Update on Growth Strategy
June 2016

Ticker: CON
ADR-Ticker: CTTAY
Twitter: @Continental_IR
http://www.continental-ir.com

Wolfgang Schaefer – CFO
<table>
<thead>
<tr>
<th></th>
<th>AGENDA</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Automotive Group – Well Positioned for Future Trends</td>
</tr>
<tr>
<td>2</td>
<td>Tires – Update on Strategy 2025</td>
</tr>
<tr>
<td>3</td>
<td>ContiTech – To Benefit From Recovery of Oil and Mining Businesses</td>
</tr>
<tr>
<td>4</td>
<td>Outlook 2020</td>
</tr>
</tbody>
</table>
1) Automotive Group
Digitalization, Electrification and Mobility Services

<table>
<thead>
<tr>
<th>Digitalization</th>
<th>Electric Mobility</th>
<th>Mobility Services</th>
</tr>
</thead>
<tbody>
<tr>
<td>Continental's view/position:</td>
<td>Continental's view/position:</td>
<td>Continental's view/position:</td>
</tr>
<tr>
<td>› Market for automated driving(^1) is forecasted to exceed €25 bn by 2020</td>
<td>› FEV(^2) sales to account for 2% of global car production by 2020</td>
<td>› Market for mobility services is forecasted to exceed €57 bn by 2020</td>
</tr>
<tr>
<td>› 60% of our Automotive Group sales in 2015 are derived from sensors, electronics or software products</td>
<td>› Demand for FEV(^2) will be determined by the cost, life-time, range and charging time of the battery</td>
<td>› Conti founded new Intelligent Transportation Services (ITS) business unit in 2014</td>
</tr>
<tr>
<td>› Vision Zero accidents achievable</td>
<td>› Conti has invested more than €1 bn in electric mobility to date</td>
<td>› First applications include eHorizon and Road Database</td>
</tr>
</tbody>
</table>

All medium-term mobility scenarios still foresee tires on vehicles

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\(^1\) Goldman Sachs Report, Cars 2025: Vol. 3 (Sept 2015)
\(^2\) FEV = Full Electric Vehicle
1) Automotive Group
Digitalization

- Automotive Group
- Digitalization
- Powertrain Management
- Fail Operational Brake
- Short / Long Range Radar
- Surround View
- Stereo Camera
- Flash-Lidar
- Elektrobit - Software
- Continental Software
- Domain Control Unit
- Car2x - MK2xPro
- Driver Awareness
- Driver HMI
- Antenna Module
- Backend Services
### 1) Automotive Group

**Electrification – Relative Value of Continental’s Content**

<table>
<thead>
<tr>
<th>Gasoline-related business</th>
<th>Diesel-related business</th>
<th>HEV-related business</th>
<th>FEV-related business</th>
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</thead>
<tbody>
<tr>
<td>100%¹</td>
<td>160%</td>
<td>160-260%</td>
<td>300%</td>
</tr>
<tr>
<td>‣ Engine management systems for solenoid direct injection (injector, ECU, pressure pumps)</td>
<td>‣ Engine management systems for diesel piezo common rail injection (injector, ECUs, pressure pumps)</td>
<td>‣ Engine management systems (gasoline/diesel)</td>
<td>‣ High voltage axle drive</td>
</tr>
<tr>
<td></td>
<td>‣ Exhaust aftertreatment</td>
<td>‣ Exhaust aftertreatment</td>
<td>‣ Power electronics</td>
</tr>
<tr>
<td></td>
<td>‣ Sensors and actuators</td>
<td>‣ Sensors and actuators</td>
<td>‣ Battery management systems</td>
</tr>
<tr>
<td></td>
<td>‣ Turbochargers</td>
<td>‣ Turbochargers and 48V solutions or Plug-in hybrid solutions</td>
<td>‣ Inverters and DC/DC converters</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>‣ Electric water pumps</td>
</tr>
</tbody>
</table>

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¹ Value of gasoline content per car is indexed at 100%; all other values are relative to the gasoline content
1) Automotive Group
Mobility Services

Continental Backend Platform
(for eHorizon, Road Database, …)

Improved prediction of road events and road conditions
Communication broadens the horizon of the on-board surrounding sensors

Relevant market of more than €57 bn by 2020
1) Automotive Group
Order Intake Confirms Mid Term Target

- Automotive Group Sales
- Order Intake (LTS)\(^1\)

\(^1\) Life-time sales = Sum of expected future sales of all newly received orders

~10% of future Automotive Group sales with driver assistance systems

~60% of Automotive Group sales with electronics, sensors and software
2) Tires

Update on Strategy 2025

Stage 1: 2001 – 2010
Create Value
› Global footprint and business optimized
› Strong cost focus
› Global presence of CVT sustained (SA/APAC)
› Turnaround of PLT business in NAFTA region succeeded
› Worldwide technology gap to competition closed

Stage 2: 2011 – 2015
Sustain Value
› Accelerated global growth (focus BRIC countries)
› Leverage cost position
› Improved technology position to establish among “Best In Class”

