



Techtronic Industries

[For Immediate Release]

TTI Reports Record Interim Sales and Net Profit

- Continued margin improvement
- Positive free cash flow
- Interim dividend increased by 35.0%
- Reduced gearing from 66.1% to 37.4%
- New products driving growth

(Hong Kong, 16 August 2012) - Hong Kong-based global power equipment and floor care company **Techtronic Industries Co. Ltd.** ("TTI"/ The Group) (stock code: 669, ADR symbol: TTNDY) announced that it achieved record sales of US\$1,855 million for the six-month period ended 30 June 2012, up 4.0% over the corresponding period in 2011, and record net profit of US\$96 million, an increase of 20.1% as compared to the same period last year. Total organic Group sales were up 5.2% before foreign currency impact. Gearing improved to 37.4% as compared to 66.1% at June 30, 2011.

This performance was a result of our ability to generate organic growth in existing and new markets, with powerful brands that connect with end-users, innovative new products with leading-edge technologies, and continuous improvement through operational efficiency and aggressive procurement programs. New products contributed to the Group's growth and comprised about one third of sales. Gross margin improved to a record level for the period.

TTI delivered strong growth in its Power Equipment business, which delivered US\$1.4 billion in sales for 1H 2012, representing a 10.1% increase compared to the first six months of 2011. The Group cited double-digit gains across all markets in industrial tools backed by the MILWAUKEE® brand's advanced technology FUEL™ and REDLITHIUM™ cordless tools. Growth was recorded in consumer tools driven by the RYOBI® 18-volt One+ System® and exciting new Ryobi cordless Outdoor Products.

Mr. Horst Pudwill, Chairman of TTI, said, "I am proud that we have again achieved record sales and profit. This strong performance combined with our ability to improve profit margins

demonstrates the Group's ability to profitably drive growth. We believe that TTI will continue delivering market leading results for our shareholders."

Mr. Joseph Galli, CEO of TTI, commented, "TTI has a reputation for continuously bringing to market high-quality products that resonate with our customers through unrelenting focus on R&D and innovation. Leading-edge product platforms, such as MILWAUKEE® M12® and M18® as well as the RYOBI® ONE+ System®, will help us grow as we drive organic expansion across our major markets and new geographic areas. With our stable of powerful brands and pipeline of new products, we are firmly positioned to build on our positive results."

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About TTI

Founded in 1985 and listed on the Stock Exchange of Hong Kong Limited in 1990, TTI is a world-class leader in quality consumer, professional and industrial products marketed to the home improvement, hardware, and construction industries. An unrelenting strategic focus on Powerful Brands, Innovative Products, Exceptional People, and Operational Excellence drives our success.

TTI's powerful brand portfolio includes MILWAUKEE®, AEG® and RYOBI® power tools, accessories and hand tools, RYOBI® and HOMELITE® outdoor products, and HOOVER®, DIRT DEVIL® and VAX® floor care and appliances.

TTI is one of the constituent stocks on the Hang Seng HK SmallCap Index under the Hang Seng Composite Index, the FTSE All-World Hong Kong Index and the FTSE Xinhua Hong Kong Index. For more information, please visit www.ttigroup.com.

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