



Continental AG plans Global IT Competence Centre in India Partners New Delhi based Ideafarms for innovative value-added services

New Delhi, 31 August 2006: Continental AG, a leading automotive supplier of brake systems, chassis components, vehicle electronics, tires and technical elastomers, today announced plans to set up a Global IT Competence Centre in India with New Delhi based Ideafarms - a niche IT smart-sourcing firm offering global delivery. The activity will be one of Continental's major initiatives in the subcontinent.

As part of its new sourcing strategy, Continental proposes to reallocate a substantial 25% of its niche IT sourcing spend for such 'best-in-class' facilities.

The India Competence Centre will be designed from a futuristic perspective and is also mandated to shift Continental's routine capacities offshore, in phases, for maximising cost advantage. The move is part of Continental's strategy of sourcing process-oriented niche applications to specialised players.

With the setting up of a Global Competence Centre, India is going to become a strategic node to tap into the network of qualified experts and to access a rapidly growing talent pool. The facility is planned as a single point for providing knowledge-based IT consulting services to Continental AG worldwide and will also be responsible for evaluating and validating technology solutions. In a later phase, the scope will be expanded to include other high-value services in R&D as well as engineering services.

Paul Schwefer, CIO of the Corporation, who is presently in Delhi to announce the initiative with Ideafarms said: *"Strategic sourcing is the centrepiece of our business strategy to enable effective use of human capital and optimum utilisation of our resources. Ideafarms' expertise is in collaborating with us in understanding our core business needs and then applying IT and other capabilities to offer customised solutions."* Adding further, he said *"When coupled with Ideafarms' flexible global delivery model, it will help us implement processes that maximise value and returns for us."*

The project has been 'run-in' by Ideafarms over the last 4 years to build market-ready and flexible capacities that are now ready to scale manifold. The business model operated by Ideafarms has demonstrated thought-led innovation and sharing of risks, thereby providing Continental a different kind of value from what has so far been available through other IT service providers.

"We believe that now is the right time for Continental to scale up operations in India and benefit from the value that Indian professionals can bring to their global sourcing strategy. Our creative, strategic, technology and process expertise, coupled with a flexible and cost-effective global delivery model makes us the ideal sourcing partner", said **Sunil Malhotra, President & CEO of Ideafarms.**



About Continental AG

The Continental Corporation is one of the world's leading suppliers to the automotive industry with extensive know-how in tire and brake technology, vehicle dynamics control, as well as electronic and sensor systems with the aim of making individual mobility safer and more comfortable. In addition to its operation in the automotive sector, the company also makes products for machine manufacturing, mining as well as for the furniture and printing industries.

The company operates its business through its four divisions Automotive Systems, Passenger & Light Truck Tires, Commercial Vehicle Tires and ContiTech. Continental has its own IT Competency Centres in Europe, Malaysia and Manila. Employing at present around 85,000 people globally the worldwide sales of the company amounted to € 13,837.2 million for the year 2005.

For more information, log on to www.conti-online.com

About Ideafarms

Ideafarms is an India-based IT services smart-sourcing firm specialising in global delivery. Ideafarms' business model is based on flexibility, innovation and trust.

Ideafarms creates value for its clients by weaving creative thinking and skills into technology. The company has expertise in understanding business goals and processes and aligning IT to enable them maximise returns.

For more information, log on to www.ideafarms.com

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