

Leoni AG receives commitment for a joint guarantee of German Federal and State Governments (Bund-Länder-Großbürgschaft) for a EUR 330 million operating loan

Nuremberg, 20 April 2020 – Leoni AG, Nuremberg (ISIN DE 0005408884 / WKN 540888) today received the commitment for a large-scale German Federal-State-guarantee (Bund-Länder-Großbürgschaft) from the German Federal Government and the State governments of Bavaria, Lower Saxony and North Rhine-Westphalia for an operating loan of EUR 330 million. The operating loan is granted at normal market conditions by Leoni AG's core banks. The guarantee covers 90 percent of the operating loan, which runs until 31 December 2022. The loan agreement is to be concluded soon.

The new operating credit line will create financial flexibility to ensure the continuation of business operations and to fully finance the Group. This step has become necessary as most of Leoni's key customers have temporarily limited their production due to the Covid-19 pandemic and Leoni has therefore also experienced a temporary, significant decline in sales volumes.

In the course of the application for the German Federal-State guarantee the recently confirmed restructuring expert opinion, in accordance with IDW S6 published by the Institute of Auditors (Institut der Wirtschaftsprüfer), has been updated by the external expert taking into account the estimated impact of the Covid-19 pandemic on the company. The updated expert opinion, which is to be formally issued once the loan agreement is concluded, confirms that with the additional financial liquidity provided the company's ability to restructure and is fully financed until the end of 2022.

During the term of the guaranteed operating loan, Leoni has committed to retaining annual net profits and thus to a de facto suspension of dividend payments.

The Board of Directors of Leoni is continuously evaluating the situation and the development of the Covid-19 pandemic. It has already implemented a number of measures to ensure the continuation of business operations in view of the

decline in sales of many customers and products caused by the Covid-19 pandemic. These include temporary plant closures in Europe, North Africa and America and the introduction of short-time work in Germany as well as similar measures at other European sites. In this unique situation, the health and safety of employees remains a top priority.

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.

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