



Media Release

Kaba enters into joint venture with India's Minda Group

Rümlang, 12 October 2006 – **Kaba Group has entered into a joint venture with India's Minda Group to manufacture and distribute keys and key cutting machines, both in the key replacement market and in the OEM sector in India.**

Kaba Group has decided to take forward its move into the Indian market by means of a joint venture with Tuff Engineering Private Ltd, a Minda Group company. Kaba's subsidiary, Silca S.p.A., is thus further expanding its worldwide presence by gaining a foothold in India, one of the fastest growing markets in the world. Silca is the worldwide leader in the production and distribution of key blanks, key coding machines and transponder keys.

The Minda Group is a highly regarded manufacturer of numerous components for the automotive industry. Via its Tuff Engineering affiliate, the Minda Group already has an established production facility in Noida, India, for key blanks. The joint venture company will operate in both the key replacement market and the market for supplying original equipment to the Indian automotive, motorcycle and lock industry.

"For Silca, the joint venture represents an excellent opportunity to penetrate the very promising Indian market. New horizons are opening up before us thanks to the competence of our partner and to the existing company which together we will bring to new heights of efficiency and quality," says Roberto Gaspari, Head of the Key + Ident Systems Europe / Asia Pacific Division.

With an initial turnover of more than CHF 5 million, the joint venture already covers a significant portion of the existing OEM market. It also provides an excellent platform for expanding into the replacement market. Kaba Group and Minda Group will have an equal stake in the joint venture. Operational responsibility will rest with local management, while strategic issues will be the responsibility of a board that includes an equal number of representatives from each shareholder.

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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.

This communication contains certain forward-looking statements including statements using the words "believes", "assumes", "expects" or formulations of a similar kind. Such forward-looking statements involve known and unknown risks, uncertainties and other factors which could lead to substantial differences between the actual future results, the financial situation, the development or performance of the Company and those either expressed or implied by such statements. Such factors include, among other things: competition from other companies, the effects and risks of new technologies, the Company's continuing capital requirements, financing costs, delays in the integration of acquisitions, changes in the operating expenses, the Company's ability to recruit and retain qualified employees, unfavorable changes to the applicable tax laws, and other factors identified in this communication. In view of these uncertainties, readers are cautioned not to place undue reliance on such forward-looking statements. The Company accepts no obligation to continue to report or update such forward-looking statements or adjust them to future events or developments.