

NEWS RELEASE

Johnson Electric Reports Business and Unaudited Financial Information for the Third Quarter of Financial Year 2015/16

HONG KONG, 14 January 2016 – 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 2015.

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 2015 were US\$1,578 million compared to US\$1,588 million in the same period in 2014. The sales figures for 2015 included US\$71 million of sales from Stackpole International (“Stackpole”), a leading supplier of automotive engine and transmission pumps and powder metal components, the acquisition of which was completed on 27 October 2015. Foreign exchange rate movements had a significant impact on the Group’s sales during the period under review, particularly the depreciation of the Euro compared to US Dollar.

Excluding currency effects and the acquisition of Stackpole, sales increased by 1.5%, approximately US\$24 million, compared to the same period last year.

Automotive Products Group (“APG”)

Sales, excluding currency effects and the acquisition of Stackpole, increased approximately US\$49 million, with growth across all regions, compared to the same period last year, as shown below:

- Asia increased 4%
- Europe increased 6%
- Americas increased 3%
- Total increased 5%

This sales growth was largely driven by increased demand for products for heating, ventilation and air-conditioning, engine air management, powertrain cooling and coolant valve applications. This was slightly offset by lower sales of products for seat adjustment applications.

Industry Products Group (“IPG”)

Excluding currency effects, IPG's sales for the nine months ended 31 December 2015 declined approximately US\$26 million compared to the same period last year. Weakness in China export markets and competitive pressure in lower-end applications led to a decline in Asia sales. This was partially offset by growth in Europe and the Americas, as shown below:

- Asia decreased 17%
- Europe increased 6%
- Americas increased 1%
- Total decreased 5%

The IPG business is repositioning itself to increase focus on serving segments and key customers whose products are aligned to the underlying trends that will drive long-term consumer demand.

Outlook

Concerning the outlook for the current financial year, the Chairman and Chief Executive, Dr. Patrick Shui-Chung Wang, said, "For the remainder of the current financial year, we expect underlying sales levels to be broadly similar to the first nine months with the weak Euro and decline in China's exports continuing to exert pressure on both the top and bottom lines. Full year results will include a five month contribution from the acquisition of Stackpole and will also be affected by one-time transaction expenses."

Dr. Wang further commented: "Notwithstanding the challenging operating environment for global manufacturing, which has been made particularly difficult as a result of sharp foreign exchange rate movements, the fundamentals of the business remain strong and have been further strengthened by our recent acquisition of Stackpole."

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 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, 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.

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