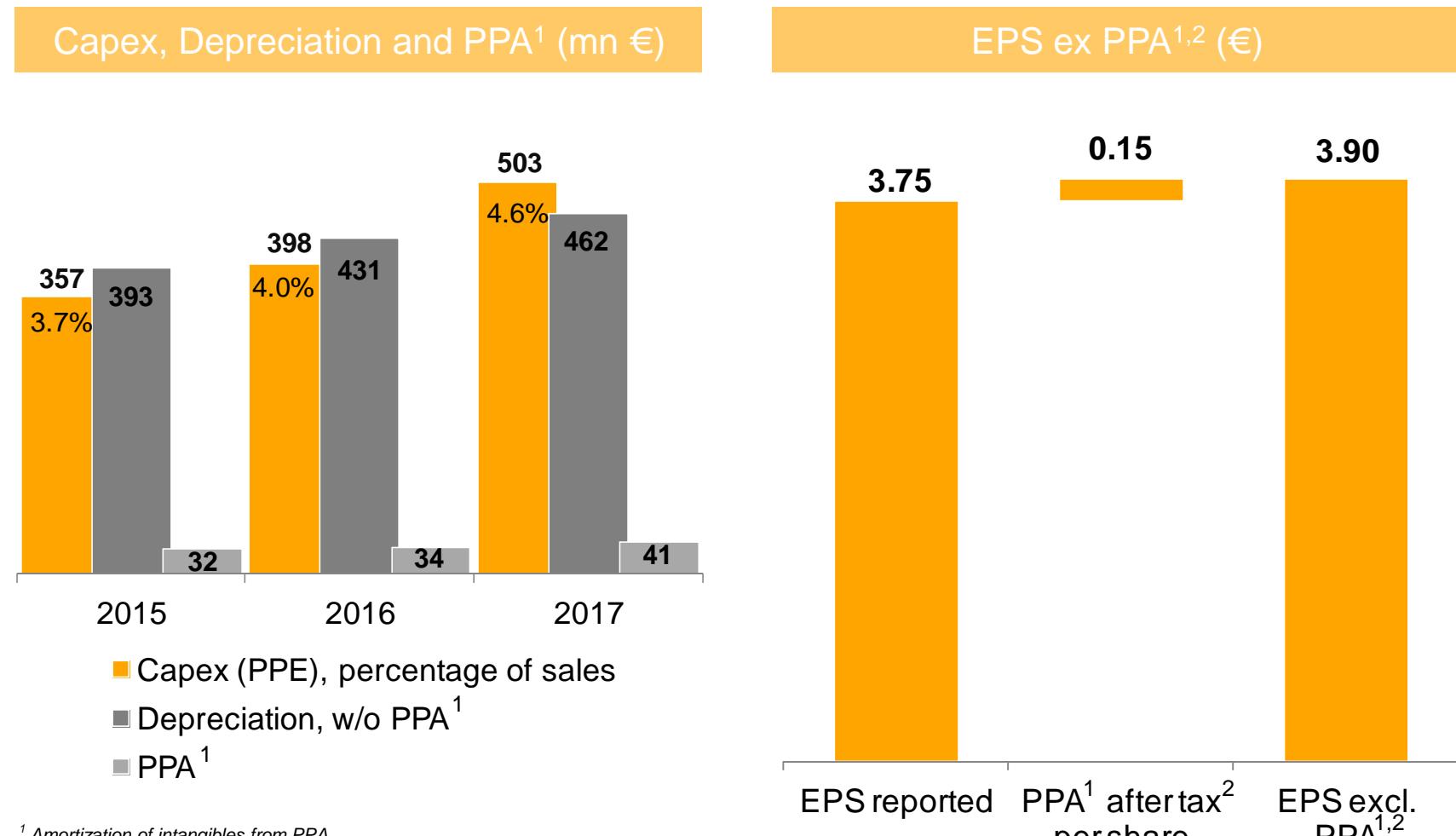
³ Includes changes in inventories, trade accounts receivable, trade accounts payable and discounted notes

⁴ Includes dividends received, income from at-equity accounted and other investments, including impairment and reversal of impairment losses, gains / losses from the disposal of assets, companies and business operations, other non-cash items as well as changes in employee benefits and other provisions and in other assets and liabilities

