

REVIEW OF OPERATIONS

# Power Equipment



Sales

**37.0% ↑ US\$12.0 b**

Operating Profit

**37.8% ↑ US\$1.2 b**

MILWAUKEE M18 FUEL 1-1/8" SDS Plus Rotary Hammer w/ ONE-KEY



## Power Equipment

Our Power Equipment segment delivered sales growth of 37.0% to US\$12.0 billion. We grew operating profit 37.8% to US\$1.2 billion while making investments to extend our leadership position in the Professional and DIY Tool markets. Based on the wide international reach of our brands, we believe MILWAUKEE is the #1 global Professional Tool brand, and RYOBI is the #1 DIY Tool brand worldwide. More importantly, both MILWAUKEE and RYOBI are the clear leaders in the cordless market, with a commanding and growing global position.

## MILWAUKEE

In 2021, we grew our flagship Milwaukee business 40.6%. The introduction of innovative new products to expand our industry leading M18 and M12 cordless product platforms led this growth. In addition, the breakthrough MILWAUKEE MX FUEL Light Equipment platform continued to gain traction. We also expanded our existing line up of power tool accessories, PACKOUT storage solutions, Personal Protective Equipment (PPE) and Mechanics Hand Tools. These new product introductions, combined with our focus on end user conversions and strong commercial execution, continue to propel the outstanding growth momentum of this business.

## Power Tools

Our Milwaukee business continued to convert users from traditional power sources including corded, pneumatic, hydraulic and petrol tools to our lithium cordless battery technology. Leading the way is the MILWAUKEE M18 system with 251 tools on the platform, the M12 system with 139 tools and the MX FUEL range with 13 products.

After we introduce a key new product, we immediately focus on engineering the next generation with additional features, improved run-time, power, speed, life, and compactness. In 2021, we launched 8 next generation MILWAUKEE M18 products including SDS Plus Rotary Hammers, Small Angle Grinders, and Finish Nailers.

We also expanded the MILWAUKEE M12 sub compact cordless platform with a series of innovative tools. One of the highlights includes the M12 FUEL High Speed Ratchet, which allow users to increase their productivity and is selling at rates well beyond expectations.



MILWAUKEE M12 FUEL 1/4" High Speed Ratchet



### **MILWAUKEE M18 FUEL BLOWER**

The M18 FUEL Blower has the power to clear from 15 ft, gets to full throttle in under 1 second, and is up to 4 lbs lighter than competitors.



### **MILWAUKEE M18 FUEL 16" CHAINSAW**

The M18 FUEL 16" Chainsaw delivers the power to cut hardwoods, cuts faster than gas, and delivers up to 150 cuts per charge.

## **Outdoor Products**

We identified a vast opportunity to transform outdoor power equipment from petrol to battery-powered. To capitalize on this opportunity, we created a business unit that strictly focuses on battery-powered outdoor products. Our obsession is to catalyze a stampede away from petrol to battery, to improve the performance of outdoor products while eliminating carbon emissions and reducing noise. MILWAUKEE is well positioned to lead this revolution for professional grade outdoor equipment by introducing best in class performance through advanced batteries, charging, motor design and most importantly, firmware. In 2022, we will launch our new MILWAUKEE M18 FUEL 21" Self-Propelled battery-powered mower that delivers a breakthrough mowing performance, while also achieving new levels of sustainability and noise reduction. Fortunately, MILWAUKEE is not burdened with a legacy petrol business, so the entire product development system is 100% focused on leadership battery-powered products.

## **Storage**

In addition, we continue to expand our revolutionary MILWAUKEE PACKOUT storage system to meet the growing storage, transportation, and organizational needs of the professional user. With the recent additions of the PACKOUT deep organizer, rolling jobsite box, and XL toolbox, this innovative system now contains 45 interchangeable products.



MILWAUKEE PACKOUT Rolling Tool Chest

## **Personal Protective Equipment**

When we identified a significant opportunity for improved Personal Protective Equipment (PPE) in the market, we established a team to focus on developing breakthrough innovative products. We have now launched over 600 SKUs of PPE, all specifically tailored to bring better protection, comfort, safety, and productivity to our users. The flagship of our new PPE product range is in the ubiquitous hard hat arena. Our MILWAUKEE Safety Helmet range that has created an environment where users are safer, more comfortable and productive.



MILWAUKEE White Vented Safety Helmet – Type II, Class C



## RYOBI

We believe RYOBI is the #1 global DIY Tool brand featuring 162 tools, 74 outdoor products, and 18 cleaning products in the ONE+ battery system alone. In 2021, our RYOBI 18V ONE+ High Performance (HP) brushless products elevated the performance of RYOBI, providing a better experience for professionals and DIY users alike. Led by the runaway success of the RYOBI ONE+ HP Compact Brushless Drill Driver, the HP Platform now contains 37 products, and is rapidly growing. We cannot be more excited about the future RYOBI ONE+ HP new product pipeline, featuring a RYOBI ONE+ HP Table Saw, RYOBI ONE+ HP Track Saw, and RYOBI ONE+ HP AIRSTRIKE 18ga Brad Nailer to name just a few.

The Ryobi outdoor business delivered another year of outstanding results, led by our global leadership of battery-powered lawn mowers, battery-powered snow blowers, and cordless handheld outdoor equipment. Our range of 41 cordless RYOBI mowers and 6 snow blowers are leading the revolution from the legacy petrol market to our environmentally friendly lithium cordless technology. In addition to being carbon-emission free in use, these products offer superior performance, increasing levels of power without any of the harmful carbon emissions and noise.

One of our leadership initiatives at TTI is attacking noise pollution. Awareness of this harmful issue is growing as local governments are increasingly enacting legislation restricting the use of loud petrol powered outdoor equipment. We are the global leader in acoustic engineering and the subsequent reduction of noise in outdoor products. For example, our RYOBI WHISPER series of quiet blowers, mowers, chainsaws, and other outdoor equipment represents a breakthrough in sound reduction on outdoor battery products that delivers incredible power without the noise. We are incredibly excited about the revolutionary research MILWAUKEE is doing in acoustic engineering for the new product pipeline.



### **RYOBI 18V ONE+ HP BRUSHLESS AIRSTRIKE 18GA BRAD NAILER**

Featuring AIRSTRIKE technology, this nailer eliminates the need for noisy compressors, bulky hoses or expensive gas cartridges. This means faster setup and easy maneuverability on the job site.



### **RYOBI 40V HP BRUSHLESS 24" TWO-STAGE SNOW BLOWER**

Equipped with four 40V 6.0Ah batteries and dual brushless motors, this snow blower allows you to plow through snow easier than ever before.



RYOBI 18V ONE+ & 40V WHISPER SERIES Family