

JOHNSON ELECTRIC HOLDINGS LIMITED

FY2019/20

Annual Results

July 2020



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Group Overview

Strategy

FY2020/21 June Quarter

Key Financial Highlights

Operational Results

Outlook

Appendix



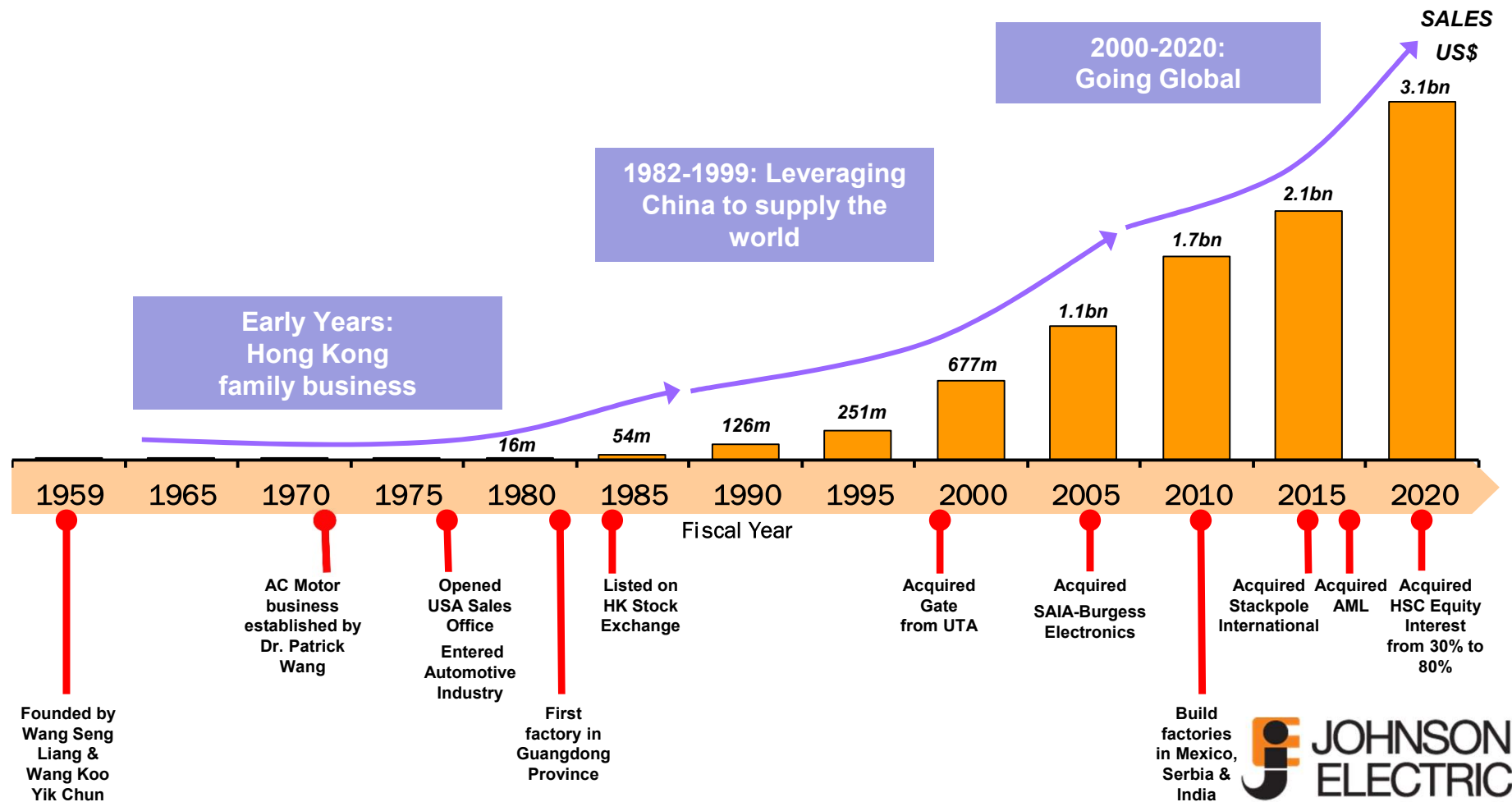
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Johnson Electric: Overview

- A global leader in electric motors, actuators, motion subsystems and related electro-mechanical components
- Serving a broad range of industries including Automotive, Smart Metering, Home Automation, Ventilation, White Goods, Medical Devices, Business Equipment, Power Tools, and Lawn & Garden Equipment
- Over 30,000 employees in more than 23 countries
- Listed on the Hong Kong Stock Exchange since 1984



History & Development



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Why Invest in Johnson Electric

- 1. Innovative motion solutions to consumers' needs today – and for the future**
- 2. Globally diversified sales and world-class customer base**
- 3. Global operating footprint**
- 4. Strongly positioned in China**
- 5. Winning market traction for sustainable growth**

Innovative Solutions for Today and the Future

Applications for our motion technologies continue to grow



Automobile

- Subsystems and components that enable electrification, optimise thermal management, and provide comfort and safety



Lifestyle

- Motion solutions for window automation, robotic equipment, cordless power tools, and single-serve coffee machines



Medical

- Medical device subsystems for improved patient outcomes
- Surgical devices; vital signs monitoring



Energy

- Disconnect solutions for smart electricity and gas meters



Security

- Subsystems for airborne imaging
- Digital security solutions for Bank Cards and Point of Sale equipment

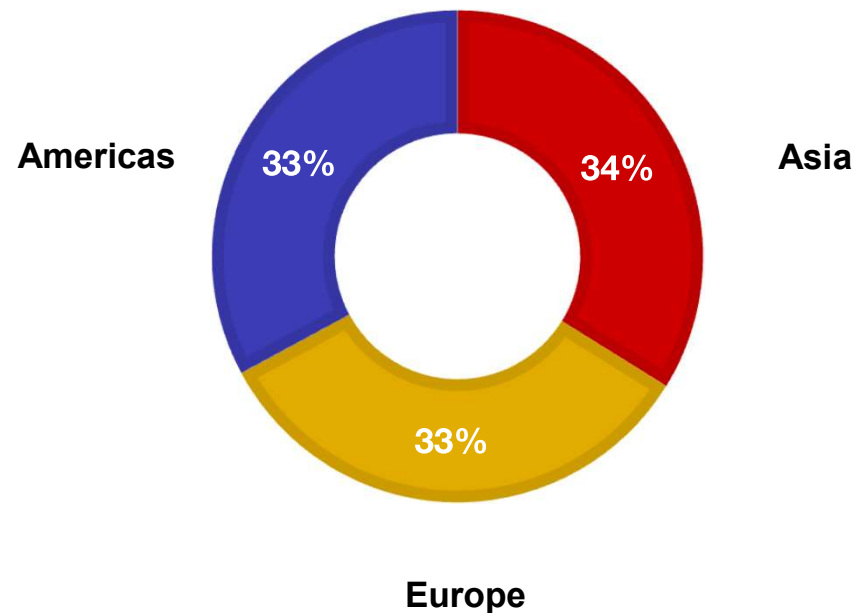


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Diversified Global Sales and Customer Base

Evenly balanced across the world's three major economic regions

Group Sales by Destination



- 500 Automotive Customers
- 2000 Non-Automotive Customers



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Diversified Global Sales and Customer Base

World-Class Customers *including:*



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Innovative Solutions for Automobile

Performing critical functions across all vehicle propulsion types

Enabling Electrification & Reducing Emissions

➤ Engine

- Electric Turbo ● ▲
- Valvetrain ● ▲
- DEF Pump ● ▲
- Fuel Pump ● ▲
- Electric Oil Pump ● ▲
- ETC ● ▲
- EGR ● ▲

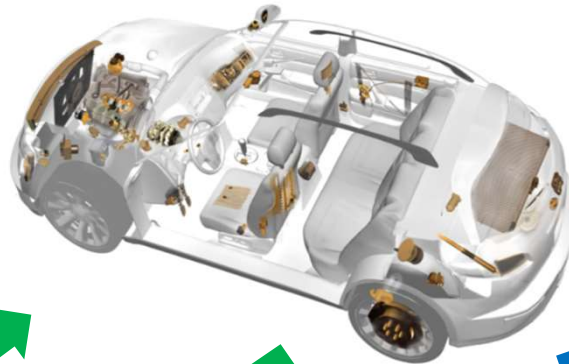
➤ Drivetrain

- DCT/AMT ● ▲
- AWD Disconnect ● ▲
- Electric Parklock ● ▲ ⚡
- Electric Oil Pump ● ▲ ⚡
- Gear shifter ▲ ⚡

Product Application by Propulsion Type

- ICE
- ▲ Hybrid
- ⚡ Electric

Johnson Electric's Automotive Product Applications



➤ Chassis

- EPB / ESC ● ▲ ⚡
- Electric Vacuum Pump ● ▲ ⚡
- Electric Power Steering ● ▲ ⚡
- E-leveling ● ▲ ⚡
- iBooster / Brake-by-wire ● ▲ ⚡
- PM Suspension Parts ● ▲ ⚡

Ensuring Comfort & Safety

- Lighting Actuators ● ▲ ⚡
- HVAC Actuators ● ▲ ⚡
- Window Lift ● ▲ ⚡
- Lumbar Support ● ▲ ⚡
- Seat Motors ● ▲ ⚡
- Door Lock Motors ● ▲ ⚡
- Sun-Roof Motors ● ▲ ⚡
- Powerlift Gate Motors ● ▲ ⚡

