

Waiblingen, May 20, 2014

### **Groundbreaking ceremony at STIHL in Waiblingen: Engineering center extension and new production logistics building**

STIHL is extending its engineering center in Waiblingen and building a new production logistics facility. The symbolic groundbreaking ceremony for both projects took place on May 20, 2014. The overall investment for the buildings amounts to more than EUR 65 million. The extension to the existing engineering center provides 11,000 square meters of additional space for about 180 workplaces. Apart from research and development, production in Waiblingen will also benefit. By transferring production logistics to Waiblingen-Neustadt from its previous location in Ludwigsburg STIHL will make gains in efficiency, reduce its freight traffic and greatly simplify logistics. The buildings are to be opened in 2016.

### **Commitment to German base at founding company in Waiblingen**

Dr. Nikolas Stihl, STIHL advisory board chairman, said: "These building projects are an expression of our confidence in the future of this business location and the continuing successful development of the STIHL Group as a whole." STIHL executive board chairman Dr. Bertram Kandziora emphasized the company's close ties with the town of Waiblingen: "This groundbreaking ceremony is a symbol for the commitment of the family-owned company to Waiblingen as its corporate headquarters. In erecting these new buildings we are creating excellent preconditions for strengthening our competitiveness and also our loyalty to Waiblingen."

Waiblingen's mayor Andreas Hesky wished both projects smooth and successful progress. "The town of Waiblingen looks forward together with STIHL to the extension at plant 2, which represents a further mark of allegiance to the corporate headquarters and Waiblingen. The building will blend in well with its surroundings and take ecological requirements into account." STIHL works council chairman Udo Salomon said: "STIHL's healthy growth is reflected in building activities throughout

the world. The works council and all employees are particularly pleased when they hear that STIHL is building new facilities in Germany.”

**Unit-type heating and power station for reduced energy consumption**

Furthermore, STIHL is building on the company’s land a gas-fired unit-type heating and power station, which will deliver about 1.2 MW of electricity as well as 1.2 MW of heat and, as from 2015, contribute towards the company’s energy supply. In the summer months, an absorption type refrigerating machine will produce cold air from the heat emitted by the heating and power station to cool the production shop. Thanks to the efficiency of the unit-type heating and power station, the amount of primary energy used will be substantially reduced – a valuable contribution to environmental protection for a total investment of around EUR 4 million.

**Greater synergy effects and efficiency**

The new engineering center building will be erected next to the existing engineering center. It will provide new offices, workshops, testing bays and laboratories and incorporate a multi-functional dining facility, a conference area and a central green piazza. Associated departments will be integrated in order to achieve synergy effects. Space will be created for new development projects – especially for the development of environment friendly corded and cordless electric products.

The modern production logistics facility with high-bay warehouse will be erected directly next the production and assembly shops. Representing an investment of more than EUR 40 million, the new building has a gross covered volume of some 185,000 cubic meters. Featuring a multi-function warehouse and an automated high-bay warehouse, it will make production logistics much more efficient.



STIHL is Germany's most attractive employer in the consumer durables sector. This was confirmed in the "Germany's Best Employer" survey performed by the Focus news magazine. STIHL came 37th in the overall ranking and was ranked number two in the engineering industry. STIHL is heavily committed to supporting young staff during their training and also at university. The opportunity to be creative and having the freedom to develop one's own ideas are typical hallmarks of careers at STIHL.

### Company Portrait

The STIHL Group develops, manufactures and distributes power tools for professional forestry and agriculture as well as for garden and landscape maintenance, the construction sector and the demanding private user. The range of garden power tools from VIKING complements the product line. Products are distributed exclusively through authorized dealers, including 34 marketing subsidiaries, about 120 importers and more than 40,000 dealers in over 160 countries. STIHL has been the world's top-selling chain saw brand since 1971. The company was founded in 1926 and is based in Waiblingen near Stuttgart. In 2013, STIHL achieved a worldwide sales volume of 2.81 billion euros with a workforce of 13,844.

This press release and pictures are available for downloading from the STIHL website at <http://www.stihl.com/daily-pressbusiness-press.aspx>

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