

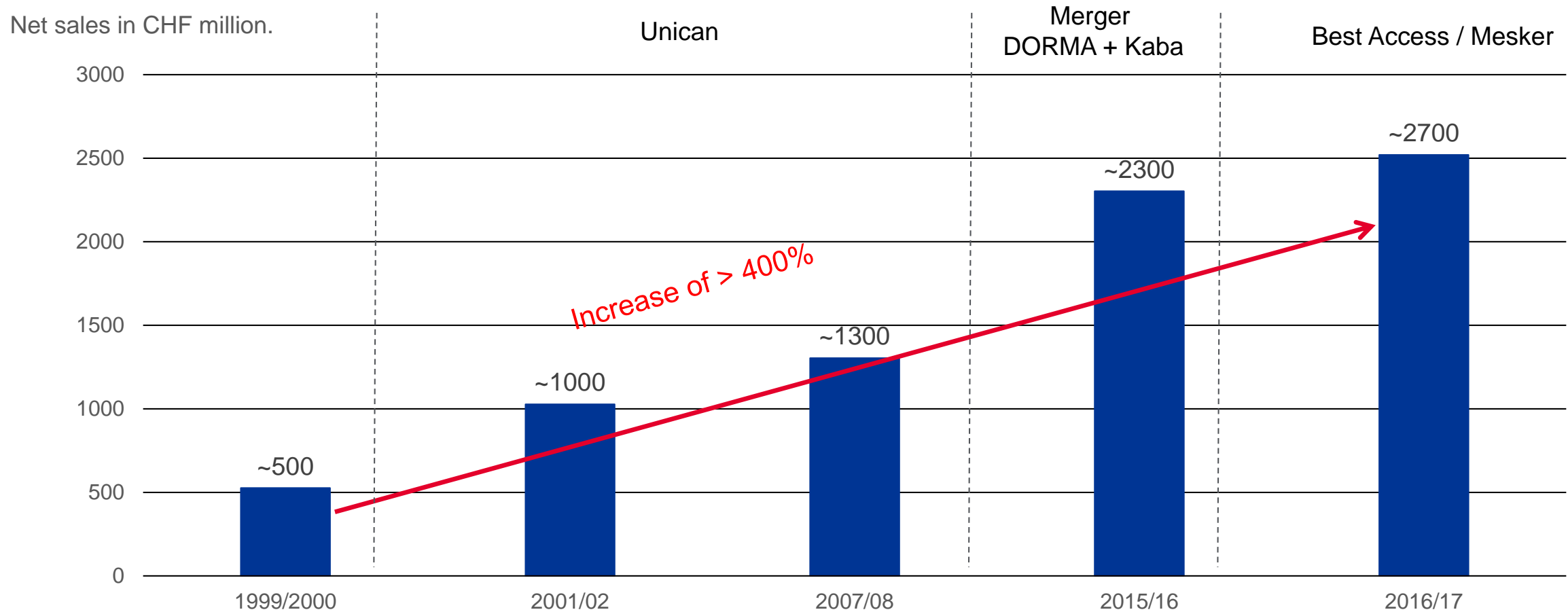


Classification: Public

Riet Cadonau, CEO
London, 6 December 2017

Capital Market Day 2017

From international niche player to global one-stop shop



From international niche player to global one-stop shop



- Merger to dormakaba as game changer
- Top-three provider globally for secure access to buildings and rooms from a single source
 - Sales > CHF 2.5 billion
 - More than 16,000 employees in 50 countries
 - Active together with business partners in more than 130 countries
 - True one-stop shop
- Acquisitions in North America have created a strong number 3 in the North American market

dormakaba in transformation

Our industry in transformation

Our environment in transformation

Our company in transformation



dormakaba in transformation

Our industry in transformation

Our industry is consolidating – gaining critical mass is a key differentiator.

The security market can be divided into 4 tiers of players differentiated by size, reach and product offering

Size by revenues

Tier 1
>5,000 million CHF

Tier 2
1,000-5,000 million CHF

Tier 3
50-1,000 million CHF

Tier 4
<50 million CHF



Characteristics

Global footprint, complete product portfolio, financial strength

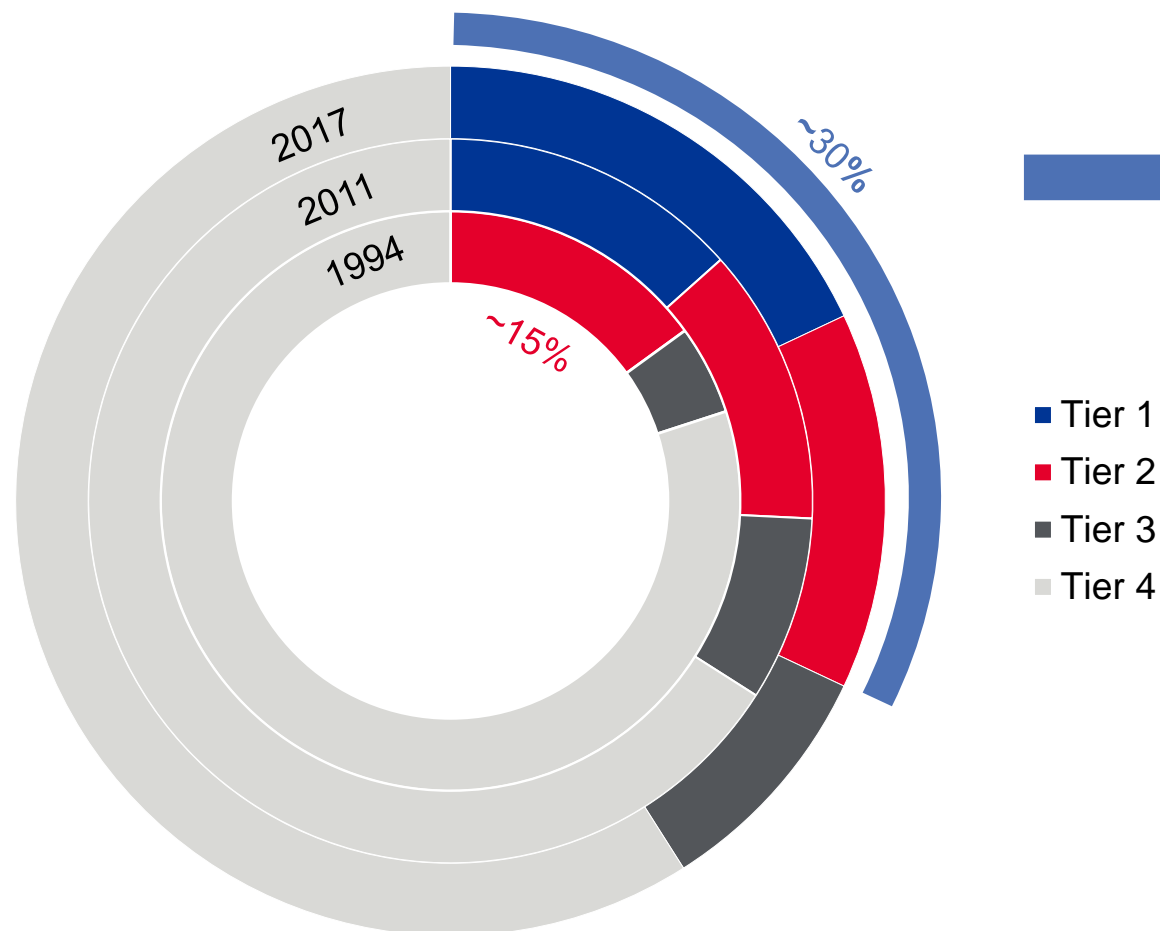
Global or strong international footprint, comprehensive product portfolio, financial strength