Optimizing Thermal Management

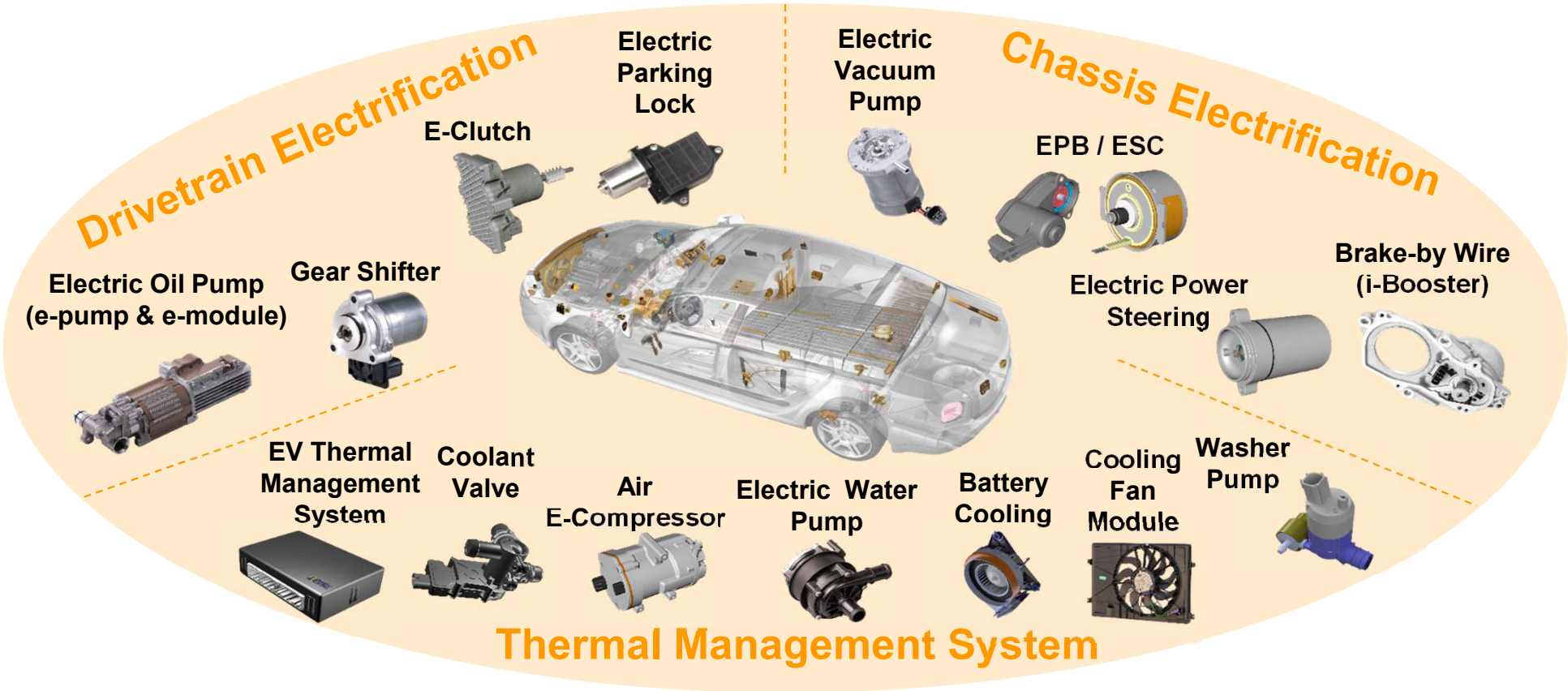
- Cooling Fan Module ● ▲ ⚡
- Coolant Valve ● ▲ ⚡
- Electric Water Pump ● ▲ ⚡
- Electric Air Pump ● ▲ ⚡
- Electric Oil Pump ● ▲ ⚡



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JE Product Applications for Hybrid and EV

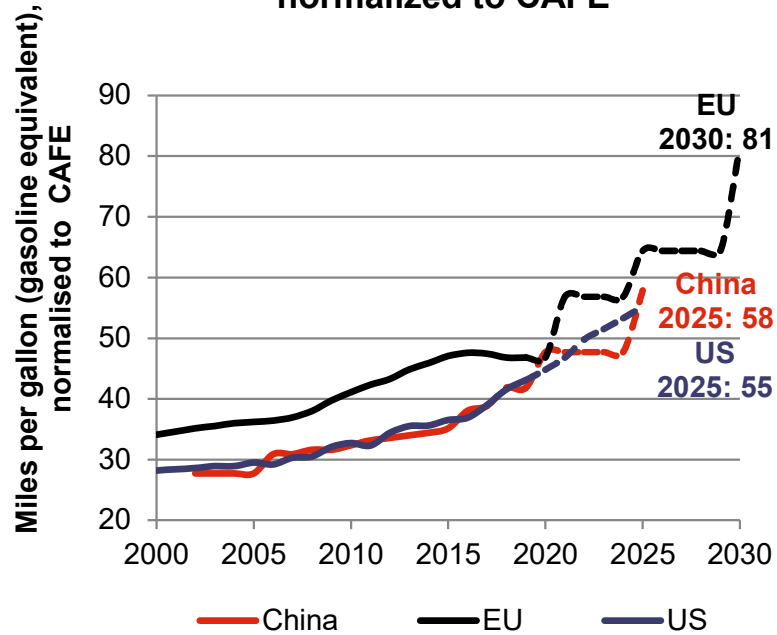
JE 's innovative and cost competitive solutions to support Hybrid and EV vehicles will be the growth drivers for APG over the next decade.



