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Johnson Electric Holdings Limited

(Incorporated in Bermuda with limited liability)

(Stock Code: 179)

Business and Unaudited Financial Information for the Third Quarter of Financial Year 2016/17

This announcement 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 announcement 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 announcement, 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.

Board of Directors

As of the date of this announcement, the Board of Directors comprises Patrick Shui-Chung Wang, Winnie Wing-Yee Wang, Austin Jesse Wang being the Executive Directors and Yik-Chun Koo Wang, Peter Kin-Chung Wang being the Non-Executive Directors and Peter Stuart Allenby Edwards, Patrick Blackwell Paul, Michael John Enright, Joseph Chi-Kwong Yam and Christopher Dale Pratt being the Independent Non-Executive Directors.

By Order of the Board
Johnson Electric Holdings Limited
Lai-Chu Cheng
Company Secretary

Hong Kong, 16 January 2017

Johnson Electric is one of the constituent stocks on the Hang Seng Composite MidCap Index under the Hang Seng Composite Index, the Hang Seng Low Volatility Index, the Bloomberg World Index and the S&P Europe Pacific Asia Composite (EPAC) SmallCap Index. For further information, please visit: www.johnsonelectric.com.