International footprint, niche player or regional champions, partially family-owned

Local player, sometimes niche or regional market leader

Tier 1 and 2 dominated consolidation since 1994 with over 350 acquisitions

Market share development of tiers 1994 – 2017



Despite consolidation,
Tier 1 and 2 players just have
30% market share

Total accessible market
for dormakaba: 40b USD

Number of acquisitions/deals in past 7 years*

Assa Abloy	109
dormakaba	27
Allegion	10

* Source company reports

Critical mass becoming key for continued sustainable growth and drives consolidation of the industry

Critical mass in the areas of



Example Australia



	Stand-alone Kaba	dormakaba
Role	Niche player	“One-stop shop”
Sales & Marketing	75 People Few people with limited back-up	475 People Product, Services, Solution specialists, Spec writers
Local engineering and service	Limited	Country-wide network
Growth potential	Limited	Above market

dormakaba in transformation

Our environment in transformation

Growth drivers and industry dynamic in favor of innovative solutions and services providers.

dormakaba is part of an attractive industry



Multiple strong growth drivers

- Urbanization
- Increasing prosperity in emerging markets
- Demographic change
- Increasing need for security
- Technology

Market potential

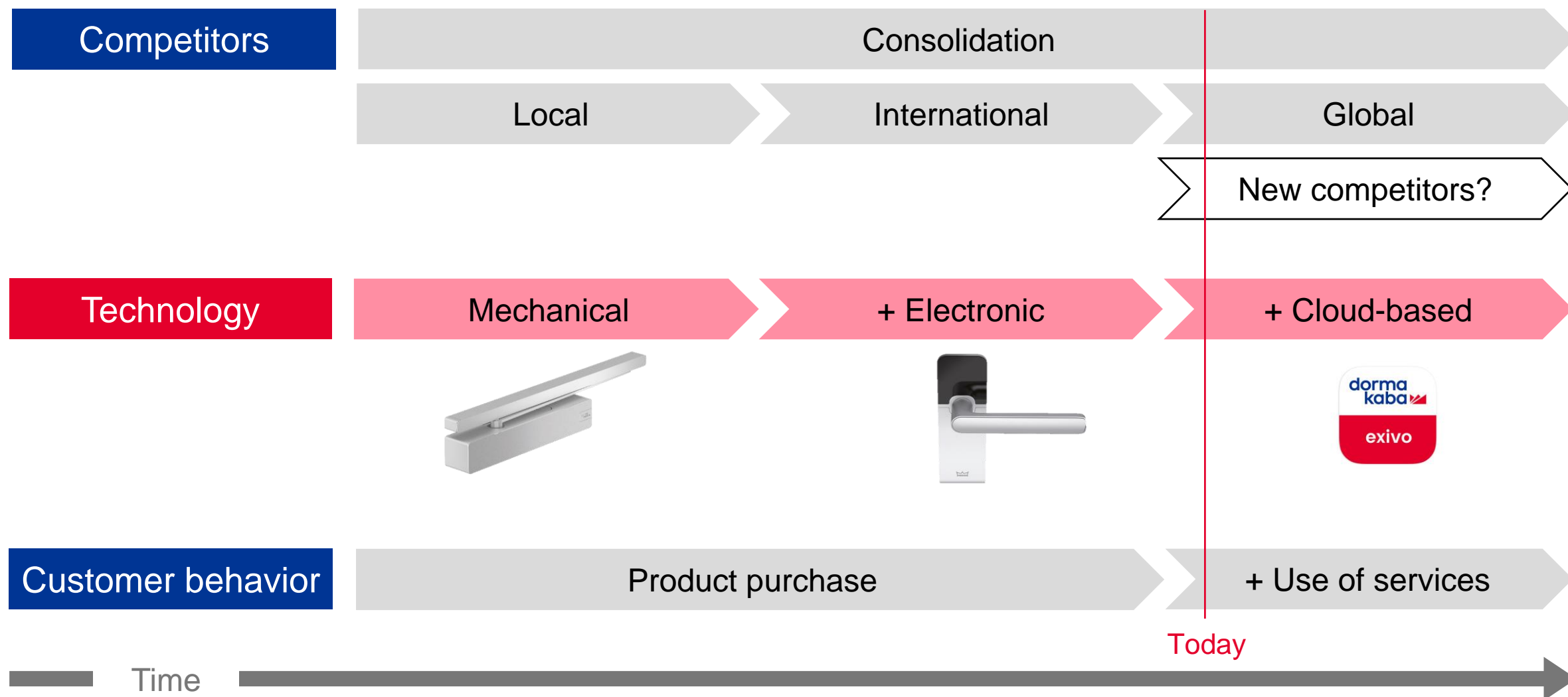
While North America is the most attractive market today, Asia will become increasingly important:

- 2016: 275 cities with more than one million people with a rising tendency¹⁾
- More than \$26 trillion needed for infrastructure until 2030²⁾
- 350 new airports planned in the next 10 years³⁾



¹⁾ U.N.; The World Cities 2016, Data Booklet; ²⁾ Asian Development Bank, Meeting Asia's Infrastructure Needs; ³⁾ Frost & Sullivan; South China Morning Post

