

Rümlang | Switzerland | 5 April 2016 – CAPITAL MARKET DAY

## dorma+kaba continues consistent implementation of integration process

**The Capital Market Day being held today by dorma+kaba Group focuses on several key themes: the progress made on the company's new setup and development, selected business activities, and the integration measures that are supposed to help dorma+kaba achieve its overriding financial goal of an 18% EBITDA margin as planned for the first time in 2018/2019. The event, aimed at international equity analysts and institutional investors, also includes a closer look at the Access Solutions (AS) DACH segment.**

At today's Capital Market Day at dorma+kaba Group's Ennepetal site in Germany, the company is highlighting its new setup and development following the merger between Dorma and Kaba on 1 September 2015, as well as explaining the specifics of the ongoing integration process. dorma+kaba has opted to manage the integration by explicitly handing over control of the process to a project team that operates separately from the day-to-day business. This team supports the operational units and ensures a consequent implementation of the multitude of business and cultural change processes that inevitably come with such a merger. The company believes this approach is vital if it is to achieve its integration goals while simultaneously maintaining focus on the market and its customers. Over the past seven months, dorma+kaba has made visible progress on the new setup of the Group and the integration process has proceeded as planned so that the Group can operationally start the new financial year as a single unified company on 1 July 2016.

Attendees at this year's Capital Market Day are also being given a deeper insight into the history and business activities of the former Dorma. The event is being held at the former Dorma head office in Ennepetal, which now houses the management team of the AS DACH segment. There will be a particular focus on the range of products offered by Dorma, which was a family-owned firm prior to the merger with Kaba. The AS DACH segment brings together dorma+kaba's activities in Germany, Austria and Switzerland. The AS DACH segment also has cross-segment responsibility for the global product clusters "Door Hardware", "Interior Glass Systems" and "Entrance Systems", plus the associated production facilities and competence centers. As well as the plant in Ennepetal these include among others production sites in Singapore, Suzhou (China) and Melaka (Malaysia). The AS DACH segment reported solid results for the first half of the current 2015/2016 financial year, posting consolidated sales of CHF 386.1 million and an EBITDA margin of 18.9% on a pro forma basis. The AS DACH segment thus contributes around 22% of total sales and approximately 38% of the company's EBITDA.

dorma+kaba Group confirms that, thanks to improved purchasing conditions, optimized infrastructure costs and efficiency gains, it expects to see cost synergies of CHF 60-70 million per year, scheduled to be fully effective from the 2018/2019 financial year. Merger-related integration costs in the current 2015/2016 financial year are estimated at somewhat above CHF 70 million, of which CHF 34.7 million have already been reported in the first half. These integration costs will be shown separately in this year's consolidated income statement as an extraordinary result. As well as the cost synergies, dorma+kaba also expects sales synergies of at least one percentage point in the medium term as a result of the stronger market position achieved through the merger. This is in addition to the expected organic growth potential, which is

## Media release

**dorma+kaba**

at least one percentage point above the weighted average GDP growth in the geographic markets relevant to the company.

dorma+kaba Group is confirming its guidance for the current 2015/2016 financial year. The company assumes that the macroeconomic and geopolitical environment will remain challenging and volatile. On a comparable pro forma basis at constant exchange rates, dorma+kaba expects an organic growth rate and an EBITDA margin at the level of the current 2015/2016 half-year results, plus/minus half a percentage point.

For more information on the dorma+kaba Capital Market Day 2016: [www.dormakaba.com/capital-market-day](http://www.dormakaba.com/capital-market-day)

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### dorma+kaba - a new industry leader is born

The merger of the Kaba Group, with headquarters in Rümlang (Switzerland), and the Dorma Group, based in Ennepetal (Germany), was completed on 1 September 2015. The merged dorma+kaba is one of the top three companies in the global market for security and access solutions, with pro forma sales of more than CHF 2 billion and around 16,000 employees.

SIX Swiss Exchange: DOKA (formerly: KABN / KABNE)

Further information at [www.dormakaba.com](http://www.dormakaba.com)

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- 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

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