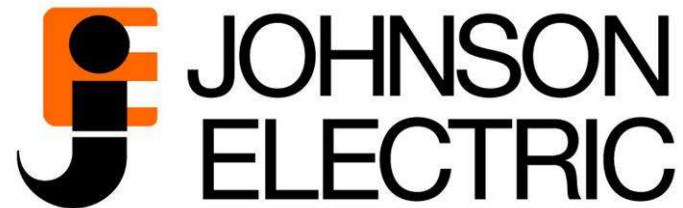


JOHNSON ELECTRIC HOLDINGS LIMITED

FY2010 Results

May 2010



innovating motion

Group Overview

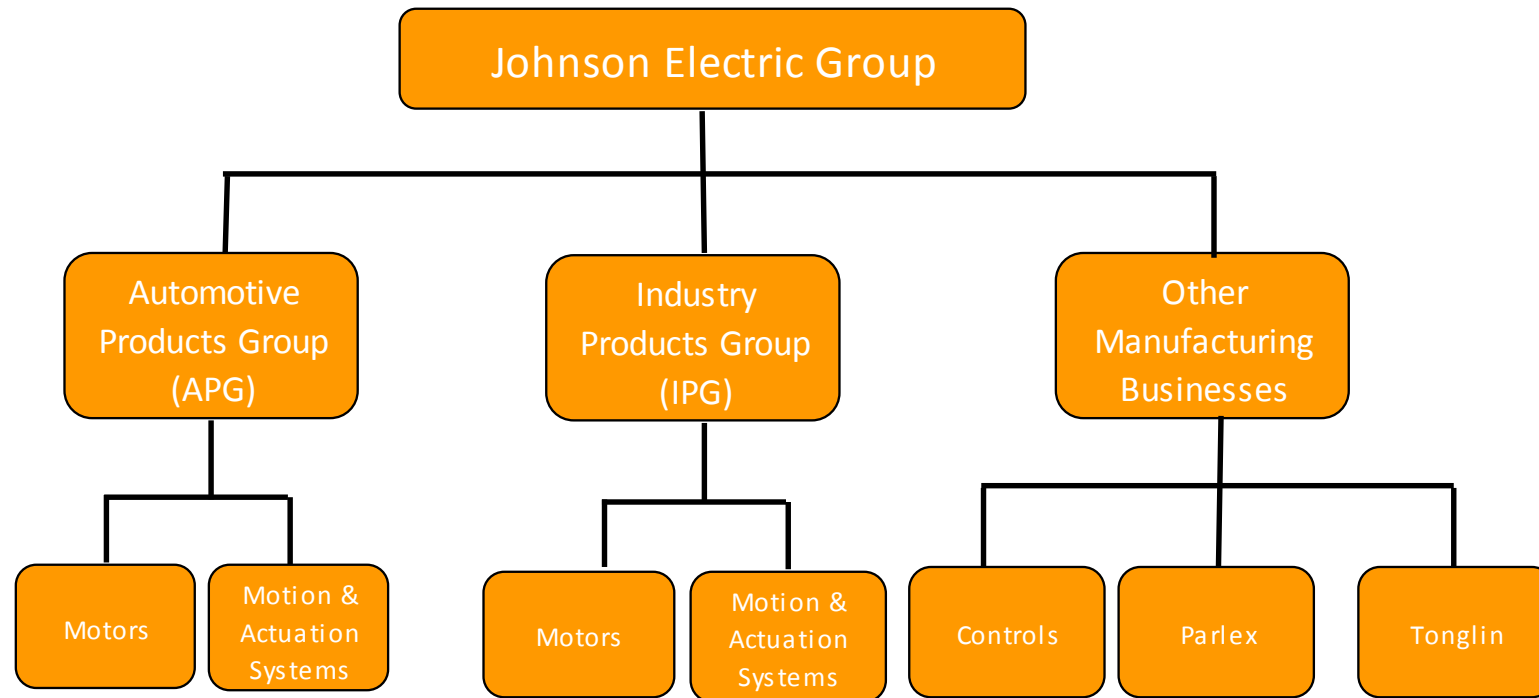
Key Financial Highlights

Operational Results

Outlook



JOHNSON ELECTRIC GROUP OVERVIEW



Johnson Electric (JE) is one of the world's largest providers of motion solutions for the automotive, industrial, consumer & medical markets. JE has shipped billions of motion products for hundreds of different applications to more than thirty countries. The Group has an annual production capacity of over one billion motors and motion subsystems

JE has about thirty nine thousand employees and subcontract workers in over twenty countries, with the majority of the workforce engaged in production activities in China. Engineering centers are located in Hong Kong, Germany, Switzerland, UK, Italy, Japan, China, Israel and in the USA

Note: Industry Products Group includes the MedTech business

VALUE PROPOSITION

- ◆ **“Technology Leadership and the Safe Choice”**
 - Reliable products
 - Assurance of supply
 - Performance leadership
 - Logistics capability
 - Project timeliness
 - Product differentiation
- ◆ Unique productizing process
- ◆ Customer’s product life-cycle partner
- ◆ Product innovation that customers value

