

NEWS RELEASE

Johnson Electric Reports Business and Unaudited Financial Information for the Third Quarter of Financial Year 2017/18

HONG KONG, 15 January 2018 – 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 2017.

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 2017 were US\$2,342 million compared to US\$2,027 million for the same period in 2016; an increase of 16%. Excluding acquisitions and currency movements, sales increased by 8% to US\$2,195 million.

Foreign exchange rate movements had a positive effect of US\$26 million on the Group's sales during the period. The impact of the stronger Euro and Canadian Dollar against the US Dollar was partially offset by the effect of a weaker Chinese Renminbi against the US Dollar, comparing average exchange rates for the nine months ended 31 December 2017 to the same period last year. Newly acquired businesses increased sales by US\$121 million. On a 9 month pro-forma basis, excluding currency movements, AML Systems' underlying sales grew by approximately 5% and Halla Stackpole grew by approximately 11% compared to the same period last year.

Automotive Products Group (“APG”)

Through the combined effects of organic business growth and the acquisitions of AML Systems and Halla Stackpole, APG's sales grew by 17%, excluding currency movements. APG's sales excluding acquisitions and currency effects increased by US\$132 million or 9%, with the following sales changes by region:

- Asia increased 16%
- Europe increased 4%
- Americas increased 7%

APG's organic sales growth was largely driven by an increase in demand for products for cooling, electric parking brake, heating, ventilation and air conditioning, engine air, fuel and exhaust management, window lift and power liftgate applications.

Industry Products Group (“IPG”)

IPG’s sales, excluding currency effects, increased by US\$35 million or 7% compared to the same period last year. Sales changes by region were:

- Asia increased 13%
- Europe increased 7%
- Americas increased 1%

IPG’s sales growth was mainly driven by new business wins, increased share and ramp-up of new programs in Asia. In Europe, sales benefited from the ramp-up of existing programs and the launch of new programs in several market segments including metering, heating, window motorisation and ventilation. In the Americas, strong revenue growth in the lawn and medical market segments was somewhat offset by the end-of-life of several programs.

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 2018. Both of our major operating divisions are achieving organic sales growth well above global industry averages and the Group remains on track to deliver a set of full year results that we anticipate will represent a satisfactory 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 a global leader in electric motors, actuators, motion subsystems and related electro-mechanical components. It serves a broad range of industries including Automotive, Smart Metering, Medical Devices, Business Equipment, Home Automation, Ventilation, White Goods, Power Tools, and Lawn & Garden Equipment. The Group is headquartered in Hong Kong and employs over 40,000 individuals in more than 20 countries worldwide. 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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