Industry dynamics require companies to adapt to remain competitive

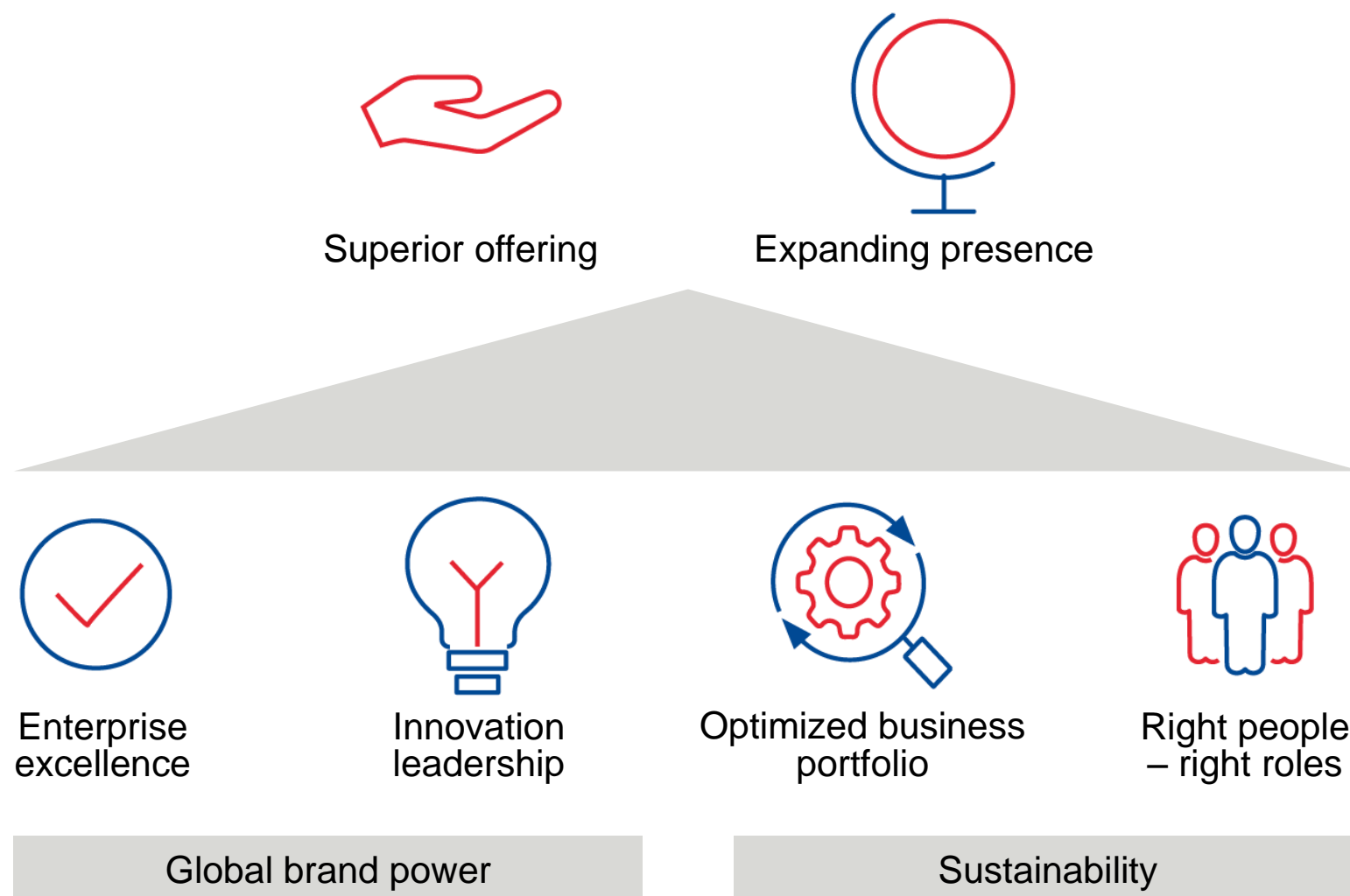


dormakaba in transformation

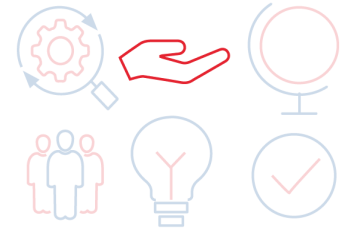
Companies need to change themselves to benefit from the transformation in our industry.

Our company in transformation

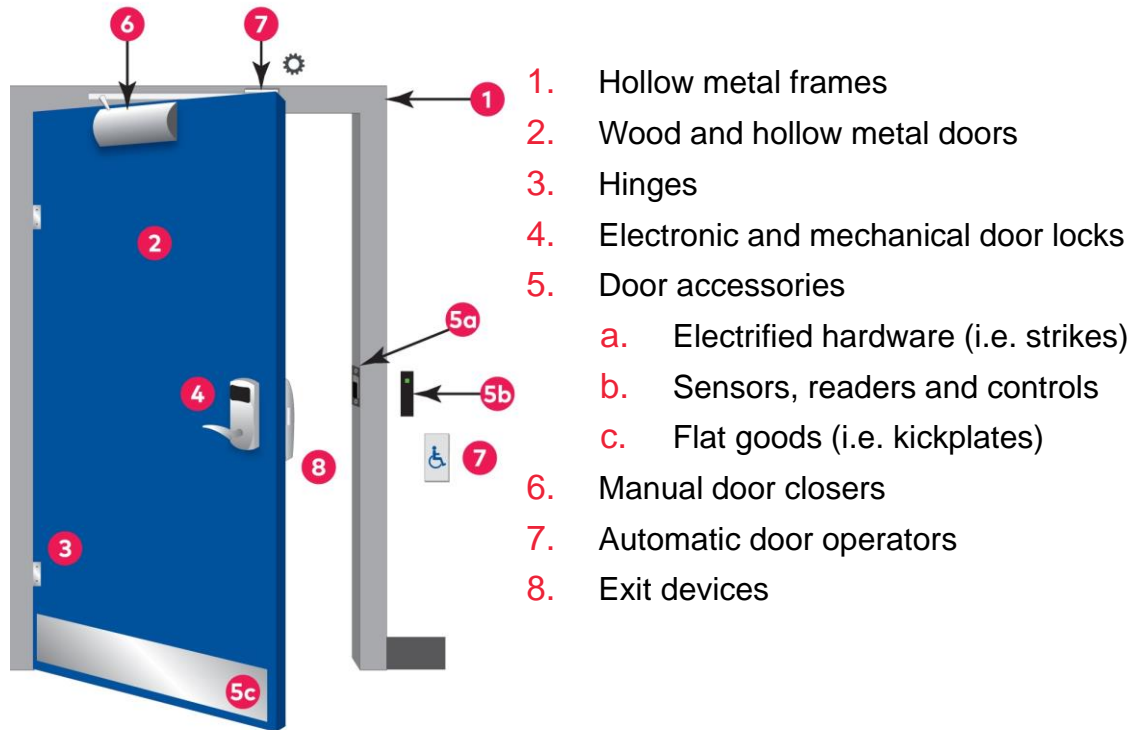
Six strategic pillars and two foundations to support the dormakaba ambition to become the trusted industry leader