Group Overview

Key Financial Highlights

Operational Results

Outlook

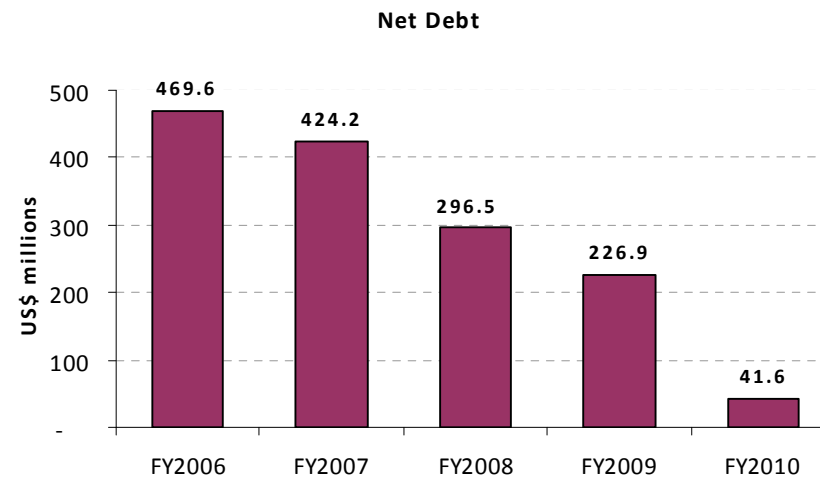
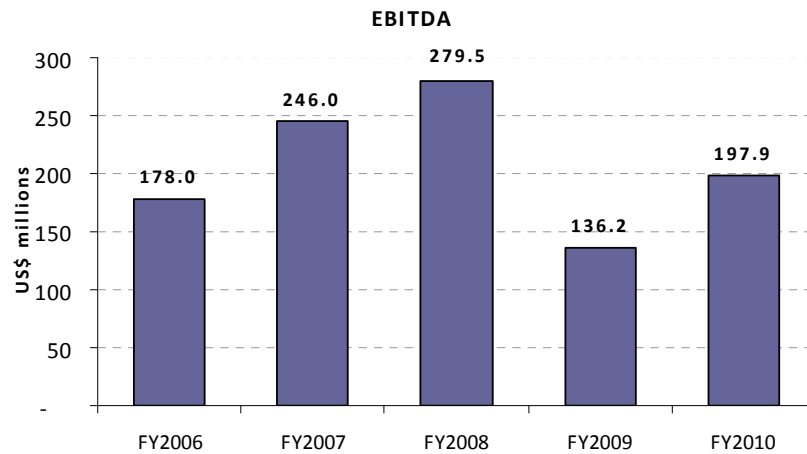
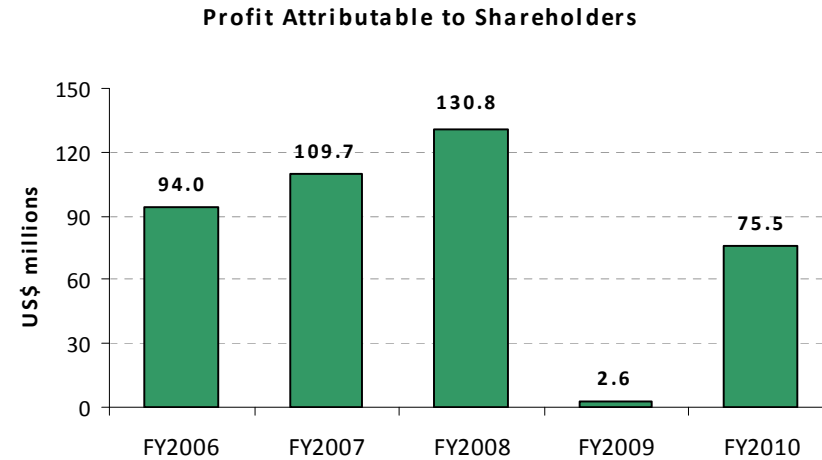
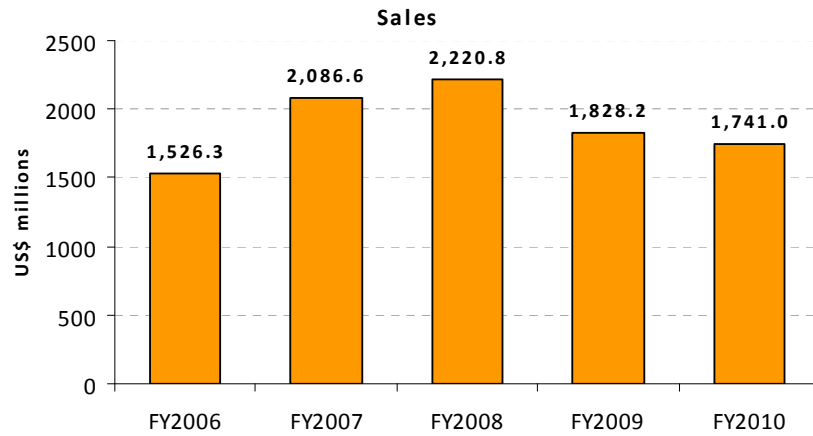


FINANCIAL HIGHLIGHTS

<i>US\$ millions</i>	FY2010	FY2009
Sales	1,741.0	1,828.2
Operating Profit/(Loss)	110.6	46.9
Profit Attributable to Shareholders	75.5	2.6
Earnings Before Interest, Tax, Depreciation and Amortisation (EBITDA)	197.9	136.2
Free Cash Flow from Operations*	215.1	168.5
Cash	367.1	302.0
Debt (Total Borrowings)	408.7	528.9
Total Equity	1,166.6	998.1
Recommended Dividend (0.64 US cents per share, equivalent to 5 HK cents per share)	23.7	-

