

Security in a dynamic world

No 34 Shareholder Newsletter

1 January 2010 to 30 June 2010

KABA[®]

New growth

- > Pleasing sales development in the year under review
- > Recession-resistant: sales down only 6 % (in organic terms) in the last two years
- > Organic growth in the second half (4.2 %)
- > Net profit up 23 % at CHF 86.9 million
- > Earnings ratios at record level
- > 49 % increase in dividend proposed: CHF 7.00 per share

Dear Shareholder,
Ladies and Gentlemen

The Kaba Group returned to growth in the course of the 2009/2010 financial year. At the same time, it lifted financial ratios to higher levels than before the crisis. Performance varied depending on product group and market. The measures implemented at the start of the recession to adjust capacity and cost structure paid off in the year under review. Moreover, they will continue to have a beneficial effect. Kaba's business model has proved its worth over the last two difficult years. The Group now has a good basis to benefit swiftly from economic growth by generating even stronger earnings.

Organic sales on same level

In financial 2009/2010, the Kaba Group managed to keep its sales figures just under the level of the previous year. Sales went back 3.1% to CHF 1,130 million. 80% of this reduction was the result of exchange rate movements, which equals 2.8% of the decline. The average rate for the euro against the Swiss franc was 4.5% lower than in the previous year, going down from CHF 1.54 to CHF 1.47, whilst the US dollar average was down 3.6%, from CHF 1.11 to CHF 1.07. Currency-adjusted, sales in the year under review decreased by only 0.4%, or CHF 4.5 million. Thus, the Kaba Group held up well

in an environment which remained difficult and subject to heterogeneous trends.

The slight decline in sales in the year under review occurred in the first half, when Kaba was down 4.6% in currency-adjusted terms. In the second half of the year, Kaba returned to a growth path with an organic increase of 4.2% or CHF 23.3 million.

Significantly improved earnings situation

Despite the lower sales figure, EBIT (earnings before interest and taxes) before restructuring expenses rose 9.5%, from CHF 134.2 million to CHF 146.9 million. This CHF 12.7 million improvement in the EBIT figure was accounted for principally by the capacity adjustments implemented in the previous year and by ongoing optimization in the cost structure. At 13% before restructuring expenses, the EBIT margin beat the 12.6% record set in 2007/2008. This means that the Kaba Group is in an outstanding position to reap the benefits of a new period of growth.

Kaba has demonstrated in the past that attractive organic growth can be achieved, while keeping the increase in costs disproportionately low. This means that growth has a disproportionately large effect on operating results. In contrast to previous business cycles, however, this time the effect will start from a still higher level.

After accounting for one-off costs of CHF 7.1 million for capacity adjustments (CHF 4.9 million in the previous year),

EBIT rose 8.1%, from CHF 129.3 million to CHF 139.8 million, producing an EBIT margin of 12.4 % (previous year: 11.1%). The quick reduction of capacities at the beginning of the recession period as well as further measures to cut costs allowed for a further improvement of the Group's profitability.

In January 2010, the convertible bond was redeemed at CHF 180.8 million. Part of the funds required for this came from a syndicated loan for CHF 575 million, which the Kaba Group arranged in May 2009 with a term of four years. These refinancing measures led to a CHF 10 million reduction in net financing costs, from CHF 31.1 million to CHF 21.1 million.

Net profit grew by CHF 16.2 million, or 23 %, from CHF 70.7 million to CHF 86.9 million, which equals a profit margin of 7.7 %. Earnings per share increased accordingly.

Marginal impact of the recession

The Kaba Group was not immune to the recessionary weakness in demand in its main markets. However, analysis of the Kaba Group's performance during the recession period shows that the decline in sales was a very limited one when set against the figures for other comparable industrial firms:

In the 2007/2008 financial year, before the economy began to suffer, Kaba generated sales of CHF 1,303.7 million. Thus, the sales figure for the 2009/2010 financial year, at CHF 1,130 million, was only CHF 173.7 million lower. After adjustment is made for the effect of currency translation (CHF –87.7 million) and of acquisitions and divestments (CHF –7.4 million), the result is a reduction in the organic sales figure of CHF 78.6 million.

In other words, during the recession the Kaba Group suffered a reduction in organic sales of just 6 % cumulatively. Kaba also succeeded in returning to a growth path sooner than its rivals, despite the effects of the recession kicking in at about the same time or rather a little later than at comparable firms.

At the same time, Kaba can point to key earnings ratios at record levels: at 16.4 % of sales, EBITDA is easily above the 2007/2008 high of 15.9 %; EBIT, at 13 %, exceeded the record (12.6 %) achieved in the same year; and the profit margin, at 8.3 %, is well above the figure of 7.5 % for 2007/2008. These

ratios refer to underlying earnings power, i. e. earnings before deduction of one-off restructuring expenses.

