



# **Q1 Results 2009**

**Hanover – April 29<sup>th</sup>, 2009**

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# Agenda

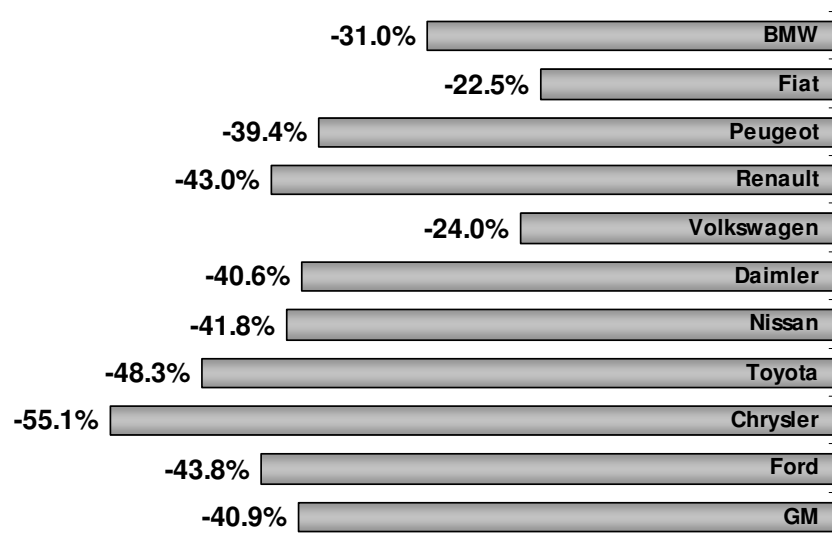
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- ▶ **Continental Highlights**
- ▶ Group financials
- ▶ Financials Automotive Group
- ▶ Financials Rubber Group
- ▶ Financial indebtedness
- ▶ Outlook 2009

# Highlights

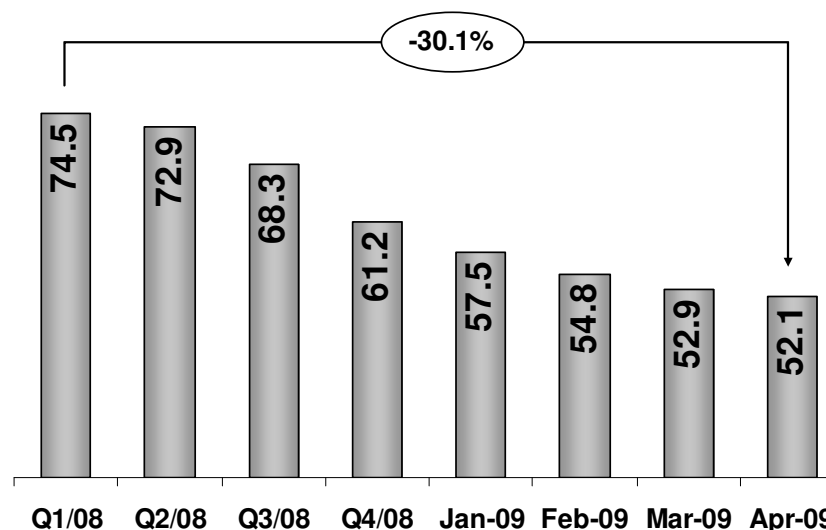
## Extremely challenging environment in Q1 2009

Production cuts by major OEM in Q1/09 (vs. Q1/08)



Source: OEM data

Revision trend of global light vehicle production for 2009

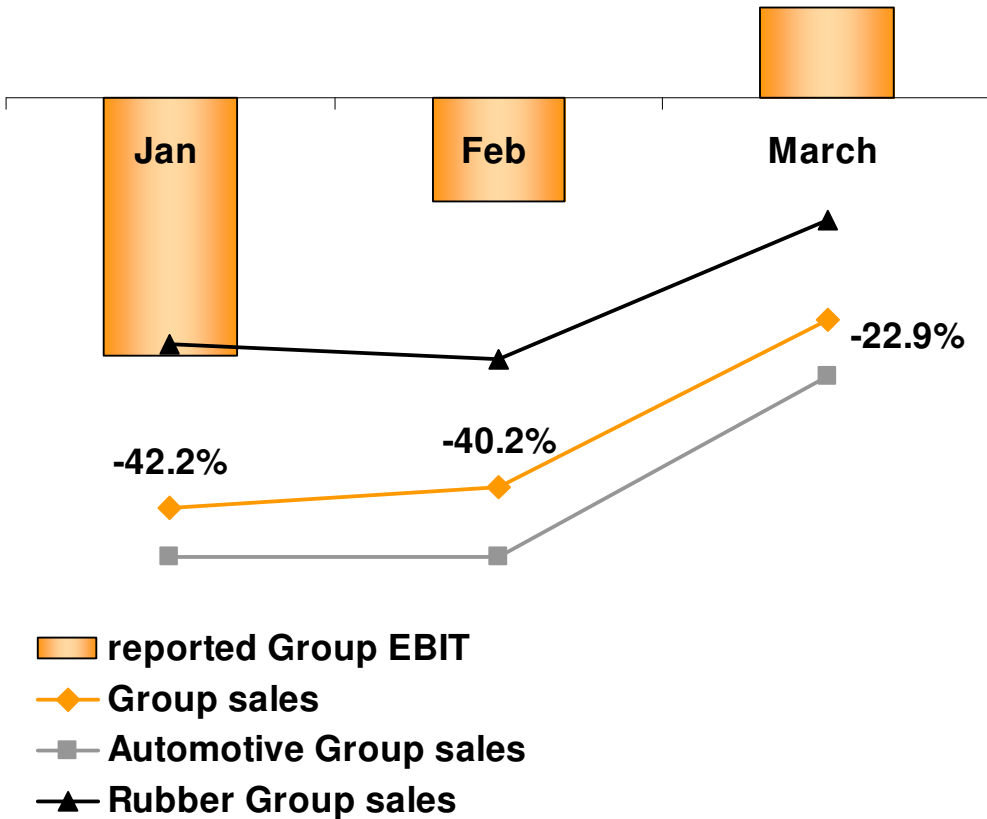


- ▶ European Production for passenger cars and light trucks down by 39%; NAFTA down by 51%; production mix shifted to smaller vehicles
- ▶ European truck production down 56%; NAFTA down by 45% (class 8 and class 5-7)
- ▶ Replacement passenger tire markets down by a high single digit percentage rate in Europe and down by 14% in NAFTA
- ▶ Replacement truck tire markets down by 33% in Europe and down by 28% in NAFTA
- ▶ Production in the German machinery market down by 23% in Q1 according to VDMA

# Highlights

## Extremely challenging environment in Q1 2009

Sales development in Q1/09 (vs. Q1/08)



- ▶ Improving sales trend since Mid February (on a weekly basis)
- ▶ Group was positive on reported EBIT level in March
- ▶ April sees stabilization in sales vs. March despite the reversal of the “Easter effect”

# Highlights

## Purchasing cooperation with Schaeffler

### Purchasing cooperation between Continental and Schaeffler

- Cooperation agreement concluded on March 27, 2009
- No joint purchasing organization
- Cooperation on arm's length basis

### Targeted purchasing volume

- Total combined purchasing volume of appr. € 20 bn in 2008
- Annual purchasing volume benefiting from synergies of appr. €6.6 bn

### Expected synergies

- Triple digit million amount of synergies p.a. expected
- Expected cumulative synergies of € 350mn – 400 mn until 2011
- Continental's part of synergies > 50%

### Common purchasing strategy

- Optimization of costs for production and non-production materials
- Direct access to steel producers for Continental and its suppliers
- Reduction of suppliers to 2,800 from 5,600
- Make-or-buy decisions for precision engine, transmission and drivetrain components

# Highlights

## Financial highlights Q1 2009 vs. Q1 2008

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<b>Sales</b>	<b>Decrease of 35.2% to € 4,302.0 mn; organic sales -33.0%</b>
<b>EBITDA</b>	<b>Decrease of 71.8% to € 249.5 mn (PY € 884.0 mn)</b>
<b>EBIT</b>	<b>Decrease to € -165.0 mn (PY € 456.7 mn) Adj. EBIT* decreased to € -46.6 mn (-1.1% margin); PPA** effect € -114.3 mn; special effects € -3.5 mn</b>
<b>NIAT***</b>	<b>Decrease to € -267.3 mn (PY € 166.8 mn)</b>
<b>EPS/Div</b>	<b>EPS of € -1.58 (PY: € 1.03) EPS w/o PPA* € -1.09 (PY: € 1.62)</b>
<b>Capex</b>	<b>Capex decreased by € 112.3 mn to € 239.8 mn; Capex ratio at 5.6% of sales Capex to depreciation coverage 0.58x</b>
<b>R&amp;D</b>	<b>Expenses for research and development down by 6.9% to € 386.5 mn; R&amp;D ratio at 9.0% (PY 6.3%)</b>
<b>Cash flow</b>	<b>Operating cash flow down by € 314.4 mn to € -295.3 mn</b>
<b>Net Debt</b>	<b>Net indebtedness up by € 558.0 mn from YE 2008 to € 11,041.5 mn; Gearing at 210.0%; ample liquidity at March 31st at € 2.892,7 bn</b>

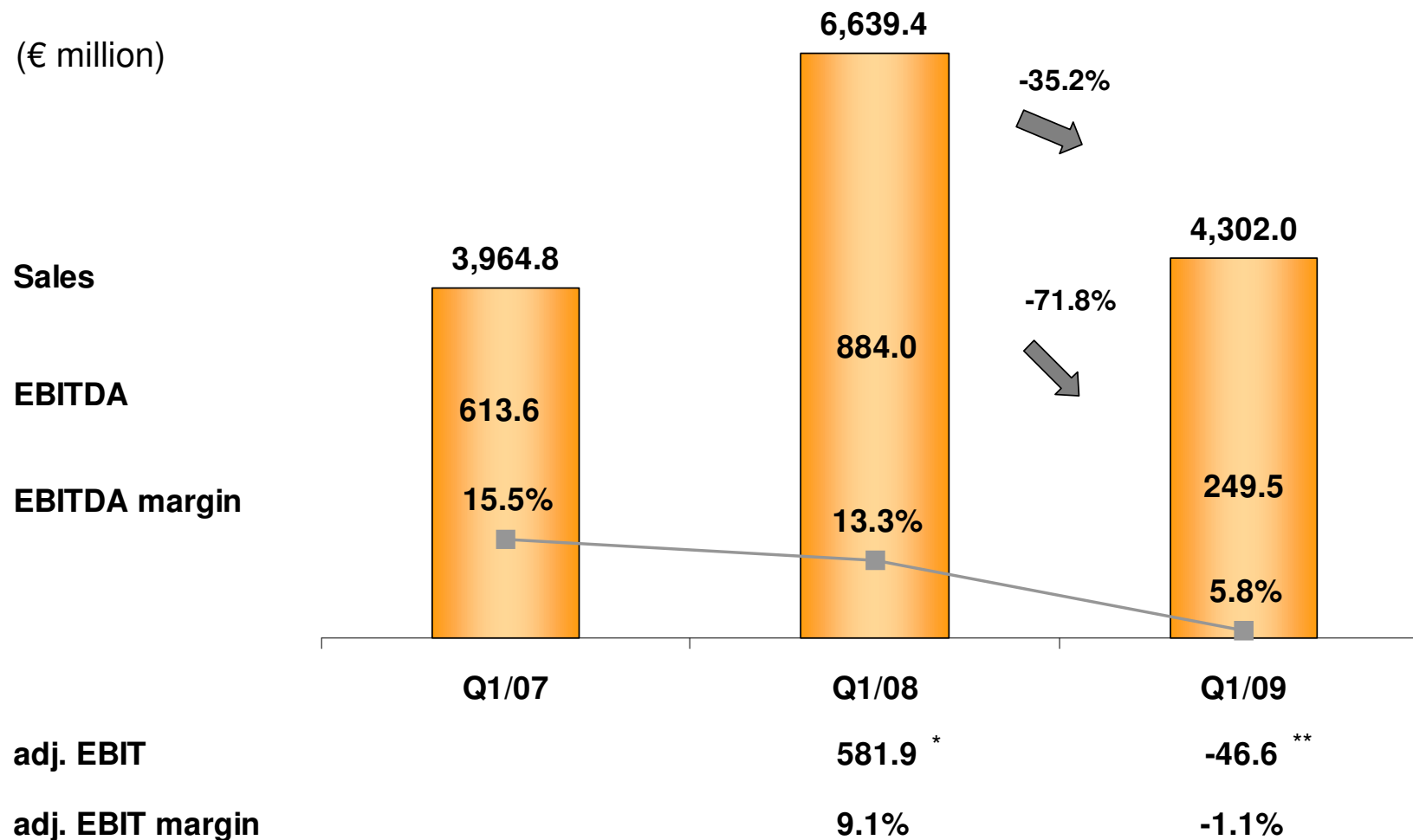
\* w/o amortization of intangibles from PPA, consolidation and special effects; \*\* amortization of intangibles from PPA; \*\*\* attributable to shareholders of the parent