Trends in Automotive

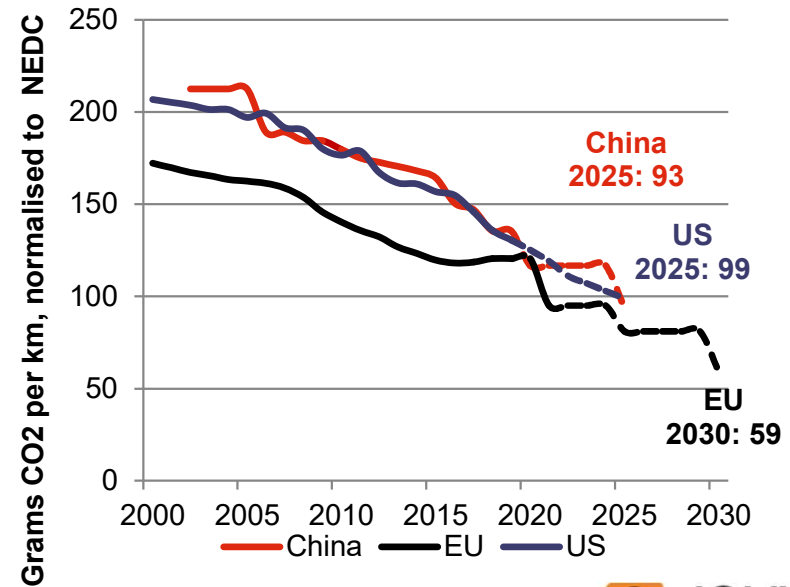
FUEL ECONOMY

Passenger car miles per gallon, normalized to CAFE



EMISSIONS

Passenger car CO₂ emissions and fuel consumption, normalized to NEDC

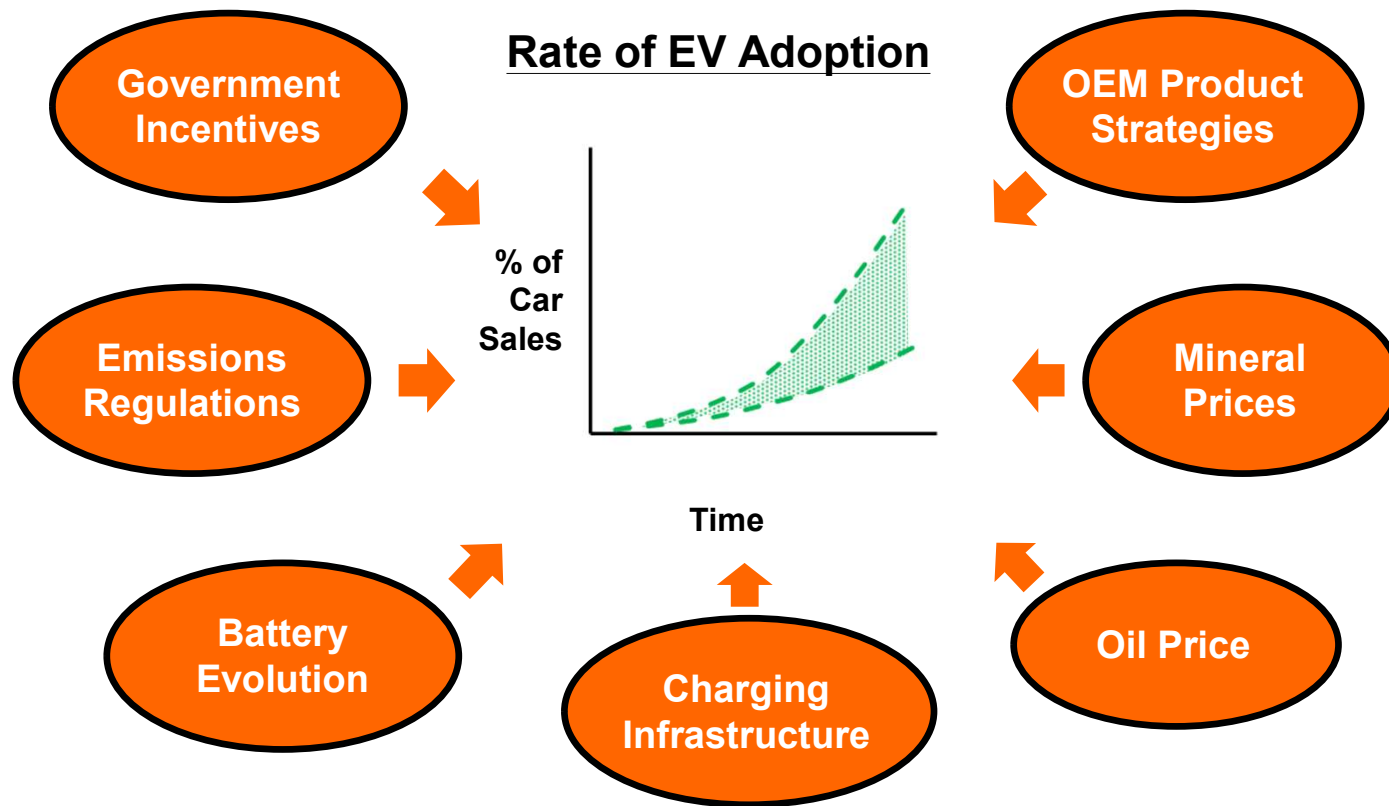


Source: International Council on Clean Transportation – June 2019
<http://www.theicct.org/global-pv-standards-chart-library>



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Many Factors will Impact Actual EV Uptake

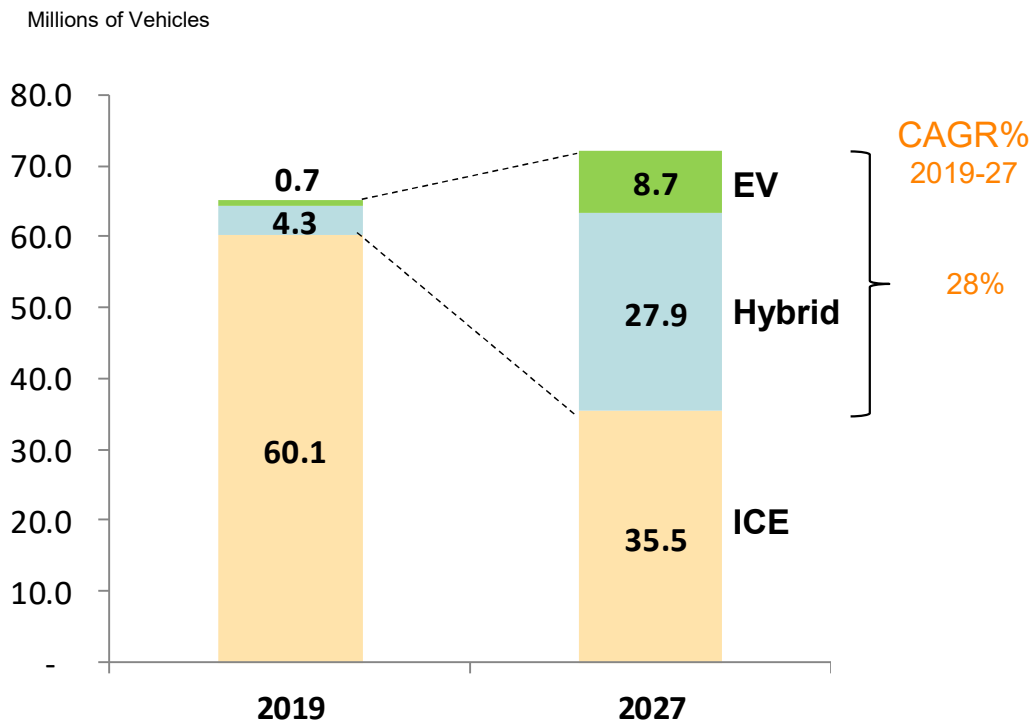


Source: Media and Analyst Reports; JE Analysis

Electrification: APG's growth opportunity

While ICE powertrain volumes will progressively decline, there is huge demand for innovative technology that cost-effectively enables the shift to Hybrids and EV.

Top 10 Auto OEMs Volume by Propulsion Type



Source: IHS

THE OPPORTUNITY FOR JE

For APG, the growth opportunity stems from the market's need for innovative, cost-competitive solutions that:

1. Reduce emissions (including improving ICE efficiency)
2. Enable electrification
3. Optimize thermal management

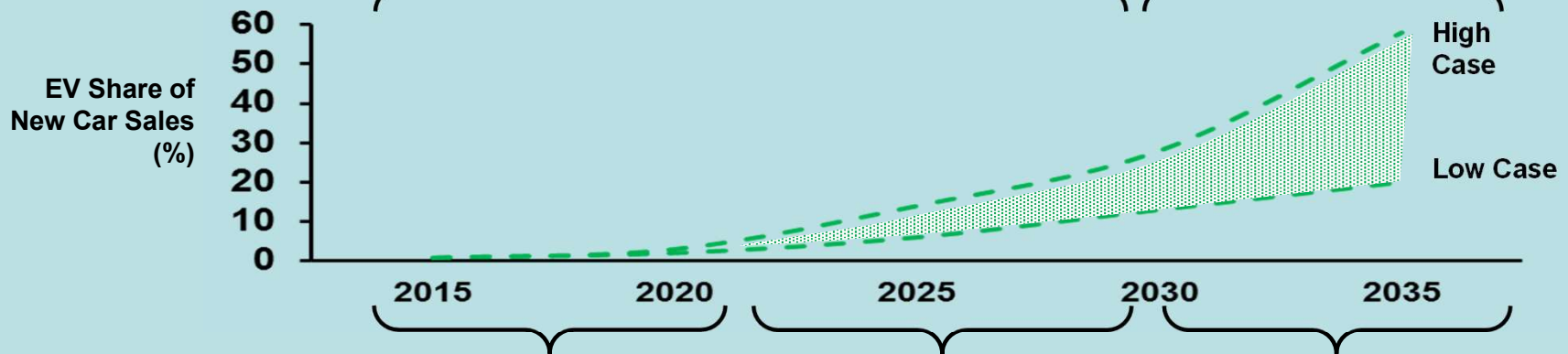
These customer imperatives align directly with JE's core capabilities and range of electric motors, actuators and pump technologies.

Longer Term Auto Industry Evolution

Wide divergence of opinion on the eventual phasing out of ICE

Incumbent Auto Industry View

- Volume of ICE (incl hybrid) vehicle sales continue to grow until at least 2025
- Hybrid sales grow rapidly and exceed BEV sales volumes to beyond 2030
- Negative impact on ICE doesn't accelerate sharply until after 2035



New Entrant / EV Optimist View

- EV development highly dependent on government subsidies for next 5 years
- EV driving range and infrastructure enhanced
- Tipping point for total cost parity around 2023-26
- Rapid acceleration in EV adoption from around 2030
- New OEM platforms become "BEV only". ICE/Hybrids begin phase out

Source: Media and Analyst Reports; JE Analysis

Hybrids & EVs – Growing Demand of Cooling Fan Modules (CFMs)

- ▶ All powertrains need to be cooled down. Heat is moved to front cooling pack by several cooling systems with growing complexity
- ▶ CFMs are required on all Hybrids & EVs to cope with the increasing power density of powertrains
- ▶ As 48 volt and autonomous features become more standard, cooling requirements will increase
- ▶ Heavy-duty vehicles, traditionally equipped with mechanical driven fans, will introduce more electric driven CFMs on their hybrid powertrains
- ▶ JE offers:
 - ▶ cost-effective solutions for entry level applications technologies
 - ▶ Extra-performance solutions for higher end segments, which promote hybridisation as premium feature



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Hybrids & EVs – Programs Adopting JE's CFMs

- ▶ 2011 Renault Kangoo electric
- ▶ 2012 Volvo V60 plug-in hybrid
- ▶ 2012 Renault Zoe
- ▶ 2013 BMW i8
- ▶ 2013 BMW i3
- ▶ 2013 RangeRover hybrid
- ▶ 2015 Volvo S60L plug-in hybrid
- ▶ 2015 Honda Clarity fuel cell
- ▶ 2016 Roewe (SAIC) e950
- ▶ 2016 MG Erx5 hybrid
- ▶ 2016 Chevrolet Malibu hybrid
- ▶ 2016 Chrysler Town&Country hybrid
- ▶ 2016 BMW 7-series hybrid
- ▶ 2017 The London Taxi hybrid
- ▶ 2017 Renault Twingo and Smart electric



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Hybrids & EVs – Need for Cooling Fan Modules

- ▶ 2017 Roewe (SAIC) ei6
- ▶ 2017 Land Rover Range Rover sport PHEV
- ▶ 2017 Land Rover Discovery Sport PHEV
- ▶ 2017 Maxus eG10
- ▶ 2017 Jaguar i-Pace
- ▶ 2017 Renault Kangoo electric
- ▶ 2017 Nio ES8
- ▶ 2017 BMW 5-series hybrid
- ▶ 2017 BMW X3 hybrid
- ▶ 2018 Eado HEV
- ▶ 2018 Jaguar E-Pace PHEV
- ▶ 2018 Roewe (SAIC) Marvel-X
- ▶ 2018 Buick Velite 6
- ▶ 2018 BMW i8 roadster
- ▶ 2018 BMW X5 hybrid



