



[For Immediate Release]

Techtronic Industries Issues Zero Coupon Convertible Bonds

(HONG KONG, 18th June 2004) – **Techtronic Industries Co. Ltd.** (“TTI” or “the Company”) (HKEx stock code 669; ADR symbol: TTNDY) today announced its proposed issue of five year zero coupon convertible bonds due 8th July, 2009. The aggregate amount of the Bonds is US\$140 million (approximately HK\$1,091.7 million). Repayment of the bonds will either be convertible into ordinary shares of TTI at an initial conversion price of HK\$16.56 per share, representing a premium of 38% over closing price on 16 June 2004, or be settled in cash. Assuming full conversion, the bonds will be convertible into approximately 65,922,584 shares, representing approximately 4.94% of existing issued share capital of the company. For related details, please refer to the company’s announcement at <http://www.ttigroup.com/investors/announcement.php>.

Mr Horst Pudwill, Chairman and CEO of TTI, said, “The proceeds of the issue will be used for general corporate and working capital purposes including financing possible acquisitions. TTI will continue to expand its core businesses. We have established the business foundation and customer partnerships that will enable us to capture new opportunities, keeping us on our path of rapid expansion. “

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About TTI

Founded in 1985, TTI is a leading and fast-growing supplier of home improvement products, employing over 16,000 people worldwide. TTI's global brand portfolio includes RYOBI power tools, HOMELITE and RYOBI outdoor power equipment, ROYAL, DIRT DEVIL, REGINA and VAX floor care appliances. The company has enjoyed continuous growth since its listing on the Hong Kong Stock Exchange in 1990, achieving double-digit growth for the past nine years. TTI is also one of the constituent stocks on the Hang Seng HK MidCap Index under the Hang Seng Composite Index, the MSCI Hong Kong Index, the FTSE All-World Hong Kong Index and the FTSE/Hang Seng Asian Cyclical Index. For more information, please visit www.ttigroup.com

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