



[ **Immediate Release** ]

## **TechTronic and Komatsu Zenoah Form Alliance in Outdoor Power Equipment**

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### ***Enhance the development of Power and Outdoor Products Business***

(Hong Kong – September 02, 2002) – TechTronic Industries Company Limited (“TTI”) (SEHK stock code 669; ADR symbol: TTNDY) today announced TTI and Komatsu Zenoah Co (“KZ”) have signed an agreement to cooperate in the development and manufacturing of outdoor power equipment, particularly high performance and low emission small two cycle engines.

The agreement authorizes TTI to produce the environmentally friendly engines utilizing KZ’s patented emission technology and high performance engine technology while optimizing TTI’s high quality and low cost manufacturing capability in China and North America.

These clean air engines will be used in TTI’s garden products such as trimmers, bush cutters and blowers, which are sold to mass retailers in North America and other major markets under a variety of brand names.

Mr. Horst Pudwill, Chairman of TechTronic, said, “We are very glad to have this opportunity to form a strategic alliance with KZ. Given the market of outdoor power product is enormous with a market size of US\$6 billion in North America alone, we consider this cooperation will further enhance our outdoor product business, especially for the recently acquired Homelite business. The new engine business will undoubtedly become a significant future source of revenue for TTI.”

These powerful yet lightweight “clean air” engines meet the strict environmental regulations of both North America and Europe and are scheduled to be introduced from the beginning of 2003 season. In addition to expanding to other gasoline products, this cooperation would include electric and battery powered garden tools utilizing TTI’s corded/cordless technology.

Mr. Yukio Tokura, President of KZ, said “I am very pleased that we could enter into alliance with TTI. It is sure that the agreement is beneficial for both parties, but that is only the first step. We will continue to explore the discussion for further cooperative opportunities which create synergies between TTI and KZ.”

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## **About TechTronic Industries Company Limited**

Founded in 1985, TTI is a world leader in the design, engineering, manufacturing and marketing of home improvement products, including power tools, floor care appliances, solar and electronic products as well as lawn and gardening equipment. TTI has enjoyed continuous growth since its listing on the Hong Kong Stock Exchange in 1990, achieving a CAGR of over 20% for the past five years in both turnover and profit.

## **About Komatsu-Zenoah**

Established in 1910, KZ is one of the subsidiary companies of Komatsu Ltd., No. 2 manufacturer of construction and mining equipment in the world and is engaged in manufacture and sales of outdoor power equipment, construction machinery and ecology oriented products as well as hydraulic equipment. KZ's two-cycle engine is well known as state-of-the-art in the industries, particularly ultraclean-burning two-cycle engines developed under "green and clean technology" slogan are designed to meet global emission standards. A variety of products equipped with these advanced engines are sold through world-wide sales network.

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