This pleasing performance is attributable to several factors. Firstly, the Kaba Group has a strategically constructed product portfolio which is relatively resistant to the business cycle. Around 70 % of turnover comes from products and services provided for existing buildings (installed base). Secondly, the Kaba Group benefited from its positioning as a technology leader in lasting security solutions. And thirdly, the company is managed in a way which is characterized by a close understanding of the customer, flexibility and determination. Thanks to these qualities, capacity was rapidly adjusted to local market conditions, and the EBIT margin was kept well within the double-digit range.

New segment structure and management set-up

The segment structure and adjusted management set-up introduced on 1 July 2009 has proved its worth. The four centrally managed business segments – Access+Data Systems, Industrial Locks, Key Systems and Door Automation – have enabled measurable efficiency gains to be achieved.

The business in Physical Access Systems (high-security doors, high-security barriers, tripod barriers, etc. manufactured by the former Kaba Gallenschütz in Germany), which was part of the old Door Systems segment, became part of the Access+Data Systems business segment in mid-2009. The segment also includes Safe+Vault, the bank installation business in Switzerland.

The Safe Locks operation (high-security locks) and the activities of the company Wah Yuet, which were previously also part of the Access+Data Systems segment, are now brought together in the new Industrial Locks business segment. Because both operations use similar distribution channels, putting them together means considerable efficiency improvements and synergies can be generated.

The Key Systems business segment includes operations in connection with key blanks and key cutting machines.

Finally, the old Door Systems segment was renamed Door Automation, and focuses on the automatic sliding doors produced by Kaba Gilgen in Switzerland, along with the accompanying distribution companies and the business in Platform Screen Doors.

The reporting below follows the new segment structure, as did the semi-annual report as at 31 December 2009. The figures for the previous year are comparable. All EBIT figures given below are before restructuring expenses.

Access + Data Systems down 2.7% (organic)

Sales for the Access+Data Systems business segment declined by 4.9% to CHF 593.8 million. Exchange rate changes cut 2.5% from the sales figure. The organic sales decrease in the period under review was 2.7%. EBIT was down 10.4% to CHF 79.7 million. This figure does not take account of restructuring expenses of CHF 1.4 million (previous year CHF 2.1 million). The EBIT margin before restructuring expenses went down from 14.2% to 13.4%. The margin contraction was caused in particular by legal conditions in Europe, which make cost-effective adjustment to fluctuating demand difficult.

In Europe, organic sales were down 1.3% at CHF 425.4 million. However, organic growth was recorded in the period from January to June 2010. Physical Access Systems (products such as tripod barriers and sensor barriers) benefited from double-digit growth in infrastructure investment in Europe and Asia. On the other hand, the Workforce Management business (enterprise data collection) suffered as a result of falling volumes and cost-cutting measures undertaken by its customers in European manufacturing.

In America, sales dropped 9.3% in organic terms to CHF 140.5 million. The hotel sector held back on investing in locking systems. Kaba estimates that the volume of new business in this market has approximately halved. The significant reduction in the sales figure was also down to the robust number for the previous year, when sales were still benefiting from strong replacement business in the hotel sector. However, business in commercial access solutions put in a positive performance. Overall, the American operation saw ongoing improvement in sales over the twelve months of the period under review. In the last quarter, organic sales were only slightly negative. The distribution companies in Asia Pacific nominally increased their sales in the period under review by 6.7% to CHF 42.8 million.

Industrial Locks boosts EBIT margin to 28.9%

Organic sales in the Industrial Locks business segment were down 1.7% at CHF 169 million. However, the second half of the 2009/2010 financial year saw organic growth of 14.1%. This stemmed mainly from Asian OEM production for the American residential market. EBIT reached CHF 48.9 million, significantly up from the previous year's total of CHF 41.2 million. The EBIT margin increased from 23% to 28.9%. The stronger earnings figure was achieved by focused cost reductions, particularly in Asia. In addition to higher capacity utilization, more favorable raw materials costs also had an advantageous effect.

Cost cuts and growth result in EBIT margin of 12.4% for Key Systems

In the Key Systems business segment, organic sales rose 4.3% to CHF 201.1 million. A 3.3% reduction in the first half-year contrasted with an increase of 12.2% in the second. Benefiting from the effect of early cost reductions and lower materials costs, EBIT rose by no less than 72% to CHF 24.9 million. The EBIT margin improved from 7.2% to 12.4%, thereby reaching a higher level than before the recession.

Door Automation with organic growth and increased EBIT margin at 9.6%

The Door Automation business segment continued on its growth path irrespective of the recession, recording organic growth of 4.8% in the second half of the year. For the full 2009/2010 financial year, nominal sales increased 1.2% to CHF 182.1 million. The platform screen doors contract for the Paris Metro, involving several years of work, made a considerable contribution to the overall increase. EBIT rose by 58.2% to CHF 17.4 million. The EBIT margin improved from 6.1% to 9.6%. The positive performance was made possible by optimized structures at the distribution companies and systematic and stringent cost management.

