

January 30, 2013

STIHL Inaugurates New Logistics Building for Saw Chain Plant

A new logistics building costing a total of 18 million Swiss francs has been inaugurated at STIHL's Swiss saw chain facility in Wil in the canton of St. Gallen. The building was erected in just 10 months. Dr. Nikolas Stihl, chairman of the STIHL advisory and supervisory boards, said at the opening ceremony on January 30: "The additional warehouse space and state-of-the-art technology enhance the efficiency of our chain manufacturing facility and enable us to ship our quality Swiss-made chains even faster to our demanding customers." The new building provides 5,700 square meters of useful space and is heated and cooled by environment friendly geothermal energy.

Growth curve continues to rise

STIHL has been producing saw chain in Wil, Switzerland, since 1974. Chain sales in Wil increased steadily to a point where, after several extensions, it was necessary to build a second factory in nearby Bronschhofen in 2008. This new factory provided additional manufacturing capacity; saw chain output was further increased in recent years. As a result, the existing logistics facilities were stretched to their limits and that meant a new building was necessary. STIHL's executive board chairman Dr. Bertram Kandziora sees further growth in the future, too: "In the medium term, but also this year, we expect higher unit sales. Our saw chains are enjoying growing popularity throughout the world – also among customers that use other brands of chainsaws."

Competitive disadvantage of strong Swiss franc offset

The existing logistics operations will be transferred to the new building. STIHL will use the space freed up in this way to further optimize production processes at its Wil plant and bring the production standards into line with the latest findings acquired at the chain plant in Bronschhofen. The resulting boost in productivity will be used to compensate for the

competitive disadvantage brought about by the strong Swiss franc. Swiss saw chains are exported to 160 countries.

Environmental protection using geothermal energy

The new building incorporates 4,200 cubic meters of concrete and 550 metric tons of reinforcing steel, as well as 90 kilometers of electric cable. In order to keep the planned short construction schedule on track, up to 120 construction workers were on the site at any one time. It was decided not to use fossil fuels for the building's heating and cooling system. A geothermal concept was implemented instead. This means that heating energy is extracted from the ground. In summer the heat pump is switched to the cooling mode and the waste heat that occurs is stored in the ground to regenerate the ground probe system. In this way less energy has to be purchased and the environmental impact is minimized.

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 2011, STIHL achieved a worldwide sales volume of EUR 2.62 billion with a workforce of 12,026.

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

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