

TTI DELIVERS EXCEPTIONAL SALES AND PROFIT GROWTH

Fueled by New Cordless Products

Highlights	2018*	2017	Changes
	US\$	US\$	
	million	million	
Sales	7,021	6,064	+15.8%
Gross profit margin	37.2%	36.7%	+50 bps
EBIT	607	519	+17.0%
Profit attributable to Owners of the Company	552	470	+17.4%
Basic earnings per share (US cents)	30.16	25.66	+17.5%
Dividend per share (approx. US cents)	11.33	8.69	+30.4%

*For the year ended December 31, 2018

- Inclusion in the Hang Seng Index as one of fifty constituent stocks
- Record results on strong organic growth, fueled by new cordless products
- Sales expanded by 15.8% and net profit grew 17.4%
- Gross margin improvement for the tenth consecutive year
- Milwaukee Tool delivered an outstanding 28.2% sales growth
- RYOBI ONE+ sales grew double-digit
- Floor Care and Appliance business improved, growing sales 9.3%

(Hong Kong, March 6, 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 financial year ended December 31, 2018. The Group's total revenue increased for the ninth consecutive year by 15.8% over the previous period to US\$7.02 billion. Every geographic region generated exceptional growth powered by a stream of exciting new cordless products. The gross margin continued to improve from 36.7% in 2017 to 37.2% in 2018 driven by new product, mix, volume and productivity. EBIT increased 17.0% to US\$607 million, with the EBIT margin improving by 10 basis points to 8.7%. Shareholder's profits rose 17.4% to US\$552 million, with earnings per share increase of 17.5% over 2017 to US\$30.16 cents. Through highly disciplined working capital management, TTI again delivered a net cash position. The Board is recommending a final dividend of HK50.00 cents (approximately US6.44 cents) per share. Together, with the interim dividend of HK38.00 cents (approximately US4.89 cents) per share, this will result in a full-year dividend of HK88.00 cents (approximately US11.33 cents) per share, against HK67.50 cents (approximately US8.69 cents) per share in 2017, an increase of 30.4%.

TTI's flagship Power Equipment business, representing 85.6% of total sales, grew 17.0% to US\$6.0 billion with operating profit up 16.9% to US\$598 million. The Milwaukee Tool business maintained its outstanding growth rate delivering a revenue increase of 28.2%, while the RYOBI business generated double-digit growth. The Floor Care and Appliance business grew 9.3% and showed meaningful improvement throughout the year. TTI has made significant investments in the expansion of distribution, manufacturing and R&D capabilities in North America and added a new manufacturing complex in Vietnam to support the rapid growth. The Group has strategically committed significant resources in R&D to develop innovative products that redefine how individuals conduct work at home and on the jobsite. TTI continues to enter new markets and verticals as technology advancements create opportunities previously unimagined.

On February 22, 2019, the Hang Seng Indexes Company Limited announced that TTI has been included in the Hang Seng Index as one of their fifty constituent stocks effective March 11, 2019. This inclusion positions TTI among the "blue chip" companies listed on the Hong Kong Stock Exchange and clearly demonstrated the market's confidence in TTI's market value, consistent sector-leading financial performance, outstanding management and future growth prospects.

Mr. Horst Pudwill, Chairman of TTI, said, "We are very pleased to have achieved yet another year of outstanding business growth. We are executing our bold, disciplined strategic plan to bring cordless technology across a growing range of products, establishing TTI as the global leader in our existing and new markets. We are also honored to be selected as a Hang Seng Index constituent which is definitely a major milestone in TTI's development and an important endorsement of our strategic focus on cordless innovation, operational excellence, outstanding people and powerful brand portfolio by the market. We are proud to be creating a better future."

Mr. Joseph Galli, CEO of TTI, commented, "By maintaining our relentless focus on our cordless strategy to fuel growth across the different businesses in the Group, we continue to stay at the forefront of the industry's evolution to lithium-ion battery cordless tools. We see cordless as the future of power equipment and floor care products with a transition that is expanding at a rapid rate. Looking ahead, we are dedicated to changing the cordless landscape through technical advancements and a commitment to creating innovative product solutions. We are confident that our unprecedented organic growth will continue."

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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 MSCI All Country World Index (ACWI), FTSE Developed Index and Hang Seng Composite LargeCap Index under the Hang Seng Composite Size Index. TTI will be included as a constituent in the Hang Seng Index, effective March 11, 2019. For more information, please visit www.ttigroup.com.

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