Net debt reduced by another CHF 92.5 million

Net cash from operating activities (i.e. cash generated from profit after allowing for changes in net current assets), at CHF 127 million (previous year CHF 157.5 million), reached a ratio of 11.2% against sales, and was therefore well above the long-term goal of over 10% of sales. Despite growth kicking in during the period under review, net current assets remained practically constant. Consequently, net debt was reduced by CHF 92.5 million (CHF 87.5 million in the previous year) to CHF 232.7 million, cutting the key net debt ratio (net debt divided by EBITDA) to 1.3 (1.9 in the previous year).

Equity ratio of almost 38%

Ongoing generation of profits pushed equity capital at 30 June 2010 up to CHF 373.9 million. This is 37.8% of total assets (previous year 29.5%).

Outlook

The strategic measures implemented since 2006 to ensure proximity to the market, to promote organic growth, to simplify structures and to add sustained strength to the Group's earning power have proved to be just right. The strategy embarked upon helped the Kaba Group to return to growth in the second half of the 2009/2010 financial year, which is earlier than at comparable firms.

The EBIT margin of 13% (before restructuring expenses) posted at 30 June 2010 is likely to rise further in a future phase of new growth, as experience has shown that, as sales rise, costs rise at a slower rate. Kaba expects this leverage effect to operate even at the current (high) ratios.

How sustained the nascent economic recovery will prove to be is difficult to gauge conclusively at the moment. Although many branches of industry have seen some sharp sales growth, the economic environment remains susceptible to negative political and exchange-rate-policy effects. Large parts of the world's economy are still in a delicate state of health. The investment behavior of government and related institutions, which represent an important customer segment for some parts of the Kaba Group, is difficult to predict.

Very positive trading overall in the first half of the 2010 calendar year underpins visibility for the Kaba Group and

supports an assumption that the 2010/2011 financial year will be characterized by new growth.

Kaba expects its free cash flow to remain high, allowing further debt to be paid down. This will enable financing costs to be further reduced. The CHF 182 million redemption of a convertible bond in January 2010, paid for out of a four-year loan arranged with a consortium of banks, will cut net interest expenses in the 2010/2011 financial year by around CHF 6 million to approximately CHF 15 million.

With sales growth, the EBIT margin is likely to see further improvement in 2010/2011.

Proposed dividend of CHF 7.00 per share (up 49%)

Based on the Group's improved consolidated results for the 2009/2010 financial year, the Board of Directors will propose to the Annual General Meeting on 19 October 2010 an increase in the dividend from CHF 4.70 in the previous year to CHF 7.00 per share. After a 23% rise in Group profits for the period under review, the Board of Directors will propose that the dividend be raised by even more, at 49%. In so doing, it wishes to provide further demonstration of its shareholder-friendly distribution policy.

The existing authorized capital, amounting to 380,000 shares, expires on 21 October 2010 under Swiss law. The Board of Directors therefore will propose to the Annual General Meeting that new authorized capital of 380,000 shares be created, again amounting to around 10% of share capital. In so doing, the Board of Directors wishes to keep options open over the next two years for the refinancing of Kaba and, in particular, for acquisitions. However, it has no intentions in this respect at the moment.

Elections to the Board of Directors

The terms of office of Maurice P. Andrien, Rolf Dörig and Karina Dubs-Kuenzle expire at the Annual General Meeting of 19 October 2010. The Board of Directors will propose that they be reelected.

Invitation to the Annual General Meeting

on Tuesday 19 October 2010, 3 p. m.,
at the Mövenpick Hotel Zurich-Regensdorf, Zentrum,
8105 Zurich-Regensdorf

Our shareholders will be sent the following documents for
the AGM on 22 September 2010:

- > Invitation with agenda and Board of Directors proposals
- > Reply form
- > Reply envelope

To take part in our AGM, please complete the delivered reply
form and return it to us as soon as possible in the reply en-
velope. You will then receive an entry ticket and voting card
as well as a timetable (for those coming by train) or a map
(for those travelling by car). Since there are only a limited
number of parking spaces available, we recommend that
you use public transport.

The Kaba Group's reporting

In response to requests from shareholders, we are only
sending out the Shareholder Newsletter automatically. How-
ever, you can use the enclosed form to request the following
additional publications:

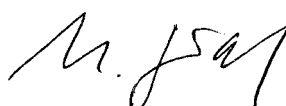
- > Annual Report
- > Investor's Handbook

You can also go to our website www.kaba.com to access and/
or download all of our publications.

Thank you

We would like to thank you, our valued shareholders, for
your interest and trust in Kaba. A heartfelt thanks also goes
to all our staff. Through their commitment and hard work
they have helped ensure that the Kaba Group was able to
react flexibly to the various challenges and that it emerges
strengthened from economic crisis.

