



Conference Call – August 5th, 2005
Half Year Results 2005

THE QUALITY CONNECTION

LEONI

Wire • Cable • Wiring Systems



Consolidated sales up 25 % year on year



Consolidated net income 72 % above the previous year



**Exceptional charges due to Rover administration
absorbed in Q2**



LEONI share: a new all-time high and share split

Group Key figures

<i>million €</i>	2 nd quarter 2005	2 nd quarter 2004	1 st half 2005	1 st half 2004	Change 01/01-06/30 2005/2004
Group sales	396.0	310.7	745.9	595.5	25.3 %
EBIT	25.3	11.2	42.5	20.7	105.3 %
EBIT as a percentage of external sales	6.4 %	3.6 %	5.7 %	3.5 %	-
Net income	10.8	5.4	18.7	10.9	71.6 %
Employees (as at 06/30)	31,149	24,707	31,149	24,707	26.1 %

Key figures

Wiring Systems					
<i>million €</i>	2nd quarter 2005	2nd quarter 2004	1st half 2005	1st half 2004	Change 01/01-06/30 2005/2004
Sales	231.8	166.8	433.0	315.2	37.4 %
./. Intersegment sales	0.2	0.8	0.3	1.4	(78.6) %
External sales	231.6	166.0	432.7	313.8	37.9 %
EBIT	13.1	3.9	23.9	5.0	378.0 %
EBIT as a percentage of external sales	5.7 %	2.3 %	5.5 %	1.6 %	-
Employees (as at 06/30)	25,370	19,467	25,370	19,467	30.3 %

Wiring Systems

- External sales of € 231.6 million in Q2 best-ever quarterly sales, equates to rise of about 40 % yoy. This adds up to external sales of € 432.7 million (38 % yoy) for first half of 2005.
- Principal factors driving this growth are the major Opel Astra/ Zafira, Mercedes A-Class, BMW 1 and 3 Series as well as Land Rover Discovery projects launched in 2004.
- Other business with car-manufacturers, including UK business, performed very well.
- Earnings before interest and taxes (EBIT) came to € 23.9 million at the end of the first six months 2005.
- EBIT margin in Q 2 was at 5.7 % (excluding Rover even at 8.9 %). In the first half of 2005 EBIT margin came to 5.5 %.
- In April 2005 LEONI received GM's global „Supplier of the Year“ award.

Special items of Wiring Systems

- ➔ Negative impact due to the administration of the British car manufacturer MG Rover (€ 7.5 million) as well as other restructuring charges in England (€ 2.5 million) were already absorbed in Q2.

Outlook of Wiring Systems

- ➔ New Opel Astra is selling well and the new Zafira generates additional sales.
- ➔ Updated versions of Porsche's two sports-car models, the 911 and the Boxster, are doing very well. The Cayenne model is also very successful.
- ➔ Daimler Chrysler's A-Class range has been extended with the B-Class model.
- ➔ New models of BMW are enjoying very strong demand.
- ➔ The same applies to Land Rover models and Bentley Continental GT.

Key figures

Wire & Cable					
<i>million €</i>	2nd quarter 2005	2nd quarter 2004	1st half 2005	1st half 2004	Change 01/01-06/30 2005/2004
Sales	184.2	154.7	349.9	300.3	16.5 %
./. Intersegment sales	19.8	10.0	36.7	18.6	97.3 %
External sales	164.4	144.7	313.2	281.7	11.2 %
EBIT	12.0	6.8	18.4	15.5	18.7%
EBIT as a percentage of external sales	7.3 %	4.7 %	5.9 %	5.5 %	-
Employees (as at 06/30)	5,636	5,103	5,636	5,103	10.4 %

Wire & Cable

- Slight recovery of business in Q2 despite difficult underlying conditions.
- External sales of € 164.4 million in Q2 up 13.6 % yoy. For the first half of 2005 external sales of € 313.2 million (up 11.2 % yoy).
- In particular gains in Automotive Cables, Special Cables and Cable Systems Business Units. Very good performance of business with special cables for mobile communications in China and Southeast Asia. Slight recovery of power cord business. Wire business at previous year's level. Unsatisfactory business in the field of fiber optics.
- Restructuring of LEONI Cable Assemblies N.V. in Belgium progressing on schedule.
- Joint venture with cable manufacturer Studer Draht- und Kabelwerke AG approved by Cartel Office.
- EBIT margin came to 7.3 % in Q2. In the first half of 2005 EBIT margin was at 5.9 %.
- Acquisition of pneumatic Elektronik + Kabeltechnik GmbH & Co. KG by end of June.