**Net cash generated from operations plus interest received, less CAPEX net of proceeds from sale of assets*

FINANCIAL PERFORMANCE



Note: Saia Burgess and Parlex businesses were acquired in the second half of FY2006

FULL YEAR RESULTS - HIGHLIGHTS

- ◆ Sales of US\$1,741 million
- ◆ Gross margins increased from 23% to 28%
- ◆ Operating profit more than doubled, from US\$46.9 million to US\$110.6 million
- ◆ Profit attributable to shareholders increased from US\$2.6 million to US\$75.5 million (EPS: from 0.07 US cents per share to 2.06 US cents per share)
- ◆ Bank loans of US\$525 million were repaid and a new three-year term loan of US\$400 million was put in place. At year end, net debt as a percentage of net capital was 3% compared to 19% a year earlier. The Group's cash and cash equivalents amounted to US\$363 million
- ◆ Recommended final Dividend of 0.64 US cents per share (5 HK cents per share)

Group Overview

Key Financial Highlights

Operational Results

Outlook



PROFIT & LOSS – FY2010 vs. FY2009

<i>US\$ millions</i>	FY2010	FY2009	Increase/ (Decrease)
Sales	1,741.0	1,828.2	(87.2)
Gross Profit	481.5	425.7	55.8
<i>Gross Margin %</i>	27.7%	23.3%	4.4%
Other Income & Gains/(Losses)	5.7	(6.6)	12.3
Selling and Administrative Expenses ("S&A")	(350.8)	(353.4)	2.6
<i>S&A %</i>	20.2%	19.3%	0.9%
Operating Profit/(Loss) before Restructuring	136.4	65.7	70.7
Restructuring Costs & Assets Impairment	(25.8)	(18.8)	(7.0)
Operating Profit/(Loss)	110.6	46.9	63.7
<i>Operating Margin %</i>	6.4%	2.6%	3.8%
Finance Costs, Net	(6.8)	(9.6)	2.8
Share of (Loss)/Profit of Associated Companies	(0.1)	0.1	(0.2)
Profit/(Loss) before Income Tax	103.7	37.4	66.3
Income Tax	(17.8)	0.4	(18.2)
Profit/(Loss) from Continuing Operations	85.9	37.8	48.1
Discontinued Operations*	-	(31.1)	31.1
Profit/(Loss) for the Year	85.9	6.7	79.2
Minority Interest	(10.4)	(4.1)	(6.3)
Profit/(Loss) Attributable to Shareholders	75.5	2.6	72.9

