

TTI DELIVERS RECORD SALES AND PROFIT

Power Equipment business continued delivering double-digit sales growth fueled by new cordless products and geographic expansion

Highlights	2017*	2016	Changes
	US\$	US\$	
	million	million	
Sales	6,064	5,480	+10.6%
Gross profit margin	36.7%	36.2%	+50 bps
EBIT	519	450	+15.3%
Profit attributable to Owners of the Company	470	409	+15.0%
Basic earnings per share (US cents)	25.66	22.32	+15.0%
Dividend per share (approx. US cents)	8.69	6.44	+35.0%

*For the year ended December 31, 2017

- Sales increased 10.6 % to a record US\$6.1 billion
- MILWAUKEE continues to grow with strong global momentum and double-digit sales growth
- RYOBI delivered double-digit sales growth
- Gross margin expanded from 36.2% to 36.7%, an increase of 50 basis points
- Net profit increased 15.0% for the year, delivering double-digit growth for ten consecutive years
- Efficient working capital management at 16.5 % of revenue

(Hong Kong, March 13, 2018) - 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, 2017. Driven by outstanding performance of the Group, sales for the year ended December 31, 2017 increased 10.6% over 2016 to US\$6.1 billion for the eighth consecutive year. TTI generated solid growth in all core geographic regions fueled by exciting new product introductions and geographic expansion. Gross profit margin improved for the ninth consecutive year from 36.2% in 2016 to 36.7 % on positive contributions from operational productivity gains and volume leverage. Earnings before interest and taxes, increased by 15.3 % to US\$519 million, with the margin improving by 40 basis points to 8.6%. Shareholders’ profits rose 15.0% to US\$470 million, with earnings per share increasing by 15.0% over 2016 to US 25.66 cents. Working capital as a percent of sales continues to be very well managed and remained low at 16.5% and in a net cash position. The Board is recommending a final dividend of HK39.75 cents (approximately US 5.12 cents) per share, which will result in a full-year dividend that is 35.0% higher than last year.

TTI's largest business, Power Equipment, had another impressive year with sales growth of 14.9% to US\$5.1 billion, accounting for 84.7 % of total sales, and an increase in operating profit of 18.9% to US\$512 million from US\$430 million in 2016. RYOBI and MILWAUKEE again delivered double-digit sales growth by leveraging TTI cordless technology across the battery platforms of RYOBI ONE+, the world's largest cordless DIY power tool and outdoor product range, and the industry leading MILWAUKEE M18 and M12 professional and industrial power tool families. TTI's commitment and investment in R&D combined with the advanced cordless manufacturing capabilities have resulted in a flow of inventive product solutions that are propelling the global transition to cordless tools and enhancing the TTI cordless leadership position.

Mr. Horst Pudwill, Chairman of TTI, said, "I am pleased to announce that in 2017 we delivered another year of record profit and our eighth consecutive year of record revenue. We have delivered impressive growth through the years while continuing to drive gross margin expansion. With our well-defined strategy, business momentum, and customer focus, we have high ambitions for continued success."

Mr. Joseph Galli, CEO of TTI, commented, "TTI had another inspiring year in 2017. Going forward, we have an ambitious vision for a cordless future, a clear strategy in leading the rapid shift to cordless, displacing old technologies, entering new categories and expanding our served industries. Our vision for a cordless future is limitless."

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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 - Brands, Innovation, Operations, and People - 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. For more information, please visit www.ttigroup.com.

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