Special items of Wire & Cable

- ➔ Restructuring costs (€ 2.5 million) incurred by downsizing the facility in Belgium are already absorbed in first six months 2005.

Outlook of Wire & Cable

- ➔ Opportunities to generate further sales growth lie particularly in niche markets like rolling stock engineering, medical equipment, automation and robotics.
- ➔ Major order obtained from Siemens will generate additional sales as of the second half of 2005.

Consolidated statements of income

<i>million €</i>	04/01-06/30 2005	04/01-06/30 2004	01/01-06/30 2005	01/01-06/30 2004
Sales	396.0	310.7	745.9	595.5
Cost of sales	308.4	247.2	584.6	473.2
Gross profit on sales	87.6	63.5	161.3	122.3
Selling expenses	24.4	16.1	44.0	33.2
General and administration expenses	23.3	23.3	46.0	46.9
Research and development expenses	12.2	10.9	22.9	20.5
Other operating income and expenses	(2.9)	(2.1)	(6.6)	(1.2)
Operating income	24.8	11.1	41.8	20.5
Interest income/ expenses	(3.7)	(3.6)	(7.3)	(7.4)
Income/ expenses from associated companies	0.5	0.1	0.7	0.2
Foreign currency exchange gains and losses	0.6	(1.3)	0.5	0.5
Income before taxes	22.2	6.3	35.7	13.8
Income taxes	11.4	0.9	17.0	2.9
Net income	10.8	5.4	18.7	10.9

Consolidated balance sheets

Assets	06/30/2005	03/31/2005
<i>million €</i>		
Current assets		
Cash and cash equivalents	52.5	47.8
Trade accounts receivables	218.0	203.7
Inventories	209.6	206.3
Prepaid expenses and other current assets	47.6	43.4
Property, plant and equipment and intangible assets	333.0	328.7
Financial assets and goodwill	43.2	43.0
Deferred taxes and other assets	33.8	34.0
Total assets	937.7	906.9

Consolidated balance sheets

Liabilities	06/30/2005	03/31/2005
<i>million €</i>		
Current liabilities		
Current financial liabilities and current proportion of long-term financial liabilities	53.6	43.7
Trade accounts payable and advance payments received	95.2	80.7
Provisions and accruals	58.4	65.6
Income taxes payable and other current liabilities	76.5	64.8
Long-term loans	199.1	203.9
Deferred taxes	20.3	17.9
Pension provisions	30.5	29.9
Other provisions and accruals	23.2	23.0
Total Equity	380.9	377.4
Total liabilities and equity	937.7	906.9

Free cash flow

<i>million €</i>	01/01-06/30 2005	01/01-03/31/2005
Net income	18.7	7.9
Depreciation and amortization	28.2	13.9
Change in working capital	(48.9)	(45.8)
Other	4.8	1.7
Cash provided by/ used for operating activities	2.8	(22.3)
Cash used for capital spending activities	(30.1)	(16.7)
Free cash flow	(27.3)	(39.0)

Outlook 2005

Sales

- ➔ Consolidated sales in 2005 between € 1.43 billion and € 1.5 billion.
- ➔ Sales increase of above 22 % to more than € 830 million in the Wiring Systems Division.
- ➔ Existing sales projection of about € 600 m likely to be exceeded in the Wire & Cable Division.

Earnings

- ➔ Earnings before interest and taxes (EBIT) likely to come to at least € 95 million even when including exceptional charges.

Contact Investor Relations

Susanne Kertz

Telephone +49(0)911-2023-274

Telefax +49(0)911-2023-209

E-Mail invest@leoni.com

Frank Steinhart

Telephone +49(0)911-2023-203

Telefax +49(0)911-2023-222

E-Mail invest@leoni.com

Disclaimer

“This information is provided by LEONI AG »as is« and without guaranty, warranty and / or representation of any kind, expressed or implied. While the information provided is believed to be accurate, it may include errors or inaccuracies. In no event shall LEONI AG be liable to any person for any special, indirect or consequential damages relating to this material.

Further, the information given here contains predictions which are based on our current assumptions and forecasts. Such predictions are subject to known as well as unknown risks, uncertainties and influences which may lead to a business development, final results and a financial situation which deviate from those given in the estimates. LEONI AG does not assume any obligation whatsoever to update any forward-looking statements.”

Q & A - Session