Yours faithfully, for Kaba Holding AG



Ulrich Graf
Chairman of the Board of Directors



Rudolf Weber
CEO

Consolidated income statement

in CHF million, except per share amounts	Financial year ended 30.06.2010	in %	Financial year ended 30.06.2009	in %
Net sales	1,130.0	100.0	1,166.1	100.0
Changes in finished goods and work in progress	- 3.8	- 0.3	- 13.0	- 1.1
Other operating income	10.9	1.0	12.0	1.0
Material expenses	- 361.8	- 32.0	- 382.1	- 32.8
Personnel expenses	- 430.1	- 38.1	- 439.5	- 37.7
Other operating expenses	- 167.1	- 14.8	- 173.0	- 14.8
Operating profit before depreciation (EBITDA)	178.1	15.8	170.5	14.6
Depreciation and amortization	- 38.3	- 3.4	- 41.2	- 3.5
Operating profit (EBIT)	139.8	12.4	129.3	11.1
Result from associates and joint ventures	0.3	0.0	0.0	0.0
Financial expenses	- 21.8	- 1.9	- 32.4	- 2.8
Financial income	0.7	0.0	1.3	0.1
Profit before taxes	119.0	10.5	98.2	8.4
Income taxes	- 32.1	- 2.8	- 27.5	- 2.4
Net profit	86.9	7.7	70.7	6.0
Net profit attributable to non-controlling interests	0.0		0.0	
Net profit attributable to owners of the parent	86.9		70.7	
Basic earnings per share (in CHF)	22.9		18.6	
Diluted earnings per share (in CHF)	22.9		18.6	

Consolidated balance sheet

Assets

in CHF million	Financial year ended 30.06.2010	in %	Financial year ended 30.06.2009	in %	Financial year ended 01.07.2008	in %
Current assets						
Cash and cash equivalents	82.4	8.3	73.9	7.4	67.2	6.2
Trade receivables	200.4	20.2	199.4	19.9	246.2	22.9
Inventories	198.7	20.0	203.1	20.3	237.8	22.1
Current income tax assets	7.7	0.8	5.0	0.5	5.4	0.5
Other current assets	22.5	2.3	16.4	1.6	19.1	1.8
Total current assets	511.7	51.6	497.8	49.7	575.7	53.5
Non-current assets						
Property, plant and equipment	185.2	18.7	197.8	19.8	207.7	19.3
Goodwill and other intangible assets	263.8	26.6	272.1	27.2	263.5	24.4
Investments in associates and joint ventures	5.6	0.6	6.1	0.6	6.0	0.6
Non-current financial assets	19.1	1.9	20.1	2.0	15.5	1.4
Deferred income tax assets	5.7	0.6	7.3	0.7	9.2	0.9
Total non-current assets	479.4	48.4	503.4	50.3	501.9	46.5
Total assets	991.1	100.0	1,001.2	100.0	1,077.6	100.0

Consolidated balance sheet

Liabilities and equity

in CHF million	Financial year ended 30.06.2010	in %	Financial year ended 30.06.2009	in %	Financial year ended 01.07.2008	in %
Current liabilities						
Current borrowings	212.8	21.5	296.0	29.6	258.0	23.9
Trade payables	56.1	5.7	49.8	5.0	72.6	6.7
Current income tax liabilities	18.0	1.8	23.1	2.3	24.5	2.3
Accrued and other current liabilities	138.4	14.0	142.1	14.2	166.1	15.4
Provisions	11.9	1.1	14.8	1.4	15.8	1.5
Total current liabilities	437.2	44.1	525.8	52.5	537.0	49.8
Non-current liabilities						
Non-current borrowings	102.3	10.3	103.1	10.3	221.9	20.6
Accrued pension costs and benefits	39.5	4.0	42.6	4.3	46.7	4.3
Deferred income tax liabilities	37.5	3.8	33.5	3.2	33.6	3.1
Other non-interest bearing liabilities	0.7	0.0	0.9	0.2	1.1	0.2
Total non-current liabilities	180.0	18.1	180.1	18.0	303.3	28.2
Total liabilities	617.2	62.2	705.9	70.5	840.3	78.0
Equity						
Share capital	0.4	0.0	0.4	0.0	0.4	0.0
Additional paid-in capital	628.2	63.5	618.9	61.8	618.4	57.3
Equity conversion element of convertible bond	0.0	0.0	9.3	0.9	9.3	0.9
Retained earnings	-225.9	-22.8	-294.5	-29.4	-335.6	-31.0
Treasury stock	-1.8	-0.2	-3.1	-0.3	-1.8	-0.2
Translation exchange differences	-27.0	-2.7	-35.7	-3.5	-53.4	-5.0
Total equity owners of the parent	373.9	37.8	295.3	29.5	237.3	22.0
Non-controlling interests	0.0		0.0		0.0	
Total equity	373.9	37.8	295.3	29.5	237.3	22.0
Total liabilities and equity	991.1	100.0	1,001.2	100.0	1,077.6	100.0

