

For more information
Strategic Financial Relations Ltd.
Jackey Ho/Judy Fung/Carol Lau
Tel: 25270490 Fax: 2804 2789

TechTronic Industries Co., Ltd.

The Fifth-Consecutive Year of Growth

(HONG KONG, May 8, 2000) The World's leading manufacturer of rechargeable products, TechTronic Industries Co., Ltd. (the "Company" or "TTI") (Stock code: 669) today announced its annual results for the year ended December 31, 1999. Consolidated turnover for the Group in 1999 increased 6.6% over the previous year to reach HK\$2.7 billion. Profit for the year achieved a growth of 11.2%, amounting to HK\$156.9 million. This is the fifth consecutive year of double-digit growth. Basic earnings per share for the year were 28.15 cents, compared to HK25.40 cents per share in 1998, reported an increase of 10.8%. The Board of Directors recommends a final dividend of 5.5HK cents (1998: 5.0 HK cents) per share payable to shareholders on July 28, 2000, making a total dividend payment of 9.3 HK cents (1998: 8.8 HK cents) per share for the year ended December 31, 1999.

Committed to innovative product development and total quality, TTI is a leading supplier to the North American and European power tool markets. The Company expects to benefit from the robust do-it-yourself ("DIY") market in North America over the next few years. TTI is the principal manufacturer of *Sears, Roebuck and Company Craftsman®* and *Ryobi®* lines of cordless power tools.

The Group partners with many of the major brand names in the power tool and floor care markets around the world. In 1999, the Group acquired the global operations of Vax Ltd. UK and Vax Appliances (Australia) Pty. Ltd., a 51% control of Royal Appliance International GmbH of Germany. These investments strengthened the Group's floor care product technology, extended its reach in the European markets and opens the door to direct and e-commerce marketing.

“TTI follows the simple philosophy of providing high value products through solid partnerships with volume purchasers around the world. Our competitive advantage boils down to the committed execution of our strategy for Global Competitive Costs, Superior Quality, Continuous Development of Innovative New Products, Excellent Customer Service and Outstanding Delivery. This allows TTI to continue to consistently outperform the industry, enabling us to achieve five consecutive years of double-digit growth,” said Mr. Horst Julius Pudwill, Chairman and Chief Executive Officer of TTI.

“Total Quality Management (TQM) has been the foundation for continuous improvement in both our processes and products. Substantial gains are expected as we move forward with the broadening of TQM within the organization,” Mr. Pudwill continued.

TTI has received the Sears Partner-in-Progress Award from *Sears* for twelve consecutive years. “The Sears Award is judged against *quality*, *delivery* and *cost*. Receiving the Award for twelve consecutive years demonstrates our consistent quality and reliability, and the recognition of our ongoing Partnership. We take great pride in maintaining the high standards required in building relationships with our major business partners, such as Sears,” said Mr. Roy Chi Ping Chung, Managing Director of TTI.

The North American and European markets will continue to be the Group’s primary focus. TTI plans to propel the business to additional milestones by further vertical and horizontal integration through acquisitions in the same line of business in the world’s major markets.

As the Group restructures to focus on growth opportunities and the development of our brand portfolio, the directors are proposing that the corporate name be changed to reflect this new outlook. The proposed name is *Techtronic Technology Company Limited*.

TTI was listed on the Hong Kong Stock Exchange in 1990. The Group is principally engaged in the design, engineering and manufacturing of rechargeable power tools, floor care appliance products, health care products, solar technology and electronic measuring tools with operation bases in China, Hong Kong, Indonesia, Australia, UK and Germany. The Group operates manufacturing plants of combined floor area of over 1.5 million square feet and has a work-force of over 6,200 employees.

- end -