# Agenda

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- ▶ Continental Highlights
- ▶ **Group financials**
- ▶ Financials Automotive Group
- ▶ Financials Rubber Group
- ▶ Financial indebtedness
- ▶ Outlook 2009

# Group financials Corporation



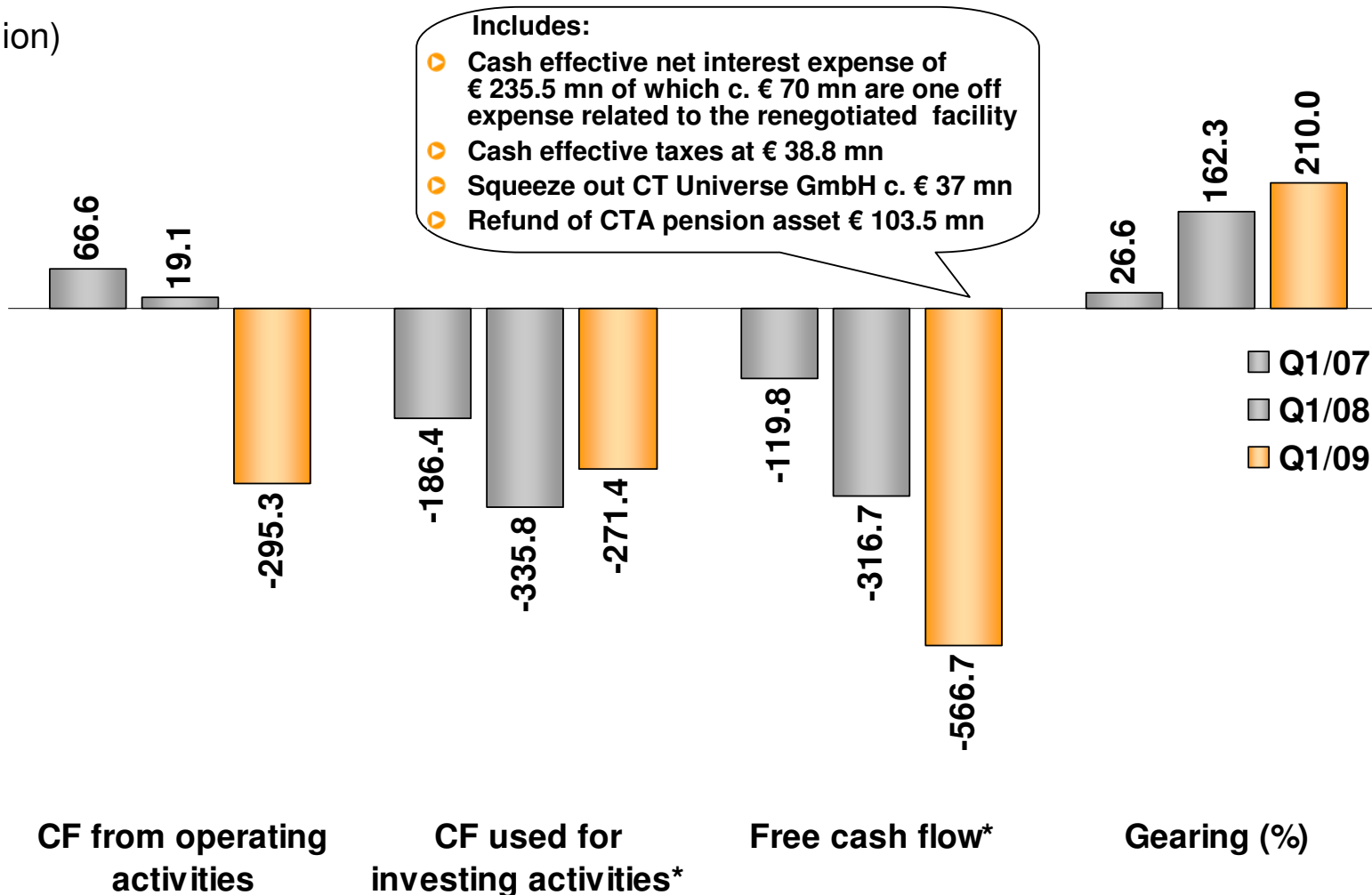
\* EBIT w/o amortization of intangibles from PPA , consolidation (€ -12.2 mn) and special effects (€ -0.2 mn)

\*\* EBIT w/o amortization of intangibles from PPA , consolidation (€ -0.8 mn) and special effects (€ -3.5 mn)

# Group financials

## Cash flow comparison Q1 2007 - Q1 2009

(€ million)

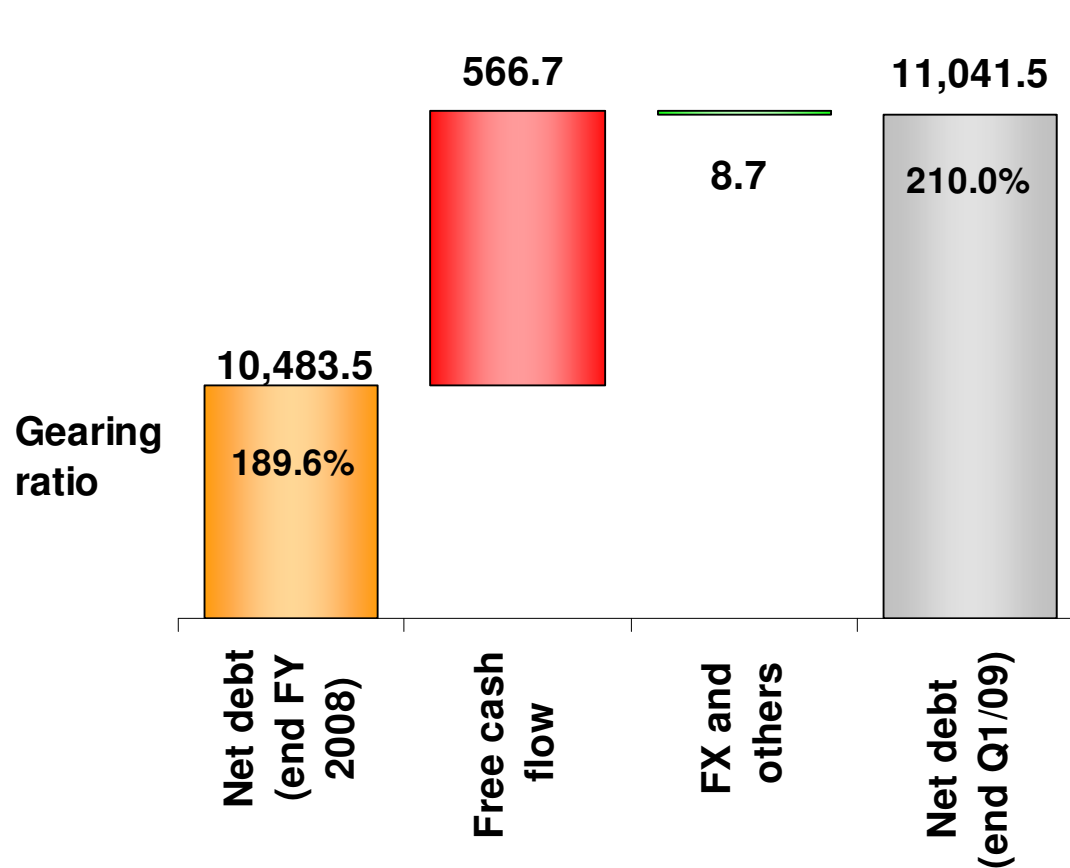


\* Incl. acquisition of subsidiaries and business units, including acquired cash and cash equivalents (Q1/09: €-42.9 mn, Q1/08: € -23.2 mn, Q1/07: €-40 mn)

# Group financials

## Net indebtedness walk-down (FY 2008 to Q1 2009)

(€ million)



- ▶ Seasonally weak free cash flow in the tire business leads to decline of group free cash flow by € 250.0 mn to € -566.7mn (Q1/08: € -316.7 mn)
- ▶ Significant capex reduction in Q1/09; capex down by € 112.3 mn vs. Q1/08

