NEWS RELEASE

Johnson Controls "playing to win in China"

2015-01-13

DETROIT, Jan. 13, 2015 /PRNewswire/ -- As the largest automotive and buildings market in the world, China is the primary market of expansion for Johnson Controls, a global multi-industrial company.

Already well established in China for decades, the company continues to accelerate its growth there through plant openings, key customer partnerships, joint ventures and strategic agreements. Johnson Controls' second global corporate headquarters, located in Shanghai, will open in 2017, fueling growth opportunities across the Asia-Pacific region.

"While we already have the facilities and extensive relationships to serve the automotive market in China, we will continue to add manufacturing capacity and expand our operational footprint across our businesses as market demand grows," said Beda Bolzenius, vice chairman, Asia Pacific, Johnson Controls. "Our investments allow us to reach all parts of China and the Asia-Pacific region as a whole and provide fast, efficient and localized service to our customers."

Growth in automotive business
An automotive seating market leader, Johnson Controls has many key partnerships and a broad manufacturing footprint in China, including 32 joint ventures, 61 manufacturing plants in 30 cities and 22,000 employees. The company was recently recognized for its capabilities in China with the "Top Employer China" award for the fourth consecutive year.

Johnson Controls supports customers' growth strategies through its world-class engineering, innovation and industrial design capabilities. The company operates local design studios, global technical centers and engineering offices across China with full testing capabilities, including two industry-leading sled test labs.

In May 2014, Johnson Controls and Yanfeng Automotive Trim Systems, Co. Ltd. signed a definitive agreement to form a global automotive interiors joint venture. The transaction is expected to close in 2015.

In July 2014, Johnson Controls signed an agreement with Shanghai Yanfeng Industry and Commerce Co., Ltd. and Anhui Yansheng Automotive Trim Co., Ltd. to form a new fabrics joint venture in Huainan

City, Anhui Province, China. The joint venture, named Anhui New Nangang Johnson Controls Automotive Trim Co., Ltd., provides Chinese automakers with seating services from fabric design, engineering and manufacturing to trim products. In addition, the joint venture offers the capability of warp knitting and circular knitting, and its product portfolio includes woven fabrics, as well as seat trim covers.

Energy storage growth opportunities
As the global leader in automotive batteries, Johnson Controls is well-positioned to help the Chinese automotive industry grow by offering solutions to meet increasingly strict fuel efficiency and emissions regulations.

The company's Power Solutions battery business has 14 million units of capacity to serve the China market, with more than 1,000 employees in two plants, one research and development facility, and a China headquarters in Shanghai. In June 2014, Power Solutions opened a plant in Chongqing (western China), adding to its existing operations in Changxing (eastern China).

In May 2014, Johnson Controls announced it had signed a long-term automotive battery supply agreement with SAIC Motor Corporation Limited (SAIC Motor), a further indication of Johnson Controls' commitment to expand rapidly in China. The company provides its Absorbent Glass Mat batteries to power SAIC Motor's Start-Stop vehicles.

As China drives toward energy security and less dependence on carbon-based energy sources, Johnson Controls' Building Efficiency business is well-positioned to grow its HVAC product offerings as well as energy efficiency and sustainable solutions in the country.

In early 2014, the Building Efficiency business opened a US $35 million expansion of its manufacturing and research and development center in Wuxi, China. The campus and its engineering center is now one of Johnson Controls' largest R&D centers in the world for building heating, ventilation and air conditioning systems. The center will spearhead continuing heat recovery innovation that turns wasted heat into clean fuel for China homes and businesses.

The York Dual Steam Turbine (YDST) heat pump, launched in October 2014, recycles surplus heat from industrial or power plants into higher temperature hot water that can be used to operate large central heating plants. Compared to traditional boiler heating, the YDST can reduce coal consumption by up to 30 percent while supplying the same amount of heat. In November 2014, the company's building technology and consulting expertise helped an 850,000-square-foot office in Changsha City, the Northstar Delta Office Tower, earn two prestigious green building certifications and cut energy consumption by 28 percent.

Capabilities shown at NAIAS
Johnson Controls is showcasing its global seating, interiors and battery capabilities as an event sponsor and exhibitor at the North American International Auto Show (NAIAS). This is the 21st year that Johnson Controls is involved in the NAIAS. Its 10,000-square-foot exhibit in room 310B is open to media and invited guests.

The NAIAS event – one of the world's premier automotive exhibitions – opened to the media and industry officials Monday, Jan. 12. It will open to the public from Saturday, Jan. 17 through Sunday, Jan. 25. For more information, please visit: www.naias.com.

About Johnson Controls:
Johnson Controls is a global diversified technology and industrial leader serving customers in more

than 150 countries. Our 170,000 employees create quality products, services and solutions to optimize energy and operational efficiencies of buildings; lead-acid automotive batteries and advanced batteries for hybrid and electric vehicles; and interior systems for automobiles. Our commitment to sustainability dates back to our roots in 1885, with the invention of the first electric room thermostat. Through our growth strategies and by increasing market share we are committed to delivering value to shareholders and making our customers successful. In 2014, *Corporate Responsibility Magazine* recognized Johnson Controls as the #12 company in its annual "100 Best Corporate Citizens" list. For additional information, please visit http://www.johnsoncontrols.com or follow @johnsoncontrols on Twitter.

To view the original version on PR Newswire, visit:http://www.prnewswire.com/news-releases/johnson-controls-playing-to-win-in-china-300019295.html

SOURCE Johnson Controls