⁵ Adjusted EBITDA to net cash interest paid

6) Back-up

Capex, Depreciation and EPS Breakdown Q1 2017



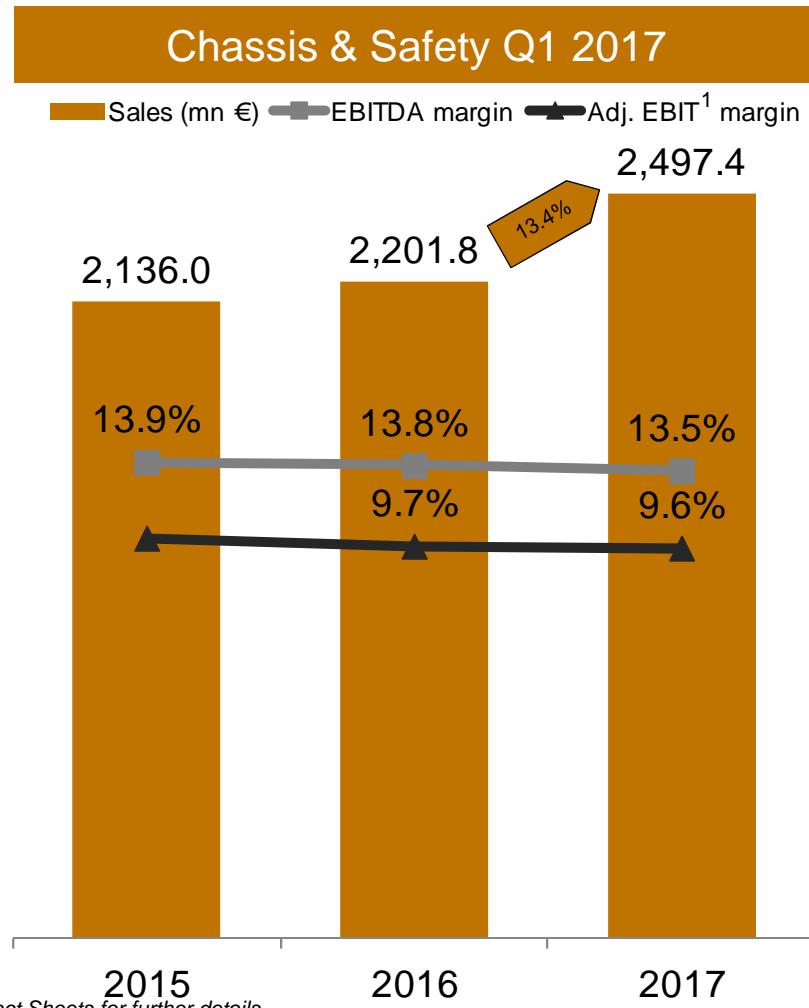
¹ Amortization of intangibles from PPA

² Assuming corporate tax rate of 28%

6) Back-up

Automotive Group Financials – Chassis & Safety

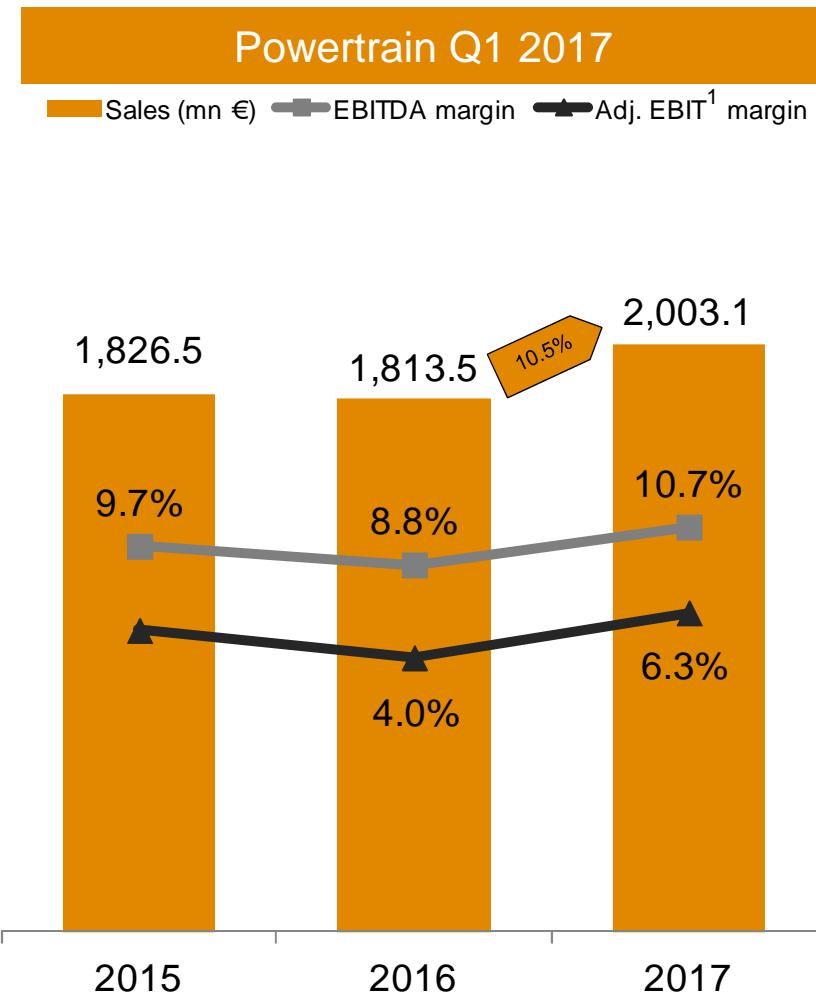
- › Sales increased by 12.5% before consolidation and FX effects
- › EBITDA increased by €34.1 mn to €336.9 mn (+11.3%)
- › Adj. EBIT¹ increased by €25.6 mn to €238.9 mn (adj. EBIT¹ margin 9.6%)
- › EBIT increased by €25.7 mn to €238.9 mn (EBIT margin 9.6%)
- › No PPA effect in Q1 2017
- › No special effects in Q1 2017



6) Back-up

Automotive Group Financials – Powertrain

- › Sales increased by 9.5% before consolidation and FX effects
- › EBITDA increased by €55.1 mn to €213.9 mn (+34.7%)
- › Adj. EBIT¹ increased by €52.6 mn to €124.7 mn (adj. EBIT¹ margin 6.3%)
- › EBIT increased by €50.6 mn to €117.1 mn (EBIT margin 5.8%)
- › PPA effect in Q1 2017: -€3.0 mn
- › Special effects in Q1 2017: -€1.0 mn

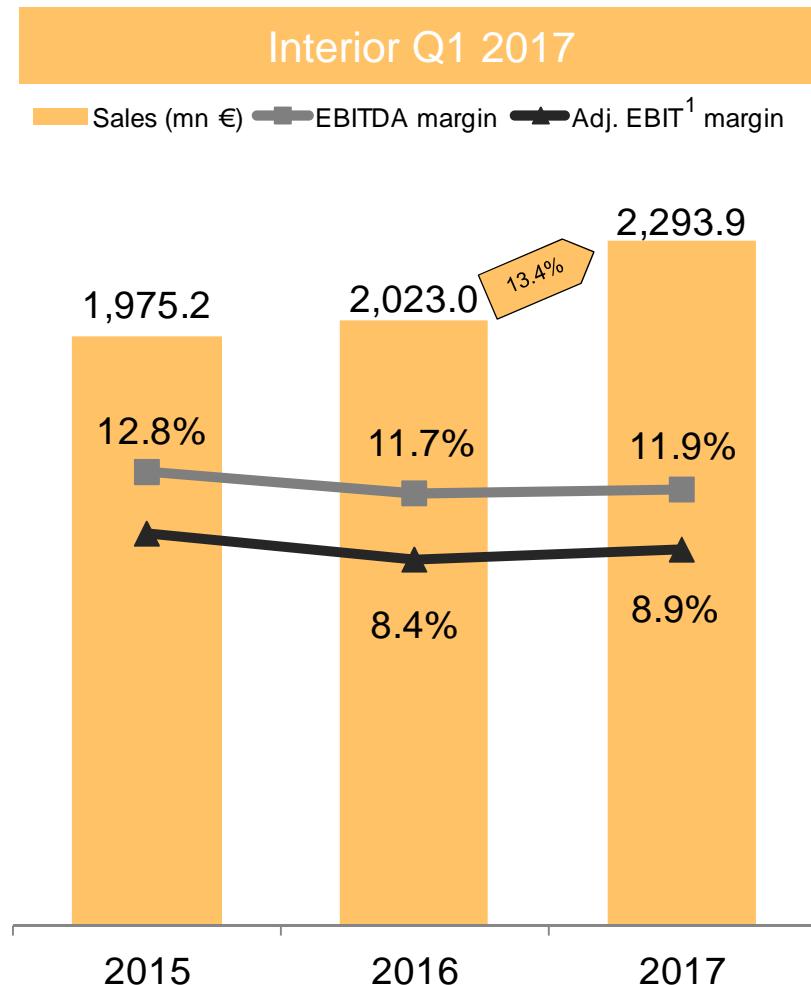


¹ Before amortization of intangibles from PPA, consolidation and special effects. Refer to Fact Sheets for further details

6) Back-up

Automotive Group Financials – Interior

- › Sales increased by 11.9% before consolidation and FX effects
- › EBITDA increased by €36.2 mn to €273.6 mn (+15.2%)
- › Adj. EBIT¹ increased by 33.8 mn to €202.9 mn (adj. EBIT¹ margin 8.9%)
- › EBIT increased by €25.6 mn to €185.7 mn (EBIT margin 8.1%)
- › PPA effect in Q1 2017: -€11.6 mn
- › No Special effects in Q1 2017