# Agenda

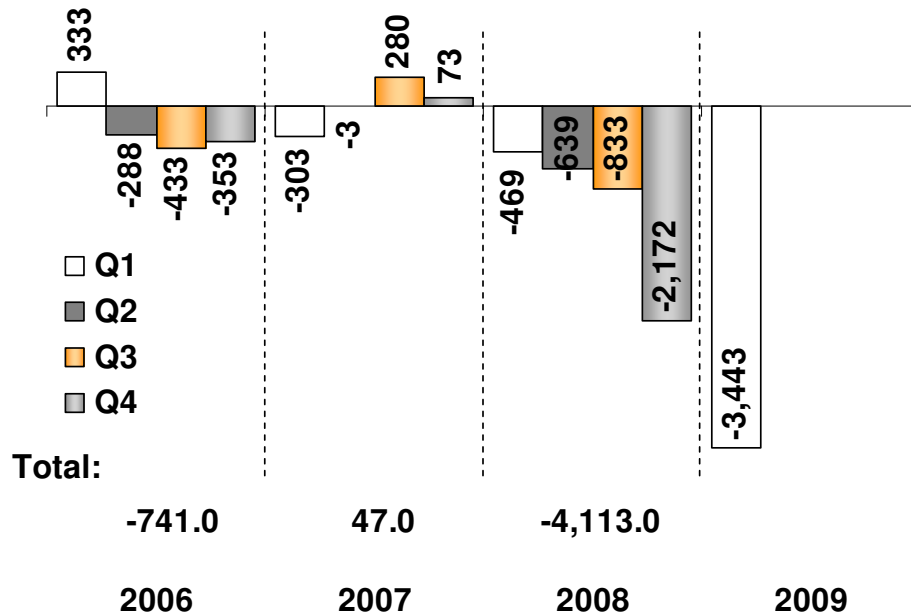
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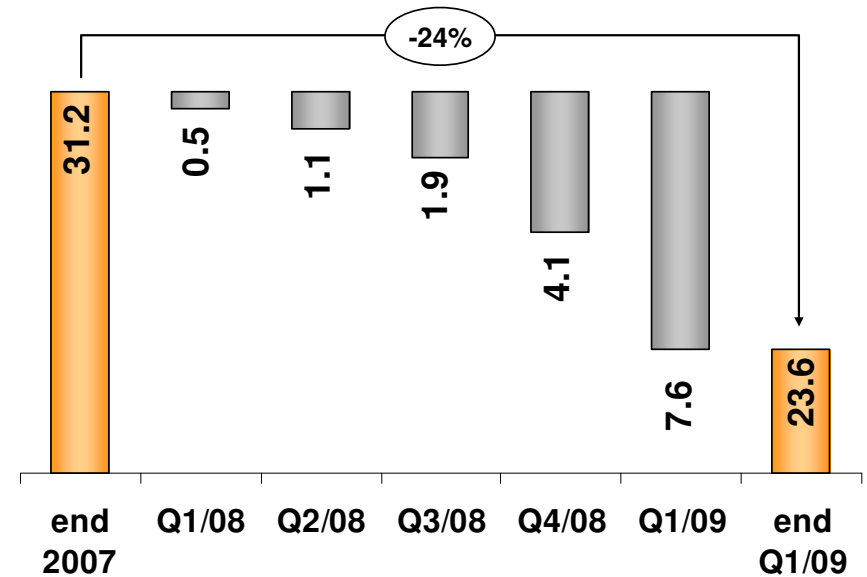
# Financials

## Automotive Group: strong decline of OE production in WEU & NAFTA

Quarterly production in WEU & NAFTA (k units)



Cumulative production cuts in WEU & NAFTA (mn units)



- ▶ Production cuts in Q1 amounted to 3.4 mn vehicles
- ▶ The decline accelerated from -28% Q4/08 vs. Q4/07 to -45% in Q1/09 vs. Q1/08

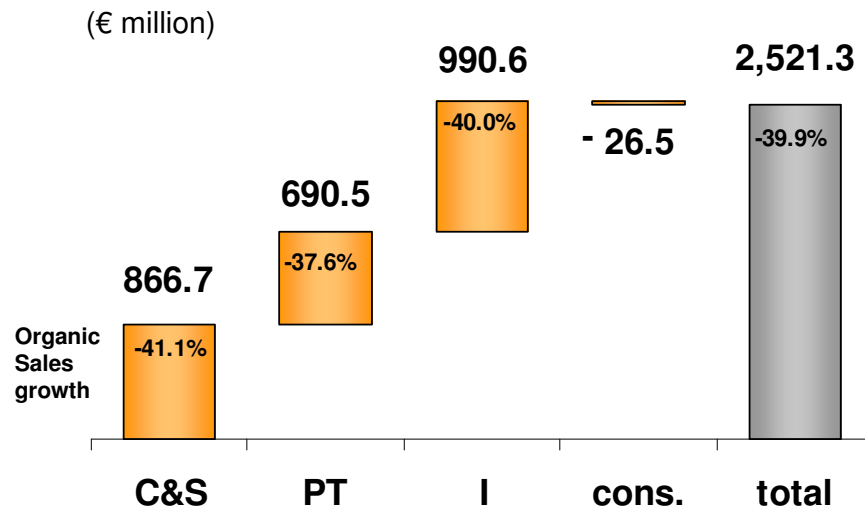
- ▶ Cumulative production cuts since 2007 amount to 7.6 mn vehicles
- ▶ In total cumulated production volume declined by 24% to 23.6 mn vehicles
- ▶ Conti generates c. 80% of its Automotive Group sales in WEU & NAFTA

Source: JD Power, VDA, OEM data

# Financials

## Automotive Group: Overview

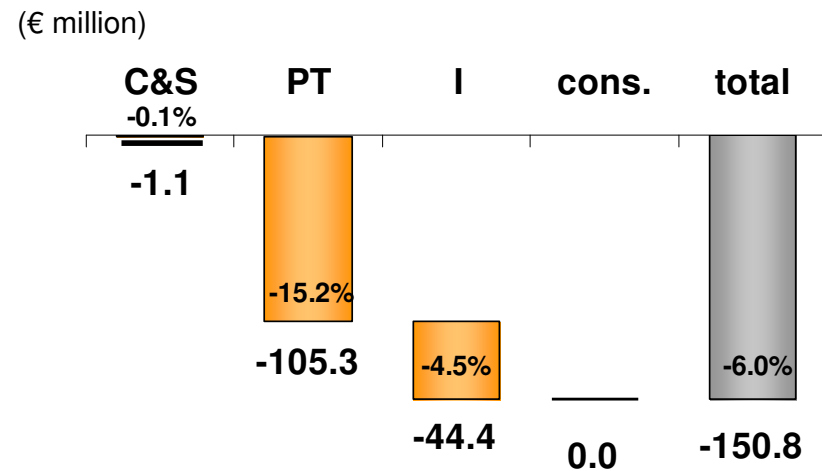
Automotive Group: Sales by division and organic growth



Reported sales decreased by 42.1%

- ▶ Chassis & Safety -40.3%
- ▶ Powertrain -46.7%
- ▶ Interior -40.2%

Adjusted EBIT\* and adjusted EBIT margin\* by division



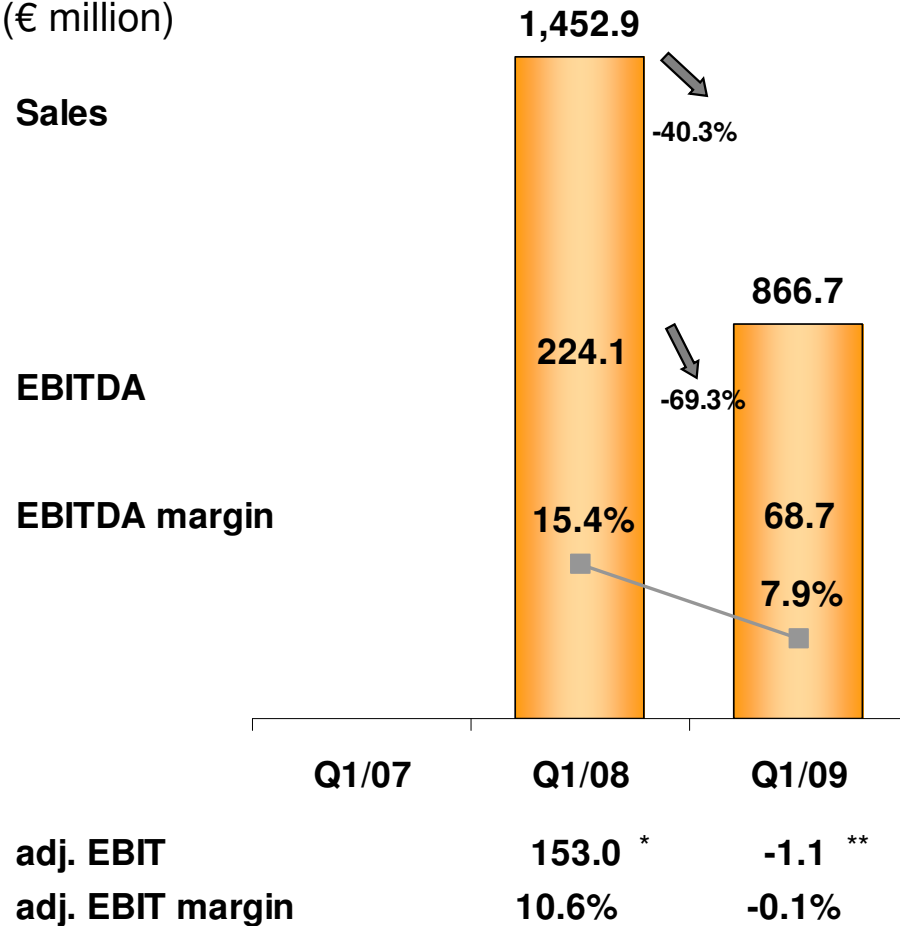
- ▶ EBITDA decreased by € 492.1mn (-91.4%) to € 46.1 mn (PY € 538.2 mn)
- ▶ Capex spending declined by 36.0% to € 149.9 mn (5.9% of sales)
- ▶ R&D expenses declined by 7.1% to € 329.7 mn (13.1% of sales)

\* w/o amortization of intangibles from PPA, consolidation and special effects

# Financials Automotive Group

## Chassis & Safety

(€ million)



- ▶ Sales decrease of 41.1% before consolidation and FX effects
- ▶ EBITDA decreased by € 155.4 mn (-69.3%)
- ▶ Reported EBIT declined by € 155.7 mn to € -14.6 mn (-110.3%)
- ▶ Adj. EBIT decreased by € 154.1 mn to € -1.1 mn (-100.7%)
- ▶ PPA effect in Q1/09: € -13.5 mn

\* EBIT w/o amortization of intangibles PPA , consolidation (€ 1.3 mn) and special effects (€ 0.0 mn)

\*\* EBIT w/o amortization of intangibles PPA, consolidation (€ 0.0 mn) and special effects (€ 0.0 mn)

# Financials Automotive Group Powertrain

(€ million)

Sales

1,294.4  
-46.7%

EBITDA

121.8  
-130.6%

690.5

EBITDA margin

9.4%

-37.3

-5.4%

Q1/07

Q1/08

Q1/09

adj. EBIT

39.0 \*

-105.3 \*\*

adj. EBIT margin

3.6%

-15.2%

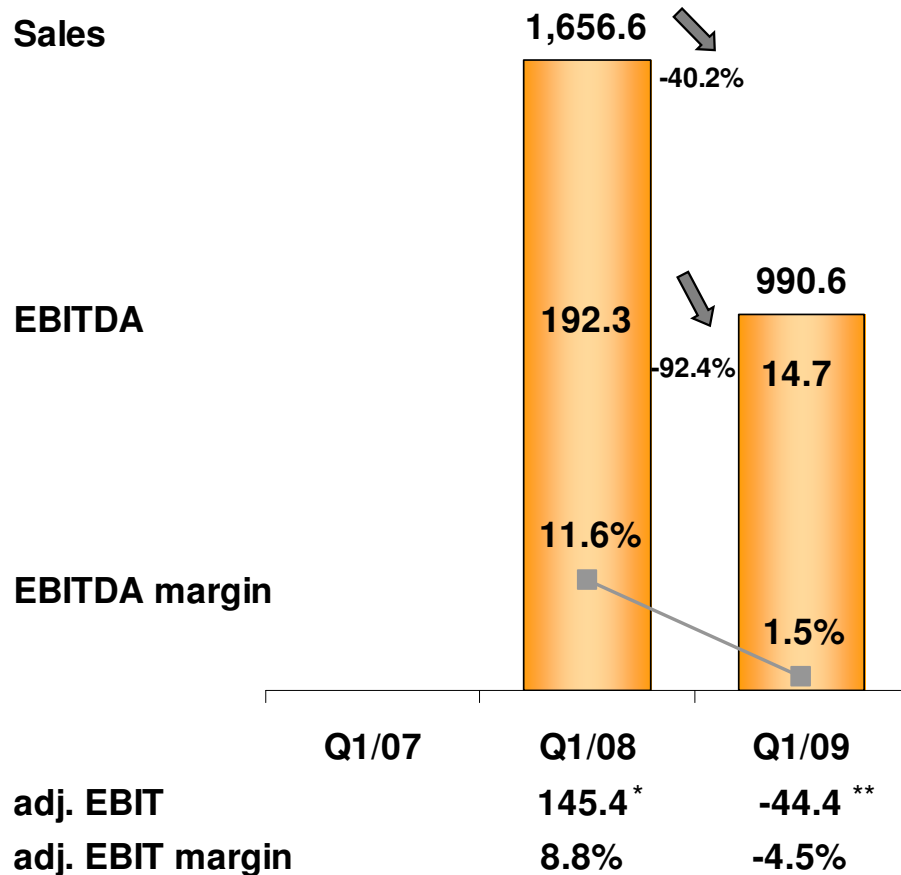
- ▶ Sales decrease of 37.6% before consolidation and FX effects
- ▶ EBITDA decreased by € 159.1 mn (-130.6%)
- ▶ Reported EBIT declined by € 140.2 mn to € -150.3 mn (-1,388.1%)
- ▶ Adj. EBIT decreased by € 144.3 mn to € -105.3 mn (-370.0%)
- ▶ PPA effect in Q1/09: € -44.4 mn