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Hybrids & EVs – Need for Cooling Fan Modules

- ▶ 2018 Mazda Axela hybrid
- ▶ 2018 Mercedes GLE/GLS hybrid
- ▶ 2018 Volvo XC40 hybrid
- ▶ 2019 Ford Explorer hybrid
- ▶ 2019 Geely BinYue P-HEV
- ▶ 2019 Hyundai Kona hybrid
- ▶ 2019 Lynk&Co 05
- ▶ 2019 Nio ES6
- ▶ 2019 Suzuki Vitara & S-Cross Hybrid
- ▶ 2019 new Renault Zoe



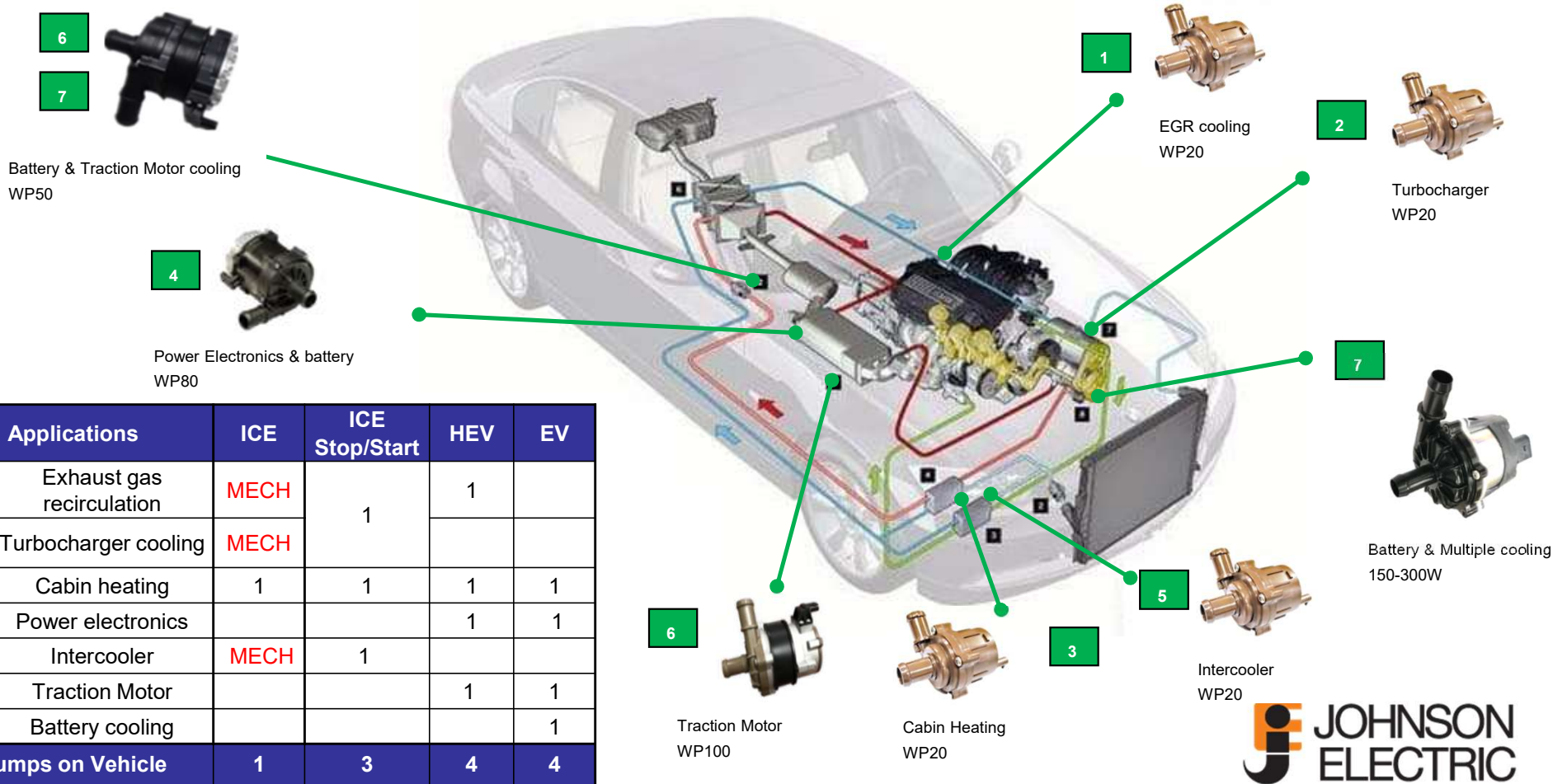
Dedicated sourcing for HEV/EV vehicle is increasing. Still, majority of hybrid vehicles will be a derivative of a vehicle line-up.



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Hybrids & EVs

Growing Demand for Electric Water Pumps



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Hybrids & EVs

Programs Adopting JE's Electric Water Pumps

- ▶ Aston Martin
- ▶ BYD
- ▶ ChangAn Ford
- ▶ FAW
- ▶ FCA
- ▶ Ford
- ▶ GAC
- ▶ Geely
- ▶ Great Wall
- ▶ Jaguar Land Rover
- ▶ JMC
- ▶ SAIC – GM
- ▶ Volvo



Great Wall



JAGUAR



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Trends in Mechatronic System

Electric Oil Pumps

On-Demand Cooling / Lubrication

More on-demand lubrication and cooling within oil systems to improve overall system efficiency and thermal management

On-Demand Actuation

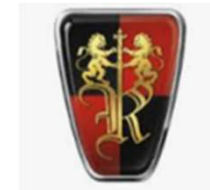
More on-demand pressure actuation within oil systems to support Start Stop, Sailing, Hybrids and EVs

Segment	Application		
	ICE	HEV	EV
Cooling & Lubrication	Start/Stop	Transaxle Traction motor	Transaxle Traction motor
Transmission / Reduction - Actuation (Low / Med Pressure)	Start/Stop AT	AT / DCT / CVT	Disconnect clutch
Transmission / Reduction - Actuation (High Pressure)	DCT AWD disconnect	DCT clutch	Disconnect clutch

Hybrids & Evs

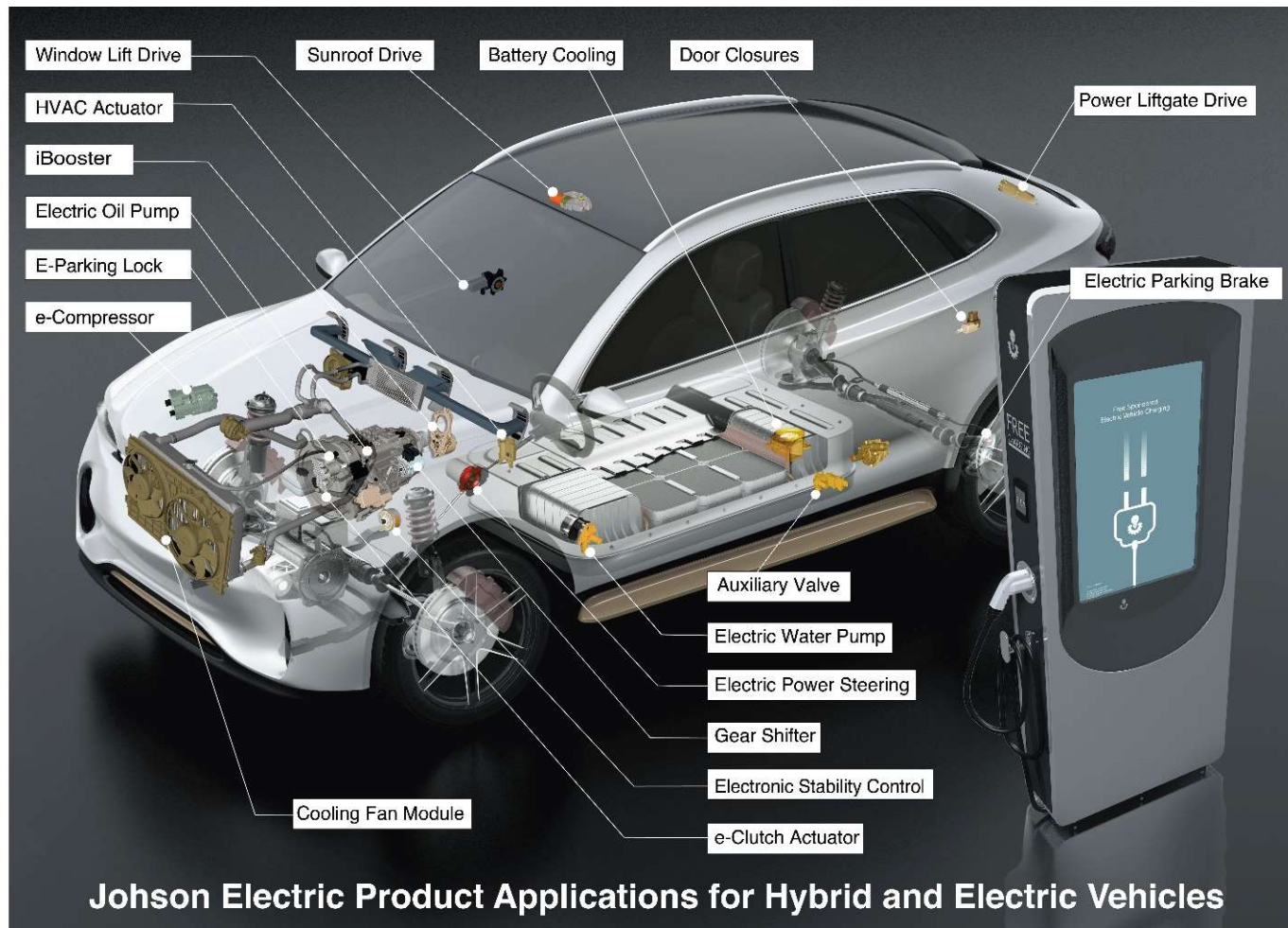
Programs Adopting JE's Mechatronic Systems