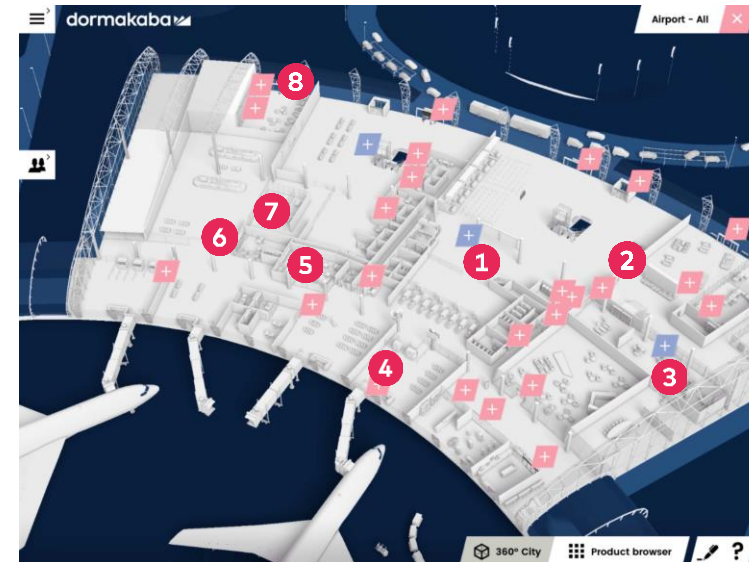
Superior offering – increasing share of wallet by comprehensive offering out of one hand



Comprehensive offering out of one hand
“Manage the Opening” in North America

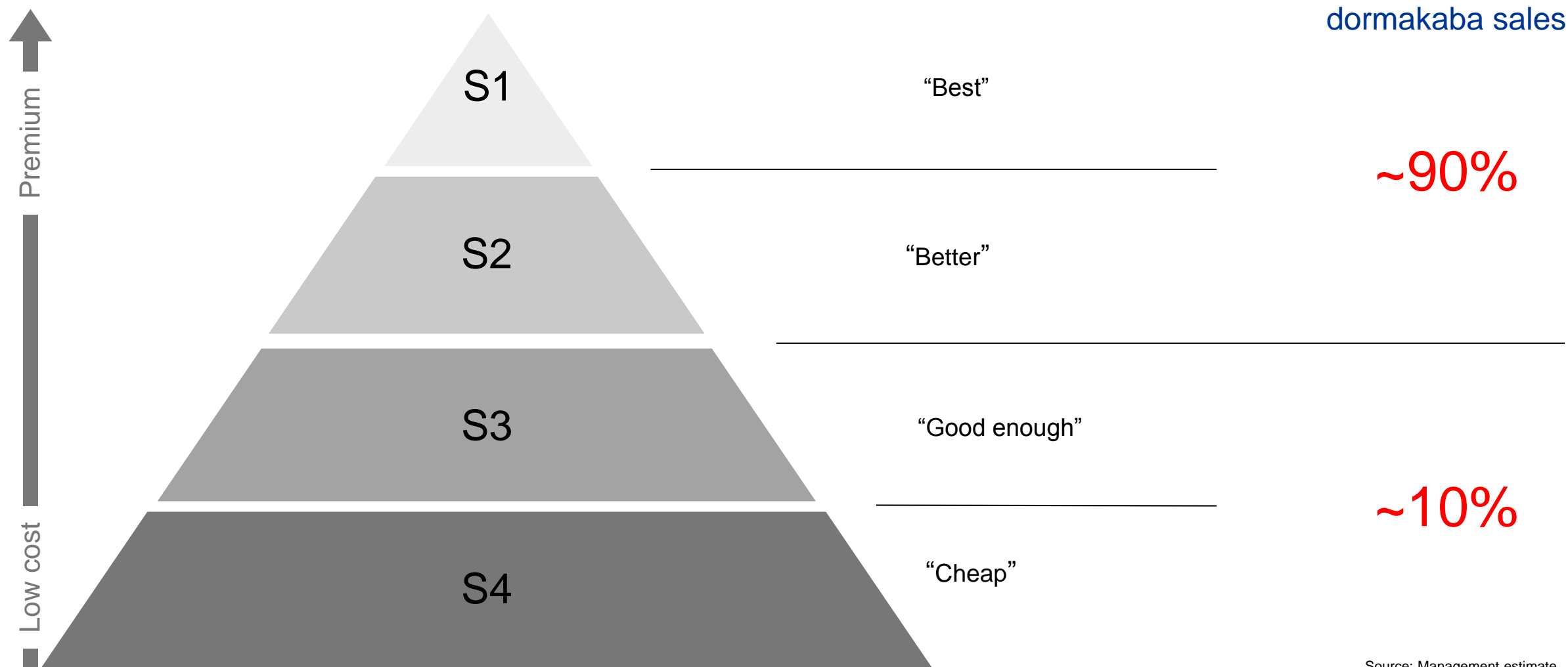


Comprehensive offering out of one hand for airports



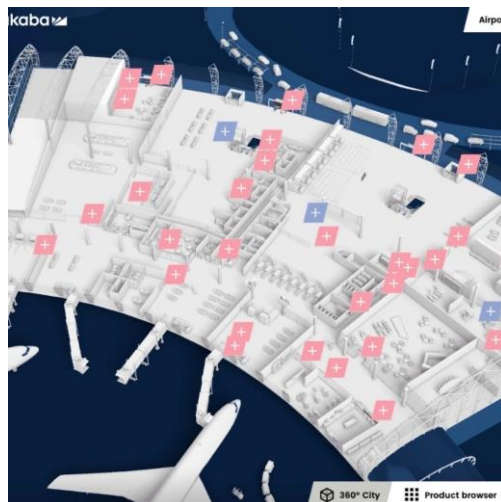
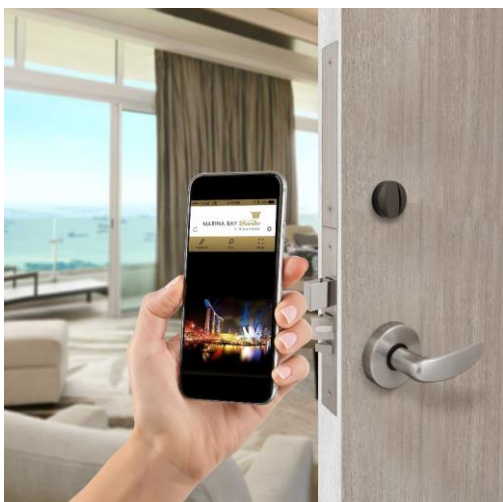
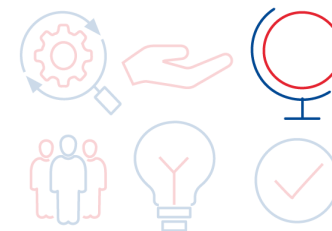
- 1. Biometric matching of passenger and passport
- 2. Tripod barrier
- 3. Door furniture
- 4. Self-Boarding Gate
- 5. Fully automatic mobile glass dividing system
- 6. One-way corridor
- 7. Mechatronic cylinder
- 8. Revolving door