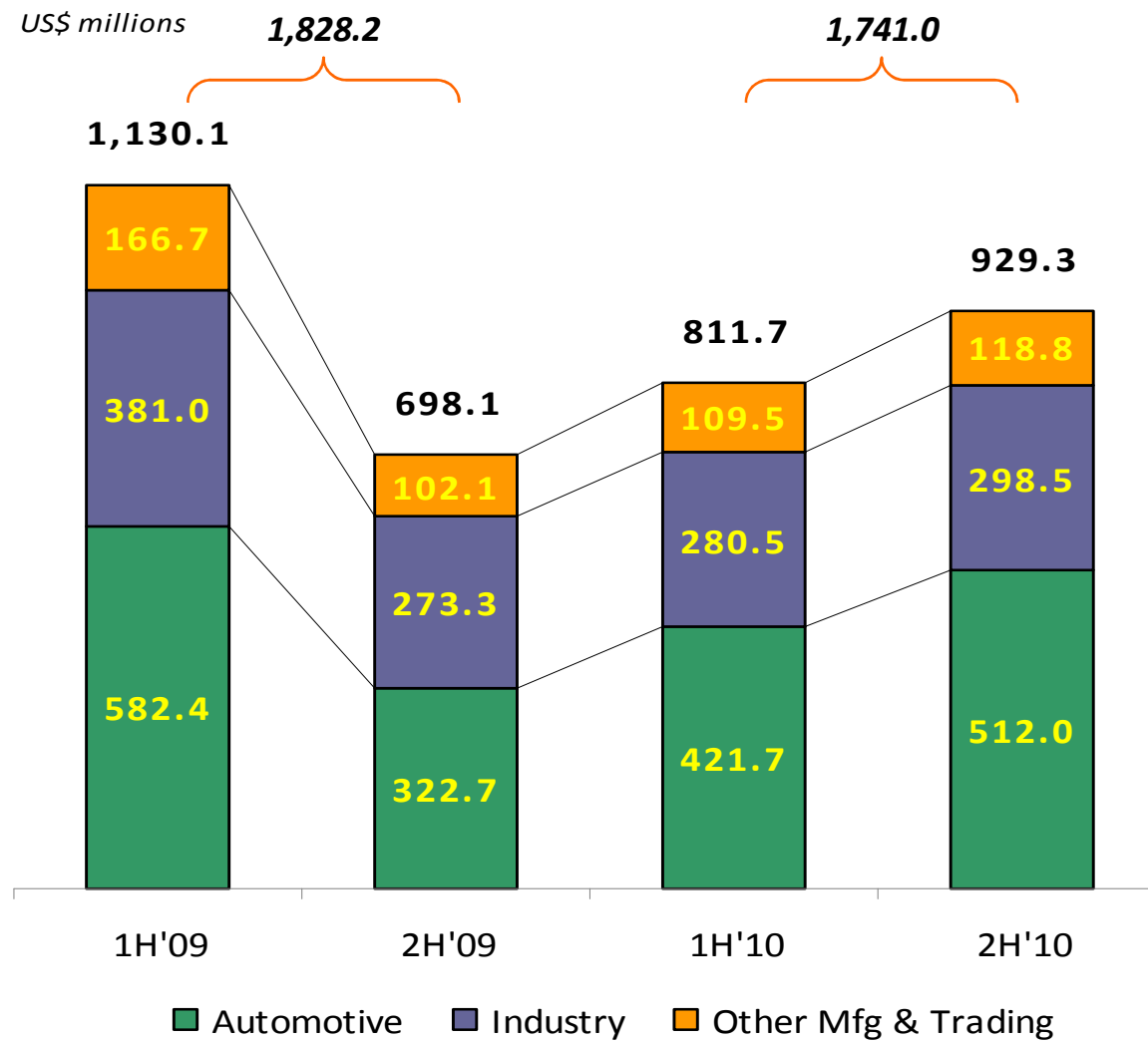
*Green Vision Group

PROFIT & LOSS – 2H FY2010 vs. 2H FY2009

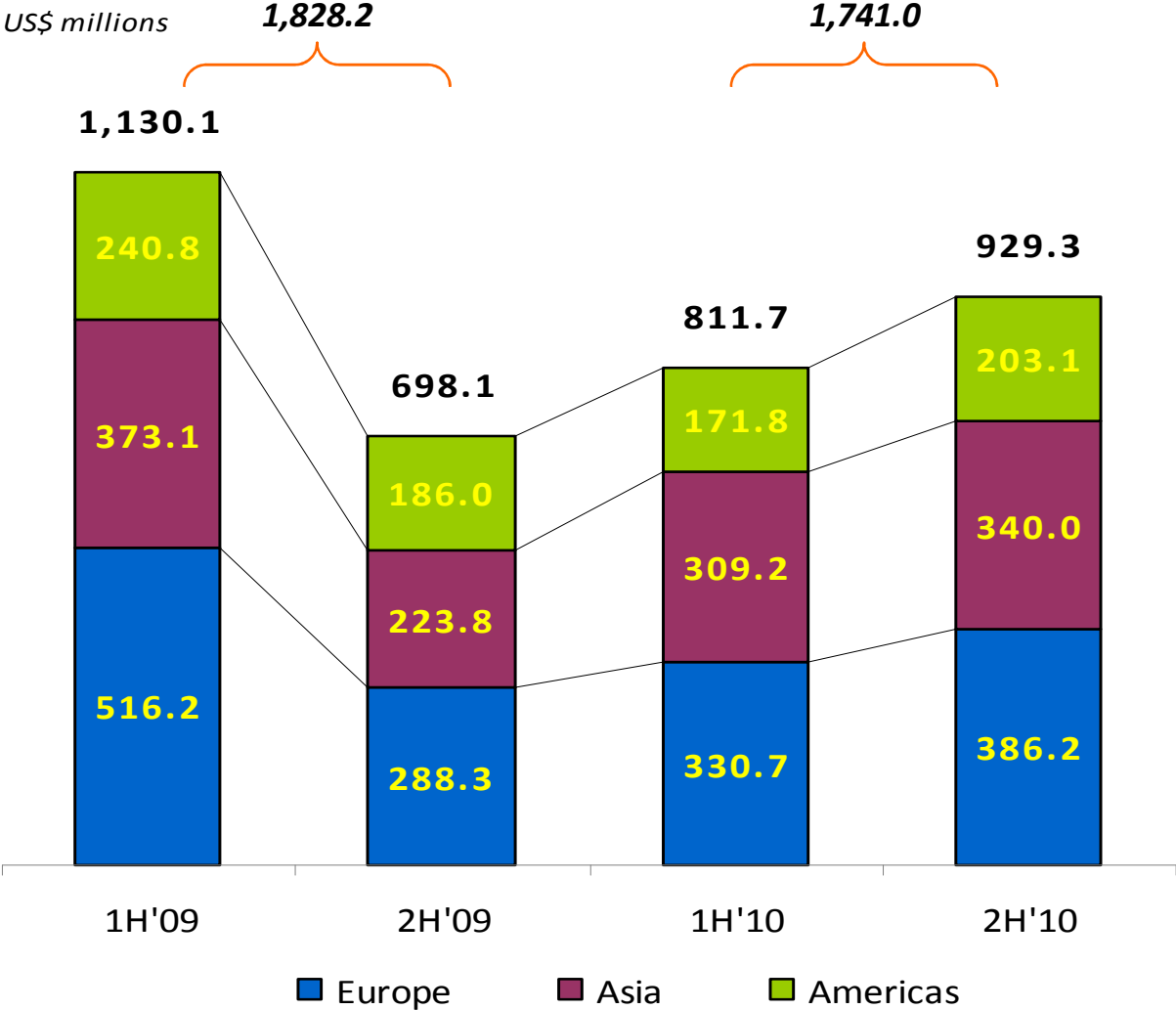
<i>US\$ millions</i>	2H FY2010	2H FY2009	Increase/ (Decrease)
Sales	929.3	698.1	231.2
Gross Profit	265.6	132.8	132.8
<i>Gross Margin %</i>	28.6%	19.0%	9.6%
Other Income & Gains/(Losses)	7.0	(15.0)	22.0
Selling and Administrative Expenses ("S&A")	(183.1)	(150.0)	(33.1)
<i>S&A %</i>	19.7%	21.5%	-1.8%
Operating Profit/(Loss) before Restructuring	89.5	(32.2)	121.7
Restructuring Costs & Assets Impairment	(11.8)	(16.7)	4.9
Operating Profit/(Loss)	77.7	(48.9)	126.6
<i>Operating Margin %</i>	8.4%	(7.0%)	15.4%
Finance Costs, Net	(3.7)	(3.2)	(0.5)
Share of (Loss)/Profit of Associated Companies	0.1	-	0.1
Profit/(Loss) before Income Tax	74.1	(52.1)	126.2
Income Tax	(7.4)	14.7	(22.1)
Profit/(Loss) from Continuing Operations	66.7	(37.4)	104.1
Discontinued Operations*	-	(3.6)	3.6
Profit/(Loss) for the Year	66.7	(41.0)	107.7
Minority Interest	(5.7)	(2.0)	(3.7)
Profit/(Loss) Attributable to Shareholders	61.0	(43.0)	104.0

