

Supervisory Board Approves Spin-off of Automotive and Resolves Dividend Policy for Period After...



PUBLISHED MAR 12, 2025
BY [CONTINENTAL AG](#)

Supervisory Board Approves Spin-off of Automotive and Resolves Dividend Policy for Period After Spin-off

- Supervisory Board approves spin-off of Automotive and recommends it be approved by Annual Shareholders' Meeting
- Automotive to have cash funds of €1.5 billion, supplemented by a credit facility of €2.5 billion
- Stefan E. Buchner (member of Continental's Supervisory Board) to serve as chairman of the Supervisory Board of the planned independent Automotive company and Philipp von Hirschheydt as CEO and chairman of its Executive Board
- Capital Market Days in Frankfurt am Main, Germany: Automotive on June 24, 2025; Continental (Tires and ContiTech) on June 25, 2025
- Listing of Automotive currently scheduled for September 2025
- 2:1 allocation ratio of shares (for every two Continental shares, shareholders will receive one share in the future Automotive company)
- Dividend policy after planned spin-off: distribution range of 40 to 60 percent of consolidated net income for Continental and 10 to 30 percent for independent Automotive company

Hanover, Germany, March 12, 2025. At its meeting today, the Supervisory Board of Continental approved the planned spin-off of Automotive and is recommending that the 2025 Annual Shareholders' Meeting also approve this step. Subject to this approval, the future independent company is to have cash funds of €1.5 billion by the time

of the spin-off, according to the Supervisory Board's resolution, with a clear business-related allocation of opportunities and risks to the two future companies. The financing of Automotive's operating business is also to be strengthened by a revolving credit facility of €2.5 billion.

Continental's Executive Board also informed the Supervisory Board of the next milestones for the spin-off: short and mid-term targets are to be presented for Automotive at its Capital Market Day on June 24, 2025, and for Continental (Tires and ContiTech) at its Capital Market Day on June 25, 2025. Both these events will take place in Frankfurt am Main, Germany. The listing of Automotive on the Frankfurt Stock Exchange is currently scheduled for September 2025. The allocation ratio is expected to be 2:1, which means that each Continental shareholder will receive one share in the then listed Automotive company for every two Continental shares held when the spin-off takes effect.

Wolfgang Reitzle, chairman of Continental's Supervisory Board:

Today, the Supervisory Board unanimously gave the green light for the spin-off of Automotive. This is an important step in Continental's realignment. Focused companies are significantly more agile and can create more value, especially in a challenging environment.

Continental CEO Nikolai Setzer:

Thanks to the intensive work of everyone involved, the preparations for the spin-off are well advanced. On this basis and with the approval of the Annual Shareholders' Meeting, the spin-off can go ahead as planned. As part of this realignment, we are strengthening the independence of all our group sectors: Automotive, Tires and ContiTech. This will enable them to be even more agile and closer to customers and markets so they can achieve their full growth and value potential.

Stefan E. Buchner (member of Continental's Supervisory Board) is to chair the Supervisory Board of the planned independent Automotive company. As already announced, Philipp von Hirschheydt will continue as CEO of Automotive following its spin-off. In this context, the Supervisory Board today approved his appointment to the Executive Board of the future company.

Philipp von Hirschheydt:

I am delighted with the confidence the Supervisory Board has shown in the entire Automotive team and in me personally. Our earnings performance in 2024 proves that we are on the right track and are ready to develop further as an independent listed company.

At today's meeting, the Executive Board and Supervisory Board also agreed on Continental's future dividend policy. Provided the spin-off goes ahead as planned, Continental shareholders can expect an increased distribution of 40 to 60 percent of consolidated net income (previously: 20 to 40 percent). This distribution range is broadly in line with that of comparable competitors. The same applies to Automotive. The planned range for the independent company is to be between 10 and 30 percent of consolidated net income and will take effect as soon as the company's earnings situation allows.

Spokesperson, Business & Finance

Press release distributed by Wire Association on behalf of Continental AG, on Mar 12, 2025. For more information subscribe and [follow us](#).

Media Assets

Embedded Media

Visit the [online press release](#) to interact with the embedded media.

<https://wireassociation.eu/newsroom/continental-ag/releases/en/supervisory-board-approves-spin-off-of-automotive-and-resolves-dividend-policy-for-period-after-2416>

Continental AG

Newsroom: <https://wireassociation.eu/newsroom/continental-ag>

Website: <https://www.continental.com/>

Primary Email: silke.bernhardt@conti.de

Social Media

Facebook - <https://www.facebook.com/Continental>

Twitter - https://twitter.com/Conti_Press

Youtube - <https://www.youtube.com/c/ContinentalCorporation>

Instagram - https://www.instagram.com/continental_career/

Linkedin - <https://www.linkedin.com/company/continental>

Glassdoor - https://www.glassdoor.com/Overview/Working-at-Continental-EI_IE3768.11,22.htm
