

> Press release

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RÜMLANG 5 NOVEMBER 2013 – CAPITAL MARKET DAY IN VITTORIO VENETO (IT)

## Kaba aims for profitable growth

At its Capital Market Day in Vittorio Veneto (IT) today, Kaba Group is showing how it intends to achieve its mid-term targets for the 2015/2016 financial year, and explaining what conditions will have to be in place for this to be possible. It is aiming for 5.0% to 6.0% organic growth and an EBITDA margin of 18.0% (in local currency terms).

Globally active technology group Kaba is targeting medium-term organic growth (2015/16 financial year) of 5.0% to 6.0% and an EBITDA margin of 18.0%, as announced at today's Capital Market Day in Vittorio Veneto (IT). The 2.4 percentage point increase in profitability from 15.6% in the prior financial year to the mid-term target of 18.0% (local currency terms) should come from investments in markets, products and innovation, as well as from further improvements in operational efficiency. Kaba expects 1.0 to 1.5 percentage points of this increased profitability at the EBITDA level to come from markets as well as innovations and products, and around the same from increased operational efficiency. The prerequisite for this improvement is a positive economic development worldwide and a favourable operating, especially in Kaba's main markets. "We have already established the programs for growth and increased profitability. In combination with a favorable economic environment this will give us a platform to achieve our mid-term targets," explains CEO Riet Cadonau.

The Capital Market Day is taking place today at Silca S.p.A. in Vittorio Veneto. Silca S.p.A. is a subsidiary of Kaba and part of the Key Systems division. The division is the world market leader for key blanks (producing 600 million blanks every year), transponder keys for the automotive industry and key cutting machines. Key Systems sells its products in approximately 130 countries and has manufacturing sites in the USA, Colombia, Italy and India. With more than 1,300 employees, the division achieved sales of CHF 186.2 million in the 2012/2013 financial year (around 19% of Group sales) and an EBITDA margin of 15.0%. Having secured this very good result, it will now concentrate on consolidating its cost leadership, in line with Kaba's strategy, and further expanding its presence in growth regions.

The Key System Division will help achieve Kaba's mid-term targets by increasing sales while maintaining its margins. In terms of return on net operating assets (RONOA), the division is already doing significantly better than the overall Kaba Group figure of 20.6%.

Kaba Group's expectations for the current 2013/2014 financial year remain unchanged since they were announced at the annual results press conference on 16 September 2013: it is aiming for 1.5% to 2.5% organic growth with an EBITDA margin of 15.5% to 16.5%. CEO Riet Cadonau: "The markets have performed largely as expected in recent months. From today's perspective we can confirm the targets we set for the financial year as a whole."

For more information on the Kaba Capital Market Day 2013: [www.kaba.com/capital-market-day](http://www.kaba.com/capital-market-day)

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### **Kaba – Beyond security**

With its innovative products, systems and services, globally active technology group Kaba is a leading provider of high quality access management solutions, locks, cylinders, physical access systems, enterprise data and time recording, and hotel access systems. The Group is also global market leader for high security locks, key blanks, transponder keys and key manufacturing machines. The listed Group has sales of around one billion Swiss francs and employs around 7,500 people in more than 60 countries. For more than 150 years Kaba has set trends in security and beyond – in terms of functionality, convenience and design, and always with a focus on optimum value to customers.

SIX Swiss Exchange: KABN

For more information please visit [www.kaba.com](http://www.kaba.com).

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