\* EBIT w/o amortization of intangibles PPA, consolidation (€ -5.7 mn) and special effects (€ 0.0 mn)

\*\* EBIT w/o amortization of intangibles PPA, consolidation (€ -0.2 mn) and special effects (€ -0.4 mn)

# Financials Automotive Group Interior

(€ million)



- ▶ Sales decrease of 40.0% before consolidation and FX effects
- ▶ EBITDA decreased by € 177.6 mn (-92.4%)
- ▶ Reported EBIT declined by € 182.4 mn to € -101.4 mn (-225.2%)
- ▶ Adj. EBIT decreased by € 189.8 mn to € -44.4 mn (-130.5%)
- ▶ PPA effect in Q1/09: € -54.7 mn

\* EBIT w/o amortization of intangibles PPA , consolidation (€ -9.7 mn) and special effects (€ 0.0 mn)

\*\* EBIT w/o amortization of intangibles PPA, consolidation (€ -0.3 mn) and special effects (€ -2.0 mn)

# Agenda

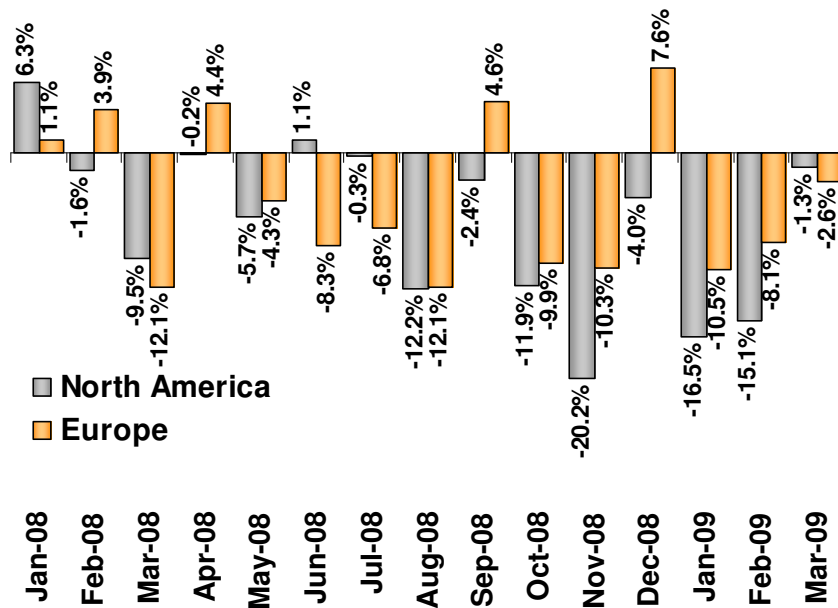
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- ▶ **Financials Rubber Group**
- ▶ Financial indebtedness
- ▶ Outlook 2009

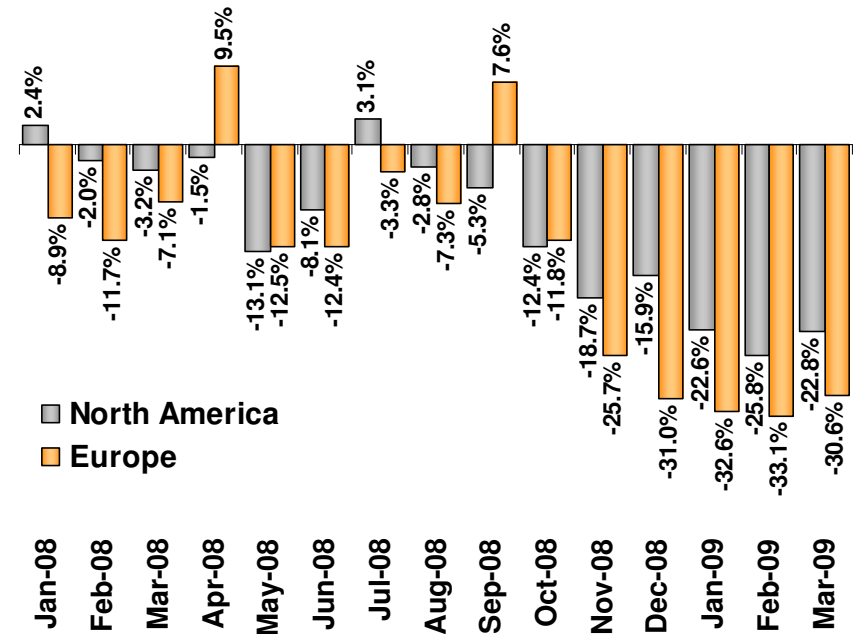
# Rubber Group

## Unusual weak replacement tire volumes in Q1 2009

PLT replacement tire markets (%-chg. Y-o-Y)



Truck replacement tire markets (%-chg. Y-o-Y)



Source: Michelin

- Continued weakness in North America; volumes recovered in March
- European volumes also weak with March benefiting from 3 additional working days compared to 03/08

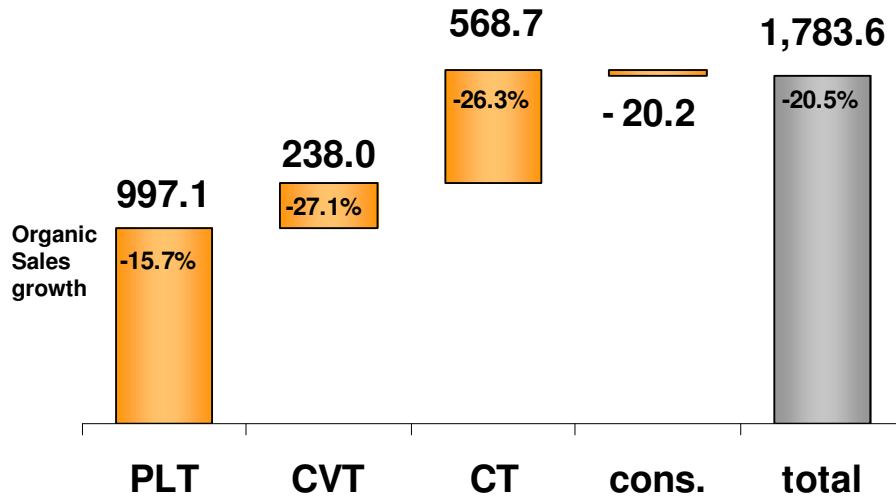
- Weakness in both markets continued and development was synchronized with OE markets in Oct/08

# Financials

## Rubber Group: Overview

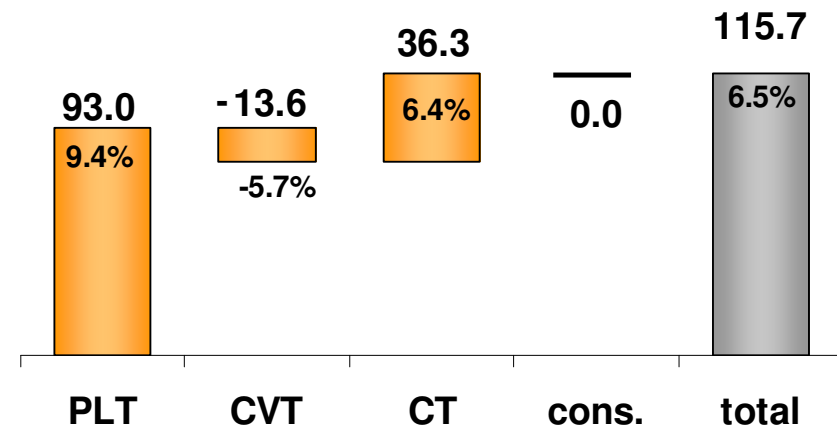
### Rubber Group: Sales by division

(€ million)



### Adjusted EBIT\* and adjusted EBIT margin by division

(€ million)



### Reported sales decreased by 22.2%

- ▶ Passenger and Light truck tire -17.1%
- ▶ Commercial vehicle tire -27.5%
- ▶ ContiTech -28.8%

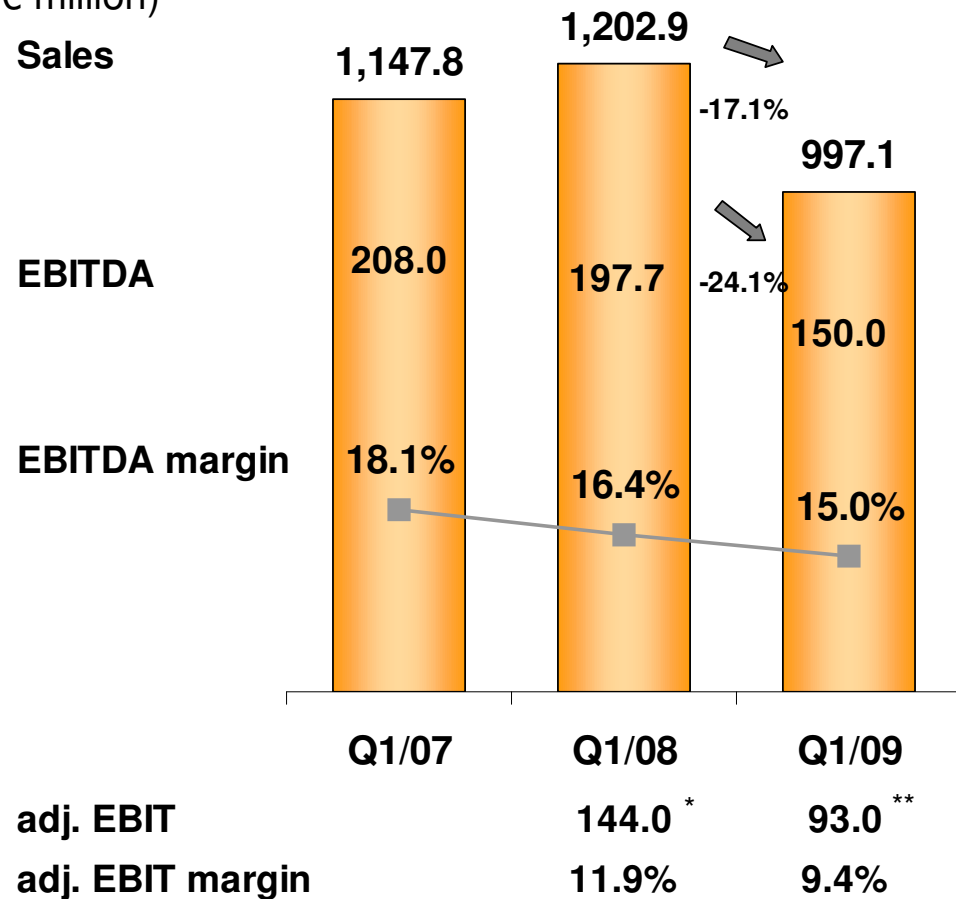
- ▶ EBITDA decreased by € 139.9 mn (-39.4%) to 215.1 mn
- ▶ Capex spending decreased by 11.1% to € 90.7 mn (5.1% of sales)
- ▶ R&D expenses decreased by 5.8% to € 56.8 mn (3.2% of sales)