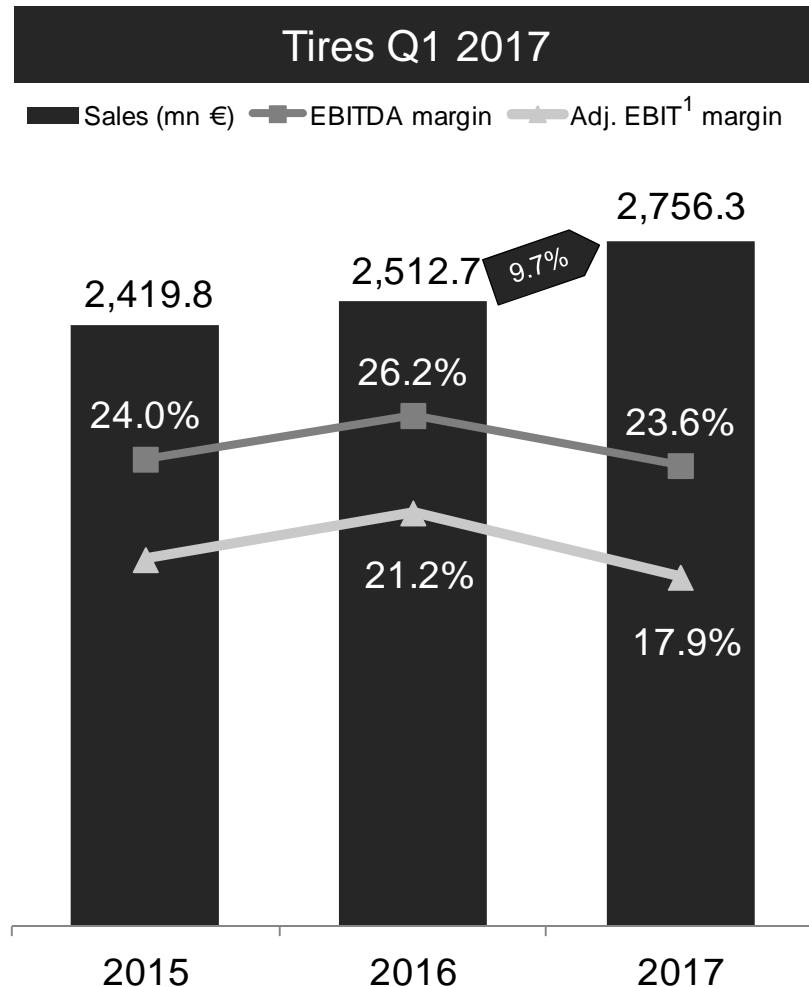


¹ Before amortization of intangibles from PPA, consolidation and special effects. Refer to Fact Sheets for further details

6) Back-up

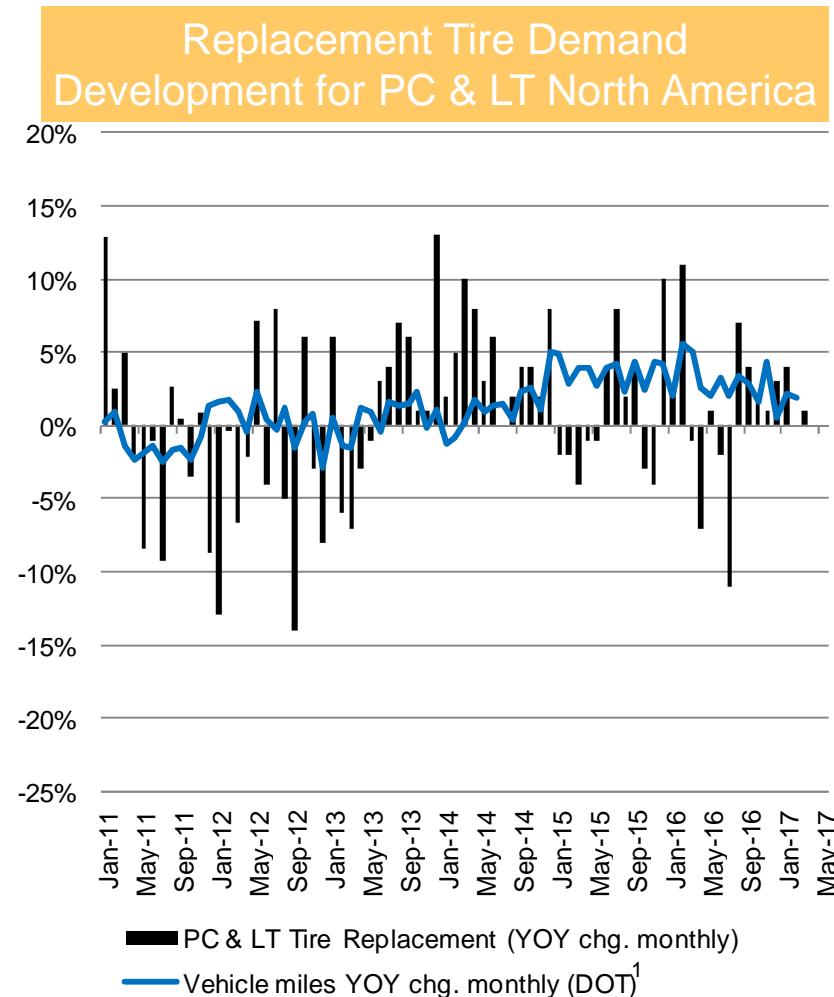
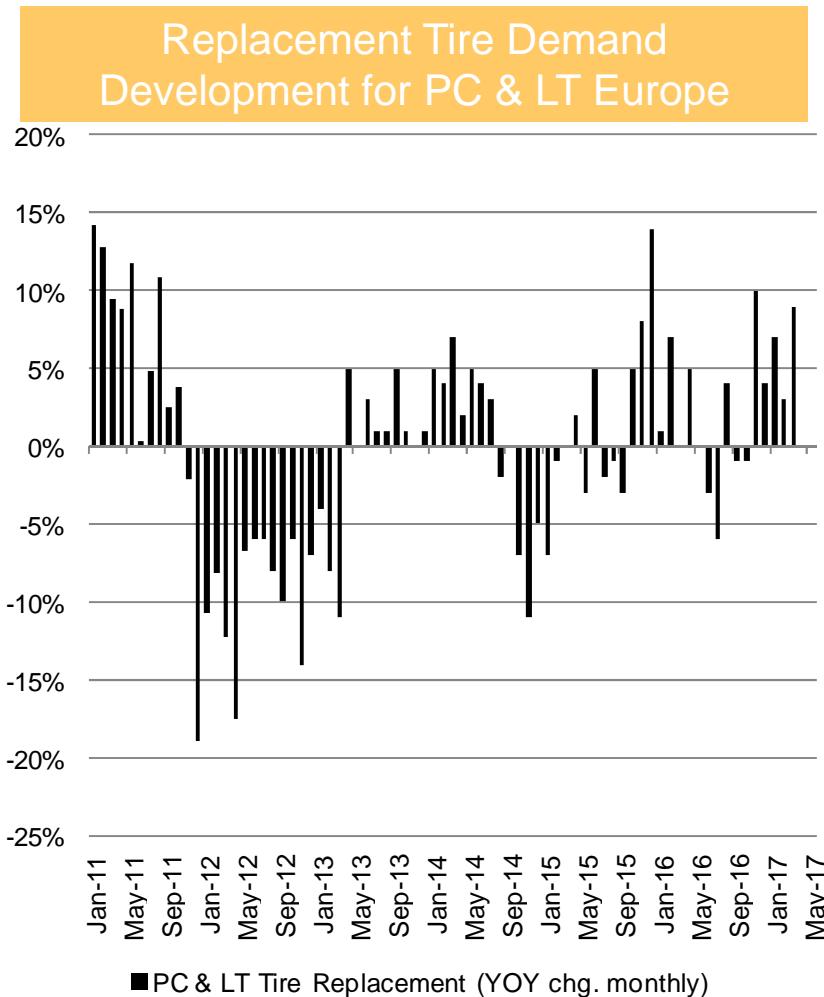
Rubber Group Financials – Tires