*Green Vision Group

GROUP SALES BY LINE OF BUSINESS



GROUP SALES BY GEOGRAPHY



FULL YEAR RESULTS OVERVIEW – APG SALES

- ◆ Fast and steep recovery backed by government-sponsored incentive (scrapping) schemes and fiscal stimuli
- ◆ New business wins
- ◆ Exceptionally strong growth in emerging markets, notably China
- ◆ Increasing use of window-lift, power seat adjustment, lumbar support, climate control and mirror actuation applications in the small vehicle segment
- ◆ Increased preference for fuel efficient vehicles driving demand for engine air and fuel management products
- ◆ Growth in demand for safety focused products for electronic stability control and electric parking brakes applications

FULL YEAR RESULTS OVERVIEW – IPG SALES

- ◆ Demand has been depressed due to fewer home starts, high rates of unemployment and low levels of consumer expenditure
- ◆ Markets have started to recover with gradual re-stocking by customers, particularly in air-conditioning, floor cleaning and food and beverage markets
- ◆ New solutions for office automation, gaming and home appliances
- ◆ Increased uptake of products for metering applications
- ◆ Growth in demand for “green” energy-efficient products
- ◆ Market share increases in emerging economies e.g. India & Brazil

FULL YEAR RESULTS OVERVIEW – OTHER MANUFACTURING BUSINESSES

◆ Controls

- Revenue declined slightly in line with lower global demand in industrial machines market
- Partially offset due to market share gains in infrastructure automation markets

◆ Tonglin Precision Parts

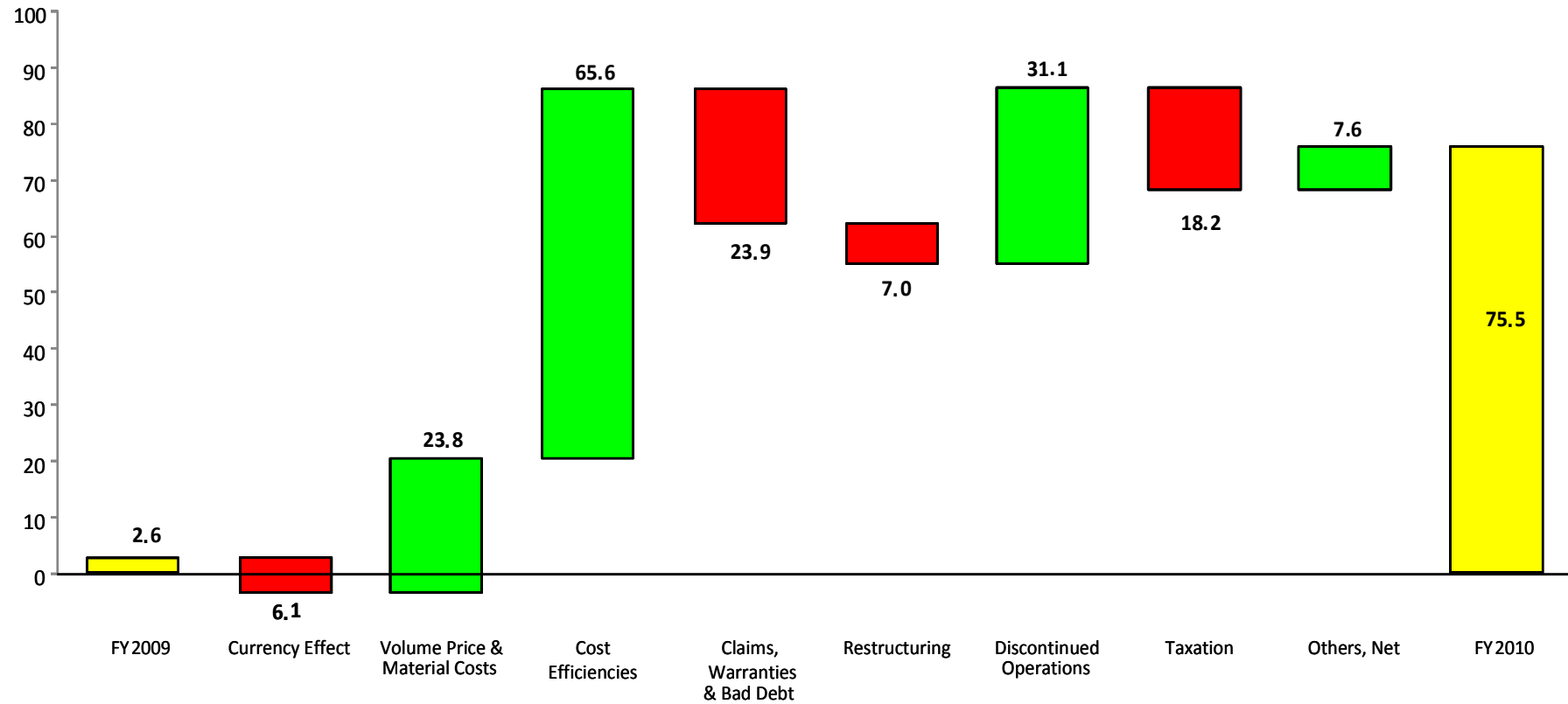
- Sales growth due to the merger of China AutoParts with Tianxi Auto Parts
- Sales for engine blocks increased in line with China automotive market growth