\* w/o amortization of intangibles from PPA, consolidation and special effects

# Financials Rubber Group

## Passenger and Light Truck Tires

(€ million)



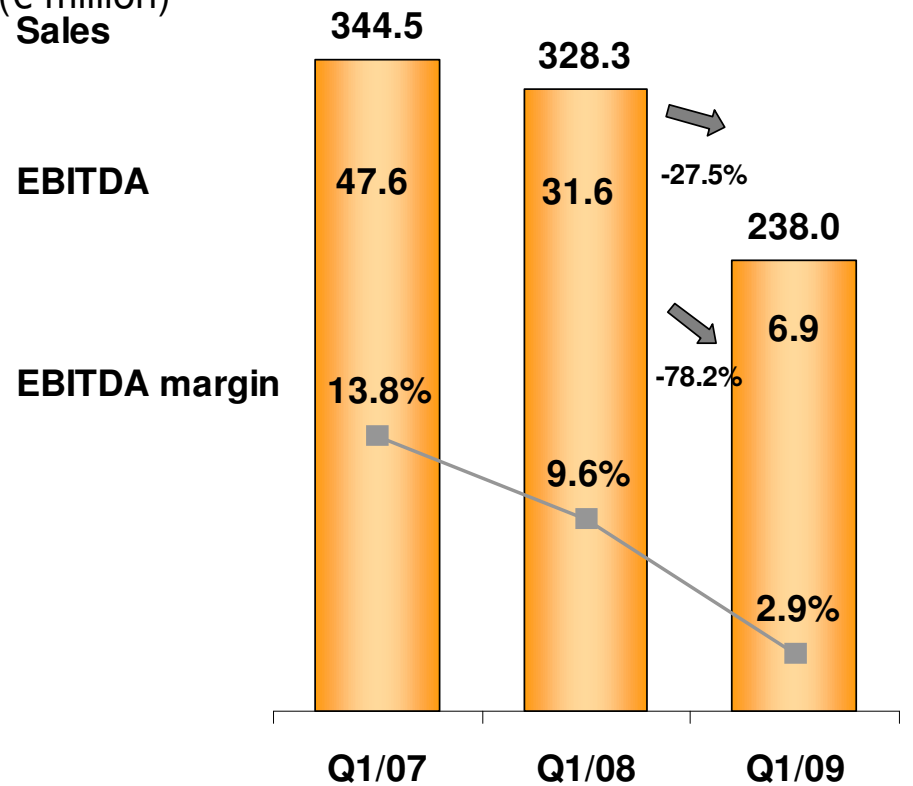
- ▶ Sales decrease of 15.7% before consolidation and FX effects
- ▶ EBITDA decreased by € 47.7 mn (-24.1%)
- ▶ Reported EBIT declined by € 50.2 mn to € 92.0 mn (-35.3%)
- ▶ Adj. EBIT decreased by € 51.0 mn to € 93.0 mn (-35.4%)
- ▶ Volumes down by 24% due to weak OE business (OE down by 42%); market share gains in the Americas
- ▶ Presentation of restructuring project in Clairoux to end tire production by March 2010 reducing capacity by 8 mn PLT in two steps
- ▶ French court affirms legality of procedural actions taken by Continental on April 21st

\*\* EBIT w/o amortization of intangibles PPA, consolidation (€ -1.2 mn) and special effects (€ 0.0 mn)

\*\*\* EBIT w/o amortization of intangibles PPA, consolidation (€ -0.1 mn) and special effects (€ 0.0 mn)

# Financials Rubber Group Commercial Vehicle Tires

(€ million)  
Sales



adj. EBIT

11.2 \*      -13.6 \*\*

adj. EBIT margin

3.4%      -5.7%

\* EBIT w/o amortization of intangibles PPA, consolidation (€ +1.2 mn) and special effects (€ 0.0 mn)

\*\* EBIT w/o amortization of intangibles PPA, consolidation (€ 0.0 mn) and special effects (€ 0.0 mn)

- ▶ Sales decrease of 27.1% before consolidation and FX effects
- ▶ EBITDA decreased by € 24.7 mn (-78.2%)
- ▶ Reported EBIT declined by € 25.9 mn to € -13.7 mn (-212.3%)
- ▶ Adj. EBIT decreased by € 24.8 mn to € -13.6 mn (-221.4%)
- ▶ Volumes down by 31%; OE down by 56%
- ▶ Announcement of discontinuation of truck tire production in Stöcken by end 2009 leading to capacity reduction of 1.4 mn truck tires
- ▶ Announcement of production alignment in Puchov by 20%
- ▶ Both measures will lead to reduction of European truck tire capacity by 27%

# Financials Rubber Group ContiTech

(€ million)

Sales

780.9

798.4

-28.8%

EBITDA

116.6

125.6

-53.7%

568.7

EBITDA margin

14.9%

15.7%

58.2

10.2%

Q1/07

Q1/08

Q1/09

adj. EBIT

99.3 \*

36.3 \*\*

ad. EBIT margin

12.7%

6.4%

- ▶ Sales decrease of 26.3% before consolidation and FX effects
- ▶ EBITDA decreased by € 67.4 mn (-53.7%)
- ▶ Reported EBIT declined by € 65.8 mn to € 34.6 mn (-65.5%)
- ▶ Adj. EBIT decreased by € 63.0 mn to 36.3 mn (-63.4%)
- ▶ OE down by 41% vs. Q1/08; non-OE sales down by 14% vs. Q1/08
- ▶ Announcement in April to close 3 production plants in Europe

\* EBIT w/o amortization of intangibles PPA, consolidation (€ +1.9 mn) and special effects (€ -0.2 mn)

\*\* EBIT w/o amortization of intangibles PPA, consolidation (€ 0.0 mn) and special effects (€ -1.1 mn)

# Agenda

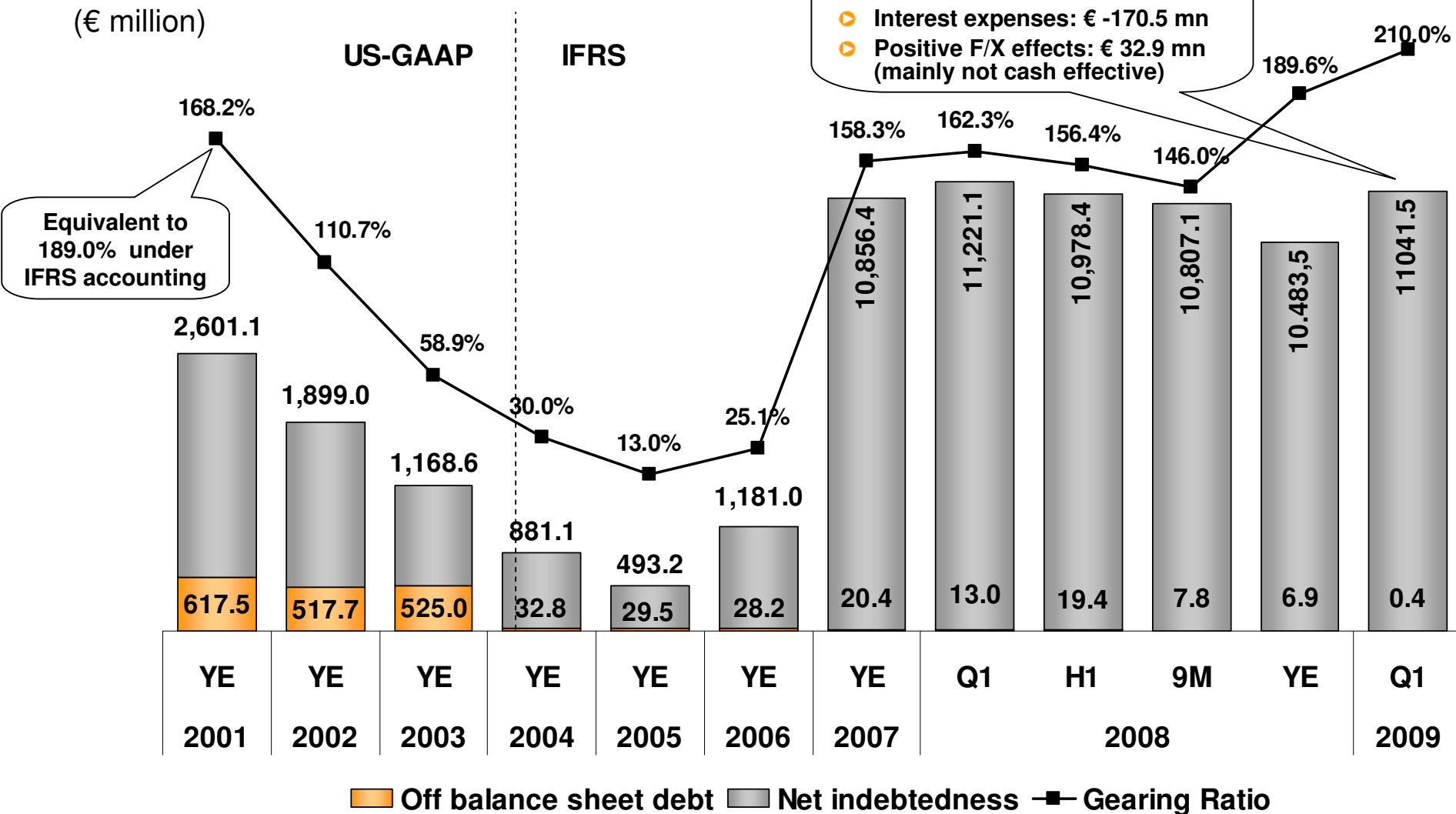
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# Financial indebtedness