- ▶ Audi
- ▶ BMW
- ▶ Changan
- ▶ FCA - Jeep Cherokee
- ▶ FCA - Ram
- ▶ GAC Trumpchi
- ▶ Geely Emgrand
- ▶ SAIC MG
- ▶ SAIC Roewe



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Hybrids & EVs

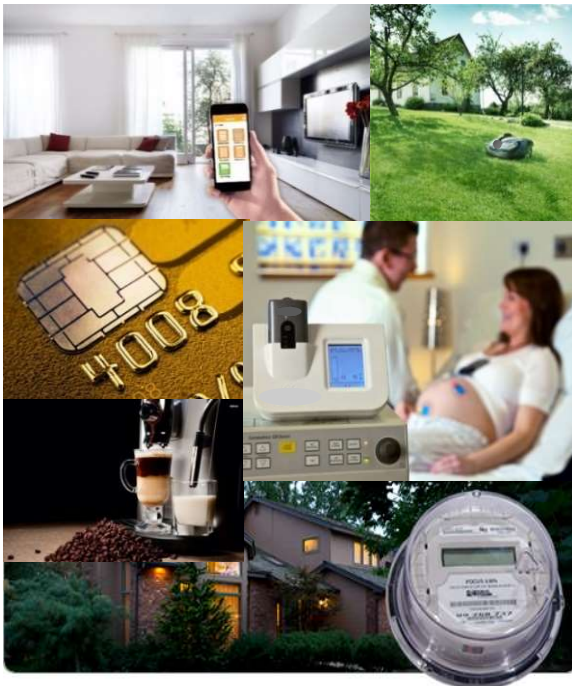


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Innovative Solutions for Industry & Consumers

Delivering the actuation function for an increasingly connected world

Touching Human Needs



Improving Performance

More energy efficient

Smaller and lighter

Safer

More controllable

More connected

Proliferating



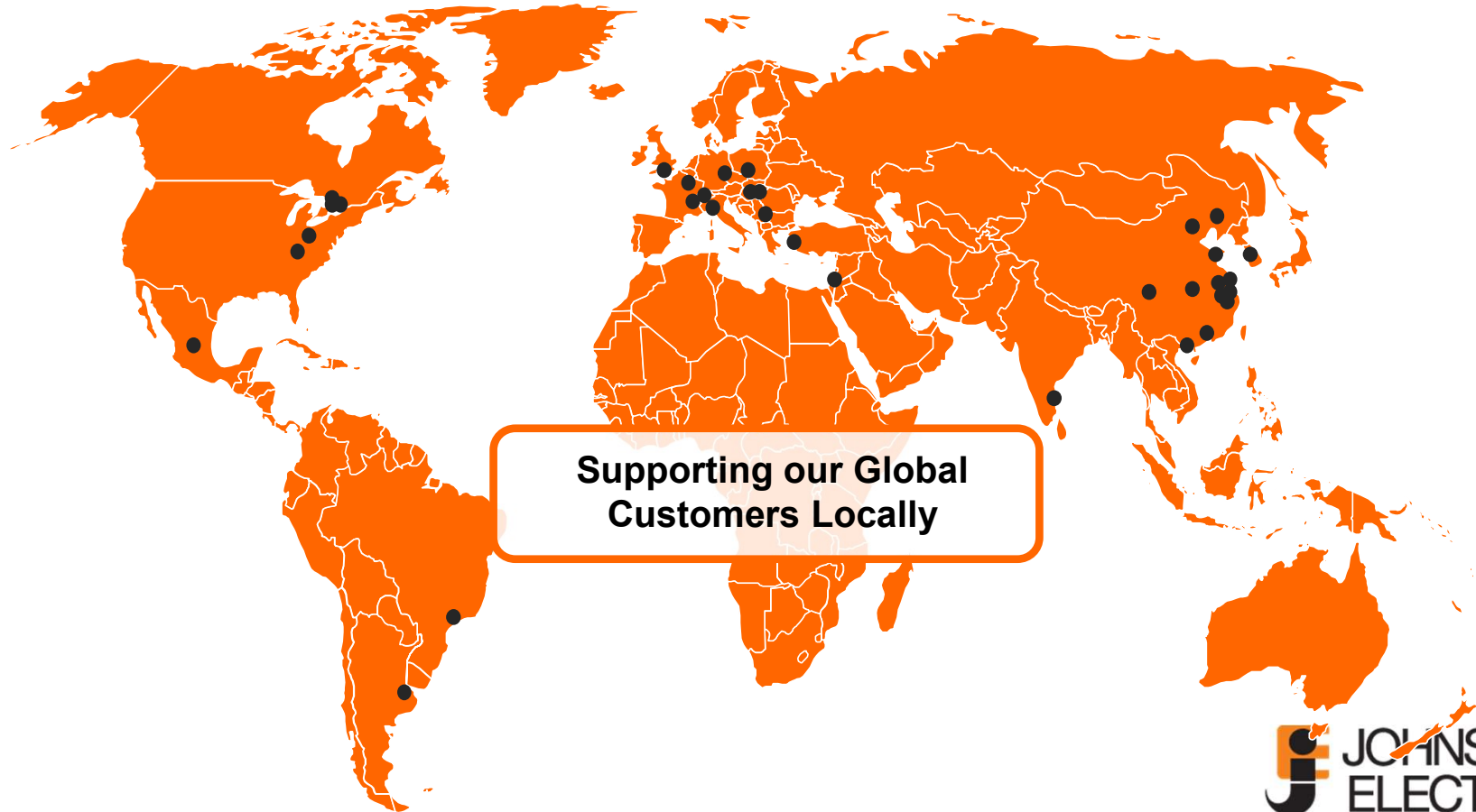
= Internet + Physical Objects
+ Sensors & Controllers
+ Actuators



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Global Operating Footprint

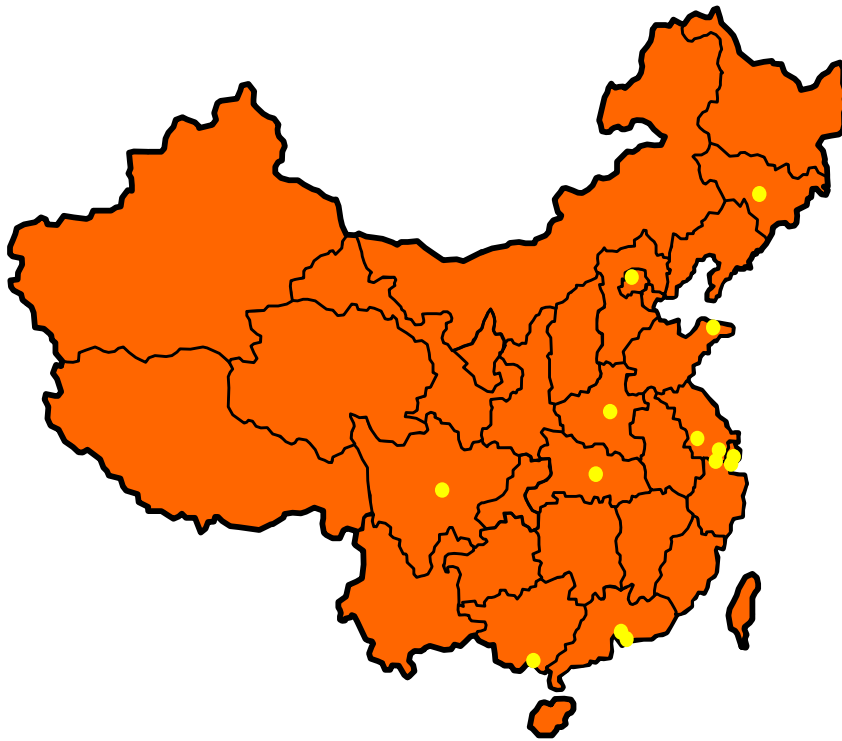
Manufacturing in 18 countries across 4 continents



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Strongly Positioned in China

Unrivalled strength and depth in the China market



- Experience of operating in the mainland since 1982
- 24,000 employees across 16 locations
- Source of over 20% of Johnson Electric's end-market demand



