Leoni generates record sales in 2013 thanks to strong automotive business

Unplanned exceptional factors in Q4 weigh on earnings

Nuremberg, 12 February 2014 – Leoni, the leading provider of cables and cable systems to the automotive sector and other industries, completed its 2013 financial year with record sales of approx. EUR 3.92 billion (2012: EUR 3.81 billion), according to provisional calculations. The Group had forecast revenues of approx. EUR 3.8 billion. In the fourth quarter, too, heavy demand from the automotive industry was the principal driving force for business in both divisions.

Moreover, in the period from October to December 2013 Leoni generated its best quarterly earnings before interest and taxes (EBIT) of the financial year with a figure of about EUR 49 million (Q4/2012: EUR 39.1 million). Nevertheless, there were extraordinary and unexpected factors in the final quarter of 2013, especially so in the non-automotive business, without which the result would have turned out even better. Among other items, this involved provision made to cover dealing with environmental remediation at a plant in Germany as well as restructuring expenses at another German facility, the impact on earnings of which was originally expected in the 1st quarter of 2014.

In total, these exceptional items, which the Company had to recognise in November and December, adversely affected consolidated earnings by about EUR 4 million. Based on provisional calculations, EBIT for the year as a whole amounted to about EUR 163 million; the expected figure was approximately EUR 170 million. Net income will probably come to around EUR 106 million (2012: EUR 157.0 million).

Sales and earnings increases expected in 2014

A comprehensive report will be provided upon presentation of the final figures for the year at the balance sheet press conference on 25 March 2014 as well as the analyst and investor conference on 26 March 2014. Leoni will then also issue a specific forecast for fiscal 2014 as a whole. In terms of sales, the Company had already held out a further increase to about EUR 4.1 billion. Leoni projects to disproportionally grow its profit.

The cables specialist also underpins its medium-term outlook. Based above all on the Wiring Systems Division’s already well filled order book, Leoni continues to believe that it will reach the sales threshold of EUR 5 billion in 2016. By then the return on sales is to have risen to 7 percent.

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☞ *Illustration material can be downloaded from* [*www.media.leoni.com*](http://www.media.leoni.com)

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 62,000 people in 32 countries and generated consolidated sales of EUR 3.92 billion in 2013, according to preliminary calculations.

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