

TTI DELIVERS A STRONG FIRST HALF PERFORMANCE WITH RECORD REVENUE

New Products Driving Strong Growth

Highlights	2019* US\$	2018* US\$	
	million	million	Changes
Revenue	3,728	3,431	+8.7%
Gross profit margin	37.6%	37.1%	+50 bps
EBIT	314	281	+11.9%
Profit attributable to Owners of the Company	285	255	+11.9%
EPS (US cents)	15.61	13.89	+12.4%
Interim dividend per share (approx. US cents)	5.79	4.89	+18.4%

*For the 6 months ended June 30

- First Half 2019 Revenue Totaled US\$3.7 Billion up by 10.7% in local currency
- Net Profit Continues to Grow at a Faster Rate than Sales, up 11.9%, Driven by the 11th Consecutive First half of Gross Margin Improvement
- Disciplined Working Capital Management, Delivered Working Capital of 18.4% of Sales
- The Flagship Milwaukee Tool Business continues to Grow 20%+ in local currency

(Hong Kong, August 14, 2019) - Hong Kong-based global power equipment and floor care company **Techtronic Industries Co. Ltd.** (“TTI” or the “Group”) (stock code: 669, ADR symbol: TTNDY) announced its results for the six months ended June 30, 2019. It was another record first half for the Group with revenue increasing 8.7%, EBIT and net profit both increasing 11.9%, and earnings per share increasing 12.4%, to approximately US15.61 cent. Revenue grew 10.7% in local currency. The strong first half performance was driven by the launch of new products, category and geographic expansion. Gross margin increased in the first half for the eleventh consecutive year, up 50 bps, increasing from 37.1% to 37.6%. TTI’s disciplined working capital management continued to yield solid performance at 18.4% of sales. The Board is recommending an interim dividend of HK45.00 cents (approximately US5.79 cents) per share, against HK38.00 cents (approximately US4.89 cents) per share in 2018, an increase of 18.4%.

The Power Equipment segment continued the strong momentum with 14.3% growth in local currency, to revenue of US\$3.3 billion. New products, geographic expansion, and entry into new categories all contributed to the excellent performance. Our flagship Milwaukee Tool business once again grew over 20% globally in local currency and our Power Equipment business outperformed the market with double-digit growth. The Floor Care business is starting to

improve with a strategic focus on our next generation cordless vacuums, carpet washing products and solutions range.

Our geographic expansion was also a highlight for the first half with the European team delivering an outstanding 14.2% growth in local currency, led by Milwaukee Tool with over 25% growth. In rest of world, Australia and our Asian companies continued to deliver above market growth at 12.8%. Our North American businesses continued to perform exceptionally well at 9.7% growth with Milwaukee Tool up 20%+ in the US and 28%+ in Canada.

Mr. Horst Pudwill, Chairman of TTI, said, “We are pleased to have achieved another record first half of outstanding growth. Our expanding global manufacturing network and world class supply chain continues to deliver consistent productivity gains. We are well positioned to deliver a strong second half, and importantly, a strong future.”

Mr. Joseph Galli, CEO of TTI, commented, “New product development is a core strength of TTI and our new product flow continues to accelerate. We continue to aggressively invest in this high speed, world class process so that we can bring to market a stream of high margin new products with cutting edge technology for the months and years to come. With the strength of our new product programs, our outstanding team and strong brand portfolio, we are poised to deliver excellent 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 leader in cordless technology spanning Power Tools, Outdoor Power Equipment, Floor Care Appliances and Accessories for the consumer, professional, and industrial users in the home, construction, maintenance, industrial and infrastructure industries. The Company has a foundation built on four strategic drivers – Powerful Brands, Innovative Products, Exceptional People and Operational Excellence - reflecting a long-term expansive vision to advance cordless technology. The global growth strategy of the relentless pursuit of product innovation has brought TTI to the forefront of its industries. 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 Hang Seng Index, FTSE Developed Index and MSCI ACWI Index. For more information, please visit www.ttigroup.com.

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