Stage 3: 2016 – 2025
Enhance Value
› Balance the global footprint
› Benefit from excellent cost position
› Achieve podium position in technology worldwide
› Improve brand awareness further
› Rank among the top 3 globally

Continuous value creation is our driving force!
2) Tires

Balanced Global Manufacturing Footprint

<table>
<thead>
<tr>
<th>Year</th>
<th>APAC</th>
<th>Americas</th>
<th>EMEA</th>
<th>2025 target</th>
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<tbody>
<tr>
<td>2010</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2015</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2025</td>
<td></td>
<td></td>
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</tbody>
</table>

Local sourcing at lowest landed cost

Leverage costs

2025 Local sourcing at competitive landed cost

No. of plants
- APAC: 7
- Americas: 6
- EMEA: 10
2) Tires
Technological Leadership

- HP tires and winter tires ww
- SD tires

- 39% in 2010, 47% in 2015

- 29% Non-OE, 71% OE

Constant mix improvement demonstrates Continental’s leading position in consumer perception.

High OE share proves Continental’s capabilities as partner for leading car brands.

Technological leadership testified by multiple wins in summer and winter tire consumer tests.

2025
Achieve podium position in technology worldwide.

Top position in tire tests

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2) Tires
Further Improvement of Brand Awareness

2025 +15% increase in awareness supports sales growth
2) Tires
Drive Global Growth (mn units)

2025 Growth to outperform global market development

- EMEA
- Americas
- APAC
3) ContiTech

Strong Track Record of Acquiring and Integrating Businesses

- Parker Hannifin’s automotive air conditioning business and Freudenberg Sealing Technologies GmbH
  Combined sales: ~€180 mn

- Veyance Technologies Inc., USA
  Rubber products
  Sales: ~€1.3 bn

- Legg Company Inc., USA and Metso Corp., Finland
  Conveyor belts
  Combined sales: ~€60 mn

- ContiTech sales (€ mn) and Reported EBIT margin

- All sales of acquisitions shown are pro forma sales in the year of the acquisition

  - Before amortization of intangibles from PPA, consolidation and special effects; reported EBIT margin 7%
3) **ContiTech**

Top 10 Non-Tire Rubber Companies worldwide – 2015 Sales (bn €)

- **ContiTech**
- **Bridgestone (Diversified Products)**
- **Freudenberg (Seals and vibration control tech.)**
- **Hutchinson**
- **Gates Corporation**
- **Cooper Standard**
- **Sumitomo Riko**
- **Parker-Hannifin (Fluid connectors and engineered systems)**
- **NOK (Seal business)**
- **Trelleborg AB (excl. wheel business)**

Source: Company filings; revenues for Gates and Parker Hannifin are estimates.
3) **ContiTech**
A Truly Global Player

- LTM sales Q1 16: €5.46 bn
- Employees (March 31, 2016): 42,501
- 194 locations in 44 countries
- 35 R&D locations worldwide

Sales 2015 by market:
- Europe: 49%
- NAFTA: 26%
- Asia: 17%
- Other countries: 8%

Share of sales 2015 in %:
- Fluid Technology: 39%
- Conveyor Belt Group: 19%
- Power Transmission Group: 12%
- Benecke-Kaliko Group: 10%
- Air Spring Systems: 7%
- Vibration Control: 7%
- Compounding Technology: 4%
- Elastomer Coatings: 2%

1Since 2016 divided in: Mobile Fluid Systems and Industrial Fluid Systems
3) ContiTech
Relevant Market Offers Attractive Growth Opportunities

Source: Market data and Continental estimates.
† Since 2016, the Fluid Technology business unit has been organized as the Mobile Fluid Systems and Industrial Fluid Systems business units

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4) Outlook 2020
More than €50 bn in Sales and >20% ROCE by 2020

2005-2010: CAGR 3%
2010-2015: CAGR 4%
2015-2020E: CAGR 1-2%

1 Passenger car and light truck
Thank you!
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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.
## Continental

### Share Data / ADR Data

<table>
<thead>
<tr>
<th>Share Data</th>
<th>ADR Data</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Type of share</strong></td>
<td><strong>Ratio (ordinary share: ADR)</strong></td>
</tr>
<tr>
<td>No-par value share</td>
<td>1:5</td>
</tr>
<tr>
<td><strong>Bloomberg Ticker</strong></td>
<td><strong>Bloomberg Ticker</strong></td>
</tr>
<tr>
<td>CON</td>
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<tr>
<td><strong>Reuters Ticker</strong></td>
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<td>CTTAY.PK</td>
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<td><strong>ISIN Number</strong></td>
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<td>Shares outstanding as at March 31, 2016</td>
<td>ADR Level</td>
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<td>200,005,983</td>
<td>Level 1</td>
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<tr>
<td><strong>Exchange</strong></td>
<td><strong>Sponsor</strong></td>
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<tr>
<td>OTC</td>
<td>Deutsche Bank Trust Company Americas</td>
</tr>
</tbody>
</table>
Continental
Shareholder Structure

Shareholder Structure as at Dec. 31, 2010
- M.M.Warburg & CO KGaA 16.48%
- B. Metzler seel. Sohn Co. Holding AG 16.48%
- Schaeffler Group 42.17%
- Free Float 24.87%

