



Techtronic Industries

[For Immediate Release]

TTI REPORTS RECORD SALES, GROSS MARGIN AND PROFIT FOR 2015

*Led by New Product Innovations and Growth in Power Equipment
Sales Increases 6.0% and Profit Increases 18.0%*

Highlights	2015 US\$	2014 US\$	
	million	million	Changes
Revenue	5,038	4,753	+6.0%
Gross profit margin	35.7%	35.2%	+50 bpt
EBIT	400	351	+14.0%
Profit attributable to Owners of the Company	354	300	+18.0%
Basic earnings per share (US cents)	19.37	16.41	+18.0%
Dividend per share (approx. US cents)	5.05	4.05	+24.6%

- Sales increased 6.0 % to a record US\$5.0 billion
- Sales adjusted for foreign currency grew 10.5%
- Our MILWAUKEE business grew 23.7% adjusted for foreign currency
- Gross margin expanded from 35.2% to 35.7%, an increase of 50 basis points
- Net profit increased 18.0% for the year, delivering double-digit growth for eight consecutive years
- Efficient working capital management at 17.0% of sales

(Hong Kong, 15 March 2016) - 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, 2015, achieving record sales, gross margin and profit. Driven by new product innovations and growth in Power Equipment, sales rose by 6.0% over 2014 to a record US\$5.0 billion. Gross profit margin improved for the seventh consecutive year to 35.7% from 35.2% in 2014 with the introduction of new products along with our global cost improvement initiatives in purchasing, supply chain, value engineering and manufacturing. 2015 earnings before interest and tax increased by 14.0% to US\$400 million, with the margin improving by 50 basis points to 7.9%. Shareholders' profits grew by 18.0% to US\$354 million, with earnings per share increasing by 18.0% over

2014 to US 19.37 cents. The Board is recommending a final dividend of HK23.25 cents (approximately US2.99 cents) per share, which will result in a full-year dividend 24.6% higher than last year.

TTI's largest business unit, Power Equipment, had another exceptional year with sales growth of 11.8% to US\$4.0 billion, accounting for 78.8% of total sales, and an increase in operating profit by 29.7% compared to 2014. Adjusted for foreign currency the Power Equipment business grew 16.8% with the MILWAUKEE power tool, hand tool and accessory business delivering another significant performance growing 23.7%. The Floor Care and Appliance business unit, consistent with our strategy in the first half of the year, continued the planned exit of certain non-strategic lower margin businesses and categories with sales for the year declining 11.2% over 2014 to US\$1.0 billion. Looking ahead, we are strategically well positioned with our focus on cordless and commercial cleaning, leveraging our revitalized product portfolio and world-class brands.

Mr. Horst Pudwill, Chairman of TTI, said, "TTI had an tremendous year in 2015 delivering record sales, gross margin and profit. Our laser focus on product innovation and execution allows us to deliver consistently strong results. As we reflect on thirty years of accomplishment, we are determined to continue our remarkable growth and lead the industry's cordless revolution forward."

Mr. Joseph Galli, CEO of TTI, commented, "We believe a powerful key to our success at TTI is a consistent, disciplined adherence to our strategic direction. 2015 was an amazing year at TTI in which we delivered more new break-through products and continued to advance our geographic expansion. As we look ahead, we are thrilled to share that we have never had a stronger team, more exciting products, and as vast opportunities."

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 Hong Kong Index 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 LargeCap and Hang Seng Composite LargeCap & MidCap Index under the Hang Seng Composite Size Index, Hang Seng Global Composite Index, Hang Seng Hong Kong 35 Index, Hang Seng Shenzhen Hong Kong Consumption Index under Hang Seng Shenzhen Hong Kong Index, Hang Seng Consumer Goods & Services Index, FTSE Multinationals Index, FTSE RAFI All-World 3000 Index, FTSE Hong Kong Index (classified as a Large cap Stock in FTSE Global All Cap Index) and FTSE Global Minimum Variance Index. For more information, please visit www.ttigroup.com.

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