

German supplier Leoni said earlier this month they will explore a listing or sale of their wire and cables division, which supplies the healthcare, factory automation, transport, and automotive markets. Now they have begun meeting with prospective buyers for the company's wire and cables division, which is up for sale in a bid to bolster Leoni's cash position.



Having sent out information packages earlier this month, Leoni's management are now holding informal talks with potential bidders. Preparations for a listing of the unit have been delayed given market conditions, but Leoni are hoping to entice peers such as Huber+Suhner, Prysmian, Adient, or Deren. Private equity groups such as Triton, Bain, and KKR are also being courted, though banks would struggle to finance such a buyout. Leoni need to refinance Schuldschein notes worth about €200m (USD \$222.7m) next year; this past May they said their liquidity had decreased by a quarter to €740m at the end of March, of which €120m was in cash holdings.

In March, Leoni abandoned their 2019 profit targets, announced job cuts, and said the company's finance chief would quit. Reuters reported last December that Indian car wiring makers Motherson Sumi were in early talks with Leoni over a possible merger, but the negotiations never gained traction.