

NEWS RELEASE

Johnson Electric enters into agreement to acquire Stackpole International in a transaction valued at C\$800 million (US\$608 million)

HONG KONG, August 11, 2015 – Johnson Electric Holdings Limited (“Johnson Electric”), a global leader in electric motors and motion subsystems, today announced that it has agreed to acquire the Stackpole International group of companies (“Stackpole”), a leading supplier of engine and transmission pumps and powder metal components, primarily for automotive applications.

Stackpole, headquartered in Ontario, Canada, has a 109-year history as a supplier of highly-engineered components to the automotive industry. It employs over 2,000 individuals across a global operating footprint that includes nine manufacturing facilities located in North America, Europe and Asia. Its blue-chip customer base is comprised mainly of the world’s leading automotive original equipment manufacturers and their Tier 1 suppliers. Since its carve-out from the Gates Corporation of Canada in 2011, Stackpole has been under private equity ownership and is presently owned by SI Investors, L.P., a limited partnership majority owned by Crestview Partners.

Stackpole’s consolidated revenues for the year ended December 31, 2014 were C\$487 million, excluding sales from its 30%-owned non-consolidated joint venture in Korea and China. Approximately 80% of its consolidated sales were made to customers based in North America. Stackpole’s 2014 normalised earnings before interest, taxes, depreciation and amortisation (“EBITDA”) amounted to C\$82 million, including a proportional share of EBITDA from its non-consolidated joint venture business.

Dr. Patrick Wang, Johnson Electric’s Chairman and Chief Executive, commented “We identified pumps and highly-engineered components as strategic priorities for Johnson Electric to strengthen our position as a supplier to key engine and

transmission applications that contribute to improved fuel economy and reduced emissions. Acquiring Stackpole's oil pump technology and powder metal expertise is an excellent fit that will enable us to provide integrated motorised pump solutions to customers in a rapidly growing market segment within the automotive industry. In addition, the acquisition will significantly increase our exposure to the North American automotive market which is presently experiencing strong demand, as well as provide attractive longer term growth platforms in Europe and Asia."

Johnson Electric has agreed to acquire Stackpole in an all-cash transaction that values Stackpole at C\$800 million on an enterprise value basis. Johnson Electric will finance the acquisition with a combination of its current cash balances and proceeds from existing revolving credit facilities. In conjunction with the transaction, Stackpole's existing high-yield debt will be retired. In addition to working capital and other customary adjustments, Johnson Electric has agreed to make a contingent payment of up to C\$12.75 million, subject to the period elapsed between signing and closing. Subject to these additions and adjustments, it is estimated that the total consideration payable by Johnson Electric (including costs associated with the planned early retirement of Stackpole's high-yield debt) could be up to C\$867 million (equivalent to approximately US\$659 million).

Excluding one-time transaction costs, the acquisition of Stackpole is expected to be earnings enhancing for Johnson Electric in the first financial year following financial closing. The transaction is expected to close in the fourth quarter of 2015, subject to customary conditions including obtaining applicable regulatory approvals.

Perella Weinberg Partners LP acted as sole financial adviser to Johnson Electric. Latham & Watkins LLP and Blake, Cassels & Graydon LLP acted as legal advisers to Johnson Electric.

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About Johnson Electric Group

The Johnson Electric Group is a global leader in electric motors and motion subsystems. It serves a broad range of industries including automotive, building automation and security, business machines, security and aerospace, 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 approximately 35,000 individuals located in Asia, the Americas and Europe. 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 Stock Exchange of Hong Kong Limited (Stock Code: 179). For further information, please visit: www.johnsonelectric.com.

Forward Looking Statements

This press release contains certain forward looking statements with respect to the financial condition, results of operations and business of Johnson Electric and certain plans and objectives of the management of Johnson Electric.

Words such as “outlook”, “expects”, “anticipates”, “intends”, “plans”, “believe”, “estimates”, “projects”, variations of such words and similar expressions are intended to identify such forward-looking statements. Such forward looking statements involve known and unknown risk, uncertainties and other factors which may cause the actual results or performance of Johnson Electric to be materially different from any future results or performance expressed or implied by such forward looking statements. Such forward looking statements are based on numerous assumptions regarding Johnson Electric’s present and future business strategies and the political and economic environment in which Johnson Electric will operate in the future.

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