Continental Plans to Invest more than $500 Million to Build a New Tire Plant in the USA

- Approximately 1,700 new jobs will be created in South Carolina
- Increased demand for Continental tires in the United States and the Americas

Hanover/Sumter, October 6 2011. The international automotive supplier and tire producer Continental will build a new tire plant in Sumter, South Carolina (USA) to meet growing demand from both the retail level and automotive manufacturers. The first phase of production capacity at the plant in this project is expected to be nearly five million passenger and light truck tires when the plant reaches full production levels in 2017. A second phase in this announced project is expected to bring the plant’s capacity to eight million units per year by 2021. Altogether, those initial phases of the project involve an investment of more than $500 million and the creation of more than 1,600 jobs.

“This important announcement is part of Continental’s growth strategy worldwide and in this case especially for the Americas’ market,” said Nikolai Setzer, member of Continental’s Executive Board and head of Continental’s tire division. “Increasing demand for Continental and General brand passenger and light truck tires in the USA, as well as the improved business results for Continental Tire the Americas (CTA), has made this significant investment possible. On behalf of Continental, I would like to offer our sincere thanks to Governor Haley, the state of South Carolina, the Port Authority, the city of Sumter and Sumter County.”

CTA’s business growth is highlighted by an annual growth rate of 20 percent in volume for the passenger and light truck tire business in the Americas region in the past two years. “Our customers, replacement market retailers and automakers, have told us they need more Continental and General brand tires”, Dr. Jochen Etzel, CEO of Continental Tire the Americas, said. “Today’s announcement is our commitment to helping them grow their business – as we grow ours. In 2011 alone, we have announced manufacturing investments of nearly $1 billion which are dedicated to increasing our production capacity in the Americas region.”
“Continental is a world-class company, and it is truly exciting that they have chosen South Carolina for this new $500 million investment that will create 1,700 new jobs. This announcement is a big win for our state,” said South Carolina Governor Nikki Haley.

Continental expects to begin construction of the plant in mid-2012 and complete the facility in 2013. In addition to the Greenfield announcement, CTA also announced an investment of more than $4 million in its Lancaster County, S.C. headquarters to help meet the needs of a growing workforce. Today the headquarters is home to nearly 350 employees. Within the next four years 80 new jobs will be created.

In March 2011, Continental Tire the Americas already announced a $220 million investment to expand production capacity at its tire plant located in Camaçari, Bahia, Brazil. The investment will create 400 new jobs and double capacity in the plant. In May, 2011, the company announced that it was investing $224 million, and adding 444 new jobs, in its Mt. Vernon, Ill. (USA) tire plant. Another element of the CTA growth strategy, this investment will increase capacity by nearly four million tires at Mt. Vernon.

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 automobile communication. Continental currently has approximately 160,000 employees in 45 countries.

Media Contact:

Kathryn Blackwell  
Vice President Communications and Marketing  
NAFTA Region  
Continental Automotive  
One Continental Drive  
Auburn Hills, Michigan 48326  
Phone: 001 248-393-6593,  
Fax: 001 248-393-5227  
Kathryn.Blackwell@continental-corporation.com

Alexander Lührs  
Head of Public Relations  
Passenger and Light Truck Tires  
Continental AG  
Buettnerstraße 25 I D-30165 Hanover  
Ph.: +49 (0) 511 938 2615  
Fax: +49 (0) 511 938 2455  
alexander.luehrs@conti.de

Media database: www.mediacenter.continental-corporation.com