Leoni inaugurates fourth Chinese wiring systems plant in Langfang

Strong expansion with international automotive manufacturers ahead – China is key to globalisation and future growth

Langfang (China) / Nuremberg (Germany), 28 October 2013 – Leoni, the leading European provider of cables and cable systems to the automotive sector and other industries, has officially inaugurated today its fourth wiring systems production in China. The plant in Langfang will supply passenger cars of Beijing Benz Automotive Co Ltd (BBAC), the joint venture of Daimler AG, Germany, and its Chinese partner BAIC. This is the next step of Leoni’s strong expansion in the country.

“We are happy to open this modern plant in Langfang and to deliver high quality products to BBAC”, said Dr. Andreas Brand, member of Leoni AG’s Management Board with responsibility for the Wiring Systems Division (WSD), on the occasion of the inauguration ceremony. “We are confident to extend our business in China together with our successful customers.” Within four years, Leoni will double its local wiring systems turnover to Euro 400 million. The strong expansion of the company’s Chinese activities is the most important driver of its globalisation, which itself is key for long term growth and regionally balanced business.

Leoni will invest a total of Euro 30 million in buildings and equipment of the new production site. It has been built in record time of only 9 months and is currently in the ramp-up phase for the Mercedes C class project. Later, Leoni will also produce wiring systems for the models GLA and GLK. The plant in Langfang has a production area of around 20.000 square metres and will give work to at least 2,500 employees once operating at full capacity. Taking into account the complexity of electrical distribution systems for premium passenger cars, the new plant will process about 3 million meters of various automotive cables, 1.5 million connectors and thousands of components per day, combining them to complete wiring systems. Every single product, weighing up to 35 kilogrammes each, will be assembled with most modern equipment and entirely tested in order to assure zero defect policy before being shipped just in sequence to the customer’s manufacturing site.

The new plant in Langfang is the fourth location of Leoni WSD besides those in Shanghai, Jining and Penglai, which have employed more than 6,000 staff until now. All plants produce harnesses and wiring systems for the automotive and commercial vehicles industry, supplying mainly customers headquartered in Europe and America. As a second pillar in China, Leoni operates 6 additional plants in Changzhou and Xiamen with about 2,500 employees in the sister organisation Wire & Cable Solutions (WCS), developing and producing wires & strands, optical fibres, special cables and cable solutions for markets like general industry, medical, household appliances, photovoltaic and last but not least also the automotive industry. In 2012, WCS sales in China summed up to about Euro 200 million.

Altogether, the Leoni Group is now operating 10 production plants in China with more than 8,500 employees, expecting local consolidated sales of about Euro 450 million in 2013. Since 2012, China has been the biggest market in terms of sales volume after the company’s home country of Germany.

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☞ *Related illustration material can be downloaded from* [[*http://www.leoni.com/Langfang.16525.0.html?L=1*](http://www.leoni.com/Langfang.16525.0.html?L=1)](http://www.media.leoni.com) *next to this release*

About the Leoni Group

Leoni is a global supplier of wires, optical fibers, cables and cable systems as well as related services for the automotive sector and further industries. Leoni develops and produces technically sophisticated products from single-core automotive cables through to complete wiring systems. Leoni’s product range also comprises wires and strands, standardised cables, special cables and cable system assemblies for various industrial markets. The group of companies, which is listed on the German MDAX, employs about 60,000 people in 32 countries and generated consolidated sales of EUR 3.81 billion in 2012.

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