

**Leoni plans stock market listing or sale of its  
Wire & Cable Solutions division**

- Leoni plans to focus resources and strategic development on Wiring Systems Division
- Establishment of two clearly focused companies planned, helping each to realize their full potential more quickly
- Implementation of VALUE 21 remains on track

**Nuremberg, 10 July 2019 – In the context of its previously announced VALUE 21 programme, Leoni AG has reviewed the existing group structure and strategy for each division. This also included a review of the optimal future ownership structure of Wire & Cable Solutions (WCS) and Wiring Systems Division (WSD) to determine how both divisions can achieve their full potential. Leoni is now preparing a stock market listing or sale of the WCS division, including the option of a partial sale.**

As communicated, Leoni's Board of Directors sees only very limited synergies between both divisions and intends to increase their operational independence. In this context, corporate support functions will transfer from the holding company to the divisions. WCS increasingly focuses on advanced and intelligent cable solutions and services and WSD further enhances its energy and data solutions and services related capabilities.

Against this background, Leoni is preparing a separation of its WCS division through a stock market listing or sale. To date, no final decision has been taken in this regard. Following a potential separation, Leoni's primary focus would be on the development of its WSD division. To this end, Leoni has begun to mandate respective advisors.

Leoni CEO Aldo Kamper said: "We believe that both divisions will benefit from a separation. This creates two clearly focused businesses, whose individual market and technological developments as well as investments can be better and more quickly implemented. We expect the decision to separate WCS from

the group puts us in a position to focus our resources on WSD and strengthens our ability to further strategically develop this business.”

**Wiring Systems Division as a systems supplier and development partner**

With the focus on WSD, Leoni expects to be in a better position to focus on operational improvements and continue to build on its leading position in automotive wiring systems. Further, Leoni would be able to concentrate its resources on the transition of the company towards a global solutions provider for the automotive sector and aims to capture emerging opportunities on the energy and data side. With its Wiring Systems Division becoming a systems supplier and development partner to its customers, Leoni is on the way to sell not only products, but increasingly provide services in engineering, architectural design and simulation. In the area of electromobility, the company considers itself to be well placed with regard to both technology and market position to benefit from the ongoing shift towards electric and hybrid vehicles.

**WCS as a leading provider of engineered cables and interconnect solutions**

WCS expects to emerge as a leading provider of engineered cables and interconnect solutions with a strong position in its focus areas to further develop its long-term growth potential. With its broad and differentiated product and service spectrum, WCS is serving a wide range of growing end markets such as healthcare, factory automation, transportation and automotive. Furthermore, with its LEONiQ technology, WCS is well positioned to become the frontrunner for intelligent cable solutions.

Bruno Fankhauser, Member of the Board of Directors of Leoni with responsibility for the Wire & Cable Solutions division, said: “We have shown strong growth in recent years and have maintained a leading position as a provider of intelligent cable solutions and services. With today’s decision, we want to put the WCS division in a position to realize its full potential more quickly with a different ownership structure.”

**Implementation of VALUE 21 on track**

The implementation of the VALUE 21 programme is progressing according to plan to achieve sustainable gross cost savings targets of EUR 500 million per year by 2022 for the existing group (with a targeted EBIT margin impact of +2-3 %-pts and a targeted FCF yield impact of +4-5 %-pts). Around 75 % of the savings are expected to be realized in WSD.

Furthermore, Leoni is working on its refinancing requirements for which all options are being considered.

\*\*\*

This announcement contains certain forward-looking statements that are based on the current assumptions and forecasts of Leoni AG's management. Various known and unknown risks, uncertainties and other factors could cause Leoni's actual results, its financial position, growth or performance to differ materially from the estimates presented herein. Leoni assumes no responsibility whatsoever to update such forward-looking statements or to conform them to future events or developments.

**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 market-listed group of companies employs more than 95,000 people in 32 countries and generated consolidated sales of EUR 5.1 billion in 2018.

**Contact for journalists**

Sven Schmidt  
Corporate Public & Media Relations  
Phone +49 911-2023-467  
Fax +49 911-2023-10467  
E-mail [presse@leoni.com](mailto:presse@leoni.com)

**Contact for analysts and investors**

Frank Steinhart / Jens von Seckendorff  
Corporate Investor Relations  
Phone +49 911-2023-203 / -134  
Fax +49 911-2023-10203 / -10134  
E-mail [invest@leoni.com](mailto:invest@leoni.com)