

FOR IMMEDIATE RELEASE

Johnson Controls Agrees to Acquire Silent-Aire to Accelerate Growth in Hyperscale Data Center Vertical

- Establishes leadership position in high-growth data center vertical, with industry leading cooling equipment technology and modular data center solutions
- Leverages Johnson Controls' global capabilities to expand into key growth regions and enhance data center solutions and service offerings
- Creates integrated solution for data center providers to enhance operational resiliency and energy efficiency, while achieving their sustainability goals by deploying OpenBlue digital solutions
- Transaction valued at up to \$870 million; expected to be immediately accretive and add \$0.07 to \$0.09 to FY22 adjusted EPS

CORK, IRELAND — April 9, 2021 — [Johnson Controls](#) (NYSE: JCI), the global leader for smart, healthy and sustainable buildings, today announced it has entered into a definitive agreement to acquire Silent-Aire, a global leader in hyperscale data center cooling and modular critical infrastructure solutions. This all-cash transaction is valued at up to \$870 million, including an upfront payment of approximately \$630 million and additional payments to be made subject to the achievement of post-closing earnout milestones.

Silent-Aire specializes in the design, engineering and manufacturing of mission critical custom air handlers and modular data centers for hyperscale cloud and colocation providers. Silent-Aire's portfolio of data center solutions allow for rapid deployment of critical infrastructure in flexible configurations, with a focus on quality, scalability, and speed-to-market. Silent-Aire's revenue for fiscal year 2021 (May) is expected to approximate \$650 million.

"With Silent-Aire, Johnson Controls has a significant opportunity to increase our focus on the data center vertical and accelerate growth in this attractive end market by combining the strengths of our global scale in manufacturing and service, with leading-edge innovation and a broad portfolio of technologies dedicated to serving hyperscale providers," said George Oliver, Johnson Controls chairman and CEO. "This acquisition perfectly aligns with several of our key strategic growth initiatives and underscores our focus on creating shareholder value," Oliver continued. "We are incredibly excited to welcome Silent-Aire to the Johnson Controls family as we look to build upon their success of nearly 30 years of innovation, operational expertise, and deep customer relationships."

The continuous migration of applications to the cloud (SaaS) has resulted in unprecedented demand for computing power and the rapid expansion of data center infrastructure. Over the last several years, this trend has overwhelmingly favored the development of hyperscale cloud and colocation facilities. Hyperscale providers have unique capabilities in deploying large-scale computing power with increasingly more efficient, more rapidly deployed solutions and with greater geographic reach. To accomplish this, hyperscalers require trusted global partners, such as Silent-Aire, that provide highly efficient, sustainable and reliable products along with consistent and dependable execution.

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“Silent-Aire grew up with the cloud and our DNA translates what it means to be a Hyperscale Data Center Company,” said Lindsey Leckelt Silent-Aire Co-CEO. “Being an innovative partner with early adopters, we broke through traditional design barriers that pushed energy initiatives in what led to how most Hyperscale Data Centers are cooled and engineered today,” he continued. “The culture in our business captures this unique skill set and is scaled through to our engineering, operations, and manufacturing teams to keep up with the explosive growth of cloud providers. Johnson Controls shares our vision to scale as a Data Center Platform business, which will enable us to serve our partners globally.”

Silent-Aire is headquartered in Edmonton, Alberta and has approximately 3,000 employees globally, with a legacy of providing mission critical data center technology, a commitment to customer-centricity and a clear focus on sustainability.

“Sustainability has been a major focus as we’ve grown our family business throughout our history,” added Dan Leckelt, Silent-Aire Co-CEO. “Maintaining our growth to match our customers’ demands has taken us from 30 employees to 3,000 over this period,” Leckelt continued. “Through this growth, our global expansion to Europe provided a glimpse of the opportunity the rest of the world has to offer. As a measure of continuing long-term sustainability for our customers and employees; while pushing technological advances fostering environmental excellence, a partnership with Johnson Controls Inc. provides Silent-Aire the best opportunity to succeed.”

Subject to the receipt of regulatory approval and customary closing conditions, the transaction is expected to close in the fiscal third quarter of 2021. The transaction is expected to be immediately accretive and add \$0.07 to \$0.09 to Johnson Controls adjusted EPS from continuing operations in fiscal 2022.