dormakaba products are positioned in the premium segment



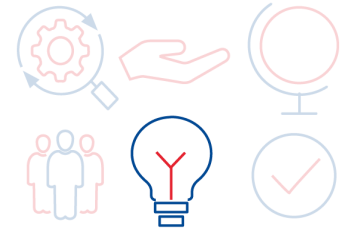
Source: Management estimate

Expanding presence – increasing reach



1. Emerging Markets
2. Blind spots in mature markets
3. Explore full potential of global products
4. Become champion in selected verticals by dedicated market approach and additional offerings

Leadership in innovation – offering superior ideas – coexistence of all technologies

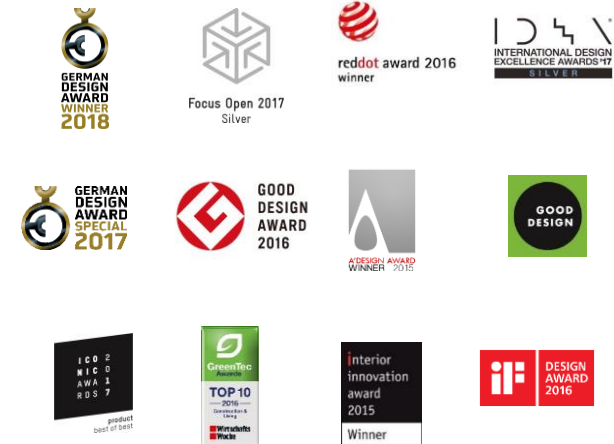


Product developments are driven by use cases that solve a specific "customer pain points", e.g.

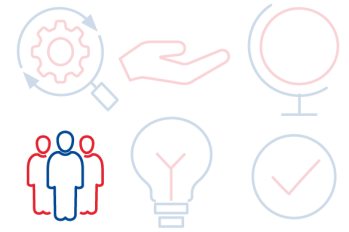
- Healthcare: Dementia patients in daycare
- Unused assets
- High stock levels

Striving for innovation leadership

- Functionality
- Security
- Quality
- Convenience
- and Design



The right people in the right roles



Develop and engage the most competent and passionate employees in the right position

Digitization in HR

One common HR Information System

- eRecruiting, Employee Central
- Enable new ways of working

Development

Leadership toolbox

- Talent development programs
- Advanced management programs
- Change management activities

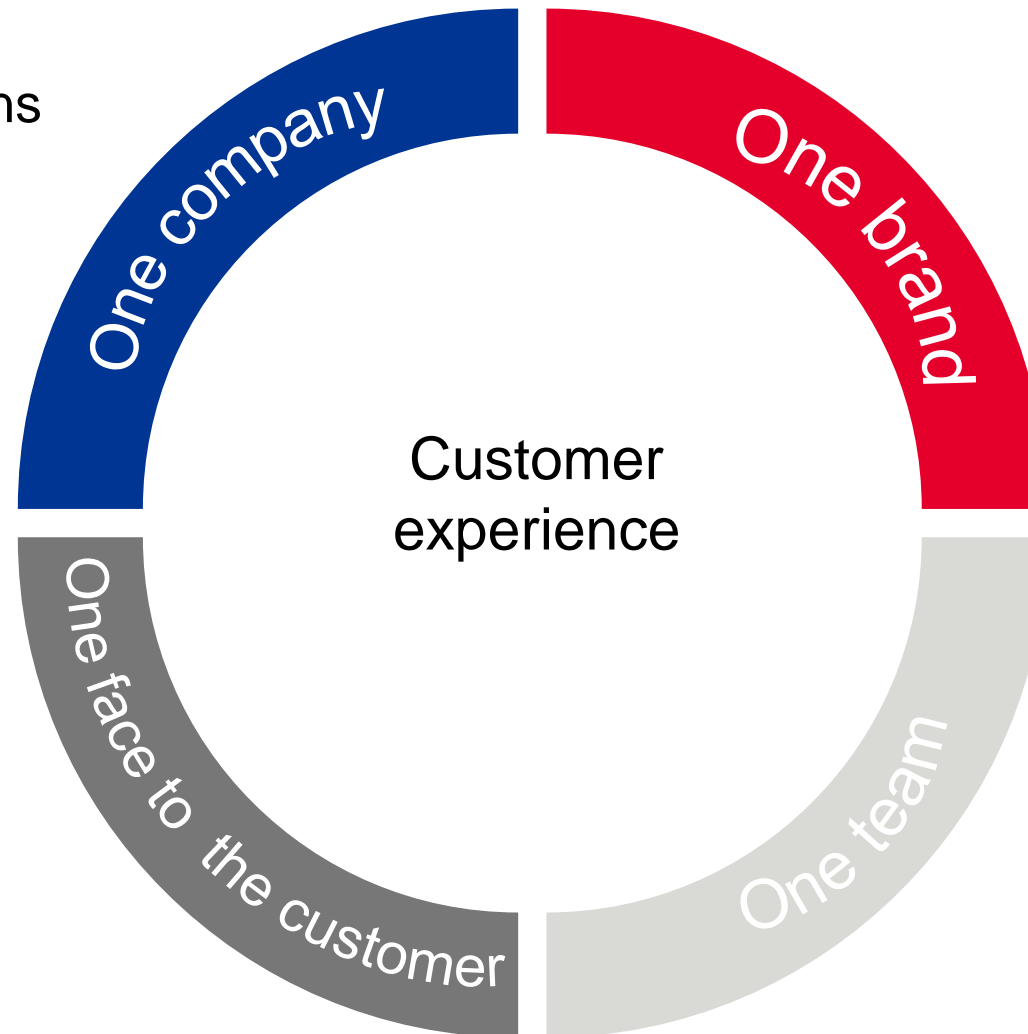
Change Management

Build a joint,
agile corporate culture

What makes dormakaba different?