Source: Based on publicly available data
## Continental Bond Data

<table>
<thead>
<tr>
<th>Issuer</th>
<th>Conti-Gummi Finance B.V., Netherlands</th>
<th>Continental AG</th>
<th>Continental AG</th>
<th>Continental Rubber of America, Corp.</th>
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</thead>
<tbody>
<tr>
<td>Issue</td>
<td>Senior Notes</td>
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<td>Senior Notes</td>
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<td>Offering price</td>
<td>99.595%</td>
<td>98.950%</td>
<td>99.228%</td>
<td>99.739%</td>
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<tr>
<td>Rating at issuance date</td>
<td>Ba1 (Moody’s)</td>
<td>Ba2 (Moody’s)</td>
<td>Ba1 (Moody’s)</td>
<td>BBB (Fitch)</td>
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<tr>
<td>Current corporation and bond ratings</td>
<td>BBB (Fitch), BBB+ (S&amp;P), Baa1 (Moody’s)</td>
<td>BBB (Fitch), BBB+ (S&amp;P), Baa1 (Moody’s)</td>
<td>BBB (Fitch), BBB+ (S&amp;P), Baa1 (Moody’s)</td>
<td>BBB (Fitch), BBB+ (S&amp;P), Baa1 (Moody’s)</td>
</tr>
<tr>
<td>Coupon</td>
<td>2.5% p.a.</td>
<td>3.0% p.a.</td>
<td>3.125% p.a.</td>
<td>0.5% p.a.</td>
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<tr>
<td>Maturity</td>
<td>March 20, 2017</td>
<td>July 16, 2018</td>
<td>September 9, 2020</td>
<td>February 19, 2019</td>
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<td>Interest payment</td>
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</table>

1 Guaranteed by Continental AG
2 Non-contracted rating at date of issuance
3 Fitch since July 15, 2013; S&P since December 6, 2013; Moody’s since June 30, 2015
4 Non-contracted rating since February 1, 2014
Continental Credit Rating

S&P, Fitch / Moody's

Investment Grade

BBB+ / Baa1
BBB / Baa2
BBB- / Baa3

Non-Investment Grade

BB+ / Ba1
BB / Ba2
BB- / Ba3
B+ / B1
B / B2

Before Siemens VDO

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1 Contracted rating since May 19, 2000
2 Non-contracted rating since February 1, 2014
3 Contracted rating since November 7, 2013
## Useful Links

<table>
<thead>
<tr>
<th>Link Description</th>
<th>URL</th>
</tr>
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<tbody>
<tr>
<td>Continental Investor Relations website</td>
<td><a href="http://www.continental-ir.com">http://www.continental-ir.com</a></td>
</tr>
<tr>
<td>Annual and interim reports</td>
<td><a href="http://www.continental-corporation.com/wwwww/portal_com_en/themes/ir/financial_reports/">http://www.continental-corporation.com/wwwww/portal_com_en/themes/ir/financial_reports/</a></td>
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<tr>
<td>Investor Relations events and presentations</td>
<td><a href="http://www.continental-corporation.com/wwwww/portal_com_en/themes/ir/events/">http://www.continental-corporation.com/wwwww/portal_com_en/themes/ir/events/</a></td>
</tr>
<tr>
<td>Sustainability at Continental (presentation and fact sheet for investors)</td>
<td><a href="http://www.continental-ir.com">http://www.continental-ir.com</a></td>
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<tr>
<td>Corporate Social Responsibility</td>
<td><a href="http://www.continental-sustainability.com">http://www.continental-sustainability.com</a></td>
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<td>Continental share</td>
<td><a href="http://www.continental-corporation.com/wwwww/portal_com_en/themes/ir/share/">http://www.continental-corporation.com/wwwww/portal_com_en/themes/ir/share/</a></td>
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<td>Continental IR mobile website</td>
<td><a href="http://continental.ir-portal.de">http://continental.ir-portal.de</a></td>
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## Continental

### Financial Calendar

#### 2016

<table>
<thead>
<tr>
<th>Event</th>
<th>Date</th>
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<tbody>
<tr>
<td>Preliminary figures for the fiscal year 2015</td>
<td>January 11, 2016</td>
</tr>
<tr>
<td>Annual Shareholders’ Meeting (incl. key data for Q1 2016)</td>
<td>April 29, 2016</td>
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#### 2017

<table>
<thead>
<tr>
<th>Event</th>
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<tbody>
<tr>
<td>Preliminary figures for the fiscal year 2016</td>
<td>January 2017</td>
</tr>
<tr>
<td>Annual Financial Press Conference</td>
<td>March 2017</td>
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<tr>
<td>Annual Shareholders’ Meeting (incl. key data for Q1 2017)</td>
<td>April 28, 2017</td>
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<tr>
<td>Q1 Financial Report</td>
<td>May 2017</td>
</tr>
<tr>
<td>Half Year Financial Report</td>
<td>August 2017</td>
</tr>
<tr>
<td>Nine Month Financial Report</td>
<td>November 2017</td>
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