

## NEWS RELEASE

### Johnson Electric Reports Business and Unaudited Financial Information for the Third Quarter of Financial Year 2016/17

HONG KONG, 16 January 2017 – This news release is made by Johnson Electric Holdings Limited (“Johnson Electric” or the “Company”) for the business operations and selected unaudited financial information of the Company and its subsidiaries (the “Group”) for the nine months ended 31 December 2016.

The Board of Directors of the Company considers the publication of quarterly performance updates to be consistent with international corporate disclosure best practice. The objective of this news release is to provide transparency and to ensure that investors and potential investors receive equal access to the same information at the same time.

The Group's sales for the nine months ended 31 December 2016 were US\$2,027 million compared to US\$1,578 million for the same period in 2015 – an increase of 28%.

Excluding currency effects and the acquisitions of Stackpole International and AML Systems, sales increased to US\$1,608 million, nearly 7% growth. Foreign exchange rate movements, particularly the depreciation of the Chinese Renminbi against the US Dollar, had an adverse impact of US\$25 million on the Group's sales during the period. Stackpole's sales for the nine months were US\$353 million, and AML's sales for the nearly 7½ months since its acquisition were US\$91 million. On a nine-month pro forma basis, the underlying sales of Stackpole grew by approximately 15% and AML grew by approximately 24% compared to the same period last year.

#### **Automotive Products Group (“APG”)**

Sales, excluding currency effects and the acquisitions of Stackpole and AML, increased US\$79 million, nearly 8%, compared to the same period last year. Sales changes by region were:

- Asia increased 20%
- Europe flat
- Americas increased 2%

APG's organic sales growth was largely driven by an increase in demand for products for powertrain cooling, sunroof, engine air and exhaust management, braking, power steering and engine coolant valve applications.

Including Stackpole and AML but excluding currency effects, APG's sales increased by 40%.

### **Industry Products Group (“IPG”)**

Sales, excluding currency effects, increased US\$22 million, nearly 5%, compared to the same period last year. Sales changes by region were:

- Asia increased 4%
- Europe increased 18%
- Americas decreased 4%

IPG’s global sales growth was driven by increased European demand for products for smart meters and robotic lawn mowers. Asia experienced positive sales performances in products for vacuum cleaners and small home appliances. Growth in the American medical devices segment was more than offset by declines in traditional market segments.

### **Chairman’s Comments on Year-to-Date Sales Performance and Outlook**

Concerning the year-to-date sales performance and the outlook for the remainder of the current financial year, the Chairman and Chief Executive, Dr. Patrick Shui-Chung Wang, said, "Johnson Electric continues to perform well as we head into 2017. Although there have been indications of a slight softening in demand in some markets in recent weeks, the Group is still on track to deliver a set of full year results that we anticipate will represent a significant improvement over the prior year."

### **Cautionary Statement**

Shareholders and potential investors in the Company are reminded that the information provided in this news release, including information related to the expected outlook for the full year, is based on the Group’s unaudited internal records and management accounts. This information has not been reviewed or audited by the Company’s auditors.

**Shareholders and potential investors should exercise caution when dealing or investing in the shares of the Company.**

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### **About Johnson Electric Group**

The Johnson Electric Group is the global leader in electric motors, actuators and motion subsystems. It serves a broad range of industries including automotive, building automation and security, business machines, food and beverage equipment, home technologies, HVAC, industrial equipment, medical devices, personal care, power equipment and power tools. The Group is headquartered in Hong Kong and the total global headcount stands at over 37,000 individuals located in Asia, the Americas and Europe. Innovation and product design centres are located in Hong Kong, China, Canada, Switzerland, France, Germany, Italy, Israel, Japan, the UK and the USA. Johnson Electric Holdings Limited is listed on The Stock Exchange of Hong Kong Limited (Stock Code: 179). For further information, please visit: [www.johnsonelectric.com](http://www.johnsonelectric.com).

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