

Structure of the Corporation

140 years after it was founded, Continental is a leading global automotive supplier with a successful management organization around the world.

We celebrated our 140th birthday in the year under review. Continental was founded in 1871 with capital of around 300,000 thalers (equivalent to a purchasing power today of around €6.3 million). At the parent plant in Hanover, a workforce of around 200 people manufactured, among other things, soft rubber products such as hot water bottles, rubberized fabrics and solid tires for carriages and bicycles. Today, we are one of the world's leading automotive suppliers and work on solutions for the mobility and transport of tomorrow. To protect all traffic participants even better, we are advancing the development of active and passive safety systems. Low environmental impact technologies from Continental help to lower emissions and contribute to climate protection. We also help drivers to concentrate and be receptive at all times – with intelligent information management inside the vehicle. Innovations can lead to big things only if they can be afforded by many and used economically for commercial purposes. We offer products for a wide range of automotive and commercial vehicle market requirements around the world. We also make significant contributions to benefit society for a number of other key industries – such as wind turbines for efficient energy generation or conveyor belt systems to transport raw materials without harming the environment.

The Continental Corporation comprises its parent company Continental AG, a stock corporation under German law, and 439 companies around the world, including minority holdings. Around 164,000 employees in 46 countries work to offer our customers the best possible products and solutions to their problems every single day.

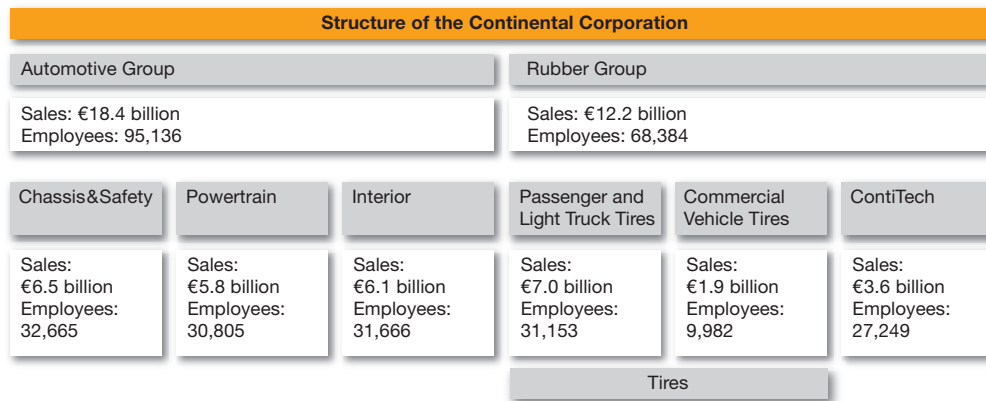
Since August 2011, the Continental Corporation has been organized into five divisions with 27 business units. The previously separate divisions of Passenger and Light Truck Tires, and Commercial Vehicle Tires, have been merged organizationally as a new Tire divi-

sion so as to be able to manage our market activities even more effectively. The divisions and business units are classified according to products, product groups and certain regions. The divisions and business units bear full responsibility for their business, including their results. This organizational structure ensures a high degree of flexibility and speedy coordination of operating business across countries and companies. It enables us to respond to technological changes and market developments rapidly and allows an optimal deployment of our economic resources.

Continental AG's Executive Board has overall responsibility for corporate management. The divisions are each represented by a member of the Executive Board. The central units are represented by the Chief Executive Officer, the Chief Financial Officer and the Chief Human Resources Officer.

The central units assume cross-divisional functions necessary for corporate management, including Finance and Controlling, Law and Compliance, and Quality Management in particular.

As a result, our organization ensures that Continental's strategic management is coordinated with its operating activities. On the one hand, this enables us to react flexibly and quickly to market conditions and the requirements of our global customers. On the other hand, it ensures that the overall success of the Continental Corporation is optimized in the interests of sustainable value added and value creation. With the Automotive Group and the Rubber Group, which contribute 60% and 40% of total sales respectively, the Continental Corporation is built on two stable pillars.



Two of the Rubber Group's divisions – Passenger and Light Truck Tires, and Commercial Vehicle Tires – were merged organizationally in August 2011 to form the Tire division, reducing the total number of the corporation's divisions from six to five. Irrespective of this, the Passenger and Light Truck Tires division and the Commercial Vehicle Tires division have been reported separately for fiscal 2011.

Automotive Group:

- ▶ The Chassis & Safety division combines our core competences in the areas of networked driving safety, brakes, driver assistance, chassis, active and passive safety and sensor technology for the avoidance of accidents and injury.
- ▶ The Powertrain division is responsible for innovative and efficient powertrain system solutions to make drive concepts easier on the environment in future.
- ▶ The Interior division bundles all activities relating to information, communication and networking solutions, their presentation and operability in vehicles – including vehicles with alternative drives. The Interior division also includes the commercial vehicle and retail activities of the Automotive Group.

Rubber Group:

- ▶ The Tire division:

Passenger and Light Truck Tires develops and produces tires for compact, mid-range and luxury segment vehicles, SUVs, vans, motorcycles and bicycles.

Commercial Vehicle Tires offers a wide range of truck, bus, industrial and off-the-road tires for a wide range of uses and application requirements.

- ▶ ContiTech develops and manufactures functional parts, components and systems for the automotive industry and almost all key industries and is one of the world's biggest specialists for rubber and plastics technology.