



Techtronic Industries

[For Immediate Release]

Record Sales; Restructuring on Track

Results Highlights

For the year ended 31st December

	2007 HK\$' million	2006 HK\$' million	Changes (%)
Turnover	24,775	21,823	+13.53%
Gross Profit	7,809	6,893	+13.29%
EBITDA	1,219	2,098	-41.90%
<i>EBITDA (before restructuring costs and other restructuring and transition costs)</i>	1,962	2,098	-6.48%
Profit attributable to equity holders of the parent	125	1,072	-88.34%
<i>Profit attributable to equity holders of the parent (before restructuring costs and other restructuring and transition costs)</i>	868	1,072	-19.03%
Earnings per share – basic (HK cents)	8.41	73.18	-88.51%
<i>Earnings per share – basic (HK cents) (before restructuring costs and other restructuring and transition costs)</i>	58.27	73.18	-20.37%
Final dividend per share (HK cents)	1.50	12.60	-88.10%

- **Record sales**
- **Growth in Power Tools and Floor Care**
- **Gross margin strengthened in core business**
- **Hoover integration completed**
- **Strategic Repositioning Plan on track**

(Hong Kong, 17th April, 2008) – **Techtronic Industries Co. Ltd.** (“TTI” or the “Group”) (HKEx stock code: 669, ADR symbol: TTNDY) today announced record sales in 2007 of HK\$24.8 billion, 13.53% over the prior year. This growth has been achieved in a challenging macroeconomic environment in the United States and with the benefits from the Group’s strategic acquisitions and restructuring. Additionally, the Group has delivered double digit revenue growth in the first quarter of 2008 and expects such growth to be maintained over the year.

During 2007, Hoover and Stiletto joined the powerful TTI brand portfolio. Strong growth momentum was maintained in Europe. New innovative products boosted the power tool business delivering low single digit growth in both professional and consumer segments. The Group exited non strategic business in the outdoor products category, resulting in an overall decline of sales in the power equipment division. **Mr. Horst Pudwill, Chairman of TTI**, said “The highly successful launch of the innovative green Ryobi lithium-battery cordless power tools will continue to expand the reach of the Ryobi One+ System. Additionally, the outlook for our outdoor product business is very positive with the launch of significant new products in 2008.”

The Group delivered an improved gross margin for the core business in a difficult cost environment. With Hoover, the consolidated gross margin of 31.5% was comparable to 31.6% in the prior year. The introduction of new products, ongoing programs for cost containment, lean manufacturing, and improved operational efficiencies offset rising commodity prices and inflationary pressures.

The Strategic Repositioning Plan, announced in August 2007, is an important initiative for the future growth and profitability of the Group. HK\$743 million of restructuring and transition costs were charged against 2007 earnings. These included the costs to close Hoover’s North Canton, Ohio manufacturing facility and relocate manufacturing to Texas, Mexico and China, plus the closure of two Milwaukee manufacturing facilities in North America. Anticipated annual savings are approximately HK\$550 million (US\$70 million) resulting from the restructuring activities when completed.

In 2007, the Floor Care business focused on the integration of Hoover. This integration has been successfully completed and positions TTI Floor Care to be a growing and profitable contributor to the TTI family of businesses. The Group is particularly encouraged that the Global Floor Care R&D Centre is up and running in the Ohio headquarters.

Commenting on the Group’s future plans, **Mr. Pudwill** said, “In 2008 we can expect the hard work from the integration of Hoover to begin translating into higher bottom line earnings. TTI can also look forward to new growth drivers as it becomes a much more sales and internationally focused organisation after the appointment of new management teams in Europe, Middle East, Canada, Latin America, and Australasia.”

Mr. Joseph Galli Jr, Chief Executive Officer of TTI said, "We have worked hard over the past year to create a mix of TTI veterans and new top talent to deliver what I feel is the best structure and management team in the industry. I look forward to working with this exceptional leadership team in 2008 to further strengthen our position as a market leader. The Group has an immense potential to grow worldwide with its tremendous customers, powerful brands, great products and committed management."

The text of the announcement and results presentation are available at www.ttigroup.com

Investor Presentation Webcasting

Available at www.ttigroup.com from 7:00 pm, 17th April, 2008 (HK Time) for a month until 16th May, 2008

About TTI

Founded in 1985 and listed on the Stock Exchange of Hong Kong Limited in 1990, TTI is a world-class supplier of superior home improvement and construction tools with a powerful portfolio of trusted brands and a strong commitment to innovation and quality. The portfolio that TTI offers includes a full line of power equipment products, floorcare, laser and electronic products, employing approximately 23,500 people worldwide. TTI's portfolio of global brands includes, among others, Milwaukee®, AEG®, Ryobi®, Stiletto®, Homelite®, Royal®, Dirt Devil®, Regina®, Vax® and Hoover®.

TTI is one of the constituent stocks on the Hang Seng HK MidCap Index under the Hang Seng Composite Index and the FTSE All-World Hong Kong Index. For more information, please visit www.ttigroup.com.

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