

March 4, 2016

STIHL inaugurates new 90-million euro buildings

- Minister President Winfried Kretschmann commends commitment to German founding company
- Investment in core competencies: Innovative strength and high product quality

STIHL inaugurated its latest investments in Germany on March 4, 2016: an extension to the engineering center and a new production logistics building in Waiblingen-Neustadt. German Chancellor Dr. Angela Merkel said in a special video message for the inauguration ceremony: “By extending your engineering center you are sending out a strong signal. You want to continue being a leader in the competition for better products that keep what they promise.” Baden-Wuerttemberg’s Minister President Winfried Kretschmann praised the company in his speech: “The fact that STIHL has invested here in Waiblingen is an encouraging sign for the people in the Stuttgart region as well as the economy in general and the political landscape. A Baden-Wuerttemberg model enterprise with a long tradition thus clearly demonstrates its commitment to its roots. These multi-million investments not only continue the company’s success story well into the future, they will also stimulate other firms to build up their industrial production in Baden-Wuerttemberg.”

The total investment for the new buildings, including the necessary infrastructure and equipment amounts to some 90 million euros. The family-owned business, which celebrates its 90th anniversary this year, shows once again its dedication to the founding company in Waiblingen. STIHL advisory and supervisory board chairman Dr. Nikolas Stihl said in his official welcoming address: “Today, we are celebrating an investment in consolidating our core competencies. Our ability to innovate and the quality of our products set us apart. In its 90-year history, STIHL has written engineering history over and over again. In the future we will continue to put our faith in the creativeness of our staff at our corporate headquarters.” STIHL executive board chairman Dr. Bertram Kandziora pointed out: “The two new buildings help strengthen STIHL’s product development and production in Germany. We are significantly expanding our development capacities for electronic systems and cordless products, and reducing production costs by utilizing automated logistics. With today’s inauguration we are charting the way for STIHL’s continuing success in the future.”

Competence center for cordless and corded electric technology

Minister President Kretschmann was able to gain a good impression of the company’s latest developments on a tour of the engineering center. Wolfgang Zahn, STIHL executive board member responsible for product development, said: “The extended engineering center underscores STIHL’s claim to technology leadership. We have given our research and development staff more space for their first-class work on innovative products.” With the extension, in which emission-free and quiet cordless and corded

electric power tools are to be developed, the company sets a further example of its innovative skills in the area of environment-friendly power tools for forestry and garden maintenance as well as agriculture and the construction industry. The building provides space for more than 300 workplaces. With approximately 12,600 square meters of floor space it will accommodate equipment rooms, laboratories, electric test bays, workshops, offices and a new staff dining hall. One of the power tools presented on the tour was the HSA 66 cordless hedge trimmer which is on a par with an equivalent gasoline model in terms of handling and performance, but has the bonus of being quiet and emission-free. Other tools demonstrated were the TS 500i cut-off machine with electronically controlled fuel injection and the MS 661 professional chainsaw, the official competition saw for the STIHL® Timbersports Series®.

Gains in efficiency through new production logistics facility

The new production logistics building is located right next to assembly and production at STIHL plant 2 and has a total floor area of about 15,000 square meters. The heart of the facility are two automatic warehouses for containers and pallets. Supplies of material to product assembly will be highly automated by way of robotic systems, pallet handling and conveying technology as well as driverless transport systems. By transferring product logistics from its present location in Ludwigsburg to Waiblingen-Neustadt STIHL increases efficiency, reduces truck movement and greatly simplifies logistics. This strengthens Germany as a production center.

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 36 sales and marketing subsidiaries, about 120 importers and more than 40,000 servicing 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 2014, STIHL achieved a worldwide sales volume of 2.98 billion euros with a workforce of 14,297.

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

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