

LEONI prevailing in increasingly challenging market environment

Nuremberg, 10 November 2021 – “LEONI continued to stabilise despite the substantially cloudier conditions in the third quarter. We successfully confronted the persisting disruptions of global supply chains – with full commitment and great flexibility. The agreement on the sale of our Business Group Industrial Solutions at the beginning of October is another milestone on our path towards strategically focussing LEONI on the automotive industry and further financial recovery. Despite our progress to date, we will remain vigilant as the negative effects from the semiconductor crisis and disruption of supply chains will persist and continue to challenge us.”

Aldo Kamper, CEO of LEONI AG

- Sales recovery continues; third quarter sale, seasonally characterised by the summer break and additionally affected by production stoppages among car manufacturers due to supply chain disruptions, up around ten percent year-on-year at € 1,169 million (previous year: € 1,064 million); consolidated sales for the nine-month period amounted to € 3,818 million (previous year: € 2,865 million)
- Overall, the production stoppages among car manufacturers, caused mainly by bottlenecks in the supply of semiconductors in the third quarter, increasingly affected the volumes of our Wiring Systems Division (WSD); in some cases LEONI’s production also continued to suffer due to shortages of input materials
- EBIT before exceptional items as well as before VALUE 21 costs well above pre-year figures with earnings of € 29 million (previous year: loss of € 8 million) in the third quarter and of € 117 million after nine months (previous year: loss of € 120 million)
- Free cash flow was clearly negative at minus € 87 million in the third quarter (previous year: positive € 64 million), with particularly the

production stoppages among customers making it difficult to efficiently manage working capital; in the nine-month period, free cash flow of negative € 197 million (previous year: negative € 179 million)

- Strategic focus maintained: Agreement to sell key parts of the WCS Division's industrial business signed at the beginning of October; closing of the deal expected in early 2022
- VALUE 21 update: annual gross cost savings potential of more than € 700 million from 2022 achieved as of 30 September 2021

☞ *Related illustration material can be downloaded next to this release at <https://www.leoni.com/en/press/releases/details/leoni-2021-q3/>*

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

Leoni performance overview (€ million)

	Q3/2021	Q3/2020	Change	9M/2021	9M/2020	Change
Sales	1,169	1,064	9.9%	3,818	2,865	33.3%
EBITDA	48	22	>100.0%	229	-58	>100.0%
EBIT	0	(31)	>100.0%	76	(217)	>100.0%
EBIT before exceptional items as well as before VALUE 21 costs ⁽¹⁾	29	(8)	>100.0%	117	(120)	>100.0%
Consolidated net result	(27)	(52)	48.5%	(8)	(242)	96.8%
Earnings per share [€]	(0.82)	(1.60)	48.9%	(0.24)	(7.40)	96.7%
Free cash flow	(87)	64	>(100.0)%	(197)	(179)	(10.1)%
Capital expenditure	55	45	22.3%	147	212	(30.9)%
Equity ratio [%]	7.2	10.2	--	7.2	10.2	--
Employees as of 30 Sept [number]	102,262	95,222	7.4%	102,262	95,222	7.4%

(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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