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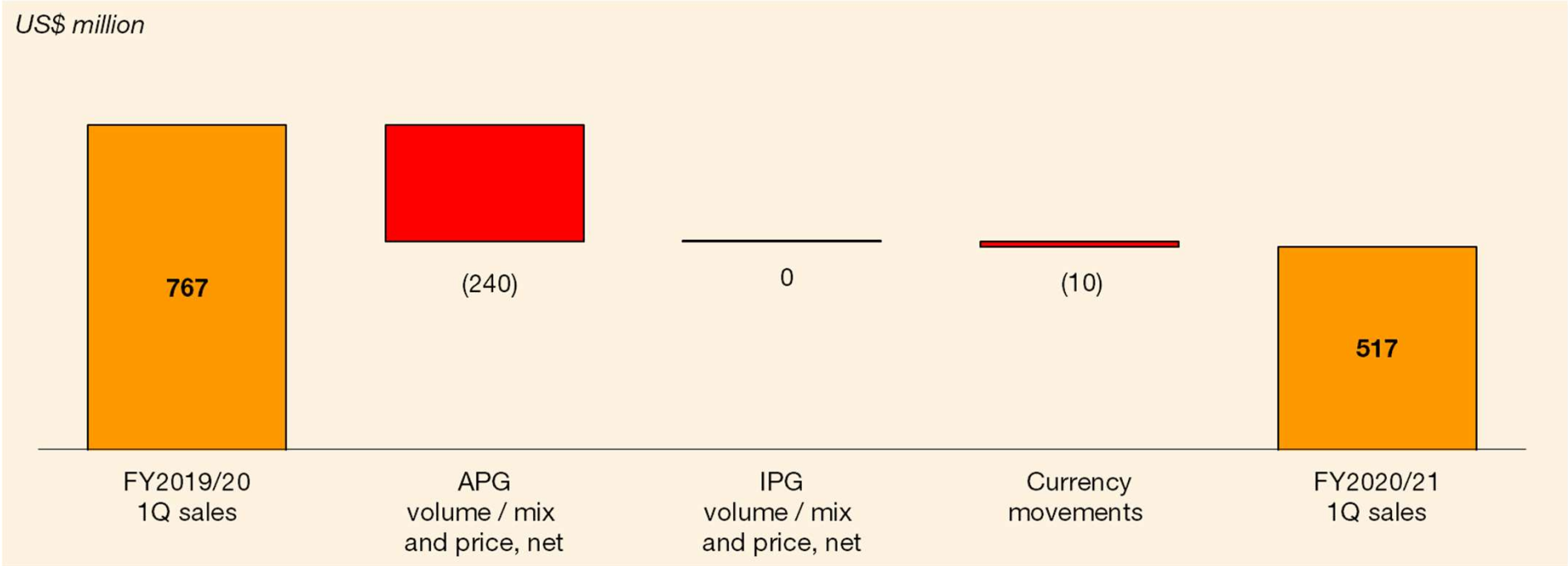
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Sales Movements

APR-JUN FY2020/21 vs. FY2019/20



Note: Numbers do not add across due to the effect of rounding



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FX Rate

USD	FY20/21	FY19/20	<i>Change</i>
Average Exchange Rate	APR-JUN	APR-JUN	
CNY per USD	7.084	6.813	<i>(4.0%)</i>
USD per EUR	1.100	1.123	<i>(2.0%)</i>

Source: Bloomberg daily rates

Sales Growth by Region - APG

Sales Growth/(Decline) % Excluding Acquired Businesses and Currency Movements

APG	Asia	Europe	Americas	TOTAL
APR 20 - JUN 20	(1.6%)	(57.8%)	(60.1%)	(39.5%)
FY2019/20	(8.8%)	(1.6%)	8.3%	(1.3%)
FY2018/19	2.3%	(3.1%)	7.8%	1.9%
FY2017/18	15.2%	2.2%	9.3%	8.5%
FY2016/17	19.8%	2.2%	3.5%	8.5%

Light Vehicle Production – June 2020 Quarter

**APG Sales Growth / (Decline) %
Excluding Currency Movements
APR 2020 - JUN 2020**

Region	APG	* Industry Light Vehicle Production
AMERICAS	(60.1%)	(73.1%)
North America		(71.2%)
ASIA	(1.6%)	(25.4%)
China		5.0%
EUROPE	(57.8%)	(64.9%)
Rest of the World	N/A	(53.7%)
WORLD TOTAL	(39.5%)	(47.0%)

* Source: IHS



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Sales Growth by Region - IPG

Sales Growth/(Decline) % Excluding Currency Movements

IPG	Asia	Europe	Americas	TOTAL
APR 20 - JUN 20	2.1%	(2.4%)	0.6%	0.1%
FY2019/20	(17.6%)	(13.7%)	(13.7%)	(15.1%)
FY2018/19	(1.6%)	(0.1%)	6.3%	1.3%
FY2017/18	12.6%	6.5%	1.5%	7.1%
FY2016/17	3.2%	18.3%	(3.3%)	5.1%

Chairman's Comments on Year-to-Date Sales Performance and Outlook

As previously projected, the unprecedented effects of the COVID-19 global pandemic resulted in sales levels in the first quarter of the current financial year being substantially weaker than in the same period a year ago. Although demand in China displayed a gradual and consistent improvement during the quarter, it was not until June that we began to experience a significant rebound in orders from our automotive customers in North America and Europe.

“Given the widespread and continuing uncertainties of the pandemic, it is not feasible to provide a meaningful estimate of sales volumes for the rest of the year. However, with the most recent weekly sales run-rate approaching the levels of a year ago, there are no indications that underlying demand for Johnson Electric’s innovative products and technology has been permanently reduced. Our Industry Products Group performed very satisfactorily in the first quarter with growing demand in some application segments offsetting the negative impact of macro-economic contraction in others. And in the automotive components sector, I am especially encouraged by an increase in new orders for Johnson Electric’s products that improve fuel economy, reduce emissions, and enable electrification – which together represent the most critical technology imperatives of the industry for at least the next decade.

Despite the challenging and unpredictable trading conditions, the Company remains in sound shape in terms of liquidity. Geographically, Johnson Electric’s sales are divided broadly equally between Asia, Europe and the Americas and this diversified base of end-market demand continues to be a key source of strength and stability for the Group.



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Highlights

- ▶ Total sales were US\$3,070 million – a decrease of 6% compared to the prior financial year. Excluding the effects of foreign currency movements, underlying sales decreased by 4%
- ▶ Gross profit was US\$672 million – a decrease of 11%
- ▶ Operating profits decreased by 1% to US\$341 million or 11.1% of sales (compared to 10.5% of sales in FY2018/19)
- ▶ Goodwill and other intangible assets were impaired by US\$796 million
- ▶ Net loss attributable to shareholders was US\$494 million – compared to a net profit of US\$281 million in the prior financial year
- ▶ Underlying net profit, excluding the impairment of intangible assets and other significant non-cash items, was US\$191 million – a decrease of 17%
- ▶ Free cash flow from operations increased by US\$185 million to US\$241 million
- ▶ As of 31 March 2020, cash reserves were US\$384 million and the Group's net debt (total debt less cash) was US\$31 million

Financial Highlights

<i>US\$ million</i>	FY19/20	FY18/19
Sales	3,070.5	3,280.4
Gross profit	672.3	751.4
<i>Gross margin</i>	21.9%	22.9%
EBITA ¹	(413.5)	386.5
EBITA adjusted ²	284.5	332.9
<i>EBITA adjusted margin</i>	9.3%	10.1%
(Loss) / profit attributable to shareholders	(493.7)	281.3
Diluted earnings per share (US cents)	(55.55)	31.60
Free cash flow from operations ³	241.2	55.7
<i>US\$ million</i>	31 Mar 2020	31 Mar 2019
Cash	384.4	340.0
Total debt	415.5	685.7
Net debt (total debt less cash)	31.1	345.7
Enterprise value ⁴	1,505.8	2,436.2
EBITDA adjusted ^{2 & 6}	488.8	517.6
Key Financial Ratios	31 Mar 2020	31 Mar 2019
Enterprise value to EBITDA adjusted ^{2 & 6}	3.1	4.7
Total debt and leases ⁶ to EBITDA adjusted ^{2 & 6}	1.0	1.5
Total debt to capital (total equity + total debt)	18%	21%

1. Earnings before interest, tax and amortization
2. Adjusted to exclude impairment of goodwill and other intangible assets and net gains of significant non-cash and divested items
3. Net interest received, net capital expenditure, capitalization of engineering development costs and principal portion of lease payments are included in free cash flow from operations
4. Enterprise value calculated as market capitalization plus non-controlling interests plus total debt less cash
5. Earnings before interest, tax, depreciation and amortization
6. Leases at 31 March 2019, adjusted to include lease liabilities recognized for the first time on 1 April 2019, on the adoption of HKFRS 16. EBITDA for FY18/19 included a corresponding adjustment to annual lease expense



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Impairment of Goodwill and Other Intangibles

<i>US\$ million</i>	FY19/20	FY18/19
Sales Growth Rate	7% to 4% *	6%
Operating Profit Margin	10% *	10%
WACC	10%	8%
Terminal Growth Rate	2%	2%

