

Waiblingen, July 16, 2011

STIHL celebrates 85th anniversary

The family-owned STIHL company celebrated its 85th anniversary with more than 7,000 guests on 16 July. Employees and their families as well as company retirees were invited to the fete at corporate headquarters in Waiblingen-Neustadt. Hans Peter Stihl, son of the company founder and current chairman of the advisory board, thanked the staff “for their great commitment and decades of loyalty to the company.” He said: “We will continue to re-invest a major proportion of earnings in the company in order to further consolidate our financial strength and preserve our entrepreneurial independence.” He was generally optimistic about the outlook for the future: “The prerequisites for future growth are ideal. We have a large number of innovative products in the pipeline, which will delight our customers.” Luigi Colosi, chairman of the general works council, said at the fete that STIHL had been developed into an international group of companies in the second generation under the leadership of Hans Peter Stihl. “In that process, special emphasis was always placed on social aspects.

An 85-year success story

Even company founder Andreas Stihl was convinced that a customer-oriented sales system would be a key factor for the future success of his business and said: “A chain saw is only as good as its service.” Only two years after the company was founded (1926), STIHL opened a STIHL sales office in North Germany. Andreas Stihl was a pioneer of globalization. It was not long before the success of his strategy became apparent – the first gasoline chain saws were soon sold to neighboring European countries. STIHL started exporting chain saws to America in 1930, and to Russia a year later. Sales companies were set up in the world’s major markets in the years that followed and that strategy has continued up to the present day. An important aspect of the company’s philosophy is to sell exclusively through servicing dealers – and this has proven successful:

STIHL has been the biggest selling chain saw brand ever since 1971.

The early 1970s saw the establishment of an international manufacturing network with plants in the U.S.A., Brazil, Switzerland, Austria and China. As the company's developments resulted in technical innovations in many products, there are now well over one thousand STIHL patents.

Chain saws currently account for half the company's unit sales. The other half comprises outdoor power tools such as line trimmers, brushcutters, pole pruners, hedge trimmers, blowers, sprayers, cut-off machines, earth augers, pressure washers, wet and dry vacuum cleaners and sweepers. Garden equipment manufacturer VIKING, based in Austria, has been part of the STIHL group since 1992 and rounds off the product line with its walk-behind lawn mowers, robot mowers, ride-on mowers, garden shredders and cultivators.

The traditional Swabian company now has a workforce of more than 11,000 and achieves a turnover of over €2.3 billion. STIHL is represented around the world by 32 company-owned sales and distribution subsidiaries and a closely knit network of more than 120 importers. Some 38,000 authorized servicing dealers all over the world offer STIHL customers professional advice and comprehensive service.

“STIHL remains a family-owned company.”

STIHL will maintain the character of a family-owned company and continue to vouch for the high quality behind the “Made by STIHL” label. After his 80th birthday on June 30 next year, Hans Peter Stihl will resign chairmanship of the advisory board. His son, Dr. Nikolas Stihl, will then succeed him in the most important decision-making organ in the

STIHL group. Hans Peter Stihl explained: "Our goal is to ensure that STIHL remains a company owned by the descendants of our founder Andreas Stihl. Operative management of the company will continue to be in the hands of the non-family executive board – under the time-proven chairmanship of Dr. Kandziora. I will remain general partner of STIHL Holding."

Company Portrait

The STIHL Group develops, manufactures and distributes power tools for forestry, landscape maintenance and the construction industry. The range of garden power tools from VIKING complements the product line. Products are distributed exclusively through authorized dealers, including 32 marketing subsidiaries, more than 120 importers and about 38,000 dealers in more than 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 2010, STIHL achieved a worldwide sales volume of EUR 2.36 billion with a workforce of 11,310.

This press release and pictures are available for downloading from the STIHL website
<http://www.stihl.de/tages-wirtschaftspresse.aspx>

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