## Net indebtedness & gearing ratio

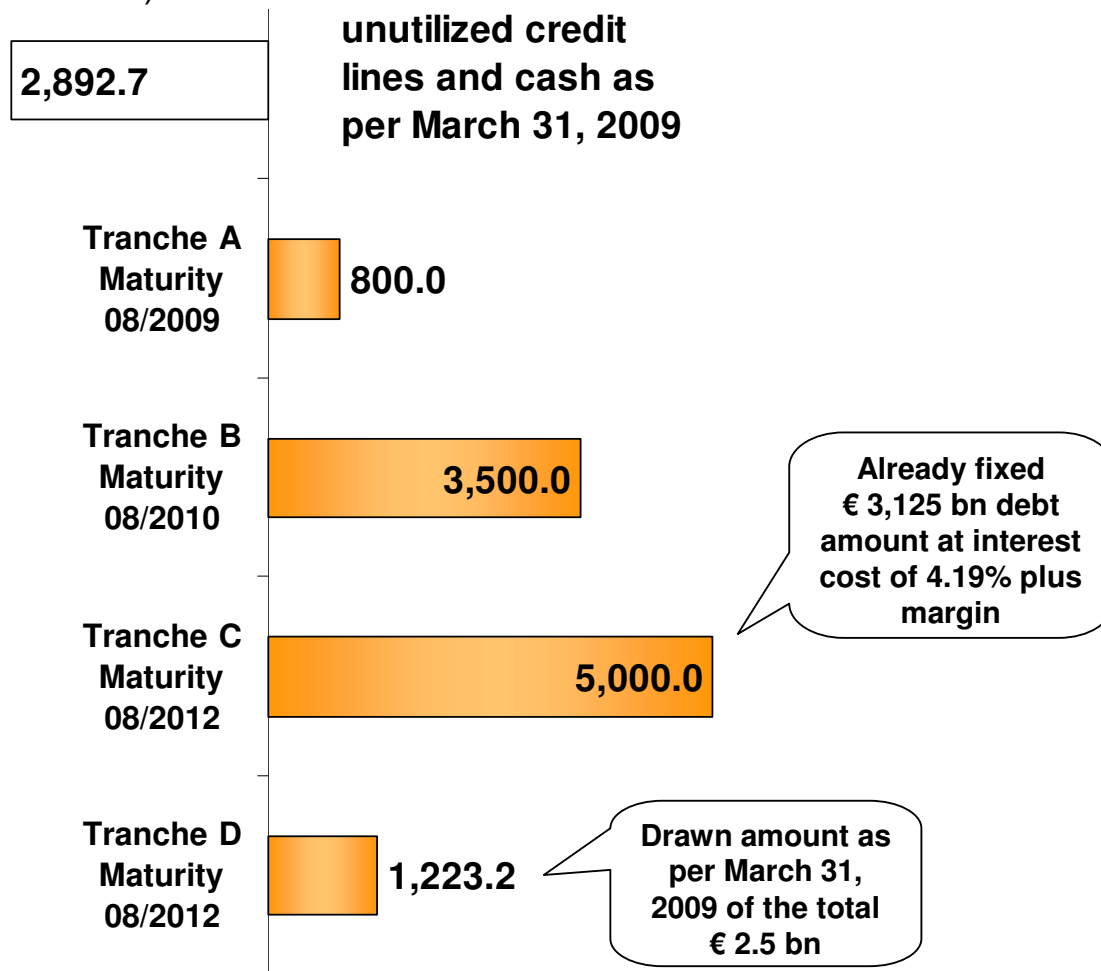
(€ million)



# Financial indebtedness

## Structure of multicurrency term loans and revolving credit facility (MTLRCF\*)

(€ million)



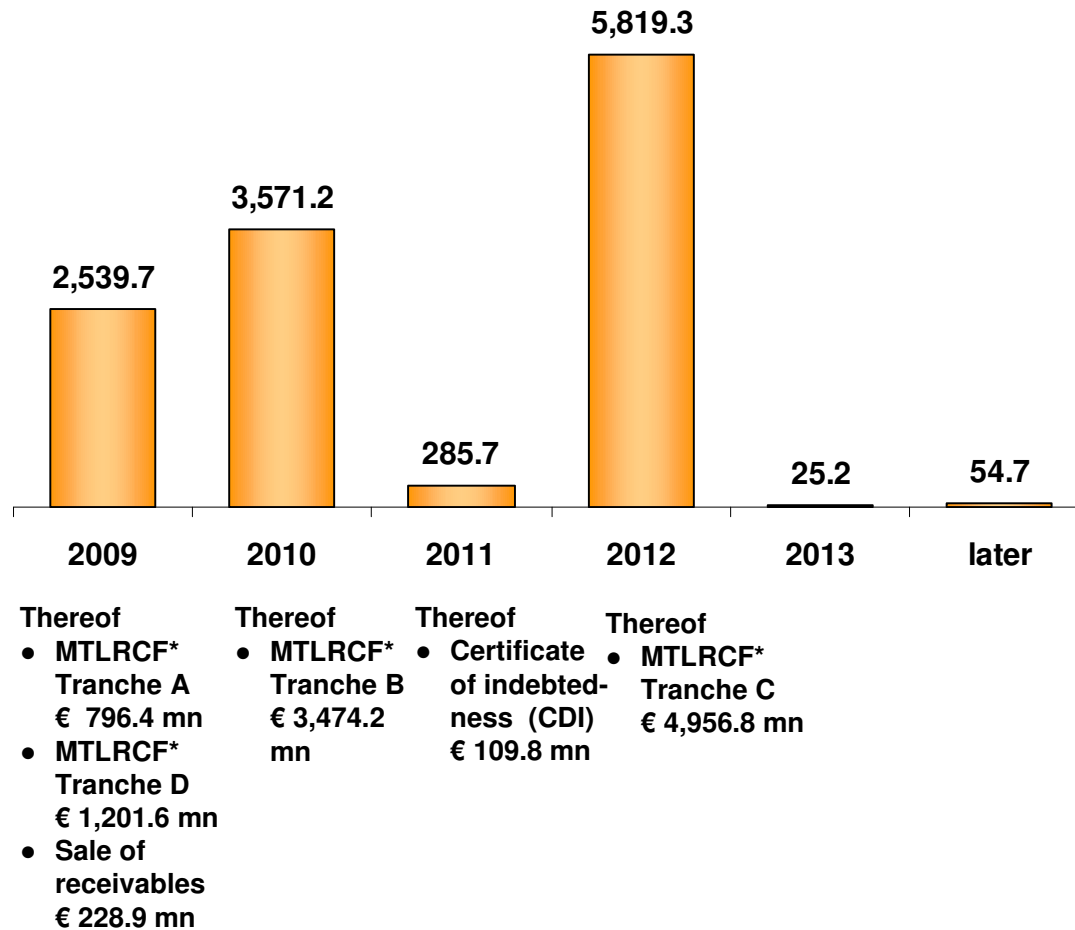
- ▶ Increased margin grid compensated by lower interest rates
- ▶ Interest expense in 2009 should stay on the same level as in 2008
- ▶ Current long term credit ratings
  - S&P**
    - ▶ BB / outlook negative
    - ▶ Since January 27, 2009
  - Moody's**
    - ▶ Ba2 / outlook negative
    - ▶ Since February 23, 2009

\* Multicurrency term loans and revolving credit facility (nominal value)

# Financial indebtedness

## Maturity scheme as March 31, 2009

(€ million)



Note: all outstanding amounts are book values

As per March 31, 2009:

- ▶ In 2009 € 2,539.7 mn come to maturity including
  - ▶ MTLRCF\* Tranche A of € 796.4 mn due in Aug 2009
  - ▶ MTLRCF Tranche D utilized with € 1,201.6 mn (extension of maturity possible until Aug 2012)
- ▶ Unutilized and fully committed credit lines incl. cash and cash equivalents stood at € 2,892.7 mn

\* Multicurrency term loans and revolving credit facility

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- ▶ **Outlook 2009**

# Outlook 2009

## Continental (1)

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### Market expectations

- ▶ **European car production: down in a range of 10% to 20%**
- ▶ **NAFTA car production: down in a range of 15% to 30%**
- ▶ **European truck production: down by 20% to 40%**
- ▶ **NAFTA truck production: down by 20% to 25%**
  
- ▶ **European PLT replacement tire markets down by up to 5%**
- ▶ **North American PLT replacement tire markets down by up to 5%**
- ▶ **European TT replacement tire markets down by up to 20%**
- ▶ **North American TT replacement tire markets down by up to 11%**
  
- ▶ **Raw material prices will be supportive in 2009**

# Outlook 2009

## Continental (2)

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### Continental

- ▶ **Major focus on debt reduction in 2009**
- ▶ **Capex will be reduced to around € 1 bn in 2009**
- ▶ **Reduced capex, dividend cut and other fix cost measures will be supportive in reducing net indebtedness in 2009; further cost saving steps initiated**
- ▶ **Continental will generate substantial free cash flow in 2009**
- ▶ **From today's perspective: Conti expects to comply with agreed covenant levels in the coming quarters**
- ▶ **Restructuring charges on the back of announced plant closures in PLT, CVT and ContiTech will occur in the coming quarters**
- ▶ **Continental intends to present an overall concept for the future cooperation with Schaeffler latest within the next 100 days; concept will comprise strategy, financing and cooperation aspects**

# Thank you for your attention



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**Continental**   
Do it with German Engineering.

# Disclaimer

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# Continental

## Share data / ADR data

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### Share Data

▶ Bloomberg ticker	CON GY
▶ Reuters ticker	CONG.DE
▶ ISIN number	DE0005439004
▶ Shares outstanding as of Mar 31, 2009	169,005,983

### ADR Data

▶ Ratio (Ordinary share ADR)	1:1
▶ Bloomberg ticker	CTTAY
▶ Reuters ticker	CTTAY.PK
▶ ISIN number	US2107712000
▶ Type	Level 1
▶ Trading	OTC
▶ Sponsor	Deutsche Bank Trust Company Americas

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# Back-up

# Highlights

## Operations Q1 2009: Volumes overview

Volumes (Y-o-Y chg.)	Q1/08	H1/08	9M/08	FY/ 08	Q1/09
EU production	2%	3%	2%	-14%	-39%
NAFTA production	-9%	-12%	-14%	-17%	-51%
ESC	11%	7%	6%	-3%	-38%
ABS	-4%	-2%	-10%	-16%	-47%
Booster	9%	9%	5%	-3%	-34%
Caliper	-3%	-2%	-3%	-12%	-45%
PLT tires volumes	6%	8%	7%	3%	-24%
CVT tire volumes	-5%	-4%	-2%	-6%	-31%
CT organic sales growth	2.4%	5.1%	3.6%	-0.4%	-26.3%
Market data tires					
PLT RT Europe	-3%	-3%	-3%	-5%	high single digit decline
PLT RT NAFTA	-2%	0%	-7%	-5%	-14%
CVT OE Europe	8%	14%	10%	1%	-56%
CVT OE NAFTA	-29%	-20%	-16%	-17%	-45%
CVT RT Europe	-8%	-10%	-8%	-9%	-33%
CVT RT NAFTA	-1%	-3%	-4%	-8%	-28%