* After COVID-19 Recovery begins

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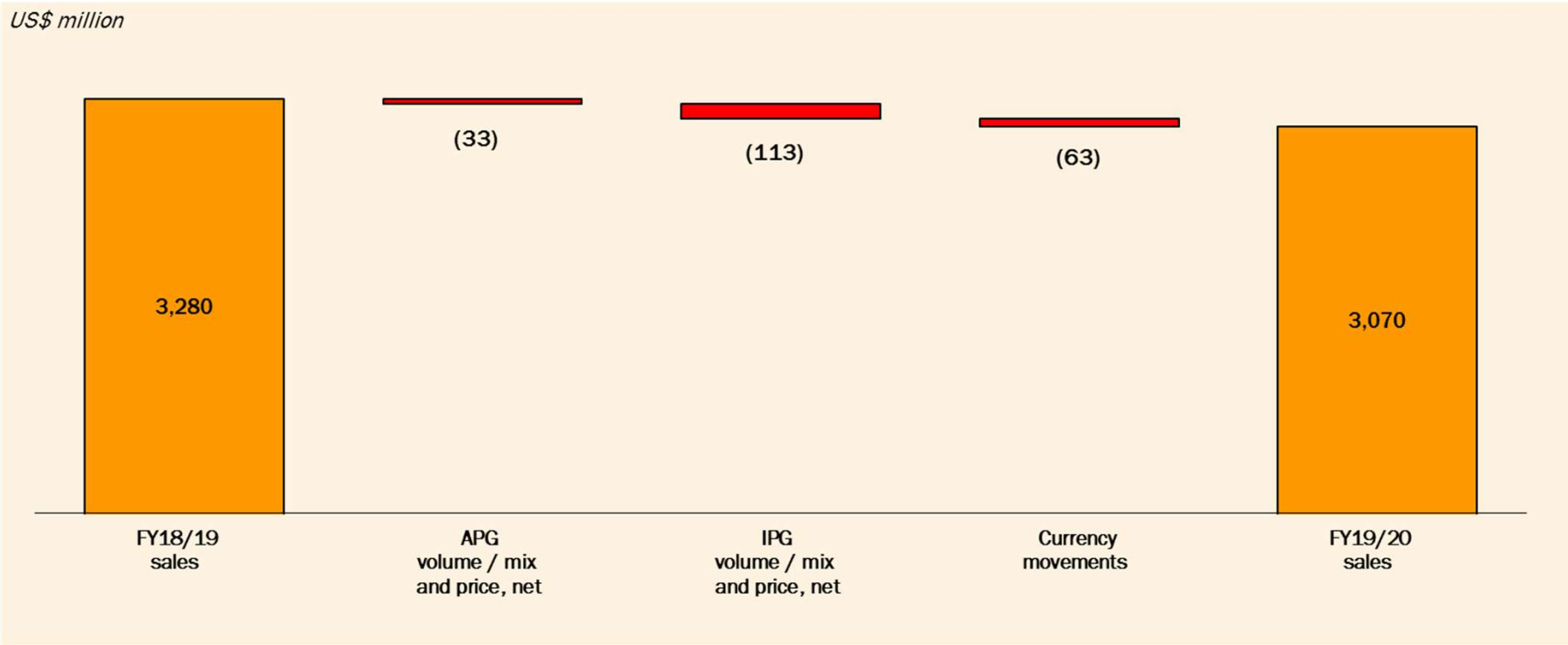
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Sales Movements

FY2019/20 vs. FY2018/19



Note: Numbers do not add across due to the effect of rounding



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Sales Growth by Region - APG

Sales Growth/(Decline) % Excluding Acquired Businesses and Currency Movements

APG	Asia	Europe	Americas	TOTAL
FY2019/20	(9%)	(2%)	8%	(1%)
FY2018/19	2%	(3%)	8%	2%
FY2017/18	15%	2%	9%	8%
FY2016/17	20%	2%	3%	9%
FY2015/16	4%	5%	4%	5%

Light Vehicle Production – FY2019/20

**APG Sales Growth / (Decline) %
Excluding Currency Movements
APR 2019 - MAR 2020**

Region	APG	* Industry Light Vehicle Production
AMERICAS	8.3%	(6.0%)
North America		(5.7%)
ASIA	(8.8%)	(12.0%)
China		(16.6%)
EUROPE	(1.6%)	(8.3%)
Rest of the World		(20.3%)
WORLD TOTAL	(1.3%)	(10.0%)

* Source: IHS & Marklines



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Light Vehicle Production – Mar 2020 Quarter

**APG Sales Growth / (Decline) %
Excluding Currency Movements
JAN 2020 - MAR 2020**

Region	APG	* Industry Light Vehicle Production
AMERICAS	7.9%	(11.7%)
North America		(10.8%)
ASIA	(26.6%)	(30.4%)
China		(47.0%)
EUROPE	(5.4%)	(20.5%)
Rest of the World	N/A	(21.6%)
WORLD TOTAL	(8.5%)	(23.6%)

* Source: IHS & Marklines



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Sales Growth by Region - IPG

Sales Growth/(Decline) % Excluding Currency Movements

IPG	Asia	Europe	Americas	TOTAL
FY2019/20	(18%)	(14%)	(14%)	(15%)
FY2018/19	(2%)	0%	6%	1%
FY2017/18	13%	6%	2%	7%
FY2016/17	3%	18%	(3%)	5%
FY2015/16	(17%)	8%	0%	(5%)

Profitability Review

FY2019/20 vs. FY2018/19

<i>US\$ million</i>	FY19/20	FY18/19	Increase / (decrease)
Sales	3,070.5	3,280.4	(209.9)
Gross profit	672.3	751.4	(79.1)
<i>Gross margin %</i>	21.9%	22.9%	
Other income and (expenses)	121.0	78.9	42.1
<i>As a % of sales</i>	3.9%	2.4%	
Intangible assets amortization expense	(41.4)	(42.2)	0.8
<i>As a % of sales</i>	1.3%	1.3%	
Other selling and administrative expenses ("S&A")	(411.3)	(443.9)	32.6
<i>As a % of sales</i>	13.4%	13.5%	
Operating profit	340.6	344.2	(3.6)
<i>Operating profit margin %</i>	11.1%	10.5%	

Profitability Review

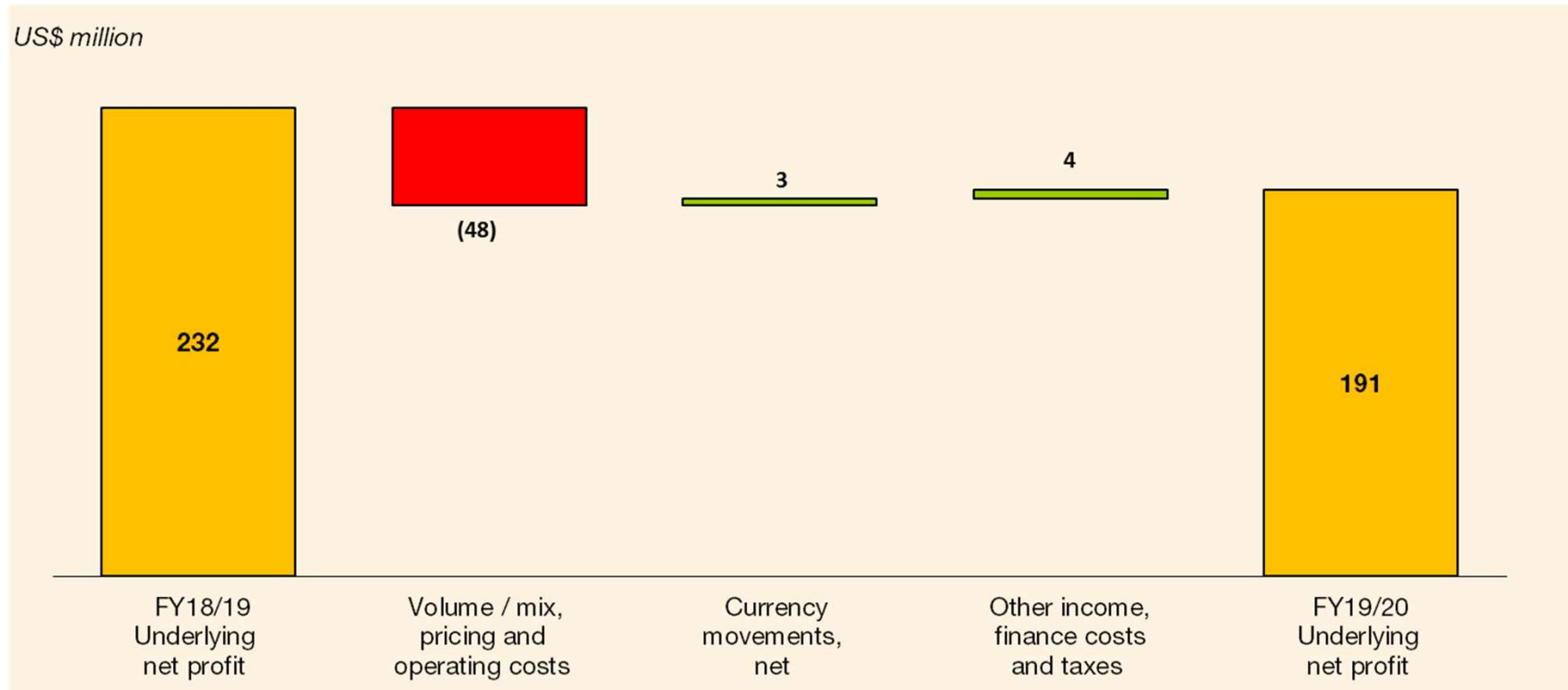
FY2019/20 vs. FY2018/19

<i>US\$ million</i>	FY19/20	FY18/19	Increase / (decrease)
Operating profit	340.6	344.2	(3.6)
<i>Operating profit margin %</i>	11.1%	10.5%	
Impairment of goodwill and other intangible assets	(795.5)	-	(795.5)
Share of profit of associate	-	0.1	(0.1)
Net finance costs	(16.8)	(16.4)	(0.4)
(Loss) / profit before income tax	(471.7)	327.9	(799.6)
Income tax expense	(15.2)	(38.3)	23.1
(Loss) / profit for the year	(486.9)	289.6	(776.5)
Non-controlling interests	(6.8)	(8.3)	1.5
(Loss) / profit attributable to shareholders	(493.7)	281.3	(775.0)
Basic earnings per share (US cents)	(55.84)	32.46	(88.30)
Diluted earnings per share (US cents)	(55.55)	31.60	(87.15)