One company based on a group of aligned organizations

One global master brand

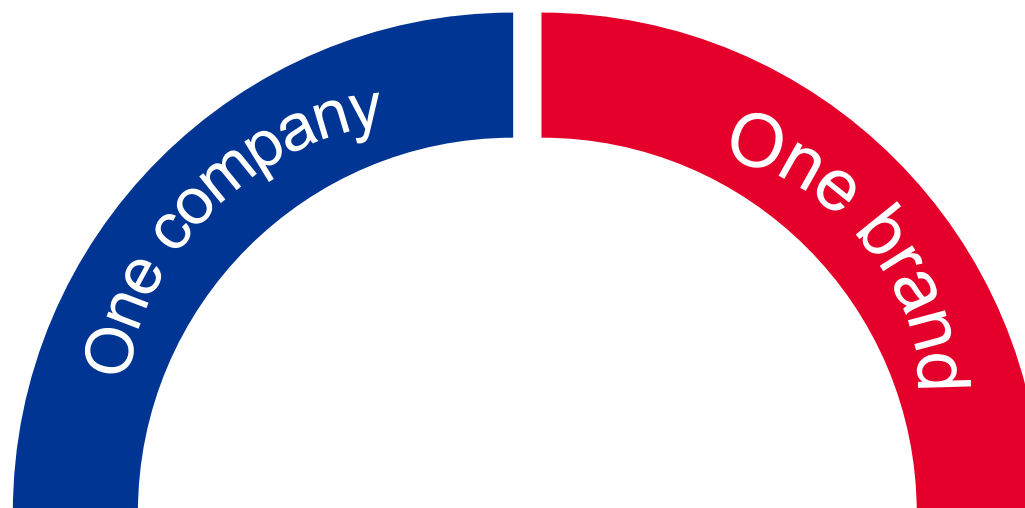


One face to the customer – out of one hand

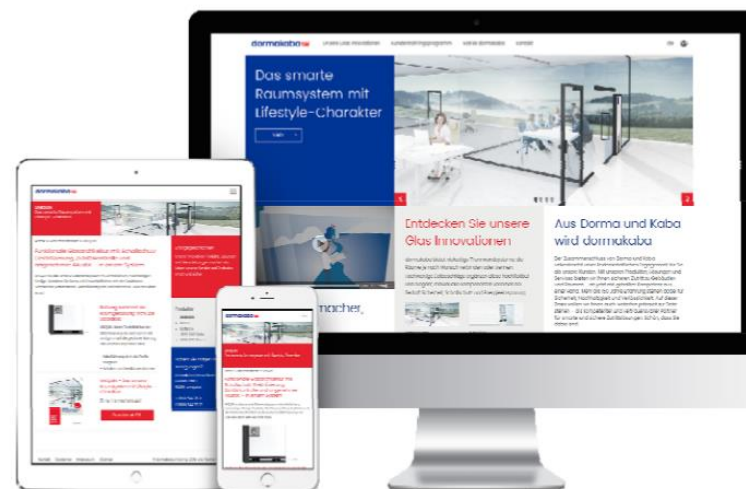
One team committed to trust and fairplay

What makes dormakaba different?

Customer experience



One master brand for products and solutions for Access Solutions – clear brand promise and hierarchy allow for easy understanding of brand value and portfolio



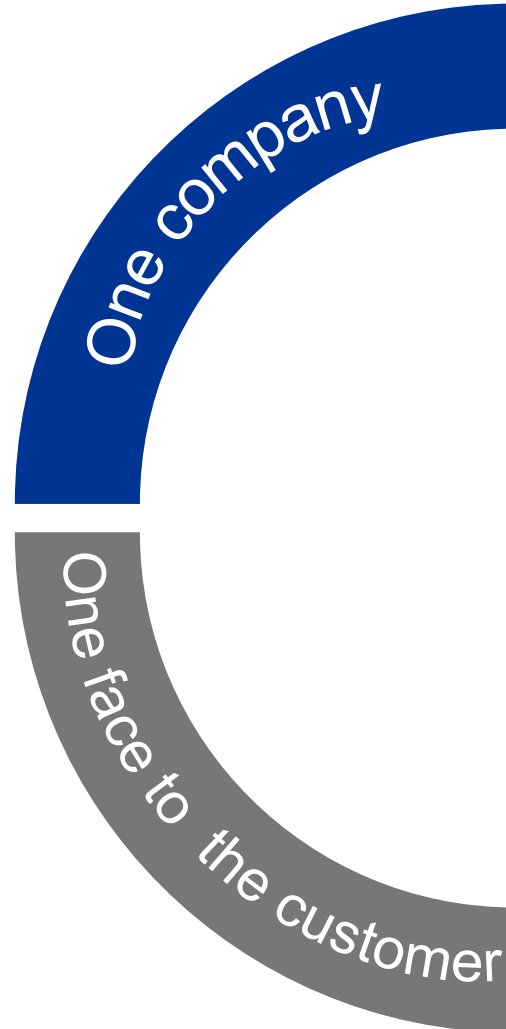
What makes dormakaba different?

