

Johnson Controls acts to facilitate A123 bankruptcy process

Agrees to change in debtor-in-possession funding to help maintain value of A123 assets

MILWAUKEE, Oct. 26, 2012 /PRNewswire/ -- In collaboration with A123, Johnson Controls has chosen not to be the debtor-in-possession (DIP) lender during A123's bankruptcy process to avoid potential delays posed by threatened legal actions from Wanxiang. The parties believe this move is in the best interest of the estate by ensuring an efficient process that will best preserve value for creditors, employees and customers.

"We are concerned that back-and-forth posturing by other interested parties may lead to confusion and anxiety for A123's employees and customers and thus destroy underlying value in the estate," said Alex Molinaroli, president, Johnson Controls Power Solutions. "We have agreed to step aside as the DIP funder in order to keep the process moving and allow it to conclude in the most efficient manner possible. We want to reassure employees, customers and other stakeholders that Johnson Controls remains committed to our acquisition of A123, which will keep a source of critical jobs, intellectual property and advanced battery technology in the United States."

Johnson Controls maintains its \$125 million offer for A123's automotive assets as well as the stalking horse position in the bankruptcy process subject to Bankruptcy Court approval, expected on Nov. 5, 2012. The company also plans to expand its offer to include A123's government business, including military contracts, during the bankruptcy process.

"A123's technology provides a combination of performance attributes that make it well suited for a range of applications, including certain automotive and military applications that are complementary to Johnson Controls' existing portfolio," said Molinaroli. "We remain committed to serving the dynamic global advanced battery market and continuing to build jobs in the United States."

About Johnson Controls

Johnson Controls is a global diversified technology and industrial leader serving customers in more than 150 countries. Our 162,000 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 2012, Corporate Responsibility Magazine recognized Johnson Controls as the #5 company in its annual "100 Best Corporate Citizens" list. For additional information, please visit <http://www.johnsoncontrols.com>.

About Johnson Controls Power Solutions

Johnson Controls Power Solutions is the global leader in lead-acid automotive batteries and advanced batteries for Start-Stop, hybrid and electric vehicles. Our 50 manufacturing, recycling and distribution centers supply more than one-third of the world's lead-acid batteries to major automakers and aftermarket retailers. Through our innovations we are building the advanced battery industry for hybrid and electric vehicles. We were the first company in the world to produce lithium-ion batteries

for mass-production hybrid vehicles. Our commitment to sustainability is evidenced by our world-class technology, manufacturing and recycling capabilities.

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