

Waiblingen, May 23, 2016

STIHL Group builds new ZAMA production facility in Huizhou, South China

ZAMA – a subsidiary of the STIHL Group and manufacturer of carburetors, oil pumps and other precision components for small off-road engines – is to build a new production plant in Huizhou, South China, at a total cost of EUR 36 million. The building project is to start on May 18, 2016 with a symbolic groundbreaking ceremony attended by STIHL's executive board chairman, Dr. Bertram Kandziora, Wolfgang Zahn, STIHL board member responsible for product development, and Hu Siping, General Secretary of the Communist Party of Huizhou. "The transfer of our largest carburetor factory to a new location is by far ZAMA's biggest building investment to date and the most significant milestone in the history of our subsidiary", said Dr. Kandziora. The factory is to start operations in mid-2017 and the move will be completed in gradual stages by the middle of 2018.

The new production facility is being built on a site covering 20,000 square meters. Production, warehouse and office space amounting to 32,000 square meters will be created. The town of Huizhou lies about 60 km from Shenzhen, where the current factory is located. The move with some 2,100 employees became necessary due to expiry of the lease after 25 years. The existing site is to make way for a residential complex and a shopping center. ZAMA general manager Jan Grigor Schubert explained: "We will offer every staff member a new contract and generous relocation allowances in order to keep staff turnover, especially that of our long-serving employees, as low as possible."

Further growth in carburetors expected

The demand for carburetors has grown continuously over the past few years. Executive board chairman Dr. Kandziora said: "We expect further worldwide growth in carburetors and now take the opportunity to modernize our logistics and parts of our production

engineering. Apart from that, the new building project helps us to create additional floor space for the production of new ZAMA products in order to ensure the continuity of ZAMA in the future.”

ZAMA Group a world leader

ZAMA is the world's largest manufacturer of diaphragm carburetors and a technology leader. The ZAMA Group includes facilities in Japan, Hong Kong, China, the Philippines and the U.S.A. The company supplies carburetors, oil pumps and other precision parts to different manufacturers of chain saws and garden tools. Today, ZAMA produces, with around 2,600 employees, more than 15 million carburetors in about 350 different versions and about 6 million other components every year.

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 2015, STIHL achieved a worldwide sales volume of 3.25 billion euros with a workforce of 14,245.

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

Your contact for daily and business press:
ANDREAS STIHL AG & Co. KG
Dr. Stefan Caspari
Head of Corporate Communications and Public Relations
Badstrasse 115 / 71336 Waiblingen
Phone: +49 - (0) 7151/26-1402
Fax.: +49 - (0) 7151/26-81402
Email: stefan.caspari@stihl.de