



Techtronic Industries

[For Immediate Release]

RECORD 2016 FIRST HALF RESULTS

*Global Growth Driven by Cordless Product Innovations and Continued Strong Performance in our Power Equipment Business
Sales Increases 8.6% and Profit Increases 11.6%*

Highlights	2016	2015	Changes
	US\$	US\$	
	million	million	
Revenue	2,686	2,474	+8.6%
Gross profit margin	36.1%	35.6%	+50 bps
EBIT	201	181	+11.3%
Profit attributable to Owners of the Company	177	159	+11.6%
EPS (US cents)	9.69	8.67	+11.7%
Interim dividend per share (approx. US cents)	2.57	2.06	+25.0%

- Record results in revenue, gross profit and net income
- Gross Profit Margin increased for the 8th consecutive period to 36.1%
- Power Equipment sales outpaced the industry, increasing 12.6%, fueled by innovative new products

(Hong Kong, 17 August 2016) - Hong Kong-based global power equipment and floor care company **Techtronic Industries Co. Ltd.** ("TTI"/ The TTI Group) (stock code: 669, ADR symbol: TTNDY) reported record results in revenue, gross profit, and net income with revenues growing by 8.6% to US\$2.7 billion and 9.7% before currency adjustment. Net profit margins continued to improve, increasing by 20 basis points to 6.6% of sales. TTI grew in all geographic regions through innovative new product launches and strategic marketing programs, while delivering continued operational efficiency and productivity gains. Gross margins increased from 35.6% to 36.1% of sales, delivering the eighth consecutive reporting period of gross margin improvement. Basic earnings per share increased by 11.7% to 9.69 US cents.

TTI's largest business unit, the Power Equipment business, delivered a strong first half with US\$2,204 million in global sales, representing a 12.6% increase compared with the same period

in 2015. Our MILWAUKEE industrial business sales grew by 20.2% before currency adjustment, with our highly recognized Consumer Power Tool and Outdoor Product brands also delivering double-digit growth. This performance was driven by the introduction of innovative new products, strong marketing initiatives, continued entry into new product categories, targeted geographic expansion and a focus on operational and commercial excellence.

Mr. Joseph Galli, CEO of TTI, commented, “TTI’s unrelenting focus on our leadership position in cordless tools and operational efficiency has delivered another record first half performance, yielding the eighth consecutive reporting period of gross margin improvement. It is a testament to our successful strategy of delivering innovative new cordless products backed by a deep understanding of customer needs.”

Mr. Horst Pudwill, Chairman of TTI, said, “TTI enters the second half from a position of strength after a record first half performance. We continue to demonstrate our ability to stay laser focused as we implement our leadership strategy across new product category introductions, geographic expansion, and operational and commercial excellence.”

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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, EMPIRE layout and measuring products, and HOOVER, ORECK, VAX and DIRT DEVIL Floor Care and Appliances.

TTI is one of the constituent stocks of the MSCI All Country World Index, FTSE Developed Index and Hang Seng Composite LargeCap Index under the Hang Seng Composite Size Index. For more information, please visit www.ttigroup.com.

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