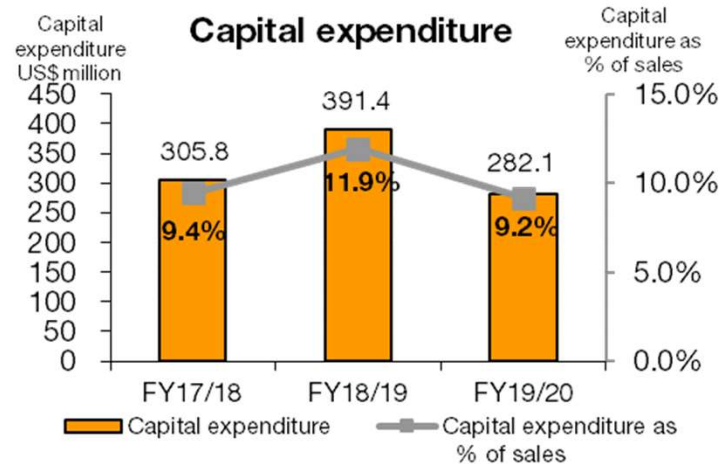
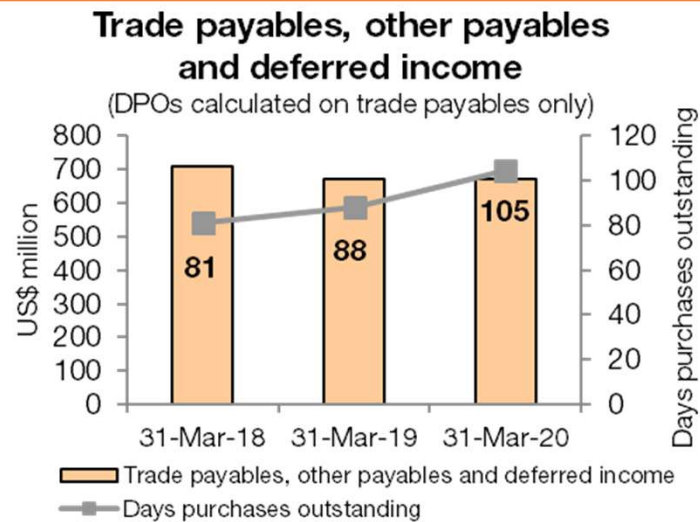
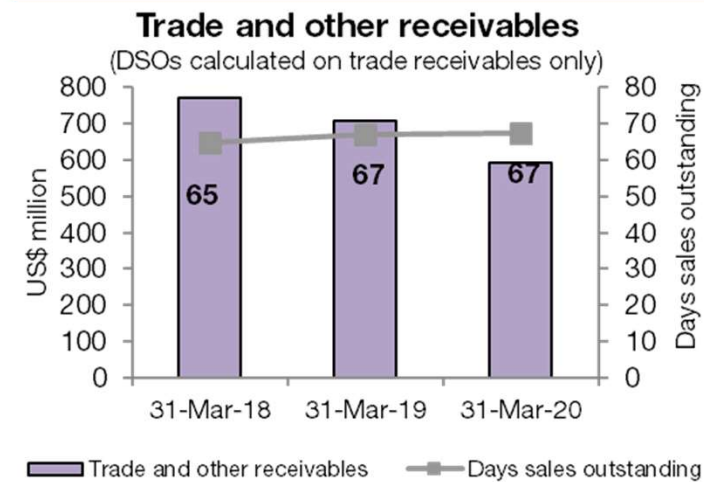
From Reported to Underlying Net Profit

US\$ million	FY18/19			FY19/20		
	Before tax	Tax effect	Net of tax effect	Before tax	Tax effect	Net of tax effect
Net profit / (loss) , as reported			281.3			(493.7)
Unrealized net (gains) on other financial assets and liabilities	(18.6)	2.1	(16.5)	(29.5)	-	(29.5)
Unrealized net losses from revaluation of monetary assets and liabilities	27.7	(4.9)	22.8	1.1	0.5	1.6
Unrealized net (gains) on structured forward currency exchange contracts	(51.0)	6.6	(44.4)	(28.0)	3.4	(24.6)
Fair value (gains) and divested item	(11.7)	-	(11.7)	(41.1)	-	(41.1)
Impairment of goodwill and other intangible assets	-	-	-	795.5	(17.2)	778.3
Net (gains) / losses of significant non-cash and divested items	(53.6)	3.8	(49.8)	698.0	(13.3)	684.7
Underlying profit			231.5			191.0

Underlying Net Profit Changes vs. Prior Year



Working Capital & CAPEX



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Free Cash Flow

<i>US\$ million</i>	FY19/20	FY18/19	Change
Operating profit ¹	341.2	344.9	(3.7)
Depreciation and amortization (including leases)	245.1	204.4	40.7
Other non-cash items	(61.9)	(45.1)	(16.8)
Working capital changes	81.9	18.0	63.9
Interest paid (including leases) ²	(19.3)	(10.5)	(8.8)
Interest received	2.8	1.9	0.9
Income taxes paid	(41.2)	(55.9)	14.7
Capital expenditure, net of subsidies	(282.1)	(391.4)	109.3
Proceeds from disposal of fixed assets	1.0	0.6	0.4
Capitalization of engineering development costs	(9.1)	(11.2)	2.1
Payment of lease - principal portion ²	(17.2)	-	(17.2)
Free cash flow from operations ²	241.2	55.7	185.5

1. Operating profit plus US\$0.5 million dividend received from associate in FY19/20 (FY18/19: US\$0.7 million)
2. The change in accounting for leases in FY19/20 has no impact on the free cash flow from operations of US\$241.2 million. The change in accounting does affect EBITDA (US\$19.6 million favourable), interest paid (US\$2.4 million unfavourable) and payment of the principal portion of leases (US\$17.2 million unfavourable) with a combined effect of US\$nil



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Use of Free Cash Flow

<i>US\$ million</i>	FY19/20	FY18/19	Change
Free cash flow from operations ²	241.2	55.7	185.5
Divestment of an investment property	119.6	-	119.6
Purchase of intangible assets	-	(1.0)	1.0
Acquisitions and related costs	-	(2.4)	2.4
Dividends paid	(25.6)	(43.3)	17.7
Purchase of shares held for incentive share schemes	(6.3)	(1.5)	(4.8)
Other investing activities	(0.9)	(8.2)	7.3
Dividends paid to non-controlling interests	(0.5)	(5.5)	5.0
Proceeds from long-term debt issuance, net of transaction costs	-	396.1	(396.1)
Borrowing repayments, net	(112.3)	(146.3)	34.0
Redemption / repurchase of convertible bonds	(158.9)	(59.3)	(99.6)
Increase in cash and cash equivalents (excluding currency movements)	56.3	184.3	(128.0)
Currency translation losses on cash and cash equivalents	(11.9)	(13.2)	1.3
Net movement in cash and cash equivalents	44.4	171.1	(126.7)

2. The change in accounting for leases in FY19/20 has no impact on the free cash flow from operations of US\$241.2 million. The change in accounting does affect EBITDA (US\$19.6 million favourable), interest paid (US\$2.4 million unfavourable) and payment of the principal portion of leases (US\$17.2 million unfavourable) with a combined effect of US\$nil



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Changes in Borrowings

<i>US\$ million</i>	Maturity Date	31 Mar 2020	31 Mar 2019	Change
Bonds	Jul 2024	299.3	298.8	0.5
Loan from Export Development Canada	Jun 2023	99.7	99.6	0.1
Loans based on trade receivables		4.2	6.0	(1.8)
Convertible bonds		-	158.7	(158.7)
Loan from International Finance Corporation		-	74.5	(74.5)
Other borrowings	Rolled over for additional year subsequent to year-end	12.3	48.1	(35.8)
Total borrowings		415.5	685.7	(270.2)

Dividend

- ▶ In view of the ongoing deep contraction of the global economy and the high level of uncertainty concerning the timing and pace of recovery, the Board has determined that the business and its shareholders are best served by retaining cash within the Company at the present time and therefore no final dividend will be distributed for the 2019/20 financial year. The Board will continue to monitor the situation carefully.

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FY2020/21 June Quarter

Key Financial Highlights

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Outlook

- ▶ Sales levels in the first quarter of the current financial year will be substantially weaker than in the same period a year ago.
- ▶ While it is encouraging that there are indications of an automotive sales recovery in China and that most of our largest automotive and industrial customers are now in the process of re-opening plants in Europe and North America, there is presently no way to accurately project actual end-market consumer demand in the coming months.

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Average Exchange Rate – FY19/20 vs. FY18/19

USD	FY19/20	FY18/19	<i>Change</i>
Average Exchange Rate	APR-MAR	APR-MAR	
CAD per USD	1.330	1.311	(1.4%)
CNY per USD	6.953	6.711	(3.6%)
USD per EUR	1.111	1.158	(4.0%)

Source: Bloomberg daily rates



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Disclaimer

This presentation 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”, “believes”, “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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