# Quarterly Sales Analysis

	2007	2008					2009
	FY	Q1	Q2	Q3	Q4	FY	Q1
<b>C&amp;S</b>	4,648.6	1,452.9	1,442.3	1,224.4	1,014.4	5,134.0	866.7
<b>Powertrain</b>	1,177.0	1,294.4	1,076.0	912.9	756.7	4,040.0	690.5
<b>Interior</b>	1,531.6	1,656.6	1,639.0	1,387.4	1,173.7	5,856.7	990.6
<b>Passenger and Light Truck Tires</b>	4,975.6	1,202.9	1,332.9	1,326.0	1,238.5	5,100.3	997.1
<b>Commercial Vehicle Tires</b>	1,452.4	328.3	357.1	385.5	333.3	1,404.2	238.0
<b>ContiTech</b>	3,063.9	798.4	832.5	741.4	634.7	3,007.0	568.7
<b>Other / Consolidation</b>	-229.7	-94.1	-65.2	-85.6	-58.6	-303.5	-49.6
<b>Continental Corporation</b>	16,619.4	6,639.4	6,614.6	5,892.0	5,092.7	24,238.7	4,302.0
<b>Change Y-o-Y</b>	FY	Q1	Q2	Q3	Q4	FY	Q1
<b>C&amp;S</b>	2.8%	21.9%	21.9%	14.0%	-15.4%	10.4%	-40.3%
<b>Powertrain</b>	80.9%	483.9%	370.7%	284.1%	54.7%	243.2%	-46.7%
<b>Interior</b>	78.4%	411.3%	444.3%	387.5%	88.7%	282.4%	-40.2%
<b>Passenger and Light Truck Tires</b>	6.0%	4.8%	7.3%	5.5%	-6.8%	2.5%	-17.1%
<b>Commercial Vehicle Tires</b>	-1.1%	-4.7%	-1.3%	6.1%	-12.9%	-3.3%	-27.5%
<b>ContiTech</b>	6.8%	2.2%	6.7%	-1.1%	-15.7%	-1.9%	-28.8%
<b>Continental Corporation</b>	11.6%	67.5%	63.4%	50.8%	8.4%	45.8%	-35.2%

# Quarterly EBITDA Analysis

	2007	2008					2009
	<u>FY</u>	<u>Q1</u>	<u>Q2</u>	<u>Q3</u>	<u>Q4</u>	<u>FY</u>	<u>Q1</u>
<b>C&amp;S</b>	796.4	224.1	233.1	186.8	145.9	789.9	68.7
<b>Powertrain</b>	5.9	121.8	72.2	-4.8	-107.6	81.6	-37.3
<b>Interior</b>	101.3	192.3	184.1	90.1	90.8	557.3	14.7
<b>Passenger and Light Truck Tires</b>	969.6	197.7	237.3	192.7	245.8	873.5	150.0
<b>Commercial Vehicle Tires</b>	202.4	31.6	36.7	27.2	16.9	112.4	6.9
<b>ContiTech</b>	466.4	125.6	137.8	117.0	49.7	430.1	58.2
<b>Other / Consolidation</b>	-51.4	-9.1	-10.4	-12.6	-41.3	-73.4	-11.7
<b>Continental Corporation</b>	2,490.6	884.0	890.8	596.4	400.2	2,771.4	249.5
<b>EBITDA-Margin</b>	<u>FY</u>	<u>Q1</u>	<u>Q2</u>	<u>Q3</u>	<u>Q4</u>	<u>FY</u>	<u>Q1</u>
<b>C&amp;S</b>	17.1	15.4	16.2	15.3	14.4	15.4	7.9
<b>Powertrain</b>	0.5	9.4	6.7	-0.5	-14.2	2.0	-5.4
<b>Interior</b>	6.6	11.6	11.2	6.5	7.7	9.5	1.5
<b>Passenger and Light Truck Tires</b>	19.5	16.4	17.8	14.5	19.8	17.1	15.0
<b>Commercial Vehicle Tires</b>	13.9	9.6	10.3	7.1	5.1	8.0	2.9
<b>ContiTech</b>	15.2	15.7	16.6	15.8	7.8	14.3	10.2
<b>Continental Corporation</b>	15.0	13.3	13.5	10.1	7.9	11.4	5.8
<b>Change Y-o-Y</b>	<u>FY</u>	<u>Q1</u>	<u>Q2</u>	<u>Q3</u>	<u>Q4</u>	<u>FY</u>	<u>Q1</u>
<b>C&amp;S</b>	6.9%	17.2%	17.4%	-4.9%	-30.6%	-0.8%	-69.3%
<b>Powertrain</b>	-69.3%	524.6%	702.2%	-149.0%	-232.1%	1283.1%	-130.6%
<b>Interior</b>	44.9%	330.2%	499.7%	183.3%	1639.0%	450.1%	-92.4%
<b>Passenger and Light Truck Tires</b>	11.3%	-5.0%	-5.2%	-13.4%	-14.9%	-9.9%	-24.1%
<b>Commercial Vehicle Tires</b>	-0.6%	-33.6%	-24.8%	-38.0%	-72.8%	-44.5%	-78.2%
<b>ContiTech</b>	8.5%	7.7%	12.1%	2.4%	-55.9%	-7.8%	-53.7%
<b>Continental Corporation</b>	8.2%	44.1%	37.0%	-1.5%	-35.6%	11.3%	-71.8%

# Quarterly Analysis of adjusted EBIT\*

	2008					2009				
	<u>Q1</u>	<u>Q2</u>	<u>Q3</u>	<u>Q4</u>	<u>FY</u>	<u>Q1</u>	<u>Q2</u>	<u>Q3</u>	<u>Q4</u>	<u>FY</u>
<b>C&amp;S</b>	153.0					-1.1				
<b>Powertrain</b>	39.0					-105.3				
<b>Interior</b>	145.4					-44.4				
<b>Passenger and Light Truck Tires</b>	144.0					93.0				
<b>Commercial Vehicle Tires</b>	11.2					-13.6				
<b>ContiTech</b>	99.3					36.3				
<b>Other / Consolidation</b>	-10.0					-11.5				
<b>Continental Corporation</b>	<b>581.9</b>					<b>-46.6</b>				
<b>Adjusted EBIT-Margin*</b>	<u>Q1</u>	<u>Q2</u>	<u>Q3</u>	<u>Q4</u>	<u>FY</u>	<u>Q1</u>	<u>Q2</u>	<u>Q3</u>	<u>Q4</u>	<u>FY</u>
<b>C&amp;S</b>	10.6					-0.1				
<b>Powertrain</b>	3.6					-15.2				
<b>Interior</b>	8.8					-4.5				
<b>Passenger and Light Truck Tires</b>	11.9					9.4				
<b>Commercial Vehicle Tires</b>	3.4					-5.7				
<b>ContiTech</b>	12.7					6.4				
<b>Continental Corporation</b>	<b>9.1</b>					<b>-1.1</b>				
<b>Change Y-o-Y</b>	<u>Q1</u>	<u>Q2</u>	<u>Q3</u>	<u>Q4</u>	<u>FY</u>	<u>Q1</u>	<u>Q2</u>	<u>Q3</u>	<u>Q4</u>	<u>FY</u>
<b>C&amp;S</b>						-100.7%				
<b>Powertrain</b>						-370.0%				
<b>Interior</b>						-130.5%				
<b>Passenger and Light Truck Tires</b>						-35.4%				
<b>Commercial Vehicle Tires</b>						-221.4%				
<b>ContiTech</b>						-63.4%				
<b>Continental Corporation</b>						<b>-108.0%</b>				

\* EBIT w/o amortization of intangibles from PPA, consolidation and special effects

# Quarterly EBIT Analysis

	2007	2008					2009
	<u>FY</u>	<u>Q1</u>	<u>Q2</u>	<u>Q3</u>	<u>Q4</u>	<u>FY</u>	<u>Q1</u>
<b>C&amp;S</b>	567.0	141.1	150.4	103.2	-91.6	303.1	-14.6
<b>Powertrain</b>	-73.5	-10.1	-38.8	-127.5	-869.8	-1,046.2	-150.3
<b>Interior</b>	10.8	81.0	46.9	-32.6	-557.9	-462.6	-101.4
<b>Passenger and Light Truck Tires</b>	738.7	142.2	179.1	133.5	171.6	626.4	92.0
<b>Commercial Vehicle Tires</b>	124.1	12.2	16.1	6.8	-5.6	29.5	-13.7
<b>ContiTech</b>	362.8	100.4	112.7	92.3	23.7	329.1	34.6
<b>Other / Consolidation</b>	-54.1	-10.1	-10.7	-13.0	-41.7	-75.5	-11.6
<b>Continental Corporation</b>	1,675.8	456.7	455.7	162.7	-1,371.3	-296.2	-165.0
<b>EBIT-Margin</b>	<u>FY</u>	<u>Q1</u>	<u>Q2</u>	<u>Q3</u>	<u>Q4</u>	<u>FY</u>	<u>Q1</u>
<b>C&amp;S</b>	12.2	9.7	10.4	8.4	-9.0	5.9	-1.7
<b>Powertrain</b>	-6.2	-0.8	-3.6	-14.0	-114.9	-25.9	-21.8
<b>Interior</b>	0.7	4.9	2.9	-2.3	-47.5	-7.9	-10.2
<b>Passenger and Light Truck Tires</b>	14.8	11.8	13.4	10.1	13.9	12.3	9.2
<b>Commercial Vehicle Tires</b>	8.5	3.7	4.5	1.8	-1.7	2.1	-5.8
<b>ContiTech</b>	11.8	12.6	13.5	12.4	3.7	10.9	6.1
<b>Continental Corporation</b>	10.1	6.9	6.9	2.8	-26.9	-1.2	-3.8
<b>Change Y-o-Y</b>	<u>FY</u>	<u>Q1</u>	<u>Q2</u>	<u>Q3</u>	<u>Q4</u>	<u>FY</u>	<u>Q1</u>
<b>C&amp;S</b>	7.3%	4.0%	5.2%	-27.6%	-162.8%	-46.5%	-110.3%
<b>Powertrain</b>	-246.7%	-255.4%	-1285.7%	-4622.2%	-1067.5%	-1323.4%	-1388.1%
<b>Interior</b>	-57.0%	158.0%	152.2%	-297.6%	-901.6%	-4383.3%	-225.2%
<b>Passenger and Light Truck Tires</b>	13.5%	-9.5%	-10.2%	-21.5%	-19.1%	-15.2%	-35.3%
<b>Commercial Vehicle Tires</b>	-8.9%	-56.6%	-46.7%	-72.7%	-113.7%	-76.2%	-212.3%
<b>ContiTech</b>	13.9%	9.1%	15.6%	4.1%	-72.0%	-9.3%	-65.5%
<b>Continental Corporation</b>	4.6%	4.6%	-4.0%	-61.8%	-505.5%	-117.7%	-136.1%

# Consolidated Income Statements

<b>Reconciliation of EBIT to net income*</b>	<b>Q1 / 2009</b>	<b>Q1 / 2008</b>
Chassis & Safety	-14.6	141.1
Powertrain	-150.3	-10.1
Interior	-101.4	81.0
Passenger and Light Truck Tires	92.0	142.2
Commercial Vehicle Tires	-13.7	12.2
ContiTech	34.6	100.4
Other / consolidation	-11.6	-10.1
<b>EBIT</b>	<b>-165.0</b>	<b>456.7</b>
Net interest expense	-127.9	-206.8
<b>Earnings before income taxes</b>	<b>-292.9</b>	<b>249.9</b>
Income tax expense	31.1	-70.0
Minority interests	-5.5	-13.1
<b>Net income attributable to the shareholders of the parent</b>	<b>-267.3</b>	<b>166.8</b>
<b>Earnings per share (in €)</b>	<b>-1.58</b>	<b>1.03</b>
<b>Diluted earnings per share (in €)</b>	<b>-1.58</b>	<b>1.00</b>

