

CORPORATE PROFILE

Johnson Electric is one of the world's largest providers of motion products to global customers in the automotive, commercial and industrial sectors.

Established in 1959, Johnson Electric ships its products to more than thirty countries in over one hundred different motion applications and has a capacity of producing over 3 million motors per day.

Johnson Electric's **goal** is the **creation of shareholder and customer value**. The focus of the Group's business strategy is to grow with innovative and differentiated products that deliver competitive advantage for its customers.

Johnson Electric's principal financial objective is to maximize long-term cash flow by investing in markets and product segments that offer superior growth prospects and in areas where the Group can leverage its substantial resources and competencies.

Johnson Electric employs over 40,000 employees and subcontract workers in 20 countries, with the majority of the workforce engaged in production activities in China. Design engineering centers are located in Hong Kong, China, Japan, Israel, Italy, Switzerland, Germany and USA.

Listed on the Hong Kong Stock Exchange since 1984, Johnson Electric is a constituent stock of the Hang Seng Index. It is also a constituent stock of Morgan Stanley Capital International Index and has a sponsored American Depository Receipt Program in the United States through JPMorgan Chase Bank.

CONTENTS

CORPORATE AND SHAREHOLDER INFORMATION	3	FINANCIAL REVIEW	16
		Overview	16
		Results of Operations	17
		Financial Condition	21
FINANCIAL HIGHLIGHTS	4	Total Shareholder Return (TSR)	23
		Financial Management and Treasury Policy	23
A MESSAGE FROM PATRICK WANG	6	Cash Flows	25
		CORPORATE GOVERNANCE REPORT	26
BUSINESS REVIEW	9	REPORT OF THE DIRECTORS	35
Overview	9		
Sales Overview	9	BIOGRAPHICAL DETAILS OF DIRECTORS AND SENIOR MANAGEMENT	43
Business Unit Sales Performance	9		
Automotive Motors Group ("AMG")	10	STATEMENT OF ACCOUNTS	49
Commercial Motors Group ("CMG")	11		
Saia-Burgess	13	JOHNSON ELECTRIC GROUP TEN-YEAR SUMMARY	120
Johnson Electric Capital	14		
Johnson Electric Trading	14		
Investing in People	14		