

Press release

Kaba acknowledges pending class action proceedings in the US and confirms its existing outlook for the future business performance

Rümlang, 18 April 2011 – Kaba Group confirms that consolidated class action legal proceedings are pending against several Kaba entities in the US, arising out of the sales and marketing of specific models of pushbutton locks sold and distributed by Kaba Access Control in Winston-Salem, North Carolina, US. Kaba Access Control learned in the second half of 2010 that a new type of ultra-strong industrial magnet made using rare-earth minerals, and known as an NIB magnet, could potentially be used to compromise certain Kaba pushbutton locks listed in the complaints in the proceedings. As soon as it discovered this issue, and prior to any class action law suit being filed, Kaba Access Control's engineers designed and implemented an upgrade for these products that makes the locks resistant to magnetic bypass from these new NIB magnets. Kaba Access Control also began developing a field Service Kit, which will upgrade existing locks to offer the same level of resistance to this potential compromise. Kaba Access Control is in the process of rolling the Service Kits out to those who request one.

Kaba also emphasizes that the class action lawyers have not alleged that any of the models of pushbutton locks listed in their complaints has actually ever been opened unauthorized through a magnetic attack. Kaba Access Control has not received a single confirmed report of any such compromise from any of its customers.

In addition, while the immediate response to this issue – product modification and Service Kit – is in keeping with the company's high standard for customer service, the Kaba defendants are continuing to vigorously oppose the class action proceedings.

Kaba knew of the class action when it established its 2010/2011 interim results per 31 December 2010 and published its outlook on 7 March 2011. The company believes that its earnings prospects have not altered since then, which is why it is sticking to its outlook for the current 2010/2011 financial year.

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Kaba is a globally active, publicly traded security corporation. With its Total Access strategy, the Kaba Group specializes in integrated solutions for security, organization and convenience at building and information access points. Kaba is also the world market's number 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. For more information please visit www.kaba.com

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