

Continental sales increase 9.1%

Hanover – In the first nine months of this year, Continental increased its sales by 9.1% year-on-year to €24.6 billion. EBIT rose by €437 million or 22.8% year-on-year to €2.4 billion in the same period. The margin amounted to 9.6%, compared to 8.5% the year before. Adjusted EBIT for the corporation increased by €434 million or 19.5% year-on-year to almost €2.7 billion in the first nine months of this year, equivalent to 10.9% of adjusted sales after 9.9% in the same period of the previous year.

In the first nine months of 2012, net income attributable to the shareholders of the parent was up 62.5% to almost €1.5 billion, corresponding to earnings per share of €7.26 after €4.47 per share in the previous year. In the first three quarters, Continental reduced its net indebtedness by almost €500 million as compared to the same period of the previous year to €6.8 billion. In comparison to the end of 2011, the level increased slightly by €30 million.

“We are continuing to move in the right direction and still plan to reduce our net indebtedness to less than €6.5 billion by the end of the year”, explained Wolfgang Sch¨fer, Continental’s Chief Financial Officer. He further emphasized “We are also recording further progress in the gearing ratio while systematically pursuing our goal of achieving fewer than 60% in the medium term.” The gearing ratio improved from 103.3% in the previous year to 77.5% at the end of September 2012. In the first three quarters of this year, Continental invested €1.3 billion, approximately €240 million more than in the same period of the previous year. “Our investments are currently focused clearly on the Rubber Group: In the first nine months of this year, we invested €641 million in the Tire and ContiTech divisions in order to further reduce our dependence on the highly seasonal automotive industry while also continuing to expand our position in the tire markets, particularly in the BRIC countries,” stated Sch¨fer.

He also indicated that the investment volume for the year as a whole would amount to approximately €2 billion. Continental created 6,121 jobs worldwide in the first nine months of the current year. As of the end of the third quarter of 2012, the Continental Corporation had 169,909 employees. This increase was primarily due to growth in sales volumes in the Automotive Group and expansion of capacity in the Tire division. Sales in the Automotive Group improved to €14.8 billion after nine months, with an adjusted margin of 7.7% after 8.0% in the previous year. “This is a stable result in view of the headwind in Europe, which we are experiencing here in our Powertrain division in particular. We do not expect the market environment to become easier in the coming quarters,” said Degenhart. The Rubber Group generated sales of €9.9 billion. The positive development of raw material costs had a favorable influence on the adjusted margin (16.3%). “In spite of a weak development of the winter tire markets at the start of the season, we are confident of re-achieving the previous year’s level of approximately 20 million winter

tires sold in the current year as well. The recently published test reports have brought about a very positive response to our tires and give us grounds to be positive in this respect,” explained Degenhart.