

KABA HOLDING AG

INVITATION

to the 89th General Meeting of Shareholders

Tuesday, 26 October 2004, 3:00 PM

Swissôtel, Am Marktplatz, Zürich-Oerlikon

Admission starts at 2:15 PM

AGENDA:

- 1. Approval of the business report for 2003/2004**
as well as presentation of the reports of the statutory and group auditors

The Board of Directors proposes that the business report for 2003/2004, consisting of the annual report, the company and group financial statements and the report on Corporate Governance, be approved.

- 2. Appropriation of retained earnings of Kaba Holding AG**

The Board of Directors proposes that the retained earnings at the disposal of the General Meeting, composed of

<i>Net income for financial year 2003/2004</i>	<i>CHF 30'561'200</i>
<i>Brought forward from previous year</i>	<i><u>CHF 28'813'565</u></i>
<i>= Total retained earnings</i>	<i><u>CHF 59'374'765</u></i>

be appropriated as follows:

<i>Payment of a dividend of</i>	<i>CHF 14'294'992</i>
<i>Appropriation to other reserves</i>	<i>CHF 20'000'000</i>
<i>Carry forward to new account</i>	<i><u>CHF 25'079'773</u></i>
	<i><u>CHF 59'374'765</u></i>

If this proposal will be approved, dividend payments will begin on 29 October 2004, as follows:

CHF 4.00 (previous year: CHF 3.00) gross per registered share at CHF 10.00 par, minus withholding tax of 35%.

3. Ratification of acts of the Board of Directors and of the Management

The Board of Directors proposes that the acts of the members of the Board of Directors and of the Management in the financial year just ended be ratified.

4. Election of the Board of Directors

4.1. Re-election of 3 members

The Board of Directors proposes the re-election of Karina Dubs-Kuenzle, Maurice P. Andrien and Rudolf W. Weber for a further 3-year term.

4.2. Election of a new member

The Board of Directors proposes the election of Rolf Dörig for a first 3-year term.

For details, please see

page 10 of the Shareholder Newsletter

or

page 2 of the Business Report

or

page 10 of the Report on Corporate Governance.

5. Appointment of statutory auditors and group auditors

The Board of Directors proposes the re-election of PricewaterhouseCoopers AG, Zürich, as statutory and group auditors for a further term of 1 year.

Documentation

The Business Report for 2003/2004 consisting of the 3 parts

- Business Report 2003/2004 with annual report
- Financial Statements 2003/2004 with company and group financial statements
- Report on Corporate Governance 2003/2004

as well as the original reports of the statutory and group auditors shall be available for review by shareholders at the company's headquarters on Hofwisenstrasse 24, in 8153 Rümlang (Switzerland) as of 20 September 2004.

On a large request, we have refrained from sending all the documents automatically to the shareholders. You will find the relevant information on the business year 2003/2004 in the Shareholder Newsletter No. 22. The Business Report and/or the Investor's Handbook may be ordered with the enclosed reply form.

Admission cards

Shareholders eligible to vote and entered in the stock register on 10 September 2004, will receive the invitation to the General Meeting with the proposals of the Board of Directors. Upon return of the reply form (as soon as possible), the Shareholders will, after 1 October 2004, be sent the admission card and voting slips. Shareholders who are not yet registered on 10 September 2004, but purchase shares at a later date will receive their invitation, provided the company's registrar is in possession of their registration application by no later than 18 October 2004. No entries in the stock register will be made from 19 October 2004 until the day of the General Meeting. Owners of registered shares who sell their shares prior to the General Meeting shall no longer be eligible to vote. Shareholders who sell portions of their shares after having received the admission card are kindly requested to have their admission card updated at the information desk at the venue of the General Meeting.

Representation/proxy

Shareholders who cannot personally attend the General Meeting may have themselves represented as follows:

- by another shareholder who is entered in the stock register: Please order your admission card, complete the proxy form on the back side of the admission card and submit it to the proxy holder together with the voting slips,

or

- by the independent proxy, Andreas G. Keller, attorney-at-law, P.O. Box 6814, CH-8023 Zürich: the enclosed reply form constitutes a power of attorney (the admission card need not be requested). In the absence of written instructions to the contrary, the independent proxy will vote in favour of the proposals of the Board of Directors,

or

- by Kaba Holding AG: Please return the blank power of attorney on the reply form to us in the enclosed envelope (the admission card need not be requested). The votes will be in favour of the proposals of the Board of Directors. Forms with instructions to the contrary will be forwarded to the independent proxy.

Voting and proxy limitations

We wish to draw the attention of our shareholders to § 10 of the Articles of Incorporation according to which a shareholder may only be represented by another shareholder, and a shareholder may – directly with his or her own shares, or indirectly, with represented shares – exercise no more than 5% of all votes. This limitation does not apply to shareholders who were entered in the stock register prior to 13 November 1995 with more than 5% of all votes.

Rümlang, 17 September 2004

Kaba Holding AG

Rudolf Hauser
Chairman

The General Meeting will be conducted in German.

There is the possibility of an English translation. Shareholders who would like to use this translation service are kindly requested to let us know in advance.