

NEWS RELEASE

Johnson Electric Reports Record Profits for Half-Year ended 30th September 2011

Highlights:

- **Group Sales US\$1,118 million – up 8% compared to the first half of prior financial year**
- **EBITDA up 1% to US\$167 million**
- **Profit attributable to shareholders up 9% to a record US\$102 million or 2.78 US cents per share on a fully diluted basis**
- **The Group’s gearing level remains modest with a total debt to capital ratio of 15% and cash reserves of US\$344 million as of 30th September 2011**

HONG KONG, 24th November 2011 – Johnson Electric Holdings Limited (“Johnson Electric”), a global leader in motion systems and micromotors, today announced its results for the six months ended 30th September 2011.

Sales for the first half of the 2011/12 financial year totaled US\$1,118 million, an increase of 8% over the first half of the prior financial year. Profit attributable to shareholders increased by 9% to a record US\$102 million or 2.78 US cents per share on a fully diluted basis.

In terms of total sales, the positive performance in the first half reflected the combination of an overall improvement in product pricing and volume growth, plus foreign currency exchange rate changes (notably the Euro versus the US Dollar) compared to prevailing

levels of a year earlier. Partly offsetting these beneficial factors on the top line was the reduction of Johnson Electric's shareholding in a non-core business, such that its sales and profits since 31st July 2011 are no longer consolidated into the Group accounts.

The Automotive Products Group ("APG"), which contributed 58% of total sales in the period, delivered a stellar performance. Global production of light vehicles has held up relatively well during 2011 due to sustained demand in most developing countries as well as quite buoyant sales in North America. Western European markets have been weak but luxury car manufacturers have benefitted from strong export sales. China, for example, has imported an average of more than 80,000 cars a month this year (three times 2009 levels) with the vast majority of these manufactured in Europe. APG itself has outperformed the industry by increasing sales by 20% – with double-digit percentage sales gains in each of the key regions of Europe, North America and Asia.

The Industry Products Group ("IPG"), on the other hand, fared comparatively less well during the period with sales lower by 3%. Depressed housing markets, high unemployment and subdued consumer sentiment in several western economies resulted in lower demand for some motor product applications. These include home appliances, power tools, lawn and garden equipment and ink-jet printers.

On the cost side, the business faced an array of tough inflationary conditions including higher average raw material costs and sharp increases in labour rates in China. And, given the Group's substantial business operations in Switzerland and China, the strengthening of the Swiss Franc and Renminbi against the US Dollar also had a negative impact on the cost base. Johnson Electric was able to offset a significant part of these cost increases through pricing and volume increases, as well as a number of efficiency improvement initiatives. Management is continuing to work diligently to ensure that the business is focused on market segments where we are competitively advantaged over the longer term and at the same time eliminating waste and unnecessary costs.

The Group incurred lower financing costs and a reduced effective tax rate – and as a consequence was able to deliver a 9% increase in profit attributable to shareholders. Earnings per share also benefitted from share repurchases by the Company which during the current financial year have amounted to 1.5% of issued share capital.

The Group's overall financial condition remains robust with consistently strong operating cash flow. As at 30th September 2011, the Group's total debt to capital ratio stood at 15% with cash reserves of US\$344 million.

The Directors have today declared an interim dividend of 3 HK cents, equivalent to 0.38 US cents per share (2010 interim: 3 HK cents per share) payable on 5th January 2012 to shareholders registered on 21st December 2011.

Chairman's Comments on Half-Year Results and Outlook

Commenting on the half-year results, Patrick Wang, Chairman and Chief Executive, said, "Johnson Electric performed well in the six month period ended 30th September 2011. The Group achieved healthy year-on-year improvements in sales and earnings – and withstood the strong headwinds of a weak global macro-economic environment and an increase in input costs."

"While I am satisfied with the performance of the business in the first half and highly confident with the strategic direction we are taking, the near-term outlook is difficult to gauge."

"No one in business can draw comfort from the turmoil caused by the European sovereign debt crisis or the gridlock in the US political system that is failing to tackle that country's high unemployment rate. Combine those two factors with an expected slowdown in the PRC economy and it is not surprising that most economists are projecting global industrial output and trade to remain subdued for some time to come."

"We have observed a slight softening in our own order book in recent weeks, but as yet there is no indication of any dramatic fall-off from the average sales levels of the first half of the financial year. However, we would also note that the second half normally experiences a degree of seasonality in production (especially in December and at the Chinese Lunar New Year) that typically results in somewhat lower underlying sales compared to the first half."

"In the current operating environment, the onus is on us as managers to invest prudently, contain costs and focus resources on carefully selected market segments that offer above average growth prospects and attractive and defensible financial returns."

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About Johnson Electric Group

The Johnson Electric Group is a global leader in motion products, control systems and flexible interconnects. It serves a broad range of industries including automotive, home technologies, domestic appliances, power tools, office products, industrial equipment, consumer goods, medical devices and infrastructure automation. The Group is headquartered in Hong Kong and the total global headcount including contract employees now stands at over 43,000 individuals in over 23 countries. Innovation and product design centres are located in Hong Kong, China, Switzerland, Germany, Italy, Israel, Japan, the UK and the USA. Johnson Electric Holdings Limited is listed on the Hong Kong Stock Exchange (code 179). For further information, please visit: www.johnsonelectric.com.

For more information, please contact:

CT Hew, Hew & Associates

Tel : (852) 2522 7928

Mobile: (852) 9132 8828

Fax : (852) 2522 7918

Email : ct.hew@hewassociates.com

Kenzie Leung, Hew & Associates

Tel : (852) 2522 7928

Mobile: (852) 9329 9357

Fax : (852) 2522 7918

Email : kenzie.leung@hewassociates.com

Attached to this media release is a summary of Johnson Electric Holdings Limited's consolidated income statement for the six months ended 30th September 2011. The full text of the half-year results announcement including the Chairman's statement is available through the company's website at www.johnsonelectric.com.

JOHNSON ELECTRIC HOLDINGS LIMITED
CONSOLIDATED INCOME STATEMENT

For the Six Months Ended 30th September

| | 2011 US\$M | 2010 US\$M | <i>% change</i> |
|--|----------------|---------------|-----------------|
| Sales | 1,118.1 | 1,030.6 | +8% |
| Cost of goods sold | (814.5) | (734.7) | +11% |
| Gross profit | 303.6 | 295.9 | +3% |
| Other income and gains/(losses) | 2.8 | (0.0) | |
| Selling and administrative expenses | (187.7) | (171.9) | |
| Operating profit | 118.7 | 124.0 | -4% |
| Finance costs, net | (1.3) | (3.9) | |
| Share of profits of associate | 0.2 | 0.0 | |
| Profit before income tax | 117.6 | 120.1 | -2% |
| Income tax expenses | (16.1) | (22.0) | |
| Profit for the period | 101.5 | 98.1 | +3% |
| Add: Non-controlling interests loss/(profit) | 0.1 | (5.2) | |
| Profit attributable to shareholders | 101.6 | 92.9 | +9% |
| Basic earnings per share (in US cents) | 2.79 | 2.54 | +10% |
| Fully diluted earnings per share (in US cents) | 2.78 | 2.54 | +9% |

Note: The full text of the half-year results announcement including the Chairman's Statement is available through the Company's website at www.johnsonelectric.com