An accompanying slide presentation with additional details on the transaction has been made available on the “Events & Presentations” section of the company’s website at:

<https://investors.johnsoncontrols.com/news-and-events/events-and-presentations>

JOHNSON CONTROLS CONTACTS:

INVESTORS:

Antonella Franzen
Direct: 609.720.4665
Email: antonella.franzen@jci.com

Ryan Edelman
Direct: 609.720.4545
Email: ryan.edelman@jci.com

MEDIA:

Chaz Bickers
Direct: 224.307.0655
Email: charles.norman.bickers@jci.com

Michael Isaac
Direct: +41.52.6330374
Email: michael.isaac@jci.com

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About Johnson Controls:

At Johnson Controls, we transform the environments where people live, work, learn and play. From optimizing building performance to improving safety and enhancing comfort, we drive the outcomes that matter most. We deliver our promise in industries such as healthcare, education, data centers, and manufacturing. With a global team of 100,000 experts in more than 150 countries and over 130 years of innovation, we are the power behind our customers' mission. Our leading portfolio of building technology and solutions includes some of the most trusted names in the industry, such as Tyco®, YORK®, Metasys®, Ruskin®, Titus®, Frick®, PENN®, Sabroe®, Simplex®, Ansul® and Grinnell®. For more information, visit www.johnsoncontrols.com or follow us @johnsoncontrols on Twitter

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Johnson Controls International plc Cautionary Statement Regarding Forward-Looking Statements

Johnson Controls International plc has made statements in this communication regarding the acquisition of Silent-Aire that are forward-looking and therefore are subject to risks and uncertainties. All statements in this document other than statements of historical fact are, or could be, "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995. In this communication, statements regarding Johnson Controls' future financial position, sales, costs, earnings, cash flows, other measures of results of operations, synergies and integration opportunities, capital expenditures and debt levels are forward-looking statements. Words such as "may," "will," "expect," "intend," "estimate," "anticipate," "believe," "should," "forecast," "project" or "plan" and terms of similar meaning are also generally intended to identify forward-looking statements. However, the absence of these words does not mean that a statement is not forward-looking. Johnson Controls cautions that these statements are subject to numerous important risks, uncertainties, assumptions and other factors, some of which are beyond Johnson Controls' control, that could cause the expected impact of the acquisition of Silent-Aire to differ materially from those expressed or implied by such forward-looking statements, include, among others, risks related to the ability to realize the anticipated benefits of the acquisition, including the possibility that expected synergies will not be realized or will not be realized within the expected time frame; delays in the successful integration of Silent-Aire; unfavorable reaction to the acquisition by customers, competitors, suppliers and employees, disruption from the transaction making it more difficult to maintain business and operational relationships; significant transaction costs; and unknown liabilities.

Other factors that could cause Johnson Controls' actual results to differ materially from those expressed include, among others risks related to: Johnson Controls' ability to manage general economic, business, capital market and geopolitical conditions, including the impacts of natural disasters, pandemics and outbreaks of contagious diseases and other adverse public health developments, such as the COVID-19 pandemic; the strength of the U.S. or other economies; changes or uncertainty in laws, regulations, rates, policies or interpretations that impact Johnson Controls' business operations or tax status; the ability to develop or acquire new products and technologies that achieve market acceptance; changes to laws or policies governing foreign trade, including increased tariffs or trade restrictions; maintaining the capacity, reliability and security of Johnson Controls' enterprise and product information technology infrastructure; the risk of infringement or expiration of intellectual property rights; any delay or inability of Johnson Controls to realize the expected benefits and synergies of recent portfolio transactions such as its merger with Tyco and the disposition of the Power Solutions business; the outcome of litigation and governmental proceedings; the ability to hire and retain key senior management; the tax treatment of recent portfolio transactions; significant transaction costs and/or unknown liabilities associated with such transactions; the availability of raw materials and component products; fluctuations in currency exchange rates; work

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stoppages, union negotiations, labor disputes and other matters associated with the labor force; the cancellation of or changes to commercial arrangements. A detailed discussion of risks related to Johnson Controls' business is included in the section entitled "Risk Factors" in Johnson Controls' Annual Report on Form 10-K for the 2020 fiscal year filed with the SEC on November 16, 2020, which is available at www.sec.gov and www.johnsoncontrols.com under the "Investors" tab. Shareholders, potential investors and others should consider these factors in evaluating the forward-looking statements and should not place undue reliance on such statements. The forward-looking statements included in this communication are made only as of the date of this document, unless otherwise specified, and, except as required by law, Johnson Controls assumes no obligation, and disclaims any obligation, to update such statements to reflect events or circumstances occurring after the date of this communication.

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Non-GAAP Financial Information

The Company's press release contains financial information regarding adjusted earnings per share, which is a non-GAAP performance measure. The adjusting items include transaction costs, integration costs and deal amortization. Management may use this metric as a guide in forecasting, budgeting and long-term planning processes and for compensation purposes. This metric should be considered in addition to, and not as replacements for, the most comparable GAAP measure.