- › Sales increased by 6.3% before consolidation and FX effects
- › EBITDA decreased by €6.8 mn to €651.3 mn (-1.0%)
- › Adj. EBIT¹ decreased by €45.7 mn to €486.2 mn (adj. EBIT¹ margin 17.9%)
- › EBIT decreased by €24.9 mn to €505.1 mn (EBIT margin 18.3%)
- › PPA effect in Q1 2017: -€4.8 mn
- › Special effects in Q1 2017: +€13.5 mn



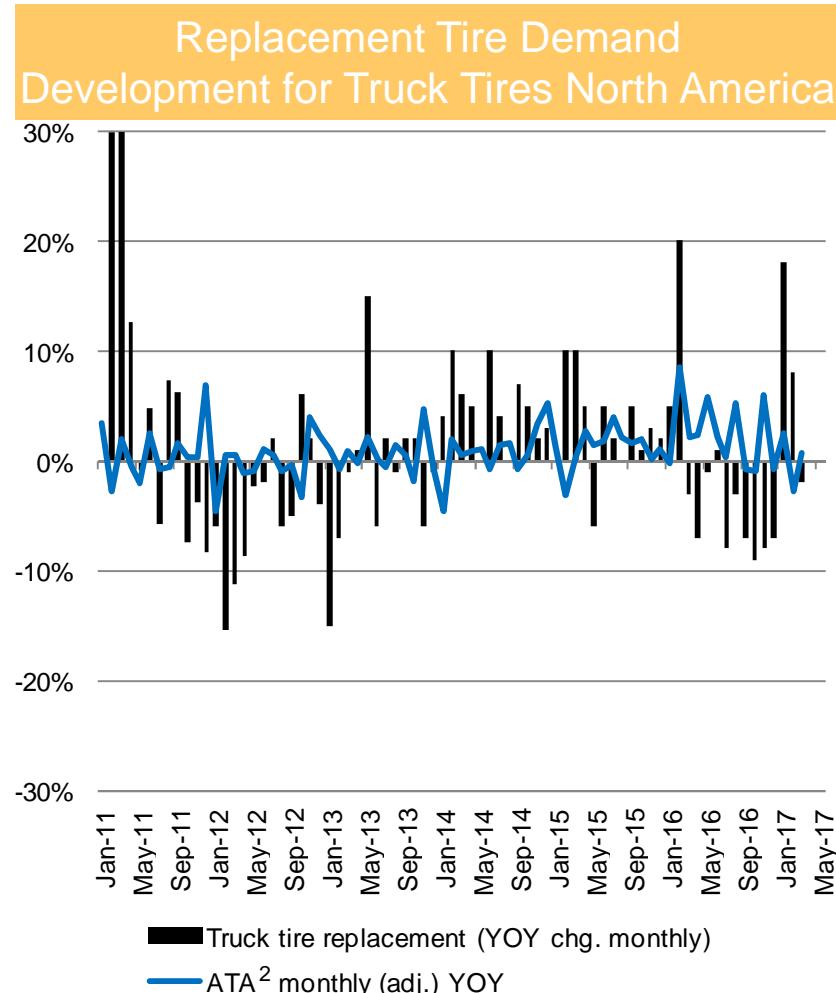
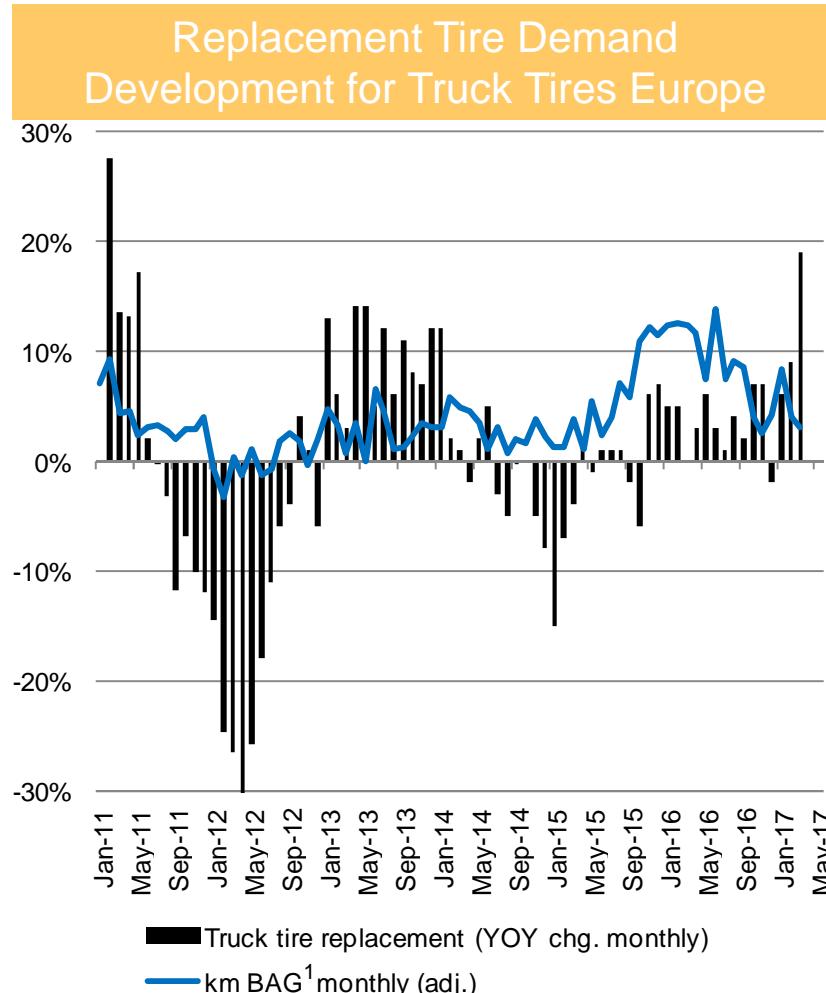
6) Back-up

