

Continental Confirms Planned Sale of ContiTech and Provides Mid-term Development Outlook



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- Sale of ContiTech planned for 2026
- Mid-term potential for the Continental Group: sales of around €19.5 billion to €22.0 billion and adjusted EBIT margin of around 12.0 to 14.5 percent
- Mid-term potential for the Tires group sector: sales of around €14.5 billion to €16.0 billion and adjusted EBIT margin of around 13.0 to 16.0 percent
- Mid-term potential for the ContiTech group sector (without OESL): sales of around €5.0 billion to €6.0 billion and adjusted EBIT margin of around 11.0 to 13.0 percent
- ContiTech sale: review of special dividend and share buybacks from proceeds of sale
- Outlook for 2025: changed conditions have led to an adjusted sales outlook for ContiTech as well as an adjusted margin outlook for Tires and consequently for the Continental Group as a whole

Frankfurt am Main, Germany, June 24, 2025. At its Capital Market Day in Frankfurt am Main today, Continental confirmed the planned sale of its ContiTech group sector. The Continental Executive Board reached this decision after analyzing and assessing the possible transaction options for making the group sector independent. Subject to the approval of the Continental Supervisory Board, the sale is scheduled to take place in 2026, after the sale of ContiTech's Original Equipment Solutions (OESL) business area, which is planned for later this year. Continental also announced the new mid-term sales and profitability potential for the Continental Group and the Tires and ContiTech group sectors. The company has adjusted its 2025 sales outlook for the ContiTech group sector to reflect changes in exchange rates. In

addition, Continental has updated its margin outlook for the Tires group sector due to changes in exchange rates and increasing global trade barriers. As a result, margin expectations have also been lowered for the Continental Group as a whole.

For the first time in its history, Continental will become a pure-play tire manufacturer focused on value creation, profitability, cash flow and stable business development. This resilience will benefit all stakeholders,

said Continental CEO Nikolai Setzer in Frankfurt am Main on Tuesday.

We remain committed to our plan. Following the spin-off of Automotive, Continental will still have high upside potential. We are aiming to deliver an attractive shareholder return,

said Continental CFO Olaf Schick.

Mid-term sales and profitability potential for Continental as well as Tires and ContiTech

Continental also used the Capital Market Day to announce the mid-term potential for the Continental Group and the group sectors following the planned spin-off of Automotive and the planned sale of the OESL business area. ContiTech is still considered part of Continental in these mid-term projections.

In the medium term – the next three to five years – the company expects consolidated sales in the range of €19.5 billion to €22.0 billion and a consolidated adjusted EBIT margin of 12.0 to 14.5 percent.

Review following the sale of ContiTech: special dividend and share buybacks

Following the planned spin-off of the Automotive group sector in September of this year, an increased distribution range of 40 to 60 percent of net income (previously: 20 to 40 percent) is envisaged for Continental shareholders, as previously announced. Following the sale of ContiTech, the future pure-play tire company will review whether to allocate proceeds from the sale to a special dividend and share buybacks. In the medium term, Continental will consider increasing the potential basic dividend within the targeted range of 40 to 60 percent as well as possibly buying back more shares. As a

focused global tire manufacturer with a high-margin, resilient business model and an efficient global setup, Continental aims to generate an attractive return for its shareholders.

Changed conditions have prompted Continental to adjust its outlook for fiscal 2025. The sales outlook for the ContiTech group sector has been updated due to changes in exchange rates, while margin expectations for the Tires group sector have been revised owing to changes in exchange rates and increasing trade barriers. As a result, margin expectations have also been lowered for the Continental Group as a whole. The outlook now takes into account the currently applicable tariffs and current exchange rates.

For the Continental Group in fiscal 2025, Continental expects sales in the range of around €19.5 billion to €21.0 billion and an adjusted EBIT margin of around 10.0 to 11.0 percent (previously: 10.5 to 11.5 percent).

For the Tires group sector, Continental expects sales of around €13.5 billion to €14.5 billion and an adjusted EBIT margin of around 12.5 to 14.0 percent (previously: 13.3 to 14.3 percent).

For the ContiTech group sector, Continental now expects sales of around €6.0 billion to €6.5 billion (previously: €6.3 billion to €6.8 billion) and an adjusted EBIT margin of around 6.0 to 7.0 percent.

Tires: a champion with a resilient and strong position in the market

Continental is a resilient tire champion with a strong brand. Despite volatile markets, Continental's tire business has shown stable development in recent years. The company benefits from highly efficient processes, a strong customer focus and a robust technology portfolio. Multiple awards in independent tire tests consistently demonstrate the high quality of its products. With its 20 tire plants, the company is well positioned both globally and locally. Tires benefits from economies of scale and scope, with around 80 percent of its global production capacity consolidated in so-called megafactories.

Continental has a strong foundation in the car tire segment. In 2024, car tires accounted for around 77 percent of Tires' total sales, with the group sector generating around 54 percent of its sales in the EMEA region (Europe, the Middle East and Africa). Globally, the replacement-tire business accounts for around 76 percent of sales.

The greatest potential for growth is therefore in North America and Asia. Furthermore, Continental is already highly successful in the technologically sophisticated segment for ultra-high-performance tires – in other words, extremely high-performance tires larger than 18” – and sees further growth potential in this area. Today, these tires represent around 39 percent of the car tires sold by the group sector across all brands and around 48 percent for the Continental brand.

ContiTech: focus on industry – diverse customer portfolio

The ContiTech group sector will continue to sharpen its focus on the industrial business. After the planned sale of the OESL business area (sales in 2024: around €1.9 billion) in the second half of 2025, approximately 80 percent of sales for ContiTech will be generated from industrial customers. There is high demand among industrial customers for solutions made of rubber and thermoplastic. The customer portfolio is highly diversified in terms of both sectors and regions. The group sector’s core industries currently comprise off-highway mobility, mining, construction and home, energy management and automotive. In 2024, ContiTech excluding OESL achieved sales of around €4.5 billion, of which approximately 41 percent was generated in the EMEA region, 36 percent in North and South America, and 23 percent in the Asia-Pacific region. Around half of the sales are generated in the industrial OEM business and half in the replacement business.

ContiTech is committed to enhancing its operational performance and achieving growth. Its transformation is focused on reducing complexity, improving customer engagement and streamlining its business portfolio.

Spokesperson, Business & Finance

Head of Group Communications

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