



Techtronic Industries

[For Immediate Release]

TTI REPORTS RECORD SALES, GROSS MARGIN AND PROFIT FOR 2014

*Driven by New Product Innovations and Growth in All Geographic Regions,
Sales Increases 10.5% and Profit Increases 20.0%*

(Hong Kong, 18 March 2015) - Hong Kong-based global power equipment and floor care company **Techtronic Industries Co. Ltd.** ("TTI"/ The Group) (stock code: 669, ADR symbol: TTNDY) announced its results for the financial year ended December 31, 2014, achieving record sales, gross margin and profit. Shareholders' profits grew by 20.0% to US\$300 million, with earnings per share increasing by 20.0% over 2013 to US 16.41 cents. Driven by new product innovations and growth in all geographic regions, sales rose by 10.5% over 2013 to a record US\$4.8 billion.

TTI's largest business unit, Power Equipment, grew in sales by 13.0% to US\$3.6 billion, accounting for 74.7% of total sales, and improved operating profit by 16.7% compared to 2013. The Floor Care and Appliance business grew 3.8% to US\$1.2 billion in sales with operating profit expanding 15.4% from last year. Gross profit margin improved for the sixth consecutive year to 35.2% from 34.2% in 2013 driven by the introduction of new products along with our global cost improvement initiatives in purchasing, supply chain, value engineering and manufacturing. 2014 earnings before interest and tax increased by 15.4% to US\$351 million, with the margin improving by 30 basis points to 7.4%. The Board is recommending a final dividend of HK19.00 cents (approximately US2.45 cents) per share, which will result in a full-year dividend 32.6% higher than last year.

Mr. Horst Pudwill, Chairman of TTI, said, "TTI had an outstanding year in 2014, and I am delighted to report record sales, gross margin and profit. Our focus on product innovation and execution allows us to deliver consistently strong results, and will continue to drive our future success."

Mr. Joseph Galli, CEO of TTI, commented, "We enter 2015 with our strongest product lineup ever and are at the forefront of the shift to lithium cordless products across the industrial and consumer tool, outdoor products and floor care segments. Superior products, a disciplined operational approach, and a passionately committed team are central to our identity, and will continue to propel our growth."

- End -

Highlights	2014	2013	Changes
	US\$	US\$	
	million	million	
Turnover	4,753	4,300	+10.5%
Gross profit margin	35.2%	34.2%	+100 bpt
EBIT	351	304	+15.4%
Profit attributable to Owners of the Company	300	250	+20.0%
Basic earnings per share (US cents)	16.41	13.68	+20.0%
Dividend per share (approx. US cents)	4.05	3.06	+32.6%

- Sales increased 10.5% to a record US\$4.8 billion
- Our high margin Milwaukee Industrial Tool business grew 22.2% globally, delivering a 3 year CAGR +20%
- Growth in all geographic regions
- Gross profit margin expanded 100 basis points
- Net profit increased 20.0% for the year, delivering double digit growth for seven consecutive years
- Efficient working capital management at 14.6% of sales

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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 measurement products, and HOOVER, ORECK, VAX and DIRT DEVIL Floor Care and Appliances.

TTI is one of the constituent stocks of the MSCI Hong Kong Index (Mid Cap security) under MSCI Global Standard Index. The Company is also one of the constituents on the Hang Seng Consumer Goods Index under the Hang Seng Composite Industry Index, Hang Seng Composite MidCap Index under the Hang Seng Composite Size Index, Hang Seng Global Composite Index, Hang Seng Broad Consumption Index, Hang Seng HK 35, FTSE Multinationals Index, classified as a Hong Kong Stock, FTSE RAFI All-World 3000 Index and FTSE Hong Kong Index and classified as a Large Cap stock in FTSE Global All Cap Index. For more information, please visit www.ttigroup.com.

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