

News Release Draft



FOR IMMEDIATE RELEASE

CONTACT: Darryll Fortune
(414) 524-7770
Darryll.L.Fortune@jci.com

New Research from Johnson Controls Indicates Energy Efficiency Becoming More Important to for Business Leaders in Brazil

Energy Efficiency Indicator survey reveals regulation and incentives will drive investment

SÃO PAULO, May 29 -- Energy efficiency has never been more important, according to new research commissioned by Johnson Controls. The Energy Efficiency Indicator (EEI) survey, a research report targeting professionals responsible for energy management, revealed barriers to investing in energy efficiency including limited funding, uncertainty about future energy prices, government incentives, and energy legislation.

"These findings highlight the fact that business leaders are increasingly aware of the need for energy efficiency and its potential to reduce operating costs while cutting greenhouse gas emissions," said C. David Myers, president of Johnson Controls Building Efficiency division. "Economic and regulatory uncertainty, however, are inhibiting organizations from investing in proactive measures," added Myers.

Johnson Controls conducted the survey of more than 100 Brazilian executives responsible for managing energy use within their organizations. The majority of respondents were chief executive officers, general managers or facility directors.

Energy efficiency has never been more important

According to the EEI results, 56 percent of business leaders are paying a lot more attention to energy efficiency than they were one year ago. Fifty-seven percent said that energy management was extremely or very important.

A greater fraction of Brazilian respondents plan to make energy efficiency improvements financed with capital (62 percent) budgets and with operating budgets (59 percent) than those surveyed in the North American EEI study. However average payback thresholds are much shorter in Brazil (2 years) than in North America (3.5 years).

Of the organizations planning new construction or retrofit projects, 98 percent identified energy efficiency as a priority. Sustainability continues as a focus in new construction as 47 percent are seeking green building certification, while 41 percent plan to incorporate green elements, but not certify their facilities. More than two thirds say green buildings are extremely or very important in attracting employees, whereas only 29 percent of North American respondents agreed.

Limited capital means declining investments

When asked about the barriers to capture potential energy savings, limited capital availability for investments (35 percent) and unattractive payback (17 percent) were cited. Nearly 50 percent of executives who oversee energy efficiency investments expect a payback period that is less than two years.

Market uncertainty related to carbon policy, incentives and energy prices

The EEI research indicates that 53 percent of business leaders believe incentives from utilities or government will drive investment in efficiency. Fifty-four percent stated that legislation mandating energy efficiency and/or carbon reduction is likely within the next two years. And 54 percent say climate change is very or extremely influential to their organizations compared to only 22 percent in the U.S.

Fifty percent of respondents believe that energy prices will rise an average of 11 percent over the next year.

Perspectives on renewable energy

Survey participants also were asked about on-site renewable energy. Leaders are considering a range of technologies. Most of respondents mentioned solar electric (41 percent), solar thermal (39 percent), and hydro- power (37 percent).

About the Study

More than 100 leaders at the front lines of energy management were polled through an on-line survey in May 2009.

About Johnson Controls

Johnson Controls is the global leader that brings ingenuity to the places where people live, work and travel. By integrating technologies, products and services, we create smart environments that redefine the relationships between people and their surroundings. Our team of 140,000 employees creates a more comfortable, safe and sustainable world through our products and services for more than 200 million vehicles, 12 million homes and one million commercial buildings. Our commitment to sustainability drives our environmental stewardship, good corporate citizenship in our workplaces and communities, and the products and services we provide to customers. For additional information, please visit <http://www.johnsoncontrols.com>