

PRESS RELEASE

January 25, 2012

STIHL to build modern production logistics center in Waiblingen-Neustadt

STIHL intends to build a new warehouse for production logistics on its premises in Waiblingen-Neustadt. The planned state-of-the-art building represents an investment of more than €40 million – this is in addition to the extension to the engineering center already scheduled for the same location at a cost of over €20 million. The modern logistics center will be erected directly next to the production and assembly building. Construction will commence in early 2013 and the facility will start operations at the beginning of 2015.

At present, STIHL's warehouse for production logistics is located some distance away in the town of Ludwigsburg. Production materials needed exclusively in Waiblingen are initially delivered to Ludwigsburg, stored there and transported on demand to Waiblingen several times a day. In future, these materials will be delivered directly to Waiblingen and stored in the new warehouse. STIHL will thus avoid unnecessary truck journeys and greatly simplify logistics. A makeover of the 60-year old premises in Ludwigsburg for logistic purposes has proven to be impractical. The premises were originally acquired by STIHL from the bankruptcy assets of Ludwigsburg Maschinenfabrik.

STIHL's distribution logistics center is situated in another part of Ludwigsburg. STIHL purchased the formerly leased industrial site in Kammererstrasse from Ellring-Klinger for €34 million in 2011. Products are shipped from there to the company's sales subsidiaries and importers all over the world. STIHL expects to see further growth at this location in the coming years.

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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 servicing dealers. The organization includes 32 marketing subsidiaries, more than 120 importers and about 40,000 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 is available for downloading from the STIHL website

<http://www.stihl.de/tages-wirtschaftspresse.aspx>

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