

Historical overview

Hanover, April 26, 2011.

Continental – reliable partner to automakers and consumers for 140 years

The major milestones at a glance:

Corporate history

- 1871: Continental-Caoutchouc & Gutta-Percha Compagnie is founded as a joint stock company by nine German Hanover-based bankers and industrialists.
- This does not, however, amount to an initial public offering as understood today. Initially the founders divided up the shares among themselves. Only gradually did the shares come to be traded. The share is already being quoted on the Hanover stock market in 1873/74.
- October 1882: Continental registers the "prancing horse" as its official trademark with the imperial patent office in Hanover. To this very day the succinct identifying emblem is a protected trademark.
- Late 1920s: Major companies in the German rubber industry merge to form "Continental Gummi-Werke AG". This company produces almost solely in Germany. But the share of output exported continues to rise.
- 1979: The German tiremaker begins to orient itself in a more international direction, a strategy it has vigorously pursued to this very day.
- 1979: Continental acquires the European tire operations of the American-based Uniroyal, Inc. This puts Continental on a wider footing in Europe.
- 1985: With the takeover of the Austrian tire brand Semperit, Continental finally gains a foothold in Europe.
- 1987: To strengthen its position on the North American market, Continental buys U.S. tiremaker General Tire (GT). Since 2001 GT has been operating under the name Continental Tire North America, Inc.
- 1989/1990: Continental and the Portuguese company Mabor establish a joint venture for the production of tires in Lousado, Portugal. In 1993, Continental takes complete control of Lousado tire activities.



- 1993: Continental obtains a majority holding in the Czech tiremaker Barum. The company thereby strengthens its market position in Eastern Europe.
- 1994: Benecke-Kaliko AG is integrated into the ContiTech division. Its production focuses on leatherette and foils.
- 1995: The Automotive Systems division is established to step-up systems business with the automotive industry.
- 1998: Automotive brake & chassis operations are purchased from the U.S. American company ITT Industries. The core of the acquisition is Alfred Teves GmbH, Frank-furt/Main, Germany.
- 2000: Continental and Nisshinbo set up a new joint venture, Continental Teves Corporation, to cash in on the Japanese and Korean markets for brake and chassis systems.
- 2001: Continental acquires the international electronics specialist Temic to bolster its position on the American and Asian markets. Temic has production facilities in America and Asia. In 2001 two further acquisitions are made. Continental acquires a majority holding in two Japanese companies engaged in the production of brake actuation components and disk brakes.
- 2002: Continental and Yokohama form a 50/50 joint venture to step up tire activities with Japanese automotive manufacturers.
- 2003: The joint venture Continental Sime Tyre in Malaysia is established. Continental's expands its tire business in the ASEAN area (Southeast Asian countries) and Australia.
- 2004: Phoenix AG merges with ContiTech to give rise to the world's largest specialist for rubber and plastics technologies.
- 2006: ContiTech acquires a Danish manufacturer of power transmission belts with production facilities in Denmark, China, Korea and India.
- 2006: With the purchase of the automotive electronics business from the American company Motorola, Continental expands its activities in the telematics area and elsewhere.
- 2007: The tire divisions and ContiTech step up their involvement in the Central and Eastern European markets. Continental obtains a majority holding in Matador Rubber s.r.o., Slovakia.



- 2007: With the takeover of Siemens VDO Automotive AG, Continental makes the biggest acquisition yet in its corporate history. Continental moves up into the top league of automotive suppliers worldwide. At the same time the company bolsters its market position in Europe, North America and Asia.
- 2009: A milestone for Continental's growth in China and Asia: The new Asian headquarters and a research and development center are opened in Shanghai.
- 2011: Continental opens its first tire plant in China.
- 2011: Continental lays the cornerstone for a new research and development center in Singapore.
- At present: Continental ranks among the top five automotive suppliers worldwide and holds the number 2 spot in Europe.

Key figures

- In 1871 Continental's common stock amounted to around 300,000 thalers. This corresponded to a present-day purchasing power equivalent of approximately 6.3 million euros. The company currently has common stock in the amount of 512,015,316.48 euros, divided up into 200,005,983 no-par-value shares (as of December 31, 2010).
- In 1871 Continental employed around 200 people at its parent plant in Hanover (Vahrenwalder Straße). Today the international automotive supplier employs around 155,000 people in 45 countries.
- In the 1880s, sales amounted to around 3.3 million marks. That corresponds to a
 present-day purchasing power equivalent of about 21.5 million euros. By way of comparison, the Continental Corporation reported worldwide sales of 26 billion euros in
 2010.
- In 1871 Continental's manufacturing and research activities were confined to Germany. In 2010 Continental had 193 locations in 45 countries.
- In the short timespan between 1990 and 2010, the global workforce nearly tripled, going from roughly 51,000 to around 150,000. Whereas the approximately 51,000 employees with the company in 1990 were still split up more or less evenly between Germany and the rest of the world, over two thirds of Continental's current workforce of roughly 155,000 are employed outside of Germany.



Since 1871 Continental has been fueling the development of the automotive industry with trend-setting patents. The host of initial patent filings each year gives evidence of Continental's innovative prowess. In 2011, inventions are likely to number about 1.100. Today Continental ranks among the top five automotive suppliers worldwide and holds the number 2 spot in Europe.

