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Johnson Electric Holdings Limited

(Incorporated in Bermuda with limited liability)

(Stock Code: 179)

Business and Unaudited Financial Information for the First Quarter of Financial Year 2017/18

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 quarter ended 30 June 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 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 quarter ended 30 June 2017 were US\$753 million compared to US\$686 million in the same quarter in 2016 – an increase of nearly 10%.

Excluding currency effects and the acquisition impact of AML and Halla Stackpole, sales increased by nearly 6% to US\$706 million. Foreign exchange rate movements, particularly lower average rates for the Chinese Renminbi, the Euro and the Canadian Dollar against the US Dollar compared to the same quarter last year, had an adverse impact of US\$15 million on the Group's sales.

Automotive Products Group (“APG”)

Sales, excluding currency effects and the acquisition impact of AML and Halla Stackpole, increased US\$23 million, or 4%, compared to the same period last year, as shown by region below:

- Asia increased 10%
- Europe increased 2%
- Americas increased 3%

APG's organic sales growth was largely driven by increased demand for products for powertrain cooling, braking, power liftgate, heating, ventilation and air-conditioning and windowlift applications. This was slightly offset by the revenue impact of mix changes and the phasing of Stackpole's new lower cost, more efficient pumps and also by reduced sales of powder metal components primarily due to delayed orders in the energy segment.

In May 2017, the Group acquired an additional 50% equity interest in Halla Stackpole Corporation, taking its total ownership to 80%. Halla Stackpole's sales since this acquisition were US\$25 million. On a pro-forma basis, excluding currency effects, Halla Stackpole's underlying sales grew by 8% compared to the same quarter last year.

Industry Products Group (“IPG”)

Sales, excluding currency effects, increased US\$16 million, or almost 10%, compared to the same quarter last year, as shown by region below:

- Asia increased 23%
- Europe increased 8%
- Americas decreased 2%

IPG’s sales growth was mainly driven by increased share and the ramp-up of a variety of major customer accounts in Asia. In Europe, sales benefited from new business wins and the ramp-up of existing customer programs in lawn and garden and metering applications. In the Americas, growth in the lawn and medical segments was more than offset by the combined effect of significant inventory replenishment activity in the white goods segment in the same quarter last year and new product phasing in the metering and ventilation segments.

Chairman’s Comments on First Quarter’s Sales Performance and Outlook

Concerning the first quarter’s sales performance, the Chairman and Chief Executive, Dr. Patrick Shui-Chung Wang, said, "Johnson Electric’s sales performance in the first quarter of the 2017/18 financial year was very encouraging. Our Automotive Products Group continued to deliver solid organic growth despite a quite noticeable slowdown in overall market demand in North America and China compared to the same period a year earlier. And our Industry Products Group produced an exceptionally strong first quarter with sales growth coming from a range of customers and industry applications."

Dr. Wang further commented: "The operating environment remains rather mixed with the highly unpredictable global political landscape being perhaps the most significant risk to the global economy at the present time. Notwithstanding these uncertainties, the Group is off to a good start in the current financial year with market share gains and significant new business awards across several key automotive and industry applications."

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, 11 July 2017

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