Customer experience

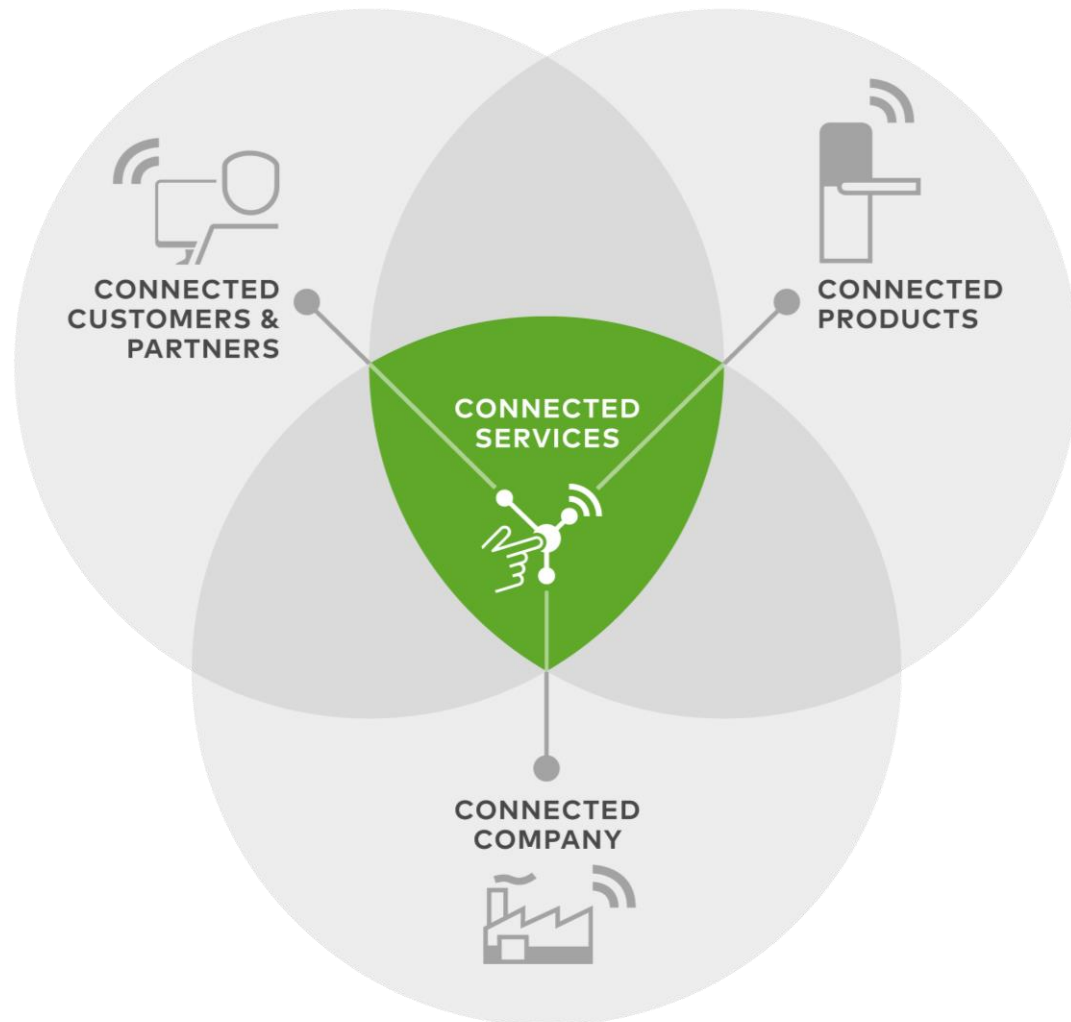
One face to the customer

Different to many faces to customer for quotations, ordering, delivery, services – serving customers out of one hand, examples:

- International Key Account Management
- One connected relationship with customers
- Dedicated approach for Services



Digitization at dormakaba



In the course of digital transformation at dormakaba, we connect ourselves with customers and partners, e.g. in our Virtual Design Center.

We also connect our products, for example by allowing doors to be controlled via smartphone.

And finally, we ourselves get connected, for example by implementing global IT platforms and applications and smart production facilities in the course of Industry 4.0.

The overlap of these three circles of connectivity results in new types of connected services.

dormakaba in transformation

Our industry in transformation

We have gained critical mass in many of our markets and continue to play an active role in the consolidation.

Our environment in transformation

We have a target-oriented strategy to participate in the growth of our industry.

Our company in transformation

We transform ourselves to become the trusted industry leader.

Thank you for your attention.

dormakaba Holding AG
Hofwisenstrasse 24
8153 Rümlang
Switzerland

www.dormakaba.com

dormakaba 

Disclaimer

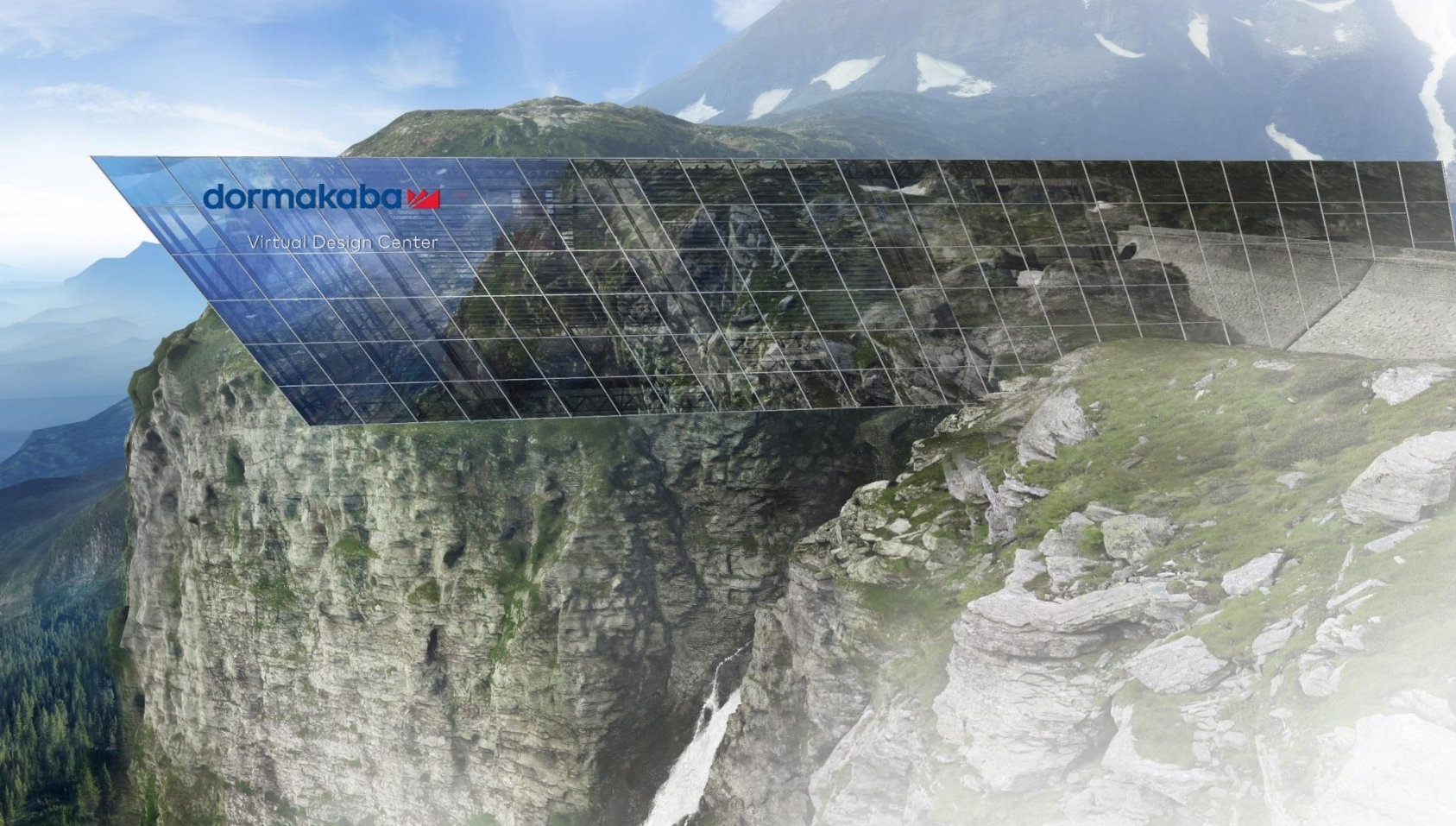
This communication contains certain forward-looking statements including, but not limited to, those using the words “believes”, “assumes”, “expects” or formulations of a similar kind. Such forward-looking statements are made on the basis of assumptions and expectations that the company believes to be reasonable at this time, but may prove to be erroneous. Undue reliance should not be placed on such statements because, by their nature, they are subject to known and unknown risks, uncertainties and other factors which could lead to substantial differences between the actual future results, the financial situation, the development or performance of the company or the Group and those either expressed or implied by such statements. Such factors include, but are not limited to:

