Leoni and Hengtong to establish a joint venture for the manufacture of singlemode fibers in Europe

* Rising demand for optical fibers for broadband expansion
* New jobs to be created in Jena

Nuremberg, 31. January 2019 – Leoni, a global provider of energy and data management solutions in the automotive sector and other industries, and the Hengtong Optic-Electric Co., Ltd., a global supplier of cable and system solutions for the telecommunications and energy sectors, plan the joint production of singlemode fibers for telecommunications and data networks in Jena for the European market. To this end, both companies have signed a framework investment agreement to establish a joint venture, and intend to create additional jobs. The joint venture will be founded after approval by the relevant antitrust authorities.

“The transmission of signals via singlemode fibers is a forward-looking technology. It enhances our strategic positioning as a technology partner for intelligent data transmission solutions. By expanding our manufacturing competence we expect to strengthen our Fiber Optics business to serve the increasing European demand for singlemode fibers,” explained Bruno Fankhauser, member of the Board of Directors of Leoni AG with responsibility for the Wire & Cable Solutions Division.

“The establishment of the joint venture in Germany and the accompanying expansion of our business activities in Europe are a perfect fit for our ‘5-5-5’ internationalisation strategy. In Leoni we have found a strong and reliable partner to produce singlemode fibers directly in Europe and sell them in the European market,” said Jianlin Qian, Chairman of the board of Hengtong.

Singlemode fibers permit broadband expansion

The expansion of broadband in Germany and other European countries and the growing demand for data centres require high-performance singlemode fibers as a key element in optical cables. Leoni and Hengtong are combining their strengths in order to service this growing demand.

Through its subsidiary j-fiber GmbH in Jena, Leoni is an established leading producer of multimode fibers in Europe. j-fiber will provide the joint venture with the necessary infrastructure to commence its operations rapidly. Hengtong Optic-Electric is one of the world’s biggest suppliers of singlemode fibers with a strong presence in the Asian region, in particular. The two companies will address the European market for singlemode fibers using their combined resources. The joint venture will operate under the name of j-fiber Hengtong GmbH and foresees recruitment of new employees in Jena after taking business.

*(2,615 characters incl. spaces)*

☞ *For relevant illustration material, go directly to this press release at* [*https://www.leoni.com/en/press/releases/details/leoni-and-hengtong-to-establish-a-joint-venture-for-the-manufacture-of-singlemode-fibers-in-europe/*](https://www.leoni.com/en/press/releases/details/leoni-and-hengtong-have-signed-a-joint-venture-agreement-for-the-manufacture-of-singlemode-fibers-in-europe/)

About the Leoni Group

Leoni is a global provider of products, solutions and services for energy and data management in the automotive sector and other industries. The value chain encompasses wires, optical fibers, standardised cables, special cables and assembled systems as well as intelligent products and smart services. As an innovation partner and solutions provider, Leoni supports its customers with pronounced development and systems expertise. The group of companies employs more than 90,000 people in 31 countries and generated consolidated sales of EUR 4.9 billion in 2017.

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About HENGTONG Optic-Electric Co., Ltd.

HENGTONG Optic-Electric (SH. 600487), was founded in 1993 and listed in Shanghai Stock Exchange Market in 2003, and has committed itself to providing integrated solutions of telecom and energy network, including optical communication, copper communication, power transmission, marine engineering and new materials. Hengtong had consolidated sales of EUR 3.26 billion in 2017 and ranks in the top 5 of global cable & systems players.

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