◆ Parlex

- Sales declines were in line with the reduction in global demand
- New developments for automotive, white goods and office equipment markets

PROFIT ATTRIBUTABLE TO SHAREHOLDERS – FY2009 vs. FY2010

US\$ millions



FREE CASH FLOW

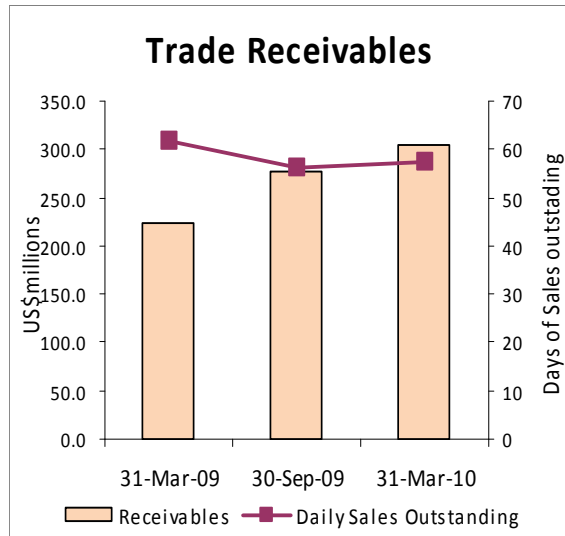
US\$ millions

	FY2010	FY2009
Operating Profit	110.6	47.0
Depreciation, Amortization and Associates	87.3	89.2
EBITDA	197.9	136.2
Other Non Cash Items in Profit before Tax	13.9	16.9
Working Capital Change	63.9	106.9
Cash Generated from Operations	275.7	260.0
Interest Paid	(8.3)	(14.6)
Tax	(18.9)	(28.3)
Net Cash Generated from Operating Activities	248.5	217.1
Interest Received	2.2	6.1
Capital Expenditure	(38.0)	(62.8)
Proceeds from Sale of Assets	2.4	8.1
Free Cash Flow from Operations	215.1	168.5