Consolidated cash flow statement

in CHF million	Financial year ended 30.06.2010	Financial year ended 30.06.2009
Net profit for the year	86.9	70.7
Depreciation and amortization	38.3	41.2
Income tax expenses	32.1	27.5
Interest expenses	17.6	27.7
Interest income	-0.6	-1.2
(Gain) loss on disposal of fixed assets, net	0.4	0.3
Adjustment for non-cash items	1.0	3.3
Change in trade receivables	-12.0	41.8
Change in inventories	-4.2	34.2
Change in other current assets	-0.2	1.8
Change in trade payables	9.0	-21.6
Change in accrued pension cost	1.9	-2.1
Change in accrued and other current liabilities	4.4	-23.1
Cash generated from operations	174.6	200.5
Income taxes paid	-34.3	-27.4
Interest paid	-13.9	-16.7
Interest received	0.6	1.1
Net cash from operating activities	127.0	157.5
Cash flows from investing activities		
Purchase of property, plant and equipment	-24.8	-22.2
Proceeds from sale of property, plant and equipment	1.3	0.4
Acquisition of subsidiaries, net of cash acquired	0.0	-64.1
Purchases of other intangible assets	-2.4	-2.3
Decrease in other non-current financial assets	0.1	0.6
Increase in other non-current financial assets	-2.1	-0.9
Net cash used in investing activities	-27.9	-88.5
Cash flows from financing activities		
Proceeds from (repayment of) current borrowings, net	96.8	-145.4
Repayment of convertible bond	-180.8	0.0
Proceeds from non-current borrowings	0.4	102.0
Repayment of non-current borrowings	-0.4	-0.3
Decrease in other non-current liabilities	-0.4	-0.5
(Purchase) sale of treasury stock	0.0	-2.5
New shares issued	0.0	0.5
Dividends paid to company's shareholders	-17.9	-29.6
Net cash flows from financing activities	-102.3	-75.8
Translation exchange differences	11.7	13.5
Net increase (decrease) in cash and cash equivalents	8.5	6.7
Cash and cash equivalents at beginning of period	73.9	67.2
Cash and cash equivalents at end of period	82.4	73.9
Net increase (decrease) in cash and cash equivalents	8.5	6.7

Statement of comprehensive income and Changes in equity

Statement of comprehensive income

in CHF million, except per share amounts	Financial year ended 30.06.2010	Financial year ended 30.06.2009	Financial year beginning 01.07.2008
Net profit for the reporting period	86.9	70.7	97.1
Other comprehensive income			
Translation exchange differences	8.7	17.7	-52.7
Other comprehensive income, net of tax	8.7	17.7	-52.7
Total comprehensive income for the period	95.6	88.4	44.4
Net profit attributable to non-controlling interests	0.0	0.0	0.0
Net profit attributable to owners of the parent	95.6	88.4	44.4

Changes in equity

in CHF million	Share capital	Additional paid-in capital	Equity convers. element of conv. bond ¹⁾	Cash flow hedging reserve	Retained earnings	Treasury stock	Cumul. translation adjustm.	Non-controlling interests	Total equity
Financial year ended 30.06.2009									
Balance at 30.06.2008 before restatement	0.4	618.4	9.3	0.0	-335.3	-1.8	-53.4	0.0	237.6
Restatement (Improvement IAS38)					-0.3				-0.3
Balance at 01.07.2008 after restatement	0.4	618.4	9.3	0.0	-335.6	-1.8	-53.4	0.0	237.3
Net profit for the reporting period					70.7				70.7
Other comprehensive income, net of tax							17.7		17.7
Total comprehensive income for the period					70.7		17.7	0.0	88.4
Dividend paid					-29.6				-29.6
New shares issued ²⁾	0.0	0.4				1.2			1.6
Treasury stock (purchased) re-issued						-2.5			-2.5
Employee options granted		0.1							0.1
Balance at 30.06.2009	0.4	618.9	9.3	0.0	-294.5	-3.1	-35.7	0.0	295.3
Financial year ended 30.06.2010									
Balance at 30.06.2009	0.4	618.9	9.3	0.0	-294.5	-3.1	-35.7	0.0	295.3
Net profit for the reporting period					86.9				86.9
Other comprehensive income, net of tax							8.7		8.7
Total comprehensive income for the period					86.9		8.7	0.0	95.6
Dividend paid					-17.9				-17.9
Repayment of convertible bond		9.3	-9.3						0.0
Treasury stock (purchased) re-issued					-0.4	1.3			0.9
Balance at 30.06.2010	0.4	628.2	0.0	0.0	-225.9	-1.8	-27.0	0.0	373.9

1) Net of income tax.

