



Techtronic Industries

[For Immediate Release]

TTI REPORTS RECORD SALES AND PROFIT, AND FREE CASH FLOW FOR 2013

TTI Delivered Another Exceptional Year as Sales Grew 11.6% and Profit Increased 24.5%

(Hong Kong, 19 March 2014) - Hong Kong based global power equipment and floor care company, **Techtronic Industries Co. Ltd.** ("TTI" / The Group) (stock code: 669, ADR symbol: TTNDY) today announced its results for the financial year ended December 31, 2013, delivering record sales, gross margin and profit. Solid operational performance drove shareholders' profits to rise by 24.5% to USD250 million, with earnings per share increasing by 19.8% over 2012 to US13.68 cents. The higher sales and operational efficiency drove positive free cash flow to a record USD332 million.

Sales increased 11.6% over 2012 to USD4.3 billion due to continued investment in new products delivering double digit sales growth in all geographic regions. Sales of TTI's largest business segment, Power Equipment, rose by 9.8% to USD3.1 billion, accounting for 73.1% of total sales, against 74.4% in 2012. Gross profit margin improved for the fifth consecutive year to 34.2% from 33.5% last year on further productivity gains in our operations and sourcing, the introduction of new products, cost improvement programs, and continued investment in automation and lean manufacturing initiatives. 2013 earnings before interest and tax increased by 16.9% to USD304 million, with the margin improving by 30 basis points to 7.1%. The Board is recommending a final dividend of HK13.75 cents (approximately US1.77 cents) per share, which will result in a full-year dividend 35.7% higher than last year.

Mr. Horst Pudwill, Chairman of TTI, said, "I am pleased to announce that TTI delivered another record year for sales, gross margin and profit in 2013. We are excited about our positive momentum and are well positioned to build on our record financial performance through our continued commitment to innovation and superior products."

"2013 was an outstanding year for TTI that validates our relentless focus on innovative product development and global market expansion, supported by disciplined cash management, continuous process improvements, and a deeply committed customer-oriented global team. We are just getting started," said **Mr. Joseph Galli, CEO of TTI**.

Highlights	2013 USD' million	2012 USD' million	Changes
Turnover	4,300	3,852	+11.6%
Gross profit margin	34.2%	33.5%	+70 bpt
EBIT	304	260	+16.9%
Profit attributable to Owners of the Company	250	201	+24.5%
Basic earnings per share (US cents)	13.68	11.42	+19.8%
Dividend per share (approx. US cents)	3.06	2.25	+35.7%

- Sales grew 11.6% to record USD4.3 billion
- All business segments and geographic regions delivered strong growth
- Gross profit expanded 14.2% with a record margin of 34.2%
- Net profit increased to USD250 million, growing 24.5%
- Working capital improved to 13.9% of sales
- Another strong year delivering free cash flow of USD332 million

– End –

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, and HOOVER[®], DIRT DEVIL[®], VAX[®] and ORECK[®] Floor Care and Appliances.

TTI is one of the constituent stocks of MSCI AC Asia Pacific Small Cap index under the MSCI Global Small Cap index. The Company is also one of the constituents on the Hang Seng Consumer Goods Index under the Hang Seng Composite Industry Index, the FTSE Multinational Hong Kong Index and the FTSE Hong Kong Mid Cap Index. For more information, please visit www.ttigroup.com.

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For enquiries:

Techtronic Industries Co. Ltd.

Isabella Chan

Tel: +(852) 2402 6495

Email: isabella.chan@tti.com.hk

Website: www.ttigroup.com

Strategic Financial Relations Limited

Veron Ng +(852) 2864 4831 veron.ng@sprg.com.hk

Ming Chan +(852) 2864 4892 ming.chan@sprg.com.hk

Sadie Lam +(852) 2864 4861 sadie.lam@sprg.com.hk

Fax +(852) 2527 1196