Tires – Passenger and Light Truck Tire Demand



6) Back-up

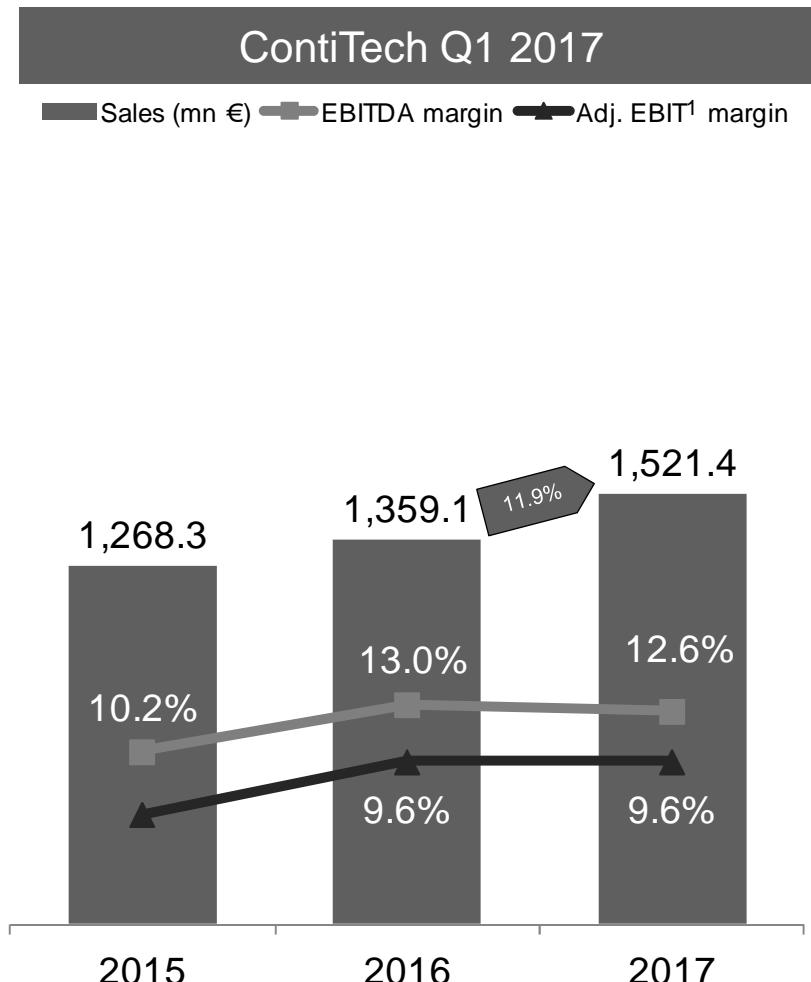
Tires – Commercial Vehicle Tire Demand



6) Back-up

Rubber Group Financials – ContiTech

- › Sales increased by 7.6% before consolidation and FX effects
- › EBITDA increased by €15.2 mn to €191.3 mn (+8.6%)
- › Adj. EBIT¹ increased by €10.6 mn to 141.6 mn (adj. EBIT¹ margin 9.6%)
- › EBIT increased by €18.4 mn to €117.1 mn (EBIT margin 7.7%)
- › PPA effect in Q1 2017: -€21.8 mn
- › Special effects in Q1 2017: -€0.1 mn



¹ Before amortization of intangibles from PPA, consolidation and special effects. Refer to Fact Sheets for further details

Fact Sheets 2015 – Q1 2017

6) Fact Sheets

Sales by Quarter

Sales (mn €)	2015					2016					2017				
	Q1	Q2	Q3	Q4	Year	Q1	Q2	Q3	Q4	Year	Q1	Q2	Q3	Q4	Year
Chassis & Safety	2,136.0	2,142.1	1,999.0	2,172.6	8,449.7	2,201.8	2,246.2	2,176.8	2,352.8	8,977.6	2,497.4				
Powertrain	1,826.5	1,819.8	1,657.4	1,764.8	7,068.5	1,813.5	1,841.5	1,775.4	1,889.1	7,319.5	2,003.1				
Interior	1,975.2	2,057.0	2,028.2	2,094.4	8,154.8	2,023.0	2,099.8	2,041.2	2,160.7	8,324.7	2,293.9				
Tires	2,419.8	2,644.4	2,654.4	2,690.2	10,408.8	2,512.7	2,692.7	2,708.7	2,803.3	10,717.4	2,756.3				
ContiTech	1,268.3	1,418.8	1,330.8	1,349.9	5,367.8	1,359.1	1,376.6	1,350.5	1,376.3	5,462.5	1,521.4				
Other / Consolidation	-56.9	-52.4	-52.2	-56.1	-217.6	-59.4	-65.8	-68.8	-58.2	-252.2	-72.2				
Continental Corporation	9,568.9	10,029.7	9,617.6	10,015.8	39,232.0	9,850.7	10,191.0	9,983.8	10,524.0	40,549.5	10,999.9				
Changes Y-o-Y in %															
	2016					2017					2017				
	Q1	Q2	Q3	Q4	Year	Q1	Q2	Q3	Q4	Year	Q1	Q2	Q3	Q4	Year
Chassis & Safety	3.1	4.9	8.9	8.3	6.2	13.4									
Powertrain	-0.7	1.2	7.1	7.0	3.6	10.5									
Interior	2.4	2.1	0.6	3.2	2.1	13.4									
Tires	3.8	1.8	2.0	4.2	3.0	9.7									
ContiTech	7.2	-3.0	1.5	2.0	1.8	11.9									
Continental Corporation	2.9	1.6	3.8	5.1	3.4	11.7									