2) 2,300 shares at CHF 0.10 par value

Segment reporting full year

in CHF million	Access + Data Systems		Industrial Locks		Key Systems		Door Automation	
	Financial year ended 30.06.2010	Financial year ended 30.06.2009	Financial year ended 30.06.2010	Financial year ended 30.06.2009	Financial year ended 30.06.2010	Financial year ended 30.06.2009	Financial year ended 30.06.2010	Financial year ended 30.06.2009
Net sales third parties	584.8	614.9	153.9	162.7	198.3	198.6	179.5	177.0
Intercompany sales	9.0	9.7	15.1	16.1	2.8	2.4	2.6	2.9
Total sales	593.8	624.6	169.0	178.8	201.1	201.0	182.1	179.9
Operating profit before depreciation and amortization (EBITDA)	94.0	103.5	54.3	50.4	32.4	22.0	19.6	14.2
in % of sales	15.8%	16.6%	32.1%	28.2%	16.1%	10.9%	10.8%	7.9%
Operating profit (EBIT) before restructuring expenses	79.7	89.0	48.9	41.2	24.9	14.5	17.4	11.0
in % of sales	13.4%	14.2%	28.9%	23.0%	12.4%	7.2%	9.6%	6.1%
restructuring expenses	1.4	2.1	2.9	0.3	0.8	1.0	2.0	1.5
Operating profit (EBIT)	78.3	86.9	46.0	40.9	24.1	13.5	15.4	9.5
in % of sales	13.2%	13.9%	27.2%	22.9%	12.0%	6.7%	8.5%	5.3%
Operating profit restructuring, currency- and acquisition-adjusted	82.2	92.0	50.5	42.0	25.5	15.6	16.9	10.9
in % of sales	13.8%	14.7%	29.9%	23.5%	12.7%	7.8%	9.3%	6.1%
Change in sales	-30.8	-39.0	-9.8	-32.5	0.1	-44.5	2.2	-23.2
in %	-4.9%	-5.9%	-5.5%	-15.4%	0.0%	-18.1%	1.2%	-11.4%
Of which translation exchange differences	-15.5	-32.8	-6.7	-1.3	-8.5	-11.1	-3.2	-11.1
in %	-2.5%	-4.9%	-3.7%	-0.6%	-4.2%	-4.5%	-1.8%	-5.4%
Of which acquisition (disposal) impact	1.3	-8.7	0.0	0.0	0.0	0.0	0.0	0.0
in %	0.2%	-1.3%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Currency-adjusted internal growth sales	-16.6	2.5	-3.1	-31.2	8.6	-33.4	5.4	-12.2
in %	-2.7%	0.4%	-1.7%	-14.8%	4.3%	-13.6%	3.0%	-6.0%

Other		Corporate		Eliminations		Group		
Financial year ended 30.06.2010	Financial year ended 30.06.2009	Financial year ended 30.06.2010	Financial year ended 30.06.2009	Financial year ended 30.06.2010	Financial year ended 30.06.2009	Financial year ended 30.06.2010	Financial year ended 30.06.2009	in CHF million
13.5	12.9	0.0	0.0	0.0	0.0	1,130.0	1,166.1	Net sales third parties
1.2	2.3	0.0	0.0	-30.7	-33.4	0.0	0.0	Intercompany sales
14.7	15.2	0.0	0.0	-30.7	-33.4	1,130.0	1,166.1	Total sales
0.5	-0.6	-22.7	-19.0	0.0	0.0	178.1	170.5	Operating profit before depreciation and amortization (EBITDA)
3.4%	-3.9%	0.0%	0.0%	0.0%	0.0%	15.8%	14.6%	in % of sales
0.2	-0.9	-24.2	-20.6	0.0	0.0	146.9	134.2	Operating profit (EBIT) before restructuring expenses
1.4%	-5.9%	0.0%	0.0%	0.0%	0.0%	13.0%	11.5%	in % of sales
0.0	0.0	0.0	0.0	0.0	0.0	7.1	4.9	restructuring expenses
0.2	-0.9	-24.2	-20.6	0.0	0.0	139.8	129.3	Operating profit (EBIT)
1.4%	-5.9%	0.0%	0.0%	0.0%	0.0%	12.4%	11.1%	in % of sales
0.2	-0.9	-25.0	-22.1	0.0	0.0	150.3	137.5	Operating profit restructuring, currency- and acquisition-adjusted
1.4%	-5.9%	0.0%	0.0%	0.0%	0.0%	13.3%	11.8%	in % of sales
-0.5	-5.5	0.0	0.0	2.7	7.2	-36.1	-137.6	Change in sales
-3.3%	-26.6%	0.0%	0.0%	N/A	N/A	-3.1%	-10.6%	in %
0.0	0.0	0.0	0.0	1.0	1.5	-32.9	-54.8	Of which translation exchange differences
0.0%	0.0%	0.0%	0.0%	N/A	N/A	-2.8%	-4.2%	in %
0.0	0.0	0.0	0.0	0.0	0.0	1.3	-8.7	Of which acquisition (disposal) impact
0.0%	0.0%	0.0%	0.0%	N/A	N/A	0.1%	-0.7%	in %
-0.5	-5.5	0.0	0.0	1.7	5.7	-4.5	-74.1	Currency-adjusted internal growth sales
-3.3%	-26.6%	0.0%	0.0%	N/A	N/A	-0.4%	-5.7%	in %