\* attributable to the shareholders of the parent

# Consolidated Balance Sheets

## Assets

<b>Assets in € millions</b>	<b>March 31, 2009</b>	<b>Dec. 31, 2008</b>	<b>March 31, 2008</b>
Goodwill	6,420.2	6,384.1	7,254.1
Other intangible assets	2,450.7	2,522.7	2,827.6
Property, plant, and equipment	6,113.9	6,122.2	5,920.2
Investment properties	19.8	19.9	29.3
Investments in associates	665.7	718.3	796.6
Other investments	14.2	14.2	17.9
Deferred tax assets	491.0	391.3	168.9
Deferred pension charges	88.9	116.0	77.4
Long-term derivative instruments and interest-bearing investments	20.8	16.6	30.7
Other long-term financial assets	33.3	34.1	48.7
Other assets	9.4	9.0	18.9
<b>Non-current assets</b>	<b>16,327.9</b>	<b>16,348.4</b>	<b>17,190.3</b>
Inventories	2,568.4	2,570.5	2,678.1
Trade accounts receivable	3,456.0	3,287.5	4,395.5
Other short-term financial assets	154.7	126.8	170.0
Other assets	623.1	543.0	589.1
Income tax receivable	134.5	148.0	205.2
Short-term derivative instruments and interest-bearing investments	27.0	47.8	117.2
Cash and cash equivalents	1,206.5	1,569.4	967.7
Assets held for sale	46.5	46.5	597.1
<b>Current assets</b>	<b>8,216.7</b>	<b>8,339.5</b>	<b>9,719.9</b>
<b>Total assets</b>	<b>24,544.6</b>	<b>24,687.9</b>	<b>26,910.2</b>

# Consolidated Balance Sheets

## Shareholder's Equity and Liabilities

Total equity and liabilities in € millions	March 31, 2009	Dec. 31, 2008	March 31, 2008
Common stock	432.6	432.6	414.0
Capital reserves	3,120.9	3,097.9	2,815.6
Retained earnings	2,017.7	2,217.2	3,781.2
Other comprehensive income	-579.3	-482.3	-382.9
<b>Equity attributable to the shareholders of the parent</b>	<b>4,991.9</b>	<b>5,265.4</b>	<b>6,627.9</b>
Minority interests	265.1	264.5	284.4
<b>Total equity</b>	<b>5,257.0</b>	<b>5,529.9</b>	<b>6,912.3</b>
Provisions for pension liabilities and other post-employment benefits	771.3	669.7	681.0
Deferred tax liabilities	398.9	401.7	500.8
Long-term provisions for other risks	418.1	429.7	458.9
Long-term portion of indebtedness	9,621.5	9,768.3	9,907.0
Other long-term financial liabilities	—	—	73.5
Other non-current liabilities	44.1	40.9	43.7
<b>Non-current liabilities</b>	<b>11,253.9</b>	<b>11,310.3</b>	<b>11,664.9</b>
Trade accounts payable	2,340.4	2,469.8	2,730.9
Income tax payable	523.1	507.8	528.9
Short-term provisions for other risks	972.1	1,026.3	805.8
Indebtedness	2,674.3	2,349.0	2,429.7
Other short-term financial liabilities	879.1	889.2	875.7
Other liabilities	603.6	566.0	739.9
Liabilities held for sale	41.1	39.6	222.1
<b>Current liabilities</b>	<b>8,033.7</b>	<b>7,847.7</b>	<b>8,333.0</b>
<b>Total equity and liabilities</b>	<b>24,544.6</b>	<b>24,687.9</b>	<b>26,910.2</b>

# Consolidated Cash Flow Statements

in € millions	January 1 to March 31	
	2009	2008
EBIT	-165.0	456.7
Interest paid	-246.1	-154.1
Interest received	10.6	17.6
Income tax paid	-38.8	-57.0
Dividends received	33.5	4.8
Depreciation and amortization	414.5	427.3
At-equity share in earnings of associates and accrued dividend income from other investments	-6.4	-20.4
Gains from the disposal of assets, subsidiaries and business units	-0.3	2.9
Changes in		
inventories	43.4	-197.1
trade accounts receivable	-119.5	-555.2
trade accounts payable	-160.6	14.8
pension and post-employment provisions	119.6	16.7
other assets and liabilities	-180.2	62.1
<b>Cash flow provided by operating activities</b>	<b>-295.3</b>	<b>19.1</b>
Proceeds on disposal of property, plant, equipment and intangible assets	11.6	25.8
Capital expenditure on property, plant, equipment and software	-239.8	-352.1
Capital expenditure on intangible assets from development projects	-1.3	-1.2
Proceeds on disposal of subsidiaries and business units, including surrendered cash and cash equivalents	-0.4	9.2
Acquisition of subsidiaries and business units, incl. acquired cash and cash equivalents	-42.9	-23.2
Interest bearing advances	1.4	5.7
<b>Cash used for investing activities</b>	<b>-271.4</b>	<b>-335.8</b>
<b>Cash flow before financing activities</b>	<b>-566.7</b>	<b>-316.7</b>
Change in indebtedness	192.4	-887.9
Proceeds from the issuance of shares	-	0.2
Dividends paid and repayment of capital to minority interests	-6.0	-4.6
<b>Cash flow used for/provided by financing activities</b>	<b>186.4</b>	<b>-892.3</b>
<b>Change in cash and cash equivalents</b>	<b>-380.3</b>	<b>-1,209.0</b>
Cash and cash equivalents at the beginning of the reporting period	1,569.4	2,199.4
Effect of exchange rate changes on cash and cash equivalents	17.4	-22.7
<b>Cash and cash equivalents at the end of the reporting period</b>	<b>1,206.5</b>	<b>967.7</b>

# First Quarter Results 2009 Reported and Adjusted

	January - March 2008 / 2009															
	<u>Interior</u>		<u>Chassis &amp; Safety</u>		<u>Powertrain</u>		<u>PLT</u>		<u>CVT</u>		<u>ContiTech</u>		<u>Cons./Corr.</u>		<u>Group</u>	
	2008	2009	2008	2009	2008	2009	2008	2009	2008	2009	2008	2009	2008	2009	2008	2009
<b>EBIT</b>	<b>81.0</b>	<b>-101.4</b>	<b>141.1</b>	<b>-14.6</b>	<b>-10.1</b>	<b>-150.3</b>	<b>142.2</b>	<b>92.0</b>	<b>12.2</b>	<b>-13.7</b>	<b>100.4</b>	<b>34.6</b>	<b>-10.1</b>	<b>-11.6</b>	<b>456.7</b>	<b>-165.0</b>
ROS	4.9%	-10.2%	9.7%	-1.7%	-0.8%	-21.8%	11.8%	9.2%	3.7%	-5.8%	12.6%	6.1%			6.9%	-3.8%
<b>Amortization of intangibles from PPA</b>	<b>54.7</b>	<b>54.7</b>	<b>13.2</b>	<b>13.5</b>	<b>43.4</b>	<b>44.4</b>	<b>0.6</b>	<b>0.9</b>	<b>0.2</b>	<b>0.1</b>	<b>0.6</b>	<b>0.6</b>	<b>0.1</b>	<b>0.1</b>	<b>112.8</b>	<b>114.3</b>
<b>Total special effects</b>	<b>0.0</b>	<b>2.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.4</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.2</b>	<b>1.1</b>	<b>0.0</b>	<b>0.0</b>	<b>0.2</b>	<b>3.5</b>
<b>Total consolidation effects *</b>	<b>9.7</b>	<b>0.3</b>	<b>-1.3</b>	<b>0.0</b>	<b>5.7</b>	<b>0.2</b>	<b>1.2</b>	<b>0.1</b>	<b>-1.2</b>	<b>0.0</b>	<b>-1.9</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>12.2</b>	<b>0.6</b>
<b>Total consolidation &amp; special effects</b>	<b>9.7</b>	<b>2.3</b>	<b>-1.3</b>	<b>0.0</b>	<b>5.7</b>	<b>0.6</b>	<b>1.2</b>	<b>0.1</b>	<b>-1.2</b>	<b>0.0</b>	<b>-1.7</b>	<b>1.1</b>	<b>0.0</b>	<b>0.0</b>	<b>12.4</b>	<b>4.1</b>
<b>Adjusted EBIT**</b>	<b>145.4</b>	<b>-44.4</b>	<b>153.0</b>	<b>-1.1</b>	<b>39.0</b>	<b>-105.3</b>	<b>144.0</b>	<b>93.0</b>	<b>11.2</b>	<b>-13.6</b>	<b>99.3</b>	<b>36.3</b>	<b>-10.0</b>	<b>-11.5</b>	<b>581.9</b>	<b>-46.6</b>
ROS	8.8%	-4.5%	10.6%	-0.1%	3.6%	-15.2%	11.9%	9.4%	3.4%	-5.7%	12.7%	6.4%			9.1%	-1.1%

\* Note: Abandonment of Infotainment AM business in 2008, disposal Parking Systems in 2008, disposal EMD since 4/2008, disposal Dichtungstechnik since 07/2008, Oltas since 09/2008, Tikka since 09/2008, Eu-Retec since 03/2009

\*\* EBIT w/o amortization of intangibles from PPA, consolidation and special effects

# First Quarter Results 2009 Reported and Adjusted Automotive and Rubber Group

	January - March 2008 / 2009							
	<u>Automotive</u>		<u>Rubber</u>		<u>Cons./Corr.</u>		<u>Group</u>	
	2008	2009	2008	2009	2008	2009	2008	2009
<b>EBIT</b>	<b>212.0</b>	<b>-266.3</b>	<b>254.9</b>	<b>112.9</b>	<b>-10.2</b>	<b>-11.6</b>	<b>456.7</b>	<b>-165.0</b>
ROS	4.9%	-10.6%	11.1%	6.3%			6.9%	-3.8%
<b>Amortization of intangibles from PPA</b>	<b>111.3</b>	<b>112.6</b>	<b>1.5</b>	<b>1.6</b>	<b>0.0</b>	<b>0.1</b>	<b>112.8</b>	<b>114.3</b>
<b>Total special effects</b>	<b>0.0</b>	<b>2.4</b>	<b>0.2</b>	<b>1.1</b>	<b>0.0</b>	<b>0.0</b>	<b>0.2</b>	<b>3.5</b>
<b>Total consolidation effects *</b>	<b>14.1</b>	<b>0.5</b>	<b>-1.9</b>	<b>0.1</b>	<b>0.0</b>	<b>0.0</b>	<b>12.2</b>	<b>0.6</b>
<b>Total consolidation &amp; special effects</b>	<b>14.1</b>	<b>2.9</b>	<b>-1.7</b>	<b>1.2</b>	<b>0.0</b>	<b>0.0</b>	<b>12.4</b>	<b>4.1</b>
<b>Adjusted EBIT**</b>	<b>337.4</b>	<b>-150.8</b>	<b>254.7</b>	<b>115.7</b>	<b>-10.2</b>	<b>-11.5</b>	<b>581.9</b>	<b>-46.6</b>
ROS	8.2%	-6.0%	11.2%	6.5%			9.1%	-1.1%

\* Note: Abandonment of Infotainment AM business in 2008, disposal Parking Systems in 2008, disposal EMD since 4/2008, disposal Dichtungstechnik since 07/2008, Oltas since 09/2008, Tikka since 09/2008, Eu-Retec since 03/2009

\*\* EBIT w/o amortization of intangibles from PPA, consolidation and special effects