

**Sales, free cash flow and EBIT before exceptional items as well as before VALUE 21 costs significantly above market expectations in Q1; Increased outlook for sales and earnings in 2021**

**Nuremberg, 3 May 2021 – Based on preliminary figures of Leoni AG, Nuremberg (ISIN: DE0005408884 / WKN: 540888) sales in the first quarter of the current financial year amounted to EUR 1.35 billion (Q1 2020: EUR 1.13 billion), EBIT before exceptional items as well as before VALUE 21 costs was EUR 39 million (Q1 2020: EUR -17 million) and free cash flow was EUR -100 million (Q1 2020: EUR 0 million, among other things due to a positive effect from sale-and-leaseback transactions amounting to EUR 70 million). These key figures are significantly above current market expectations. In addition, the Board of Directors is raising its outlook for sales and earnings for the 2021 financial year.**

Leoni will continue to face multiple challenges during the financial year. These include in particular the ongoing Covid-19 pandemic and continued constraints in global supply chains impacting the availability of critical parts, semiconductor components and raw materials.

Nevertheless, in its current assessment for 2021, the Board of Directors now expects a significant year-on-year increase in Group sales (2020: EUR 4.1 billion) (previously: only in the low double-digit percentage range). This is based on the stronger than previously expected continuation of the recovery in demand in the automotive and industrial sectors and the significantly higher copper price, which will not have a significant impact on earnings.

From today's perspective, Group EBIT before exceptional items as well as VALUE 21 costs is expected to improve significantly compared to the previous year (2020: EUR -59 million) and should at least reach break-even. The key positive factors here are the higher than previously expected increase in sales as well as positive effects from the VALUE 21 programme and the restructuring concept.

The Board of Directors continues to expect free cashflow to decrease significantly compared to the previous year (2020: EUR -69 million) and this key figure will continue to be closely monitored. Among the reasons for this expected free cashflow development are the increase in net working capital due to the stronger than expected sales recovery and also that some exceptional items in connection with the restructuring concept were already booked in 2020 but will become cash-effective in 2021. An example in that context are the restructuring provisions booked for the restructuring at the Stolberg site. Effects from possible further divestments or acquisitions are not included in the outlook.

The final results of the first quarter of 2021 will be published on 12 May 2021 as planned.

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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. Explanations and reconciliations of key financial figures used can be found in the 2020 Annual Report of Leoni AG (available at <https://publications.leoni.com/fileadmin/corporate/publications/reports/2021/leoni-annual-report-2020.pdf?1615935127>), in particular on pages 56, and 102ff..

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