Technological competence and innovations

- 1904: Continental becomes the first company anywhere in the world to develop car tires with tread patterns. In 1908 it also becomes the first with removable rims for touring cars and in 1943 the first German company to make tubeless tires.
- 1932: Continental launches Schwingmetall, a range of special rubber-to-metal bonded products that provides for vibration- and noise-damping engine suspension.
- 1952: Continental launches M+S tires for winter use alongside its conventional tires.
- 1955: Continental becomes the first company to develop air springs for truck and bus suspension.
- 1958: Negative kingpin offset makes for directional stability by stabilizing a vehicle braking on a split-friction road surface without the driver's having to intervene. The vehicle stays in its lane rather than breaking away. Nowadays negative kingpin offset is standard in all vehicles.
- 1960: Continental launches series production of belted tires.
- 1967: The Contidrom test track is opened. Today one of the most modern test tracks anywhere in the world, it measures up to the latest requirements for testing tires. Teams for various carmakers and car magazines regularly use the Contidrom to test drive their way to reproducible results.
- 1970: Continental launches the studless winter tire onto the market.
- 1974: Continental is the first manufacturer to supply the European automotive industry with extrusion-blow-molded polyurethane gaiters. Gaiters are flexible sleeves that collapse like an accordion. They protect mechanically telescoping machine parts from extraneous influences or dirt. They are used in buses and rail vehicles.
- 1983: Continental launches large-batch production of hydromounts for the automotive industry. These are special vibration- and noise-damping engine mount components.

Ontinental

- 1984: Continental introduces the world's first microprocessor-controlled anti-lock brake system (ABS) for cars. Nowadays this technology is standard equipment on cars worldwide.
- 1987: With the ContiEcoContact, Continental becomes the first manufacturer to market an earth-friendly car tire.
- As far back as 1997, hybrid drive technology was already in the Continental portfolio.
- 1998: Continental introduces Electronic Stability Control (ESC) into series production as a pioneering, active safety system that has since improved driving safety significantly. This year, Continental's ESC system will enter its fourth generation of production in the form of the MK 100[®]. In Germany alone, more than 80 percent of all new vehicles approved are now equipped with ESC systems from various manufacturers. Worldwide, they are currently installed in 40 percent of all new vehicles approved.
- 2009: Continental is the first manufacturer worldwide to launch series production of lithium-ion batteries for use in hybrid-drive vehicles. In doing so, Continental underscores its aspiration to reduce fuel consumption with modern drive technologies and lower CO₂ emissions.
- 2010: Continental develops the HTW 2 SCANDINAVIA, winter tires specifically designed for truck trailers. The tires contribute mightily to safe motoring on wintry roads. The HSW 2 COACH winter tire has been developed for use in all wheel positions.
- 2010: Continental unveils a resource-frugal plastics-based process for refining threedimensional structured surfaces. With innovative automatic image processing for surface reproduction, the entire surface of an instrument panel or a seat can be designed from a small decor model, e.g. from a small piece of leather.
- March 2011: Novel diesel injection systems like the piezo injector receive the year's Innovation Award for Climate and the Environment. Slated to go into mass production in 2013, they achieve fuel savings of up to five percent without any loss in performance. They thus contribute to a drop in pollutant emissions.
- 2011: The "Idea of the Year 2011" award goes to eco-friendly printing blankets. No solvents are used in producing them, so 70 percent less CO₂ is emitted than is the case with production of conventional printing blankets.



• 2011: In spring, Continental debuts a new display and operating concept for the center console module. It uses black panel technology, which allows control components like pushbuttons and slide switches to be fully and ergonomically integrated into the display surface. It also offers extra design latitude for the center console.

Continental: Trend-setting patents 1871 - 2011

Rubber	Automotive*
1892 – Production of the first pneumatic bi- cycle tire in Germany	1902 – Eddy-current tachometer (speed- measuring device)
1904 – Development of the world's first car tire with tread pattern	1950s – Trip recorder (tachograph)
1905 – Production of riveted anti-skid tires	1958 – Negative (directionally stabilizing) kingpin
1908 – Removable rim for touring cars	1980 – Piezo technology for controlling diesel and gasoline engine injectors
1921 – Invention of the truck tire	1980er – Remote entry key
1932 – Continental launches Schwingmetall (vibration- and noise-damping engine suspension)	1984 – World's first microprocessor- controlled anti-lock braking system
1943 – Tubeless tires	1986 – Airbag control unit
1955 – Air springs for suspending buses and trucks	1990s – Knock sensor
1974 – Polyurethane gaiter	1994 – Navigation device
1987 – First earth-friendly passenger tire (ContiEcoContact)	1994 – Electronic stability control (ESC)
2002 – Electrically heatable hose for reduction of nitrogen oxide emissions	1995 – Brake assist
2003 – First road tires approved for speeds of up to 360 kmph/224 mph (ContiSportContact 2 Vmax)	1997 – Integrated starter alternator damper (ISAD) as key technology for hybrid-drive systems



2010 – Special winter tire for trailers (HTW 2 SCANDINAVIA)

2010 – Winter tire for buses (HSW 2 COACH)

2010 – Process for manufacturing threedimensionally structured surfaces **1998** – Integrated transmission control

2008 – Camera-equipped driver assist systems

2010 – Vehicle electric system stabilization for start-stop systems

*Some of the patents shown here were transferred to Continental in the course of corporate acquisitions.

With sales of €26 billion in 2010, Continental is among the leading automotive suppliers worldwide. As a supplier of brake systems, systems and components for powertrains and chassis, instrumentation, infotainment solutions, vehicle electronics, tires and technical elastomers, Continental contributes to enhanced driving safety and global climate protection. Continental is also an expert partner in networked automotive communication. Continental currently has approximately 155,000 employees in 45 countries.

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