Segment reporting

2nd half-year

in CHF million	Access + Data Systems		Industrial Locks		Key Systems		Door Automation	
	Reporting half-year ended 30.06.2010	Reporting half-year ended 30.06.2009	Reporting half-year ended 30.06.2010	Reporting half-year ended 30.06.2009	Reporting half-year ended 30.06.2010	Reporting half-year ended 30.06.2009	Reporting half-year ended 30.06.2010	Reporting half-year ended 30.06.2009
Net sales third parties	283.9	293.0	83.0	75.1	105.0	97.0	88.2	84.5
Intercompany sales	4.8	4.5	7.8	7.2	1.4	1.2	1.3	1.5
Total sales	288.7	297.5	90.8	82.3	106.4	98.2	89.5	86.0
Operating profit before depreciation and amortization (EBITDA)	41.2	41.7	27.2	23.8	18.9	10.8	9.6	4.4
in % of sales	14.3 %	14.0 %	30.0 %	28.9 %	17.8 %	11.0 %	10.7 %	5.1 %
Operating profit (EBIT) before restructuring expenses	34.1	35.4	26.3	19.3	14.9	7.4	8.5	3.5
in % of sales	11.8 %	11.9 %	29.0 %	23.5 %	14.0 %	7.5 %	9.5 %	4.1 %
restructuring expenses	0.8	2.1	2.9	0.3	0.2	0.5	0.9	1.5
Operating profit (EBIT)	33.3	33.3	23.4	19.0	14.7	6.9	7.6	2.0
in % of sales	11.5 %	11.2 %	25.8 %	23.1 %	13.8 %	7.0 %	8.5 %	2.3 %
Operating profit restructuring, currency- and acquisition-adjusted	35.0	36.5	27.1	18.0	15.3	7.7	8.3	3.4
in % of sales	12.1 %	12.3 %	29.8 %	21.8 %	14.4 %	7.8 %	9.3 %	4.0 %
Change in sales	-8.8	-29.8	8.5	-14.2	8.2	-26.2	3.5	-8.8
in %	-3.0 %	-9.1 %	10.3 %	-14.7 %	8.4 %	-21.1 %	4.1 %	-9.3 %
Of which translation exchange differences	-5.6	-12.1	-3.1	5.9	-3.8	-2.8	-0.6	-4.9
in %	-1.9 %	-3.7 %	-3.8 %	6.1 %	-3.9 %	-2.3 %	-0.7 %	-5.2 %
Of which acquisition (disposal) impact	0.9	0.0	0.0	0.0	0.0	0.0	0.0	0.0
in %	0.3 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %
Currency-adjusted internal growth sales	-4.1	-17.7	11.6	-20.1	12.0	-23.4	4.1	-3.9
in %	-1.4 %	-5.4 %	14.1 %	-20.9 %	12.2 %	-18.8 %	4.8 %	-4.1 %

Other		Corporate		Eliminations		Group		
Reporting half-year ended 30.06.2010	Reporting half-year ended 30.06.2009	Reporting half-year ended 30.06.2010	Reporting half-year ended 30.06.2009	Reporting half-year ended 30.06.2010	Reporting half-year ended 30.06.2009	Reporting half-year ended 30.06.2010	Reporting half-year ended 30.06.2009	in CHF million
7.5	6.7	0.0	0.0	0.0	0.0	567.6	556.3	Net sales third parties
0.5	0.9	0.0	0.0	-15.8	-15.3	0.0	0.0	Intercompany sales
8.0	7.6	0.0	0.0	-15.8	-15.3	567.6	556.3	Total sales
0.9	0.0	-11.9	-9.8	0.0	0.0	85.9	70.9	Operating profit before depreciation and amortization (EBITDA)
11.3%	0.0%	0.0%	0.0%	0.0%	0.0%	15.1%	12.7%	in % of sales
0.8	-0.1	-12.6	-10.6	0.0	0.0	72.0	54.9	Operating profit (EBIT) before restructuring expenses
10.0%	-1.3%	0.0%	0.0%	0.0%	0.0%	12.7%	9.9%	in % of sales
0.0	0.0	0.0	0.0	0.0	0.0	4.8	4.4	restructuring expenses
0.8	-0.1	-12.6	-10.6	0.0	0.0	67.2	50.5	Operating profit (EBIT)
10.0%	-1.3%	0.0%	0.0%	0.0%	0.0%	11.8%	9.1%	in % of sales
0.8	-0.1	-13.2	-11.2	0.0	0.0	73.3	54.3	Operating profit restructuring, currency- and acquisition-adjusted
10.0%	-1.3%	0.0%	0.0%	0.0%	0.0%	12.9%	9.8%	in % of sales
0.4	-2.1	0.0	0.0	-0.5	0.2	11.3	-80.9	Change in sales
5.3%	-21.6%	0.0%	0.0%	N/A	N/A	2.0%	-12.7%	in %
0.0	0.0	0.0	0.0	0.2	0.1	-12.9	-13.8	Of which translation exchange differences
0.0%	0.0%	0.0%	0.0%	N/A	N/A	-2.3%	-2.2%	in %
0.0	0.0	0.0	0.0	0.0	0.0	0.9	0.0	Of which acquisition (disposal) impact
0.0%	0.0%	0.0%	0.0%	N/A	N/A	0.2%	0.0%	in %
0.4	-2.1	0.0	0.0	-0.7	0.1	23.3	-67.1	Currency-adjusted internal growth sales
5.3%	-21.6%	0.0%	0.0%	N/A	N/A	4.2%	-10.5%	in %

