

## **LEONI continues recovery in the second quarter – full-year outlook raised**

**Nuremberg, 11 August 2021 – “Following a satisfactory start to the year, our strong second quarter underscored that Leoni is heading into the right direction to steadily return to a successful track. Our sales have bounced back significantly and our ongoing, consistent implementation of all measures necessary to boost performance and efficiency are proving effective. We can look forward to the second half of the year with confidence. At the same time, we must continue to act prudently given the continuing uncertainties in the market. The bottlenecks in global supply chains that already weighed on our business in the first half of the year will continue to pose a major challenge going forward, too.” Aldo Kamper, CEO of LEONI AG**

- Leoni continues recovery: Consolidated sales well above the previous year’s weak figures due to Covid-19 with increases of 47 percent in the first half and 92 percent in the second quarter
- Significantly higher EBIT before exceptional items as well as before VALUE 21 costs; profit of € 87 million after six months (previous year: negative € 112 million) and € 48 million in the second quarter (previous year: negative € 96 million)
- Free cash flow of negative € 110 million in the first half of 2021 (previous year: negative € 244 million), particularly due to sales and copper price-driven increase in working capital; improvement to negative € 10 million in the second quarter, largely due to better earnings and expansion of factoring volumes
- Supply bottlenecks of critical components and materials and production disruptions among carmakers due to shortage of semiconductors weighed on the first half; further bottlenecks in global supply chains expected in the second half

- VALUE 21 update: annual gross cost savings potential of more than € 650 million from 2022 achieved as of 30 June 2021
- Progress with WCS carve-out: Sale of the WCS' Leoni Schweiz AG units as well as the Data Communication and Compound business units based at Stolberg successfully closed in the first and second quarters, respectively; major parts of Business Group Industrial Solutions classified as 'held for sale' at the end of the second quarter
- Sales and earnings outlook raised following uptrend in the first half: a significant year-on-year sales increase to at least € 5 billion and a significant improvement compared to the previous year in EBIT before exceptional items as well as before VALUE 21 costs to at least € 100 million now expected for 2021; a significant year-on-year decrease in free cash flow still expected

 Related illustration material can be downloaded next to this release at <https://www.leoni.com/en/press/releases/details/leoni-continues-recovery-in-the-second-quarter/>

 Further information can be found in the corresponding quarterly statement at <https://www.leoni.com/en/financial-publications>

#### Leoni performance overview (€million)

	Q2/2021	Q2/2020	Change	H1/2021	H1/2020	Change
Sales	1,296	673	92.5%	2,649	1,802	47.0%
EBITDA	75	(76)	>100.0%	181	(80)	>100.0%
EBIT	25	(129)	>100.0%	76	(186)	>100.0%
EBIT before exceptional items as well as before VALUE 21 costs <sup>(1)</sup>	48	(96)	>100.0%	87	(112)	>100.0%
Consolidated net result	(9)	(123)	93.0%	19	(190)	>100.0%
Earnings per share [€]	(0.27)	(3.75)	92.8%	0.58	(5.80)	>100.0%
Free cash flow	(10)	(244)	95.7%	(110)	(244)	54.9%
Capital expenditure	40	69	(42.7)%	92	167	(45.1)%
Equity ratio [%]	7.9	11.7	--	7.9	11.7	--
Employees as of 30 June [number]	101,734	90,932	11.9%	101,734	90,932	11.9%

- (1) *This key figure represents adjustment of EBIT for exceptional, non-recurring factors to facilitate better comparability between the periods and interpretation of operating profitability. Exceptional items comprise significant impairment of goodwill, intangible assets, property, plant and equipment as well as other assets, major expenses for contingent losses on customer contracts, costs in preparation for carving out the Wire & Cable Solutions Division (excl. internal costs), refinancing costs (incl. consultant, bank and solicitor fees; apart from the costs that are attributed to interest expenses) as well as non-recurring factors related to strategic decisions and external additional expenses in connection with the Covid-19 pandemic (for example additional shuttle transport, protective clothing, face guards and disinfectant). Costs for the VALUE 21 programme comprise all the related restructuring and severance costs as well as third-party consultant fees.*

### About the Leoni Group

Leoni is a global provider of products and solutions for energy and data management in the automotive sector and other industries. The value chain encompasses wires, optical fibers, standardised cables and special cables through to custom-developed wiring systems and related components as well as 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 about 100,000 people in 30 countries and generated consolidated sales of EUR 4.1 billion in 2020.



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