



Press Release

Kaba completes negotiations on the acquisition of US Saflok and La Gard

Rümlang, August 28, 2006 – **The Kaba Group has successfully completed the negotiations on the acquisition of Computerized Security Systems Inc. (CSS) with Masco Corporation (Michigan, USA). The previously announced acquisition will be concluded at the price of USD 93 Mio. The acquisition is still subject to approval by certain antitrust authorities in Europe, which are expected over the course of the next weeks.**

The Kaba Group has successfully completed the negotiations on the acquisition of Computerized Security Systems Inc. (CSS) with Masco Corporation (Michigan, USA). The price of acquiring Computerized Security Systems – which is free of debt – amounts to USD 93 million and will be financed through existing credit lines primarily in US dollars. In the 2005 calendar year, CSS generated USD 73 million in sales and recorded an operating result (EBIT) of USD 8.7 million. The company employs around 250 staff. The acquisition package includes tax advantages spread over the next fifteen years at an estimated discounted value of USD 21 million. The acquisition will contribute to the Kaba Group's free cash flow from day one and will add to Group profit from the second year.

The US Federal Trade Commission has concluded its investigation of the planned acquisition and announced the conclusion of its review process. The acquisition is still subject to approval by certain antitrust authorities in Europe, which are expected over the course of the next weeks.

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Kaba is a globally active, publicly traded security corporation. With its «Total Access» strategy, the Kaba Group is specialized in integrated solutions for security, organization, and convenience at building and information access points. Kaba is also the world market's No. 1 provider of key blanks, key cutting and coding machines, transponder keys, and high security locks. It is a leading provider of electronic access systems, locks, master key systems, hotel locking systems, security doors, and automatic doors.

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