Agenda

19 October 2010, Tuesday, 3 p.m.

- > Annual General Meeting of Kaba Holding AG

7 March 2011, Monday

- > Presentation for financial analysts
- > Results press conference
- > Shareholder Newsletter and press release
on the half-year results to 31 December 2010

19 September 2011, Monday

- > Presentation for financial analysts
- > Results press conference
- > Shareholders Newsletter with the results for
the 2010/2011 financial year
- > Distribution of Annual Report
- > Invitation to the Annual General Meeting of Shareholders

25 October 2011, Tuesday, 3 p.m.

- > Annual General Meeting of Kaba Holding AG

Take a look at our Web site! It provides quick access to more attractive information. Just click on www.kaba.com and you will be able to gain swift insight into our ten business areas, or find out the current share price, or access recent press releases, annual and interim reports as well as the popular Investor's Handbook.

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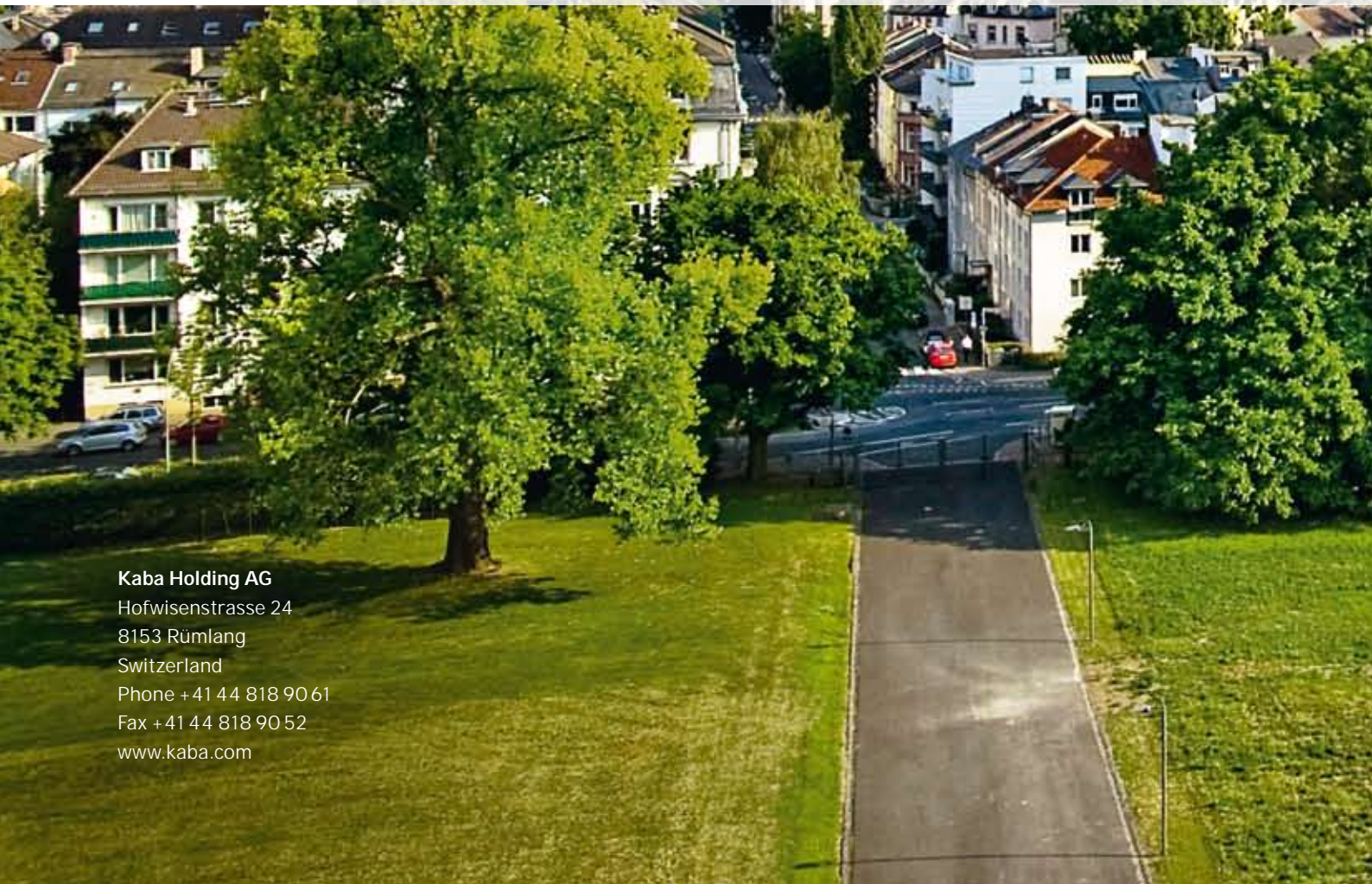
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