6) Fact Sheets

EBITDA by Quarter

EBITDA (mn €)	2015					2016					2017				
	Q1	Q2	Q3	Q4	Year	Q1	Q2	Q3	Q4	Year	Q1	Q2	Q3	Q4	Year
Chassis & Safety	297.3	293.4	268.3	301.3	1,160.3	302.8	312.0	-14.4	354.2	954.6	336.9				
Powertrain	177.2	183.5	167.3	202.7	730.7	158.8	201.8	175.5	220.1	756.2	213.9				
Interior	252.9	299.8	252.4	277.1	1,082.2	237.4	252.2	132.5	282.1	904.2	273.6				
Tires	579.7	734.6	667.7	622.3	2,604.3	658.1	773.4	658.0	739.2	2,828.7	651.3				
ContiTech	129.2	169.1	159.7	119.2	577.2	176.1	197.2	163.5	194.1	730.9	191.3				
Other / Consolidation	-33.1	-47.1	-23.7	-49.4	-153.3	-27.7	-23.5	-37.7	-28.3	-117.2	-28.5				
Continental Corporation	1,403.2	1,633.3	1,491.7	1,473.2	6,001.4	1,505.5	1,713.1	1,077.4	1,761.4	6,057.4	1,638.5				
EBITDA margin in %	2015					2016					2017				
	Q1	Q2	Q3	Q4	Year	Q1	Q2	Q3	Q4	Year	Q1	Q2	Q3	Q4	Year
Chassis & Safety	13.9	13.7	13.4	13.9	13.7	13.8	13.9	-0.7	15.1	10.6	13.5				
Powertrain	9.7	10.1	10.1	11.5	10.3	8.8	11.0	9.9	11.7	10.3	10.7				
Interior	12.8	14.6	12.4	13.2	13.3	11.7	12.0	6.5	13.1	10.9	11.9				
Tires	24.0	27.8	25.2	23.1	25.0	26.2	28.7	24.3	26.4	26.4	23.6				
ContiTech	10.2	11.9	12.0	8.8	10.8	13.0	14.3	12.1	14.1	13.4	12.6				
Continental Corporation	14.7	16.3	15.5	14.7	15.3	15.3	16.8	10.8	16.7	14.9	14.9				
Changes Y-o-Y in %						2016					2017				
	Q1	Q2	Q3	Q4	Year	Q1	Q2	Q3	Q4	Year	Q1	Q2	Q3	Q4	Year
Chassis & Safety						1.8	6.3	-105.4	17.6	-17.7	11.3				
Powertrain						-10.4	10.0	4.9	8.6	3.5	34.7				
Interior						-6.1	-15.9	-47.5	1.8	-16.4	15.2				
Tires						13.5	5.3	-1.5	18.8	8.6	-1.0				
ContiTech						36.3	16.6	2.4	62.8	26.6	8.6				
Continental Corporation						7.3	4.9	-27.8	19.6	0.9	8.8				

6) Fact Sheets

EBIT by Quarter

EBIT (mn €)	2015					2016					2017				
	Q1	Q2	Q3	Q4	Year	Q1	Q2	Q3	Q4	Year	Q1	Q2	Q3	Q4	Year
Chassis & Safety	214.9	209.3	181.5	208.6	814.3	213.2	220.3	-107.4	254.7	580.8	238.9				
Powertrain	96.7	101.0	81.3	116.6	395.6	66.5	108.8	80.3	122.4	378.0	117.1				
Interior	190.9	234.1	178.7	200.8	804.5	160.1	172.9	51.3	183.5	567.8	185.7				
Tires	454.0	604.1	536.5	490.6	2,085.2	530.0	645.4	522.3	591.7	2,289.4	505.1				
ContiTech	54.9	82.3	80.6	-47.2	170.6	98.7	126.7	88.0	85.8	399.2	117.1				
Other / Consolidation	-33.5	-47.5	-24.0	-49.6	-154.6	-27.8	-24.5	-38.2	-28.9	-119.4	-28.8				
Continental Corporation	977.9	1,183.3	1,034.6	919.8	4,115.6	1,040.7	1,249.6	596.3	1,209.2	4,095.8	1,135.1				
EBIT margin in %	2015					2016					2017				
	Q1	Q2	Q3	Q4	Year	Q1	Q2	Q3	Q4	Year	Q1	Q2	Q3	Q4	Year
Chassis & Safety	10.1	9.8	9.1	9.6	9.6	9.7	9.8	-4.9	10.8	6.5	9.6				
Powertrain	5.3	5.6	4.9	6.6	5.6	3.7	5.9	4.5	6.5	5.2	5.8				
Interior	9.7	11.4	8.8	9.6	9.9	7.9	8.2	2.5	8.5	6.8	8.1				
Tires	18.8	22.8	20.2	18.2	20.0	21.1	24.0	19.3	21.1	21.4	18.3				
ContiTech	4.3	5.8	6.1	-3.5	3.2	7.3	9.2	6.5	6.2	7.3	7.7				
Continental Corporation	10.2	11.8	10.8	9.2	10.5	10.6	12.3	6.0	11.5	10.1	10.3				
Changes Y-o-Y in %						2016					2017				
	Q1	Q2	Q3	Q4	Year	Q1	Q2	Q3	Q4	Year	Q1	Q2	Q3	Q4	Year
Chassis & Safety						-0.8	5.3	-159.2	22.1	-28.7	12.1				
Powertrain						-31.2	7.7	-1.2	5.0	-4.4	76.1				
Interior						-16.1	-26.1	-71.3	-8.6	-29.4	16.0				
Tires						16.7	6.8	-2.6	20.6	9.8	-4.7				
ContiTech						79.8	53.9	9.2	281.8	134.0	18.6				
Continental Corporation						6.4	5.6	-42.4	31.5	-0.5	9.1				

6) Fact Sheets

Adjusted EBIT¹ by Quarter

Adj. EBIT ¹ (mn €)	2016					2017				
	Q1	Q2	Q3	Q4	Year	Q1	Q2	Q3	Q4	Year
Chassis & Safety	213.3					238.9				
Powertrain	72.1					124.7				
Interior	169.1					202.9				
Tires	531.9					486.2				
ContiTech	131.0					141.6				
Other / Consolidation	-27.8					-28.8				
Continental Corporation	1,089.6					1,165.5				
Adj. EBIT ¹ margin in %	2016					2017				
	Q1	Q2	Q3	Q4	Year	Q1	Q2	Q3	Q4	Year
Chassis & Safety	9.7					9.6				
Powertrain	4.0					6.3				
Interior	8.4					8.9				
Tires	21.2					17.9				
ContiTech	9.6					9.6				
Continental Corporation	11.1					10.7				
Changes Y-o-Y in %						2017				
	Q1	Q2	Q3	Q4	Year	Q1	Q2	Q3	Q4	Year
Chassis & Safety						12.0				
Powertrain						73.0				
Interior						20.0				
Tires						-8.6				
ContiTech						8.1				
Continental Corporation						7.0				

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

6) Fact Sheets

Consolidated Statement of Income

(mn €)	2017 Q1	2016 Q1	2015 Q1
Sales	10,999.9	9,850.7	9,568.9
Cost of sales	-8,135.2	-7,249.6	-7,146.1
Gross margin on sales	2,864.7	2,601.1	2,422.8
Research and development expenses	-780.7	-716.1	-643.0
Selling and logistics expenses	-600.5	-548.0	-520.9
Administrative expenses	-297.8	-243.7	-214.5
Other expenses and income	-64.4	-69.0	-77.7
Income from at-equity accounted investees	13.8	16.4	11.2
Other income from investments	-	-	0.0
Earnings before interest and tax	1,135.1	1,040.7	977.9
Interest income	23.4	24.8	27.8
Interest expense	-107.0	-58.6	-83.5
Net interest result	-83.6	-33.8	-55.7
Earnings before tax	1,051.5	1,006.9	922.2
Income tax expense	-287.0	-255.8	-244.4
Net income	764.5	751.1	677.8
Non-controlling interests	-14.9	-17.2	-21.1
Net income attributable to the shareholders of the parent	749.6	733.9	656.7
Basic earnings per share (in €)	3.75	3.67	3.28
Diluted earnings per share (in €)	3.75	3.67	3.28