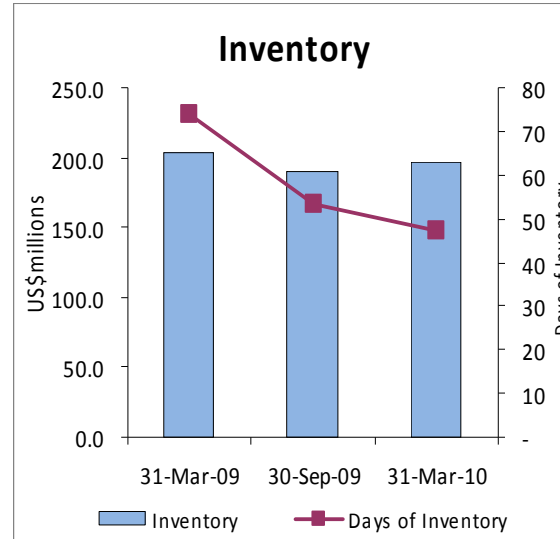


Free Cash Flow
increased by US\$46.6M

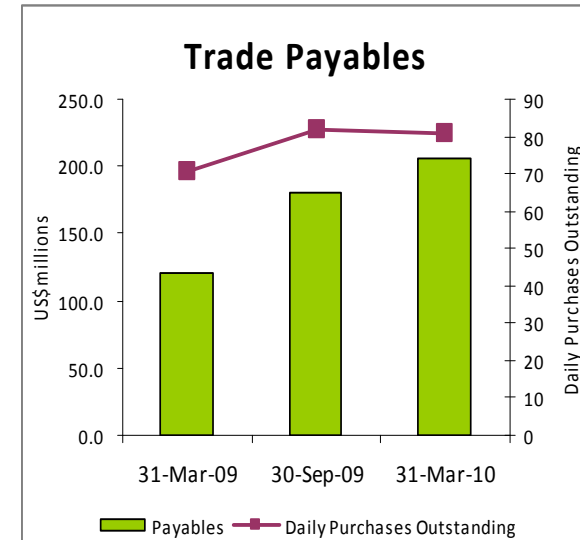
WORKING CAPITAL



- Daily Sales Outstanding reduced from 62 to 58 days

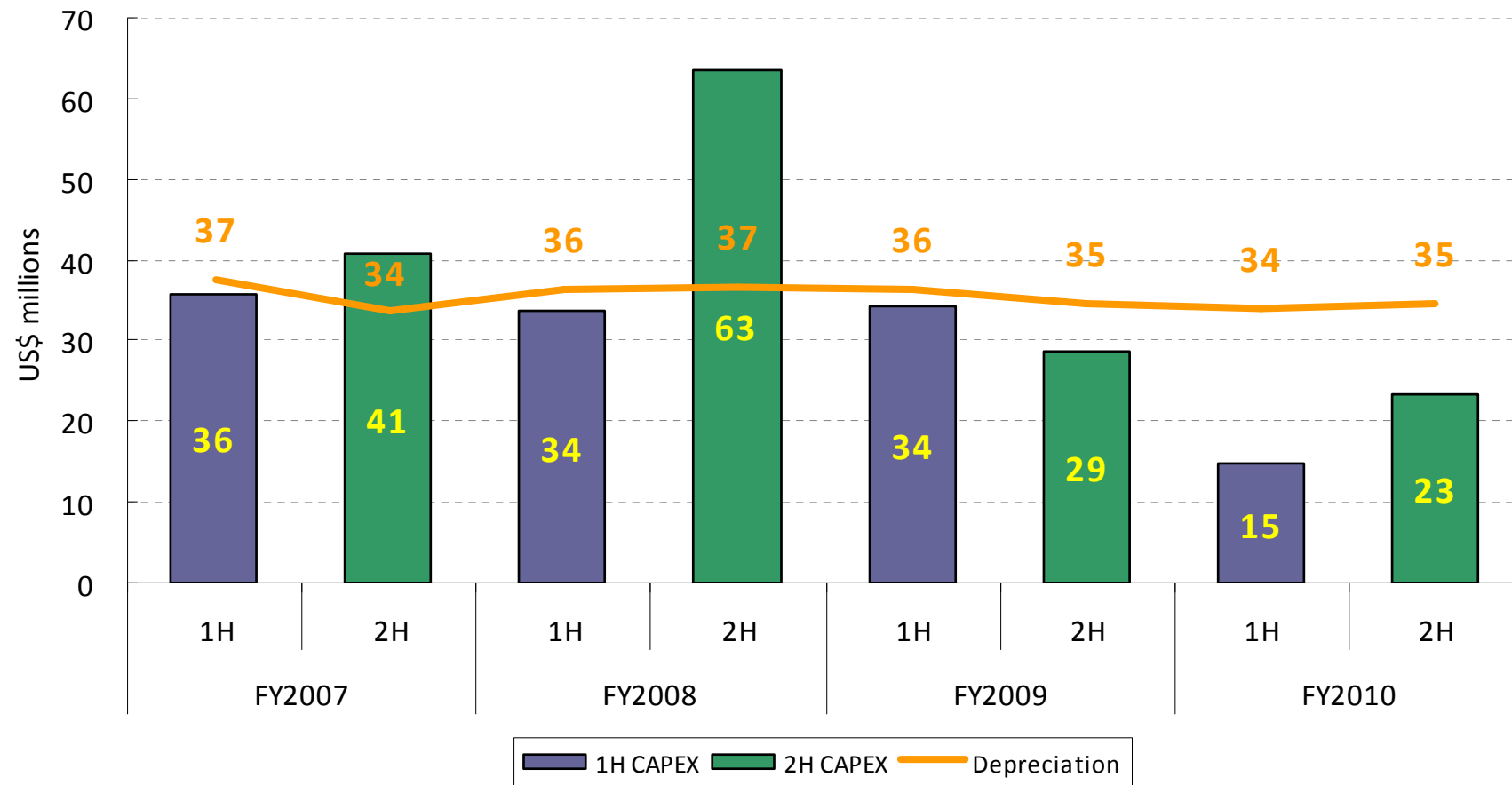


- Days of Inventory reduced from 74 to 47 days



- Daily Purchases Outstanding increased from 70 to 81 days

CAPITAL EXPENDITURE

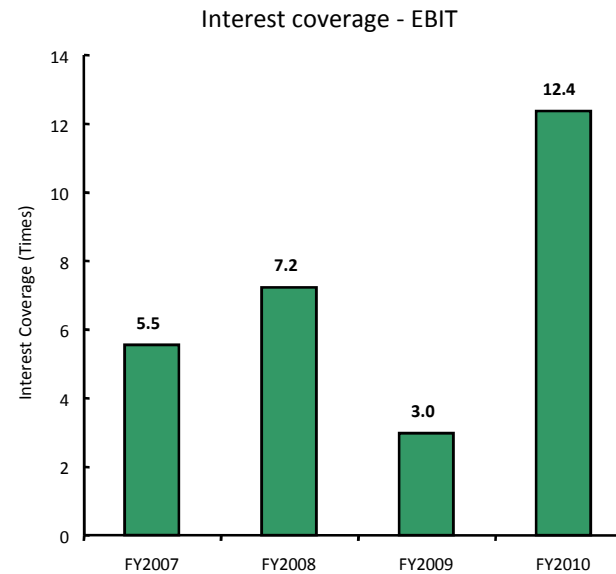
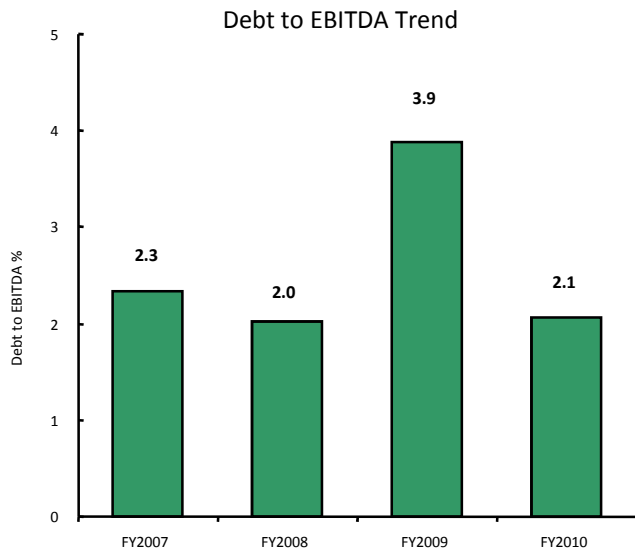
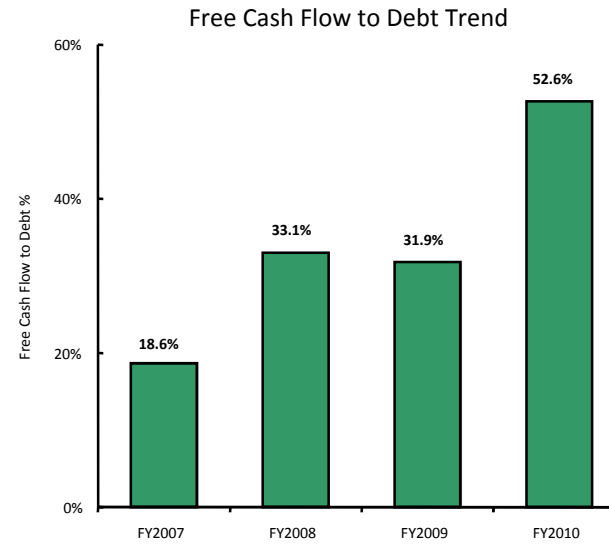
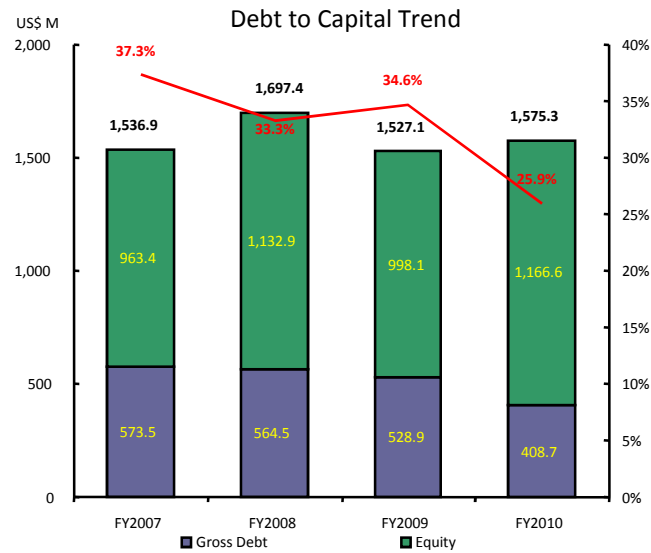


BALANCE SHEET

	Group	
	Actual <u>Mar 2010</u>	Actual <u>Mar 2009</u>
<i>US\$ million</i>		
Fixed Assets	441	428
Goodwill & Other Intangible Assets	700	662
Other Assets	623	558
Liabilities	(555)	(423)
Net Capital Employed	1,209	1,225
Net Capital Funded by:		
Shareholders' Equity and minority interests	(1,167)	(998)
Debt (Total Borrowings)	(409)	(529)
Cash	367	302
	} Net Debt = 42	} Net Debt = 227
	(1,209)	(1,225)

Debt to Capital (Total Equity + Debt)	26%	35%
--	------------	------------

KEY FINANCIAL RATIOS



DIVIDEND

*In view of the improved operating environment and financial condition of the Company, the Board has determined that a resumption in dividend distributions would be appropriate. Accordingly, the Board has recommended a final dividend payment of US\$23.7 million or 0.64 US cents per share**

Chairman's Statement
May 31, 2010

** Equivalent to 5 HK cents per share*

Group Overview

Key Financial Highlights

