

## Media release

Rümlang | Switzerland | 21 August 2015 - Planned merger of Dorma and Kaba

# Competition authorities grant unconditional approval for planned merger of Dorma and Kaba – Closing scheduled for 1 September 2015

**The responsible competition authorities have unconditionally approved the planned merger of Dorma and Kaba. Therefore the merger, announced at the end of April 2015, should be completed on 1 September 2015. This will create one of the top 3 companies in the world for security and access solutions, with total sales of more than CHF 2 billion (EUR 1.9 billion) and around 16,000 employees in more than 50 countries.**

Following the decision by Germany's Bundeskartellamt, the competition authorities in all the relevant countries have now unconditionally approved the planned merger of Dorma and Kaba. This fulfils another key requirement for the merger, announced at the end of April 2015, between Kaba Holding AG, headquartered in Rümlang (Switzerland), and Dorma Holding GmbH + Co. KGaA, the family-owned company based in Ennepetal (Germany). The companies strive to close the transaction on 1 September 2015.

Riet Cadonau, CEO of Kaba and designated CEO of dorma+kaba Group, comments "We are extremely pleased that we will be able to close the transaction only four months after the announcement. This underlines the industrial logic behind the merger as well as the excellent fit between the two companies' product portfolios, geographical presence and value chains." Dr. Hans Gummert, Chairman of Dorma's Supervisory Board and designated member of the Board of Directors of dorma+kaba, says the following: "Both our companies are very well placed to make the merger work. This will benefit all stakeholders – shareholders, customers, business partners and employees."

Formal closure of the transaction comes with entry in the relevant commercial register, which is scheduled to happen on 1 September 2015. This will include the merger under the shared parent company Kaba Holding AG (renamed on closing as dorma+kaba Holding AG), as well as the implementation of the conditional resolutions taken at the Extraordinary General Meeting of Kaba Holding AG on 22 May 2015 with regard to:

- The renaming of Kaba Holding AG as dorma+kaba Holding AG. This company will still be listed on the SIX Swiss Stock Exchange (new ticker symbol: DOKA).
- Further amendments to the Articles of Incorporation of Kaba Holding AG; in particular the introduction of a formal selective opting out, the provision covering the transfer agreement in the event of a possible change of control, and the removal of the current 5% restriction on share transfers and voting rights.
- The election of Stephanie Brecht-Bergen (nee Mankel), Christine Mankel and Dr. Hans Gummert to the Board of Directors of dorma+kaba Holding AG. Thomas Pleines, a member of the Board of Directors of Kaba Holding AG since 2011, will resign from the Board.

In addition, the special CHF 50 per share conditional dividend from capital contribution reserves decided at the Extraordinary General Meeting is being paid to entitled shareholders. The ex-dividend date has been fixed for 23 September 2015, and the distribution date for 25 September 2015.

The Executive Committee designated in July 2015 will also start work when the transaction is complete. Ongoing operational business is one of the top priorities, but integration work will also press ahead as quickly as possible. Once the transaction has closed, the operating units will continue to work unchanged for the time being. All current contact

persons will continue to take care of their customers and business partners as before until further notice. The plan is to transition the existing organizational structure to the target structures by 1 July 2016.

#### ***Key facts about the merger***

- The dorma+kaba Group will be one of the top 3 global companies for security and access solutions, with pro forma sales of over CHF 2 billion (EUR 1.9 billion)
- Leading range of products and services from a single source thanks to complementary portfolios, value chains and geographical presence in all major markets
- Excellent opportunities for growth and significant synergy potential should unlock substantial gains for Kaba shareholders
- Special dividend for shareholders of CHF 50 per share
- Target figures (after four years, provided economic conditions remain stable): 6% - 7% p.a. organic growth in local currency terms, as well as EBITDA margin of 18%
- Dorma's family owners have increased their commitment in the business by acquiring a 9.1% stake in Kaba Holding AG; together with Kaba's family shareholders they form a strong, long-term anchor shareholder for the combined group. Together, the two groups of family shareholders own 27.3% of the shares
- Kaba Holding AG, listed on the SIX as dorma+kaba Holding AG, will hold 52.5% of the combined Dorma and Kaba business, while Dorma's family owners will hold 47.5%

For detailed information about the planned merger of Dorma and Kaba, see [www.kaba.com](http://www.kaba.com).

#### **Contact**

For further information, please contact:

Daniela Schöchlin, SVP Group Communications a.i., tel. +41 44 818 92 02

---

#### About Kaba

##### *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, keys, cylinders, physical access systems, enterprise data and time recording, and hotel access systems. The group is also a global market leader for high security locks, key blanks, transponder keys and key manufacturing machines. The stock exchange-listed group (KABN and KABNE) employs around 9,000 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.

##### *dorma+kaba – a new industry leader emerges*

Kaba Group and Dorma Group, based in Ennepetal (Germany) have announced the merger of their businesses. Together, dorma+kaba will be one of the top 3 global companies in the market for security and access solutions, with pro forma sales of over CHF 2 billion, and around 16,000 employees.

SIX Swiss Exchange: KABN / KABNE

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

*Disclaimer*

This communication contains certain forward-looking statements, e.g. statements using the words "believes", "assumes", "expects", or formulations of a similar kind. Such forward-looking statements are based on assumptions and expectations which the company believes to be well founded, but which could prove incorrect. They should be treated with appropriate caution because they naturally involve known and unknown risks, uncertainties and other factors which could mean that the actual results, financial situation, development or performance of the company or Group are materially different from those explicitly or implicitly assumed in these statements. Such factors include:

- The general economic situation
- Competition with other companies
- The effects and risks of new technologies
- The company's ongoing capital requirements
- Financing costs
- Delays in the integration of acquisitions
- Changes in operating expenses
- Fluctuations in exchange rates and raw materials prices
- Attracting and retaining skilled employees
- Political risks in countries where the company operates
- Changes to the relevant legislation
- Realization of synergies
- Other factors named in this communication

If one or more of these risks, uncertainties or other factors should actually occur, or if one of the underlying assumptions or expectations proves incorrect, the consequences could be materially different from the assumed ones. In view of these risks, uncertainties and other factors, 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. The Company emphasizes that past results and performances cannot lead to conclusions about future results and performances. It should also be noted that interim results are not necessarily indicative of year-end results. Persons who are unsure about investing should consult an independent financial advisor.

This press release constitutes neither an offer to sell nor a call to buy securities.

Kaba®, Com-ID®, Ilco®, La Gard®, LEGIC®, SAFLOK®, Silca® etc. are registered brands Kaba Group. Country-specific requirements or business considerations may mean that not all Kaba Group products and systems are available in all markets.