6) Fact Sheets

Consolidated Statement of Financial Position – Assets

Assets in € millions	March 31, 2017	Dec. 31, 2016	March 31, 2016
Goodwill	6,977.1	6,857.3	6,600.9
Other intangible assets	1,620.5	1,514.1	1,298.7
Property, plant and equipment	10,766.8	10,538.1	9,434.9
Investment property	10.3	10.3	15.8
Investments in equity-accounted investees	382.8	384.8	354.6
Other investments	44.0	43.1	39.7
Deferred tax assets	1,819.5	1,836.1	1,815.0
Defined benefit assets	36.8	24.3	16.7
Long-term derivative instruments and interest-bearing investments	17.3	19.7	31.5
Long-term other financial assets	68.0	66.4	49.4
Long-term other assets	27.1	26.8	22.8
Non-current assets	21,770.2	21,321.0	19,680.0
Inventories	4,116.5	3,753.2	3,523.0
Trade accounts receivable	8,351.9	7,392.7	7,185.1
Short-term other financial assets	484.6	455.5	465.0
Short-term other assets	1,103.1	989.0	837.5
Income tax receivables	145.8	124.7	141.8
Short-term derivative instruments and interest-bearing investments	42.0	27.8	69.4
Cash and cash equivalents	1,895.7	2,107.0	1,693.8
Assets held for sale	2.0	4.0	10.3
Current assets	16,141.6	14,853.9	13,925.9
Total assets	37,911.8	36,174.9	33,605.9

6) Fact Sheets

Consolidated Statement of Financial Position – Total Equity and Liabilities

Equity and Liabilities in € millions	March 31, 2017	Dec. 31, 2016	March 31, 2016
Subscribed capital	512.0	512.0	512.0
Capital reserves	4,155.6	4,155.6	4,155.6
Retained earnings	12,284.3	11,534.7	10,215.8
Other comprehensive income	-1,700.6	-1,932.3	-1,940.2
Equity attributable to the shareholders of the parent	15,251.3	14,270.0	12,943.2
Non-controlling interests	471.1	464.8	418.7
Total equity	15,722.4	14,734.8	13,361.9
Long-term employee benefits	4,356.1	4,392.3	4,306.4
Deferred tax liabilities	444.7	371.5	367.6
Long-term provisions for other risks and obligations	205.5	204.2	179.0
Long-term indebtedness	2,783.2	2,803.7	2,418.8
Long-term other financial liabilities	106.2	97.1	45.7
Long-term other liabilities	16.0	17.1	20.7
Non-current liabilities	7,911.7	7,885.9	7,338.2
Short-term employee benefits	1,596.1	1,314.1	1,484.2
Trade accounts payable	6,760.1	6,248.0	5,707.3
Income tax payables	829.0	783.6	736.9
Short-term provisions for other risks and obligations	1,198.2	1,146.4	793.4
Short-term indebtedness	1,939.4	2,148.6	2,459.2
Short-term other financial liabilities	1,111.0	1,187.3	1,017.5
Short-term other liabilities	843.9	726.2	706.8
Liabilities held for sale	—	—	0.5
Current liabilities	14,277.7	13,554.2	12,905.8
Total equity and liabilities	37,911.8	36,174.9	33,605.9

6) Fact Sheets

Consolidated Statement of Cash Flows

	In € millions	January 1 to March 31	
		2017	2016
Net income		764.5	751.1
Income tax expense		287.0	255.8
Net interest result		83.6	33.8
EBIT		1,135.1	1,040.7
Interest paid		-47.6	-46.4
Interest received		6.8	5.4
Income tax paid		-260.3	-217.4
Dividends received		10.2	15.0
Depreciation, amortization, impairment and reversal of impairment losses		503.4	464.8
Income from equity-accounted investees and other investments, incl. impairment and reversal of impairment losses		-13.8	-16.4
Gains/losses from the disposal of assets, companies and business operations		-18.1	-1.3
Changes in			
inventories		-248.6	-199.5
trade accounts receivable		-879.5	-575.3
trade accounts payable		448.4	281.3
employee benefits and other provisions		338.5	241.2
other assets and liabilities		-110.2	-21.3
Cash flow arising from operating activities		864.3	970.8
Cash flow from the disposal of property, plant and equipment, and intangible assets		13.4	4.2
Capital expenditure on property, plant and equipment, and software		-502.7	-397.8
Capital expenditure on intangible assets from development projects and miscellaneous		-30.3	-10.5
Cash flow from the disposal of companies and business operations		19.1	—
Acquisition of companies and business operations		-230.8	-77.7
Cash flow arising from investing activities		-731.3	-481.8
Cash flow before financing activities (free cash flow)		133.0	489.0
Change in indebtedness		-361.7	-380.0
Successive purchases		-0.6	-2.2
Dividends paid to and cash changes from equity transactions with non-controlling interests		-0.4	-0.7
Cash and cash equivalents arising from first-time consolidation of subsidiaries		0.6	0.6
Cash flow arising from financing activities		-362.1	-382.3
Change in cash and cash equivalents		-229.1	106.7
Cash and cash equivalents at the beginning of the reporting period		2,107.0	1,621.5
Effect of exchange-rate changes on cash and cash equivalents		17.8	-34.4
Cash and cash equivalents at the end of the reporting period		1,895.7	1,693.8

6) Fact Sheets

Q1 2017 Results Reported and Adjusted (mn €) – by Division

	Chassis & Safety		Powertrain		Interior		Tires		ContiTech		Cons./Corr.		Corporation	
	2016	2017	2016	2017	2016	2017	2016	2017	2016	2017	2016	2017	2016	2017
Sales	2,201.8	2,497.4	1,813.5	2,003.1	2,023.0	2,293.9	2,512.7	2,756.3	1,359.1	1,521.4	-59.4	-72.2	9,850.7	10,999.9
EBIT in % of sales	213.2	238.9	66.5	117.1	160.1	185.7	530.0	505.1	98.7	117.1	-27.8	-28.8	1,040.7	1,135.1
9.7%	9.6%	3.7%	5.8%	7.9%	8.1%	21.1%	18.3%	7.3%	7.7%	10.6%	10.3%			
Amortization of intangible assets from PPA	0.1	0.0	2.1	3.0	9.0	11.6	1.9	4.8	20.9	21.8	0.0	0.0	34.0	41.2
Total special effects	0.0	0.0	3.5	1.0	0.0	0.0	0.0	-13.5	11.4	0.1	0.0	0.0	14.9	-12.4
Total consolidation effects	0.0	0.0	0.0	3.6	0.0	5.6	0.0	-10.2	0.0	2.6	0.0	0.0	0.0	1.6
Total consolidation & special effects	0.0	0.0	3.5	4.6	0.0	5.6	0.0	-23.7	11.4	2.7	0.0	0.0	14.9	-10.8
Adjusted operating result (adj. EBIT)¹ in % of adjusted sales	213.3	238.9	72.1	124.7	169.1	202.9	531.9	486.2	131.0	141.6	-27.8	-28.8	1,089.6	1,165.5
			9.7%	9.6%	8.4%	8.9%	21.2%	17.9%	9.6%	9.6%	11.1%	10.7%		