Operational Results

Outlook



OUTLOOK FOR JOHNSON ELECTRIC

Looking to the immediate future, we anticipate the generally buoyant demand conditions of the past few months to continue through the first half of the 2010/11 financial year with a correspondingly positive impact on sales and operating profits.

In summary, I am confident that the competitive position of Johnson Electric is very sound and, supported by the success of recent restructuring activities, the financial performance of the Group is set for further improvements in the year ahead. Nonetheless, a realistic assessment of the external environment suggests that we should also be prepared for potentially significant headwinds to affect sales and operating costs as the year progresses.

Chairman's Statement
May 31, 2010



GLOBAL SALES & SUPPORT OFFICES

- ◆ Austria
- ◆ Belgium
- ◆ Brazil
- ◆ Canada
- ◆ China
- ◆ France
- ◆ Germany
- ◆ Hong Kong
- ◆ India
- ◆ Italy
- ◆ Israel
- ◆ Japan
- ◆ Korea
- ◆ Netherlands
- ◆ Singapore
- ◆ Switzerland
- ◆ UK
- ◆ USA



GLOBAL ENGINEERING CENTERS

- ◆ **China**
- ◆ **Germany**
- ◆ **Hong Kong**
- ◆ **Italy**
- ◆ **Israel**
- ◆ **Japan**
- ◆ **Switzerland**
- ◆ **UK**
- ◆ **USA**



WORLDWIDE MANUFACTURING

- ◆ Argentina
- ◆ Brazil
- ◆ China
- ◆ France
- ◆ Germany
- ◆ Hungary
- ◆ India
- ◆ Italy
- ◆ Israel
- ◆ Poland
- ◆ Switzerland
- ◆ UK
- ◆ USA



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”, 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.