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

6) Fact Sheets

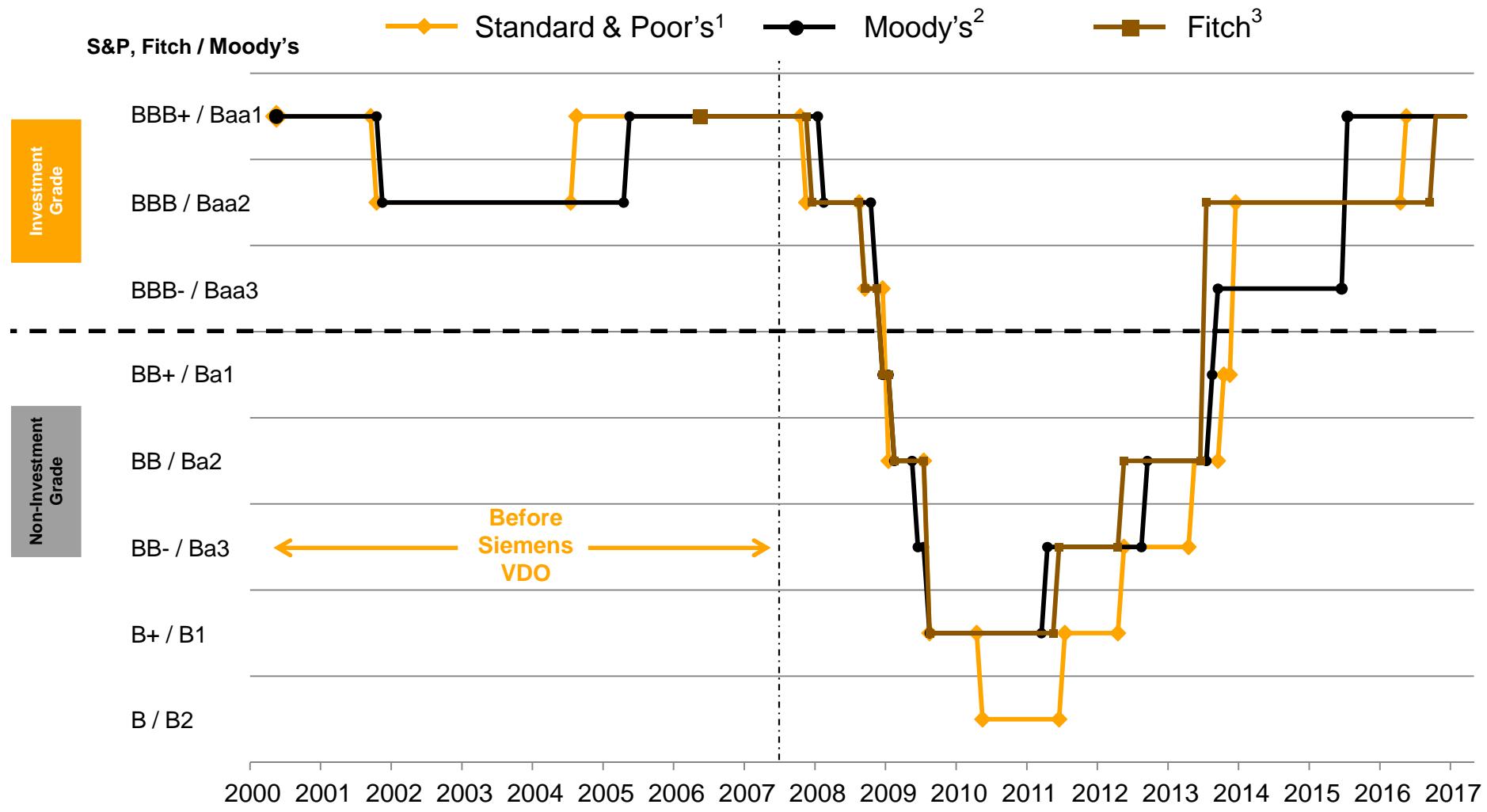
Q1 2017 Results Reported and Adjusted (mn €) – by Group

	<u>Automotive</u>		<u>Rubber</u>		<u>Cons./Corr.</u>		<u>Corporation</u>	
	2016	2017	2016	2017	2016	2017	2016	2017
Sales	6,011.0	6,754.0	3,851.7	4,260.4	-12.0	-14.5	9,850.7	10,999.9
EBIT in % of sales	439.8 7.3%	541.7 8.0%	628.7 16.3%	622.2 14.6%	-27.8	-28.8	1,040.7 10.6%	1,135.1 10.3%
Amortization of intangible assets from PPA	11.2	14.6	22.8	26.6	0.0	0.0	34.0	41.2
Total special effects	3.5	1.0	11.4	-13.4	0.0	0.0	14.9	-12.4
Total consolidation effects	0.0	9.2	0.0	-7.6	0.0	0.0	0.0	1.6
Total consolidation & special effects	3.5	10.2	11.4	-21.0	0.0	0.0	14.9	-10.8
Adjusted operating result (adj. EBIT)¹ in % of adjusted sales	454.5 7.6%	566.5 8.4%	662.9 17.2%	627.8 15.1%	-27.8	-28.8	1,089.6 11.1%	1,165.5 10.7%

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

6) Fact Sheets

Continental's Credit Rating



References

Useful Links

Continental Investor Relations website	http://www.continental-ir.com
Annual and interim reports	http://www.continental-corporation.com/www/portal_com_en/themes/ir/financial_reports/
2016 Fact Book	http://www.continental-corporation.com/www/portal_com_en/themes/ir/financial_reports/
Investor Relations events and presentations	http://www.continental-corporation.com/www/portal_com_en/themes/ir/events/
Sustainability at Continental (presentation and fact sheet for investors)	http://www.continental-ir.com
Corporate Social Responsibility	http://www.continental-sustainability.com
Corporate Governance Principles	http://www.continental-corporation.com/www/portal_com_en/themes/ir/corporate_governance/
Continental shares	http://www.continental-corporation.com/www/portal_com_en/themes/ir/share/
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