the general economic conditions / competition from other companies / the effects and risks of new technologies / the company’s continuing capital requirements / financing costs / delays in the integration of the merger or acquisitions / changes in the operating expenses / currency and raw material price fluctuations / the company’s ability to recruit and retain / qualified employees / political risks in countries where the company operates / changes in applicable law / and other factors identified in this communication

Should one or more of these risks, uncertainties or other factors materialize, or should any underlying assumption or expectation prove incorrect, actual outcomes may vary substantially from those indicated. In view of these risks, uncertainties or other factors, readers are cautioned not to place undue reliance on such forward-looking statements. Except as required by applicable law or regulation, the company accepts no obligation to continue to report or update such forward-looking statements or adjust them to future events or developments. It should be noted that past performance is not a guide to future performance. Please also note that interim results are not necessarily indicative of the full-year results. Persons requiring advice should consult an independent adviser.

This communication does not constitute an offer or an invitation for the sale or purchase of securities in any jurisdiction.

dormakaba®, dorma+kaba®, Kaba®, Dorma®, Ilco®, La Gard®, LEGIC®, Silca®, SAFLOK®, BEST®, phi® etc. are registered trademarks of the dormakaba Group. Due to country-specific constraints or marketing considerations, some of the dormakaba Group products and systems may not be available in every market.



Classification: Public

Capital Market Day
December 2017
Andreas Häberli

The Digital Transformation of our Industry - From a Product Vendor to a Strategic Business Partner

dormakaba product Innovations – recent example:





Focus Open 2017
Silver



Bernhard Heitz,
Head of Strategic Product Design dormakaba

Virtual Design Center – Creating Immersive Worlds



The Digital Transformation of our Industry

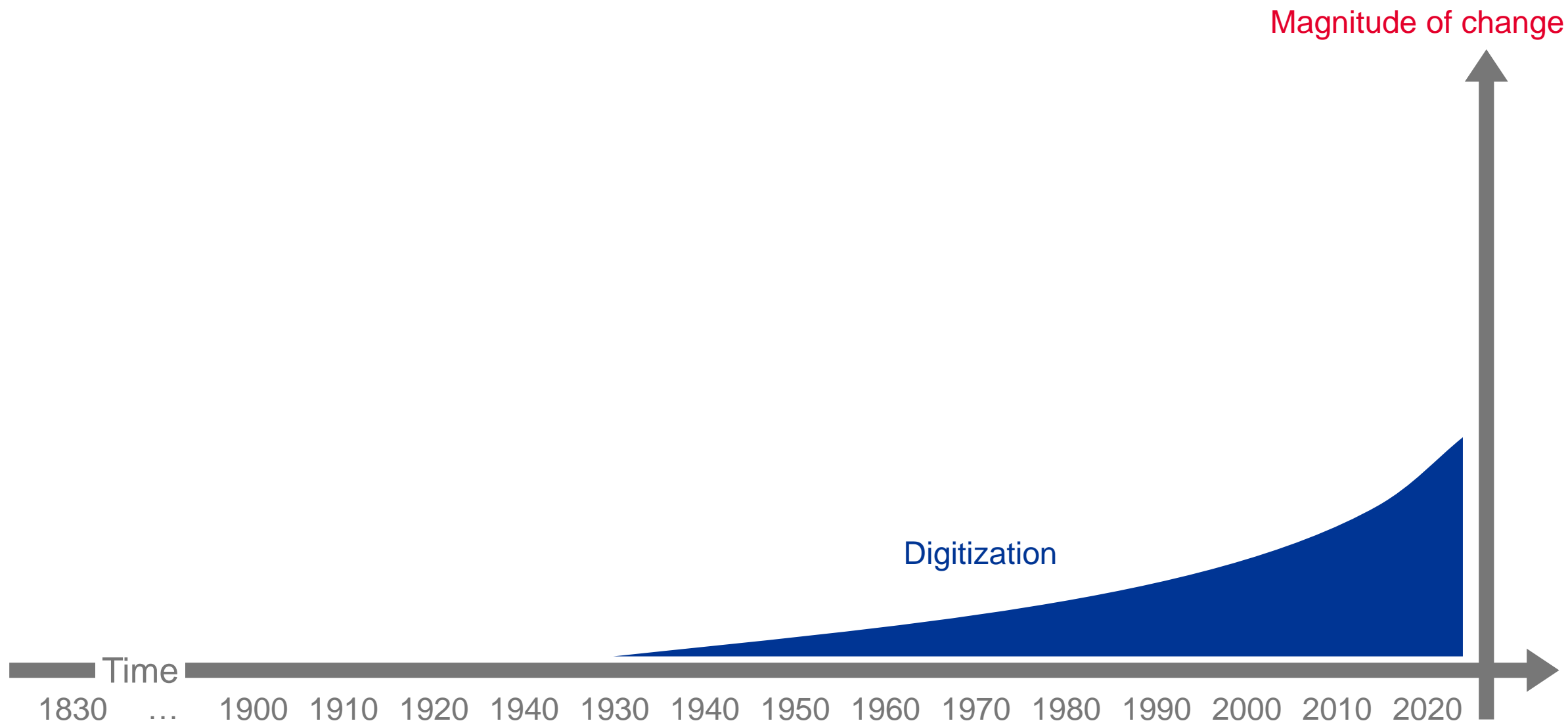
Digital Transformation

What does it mean for our industry?

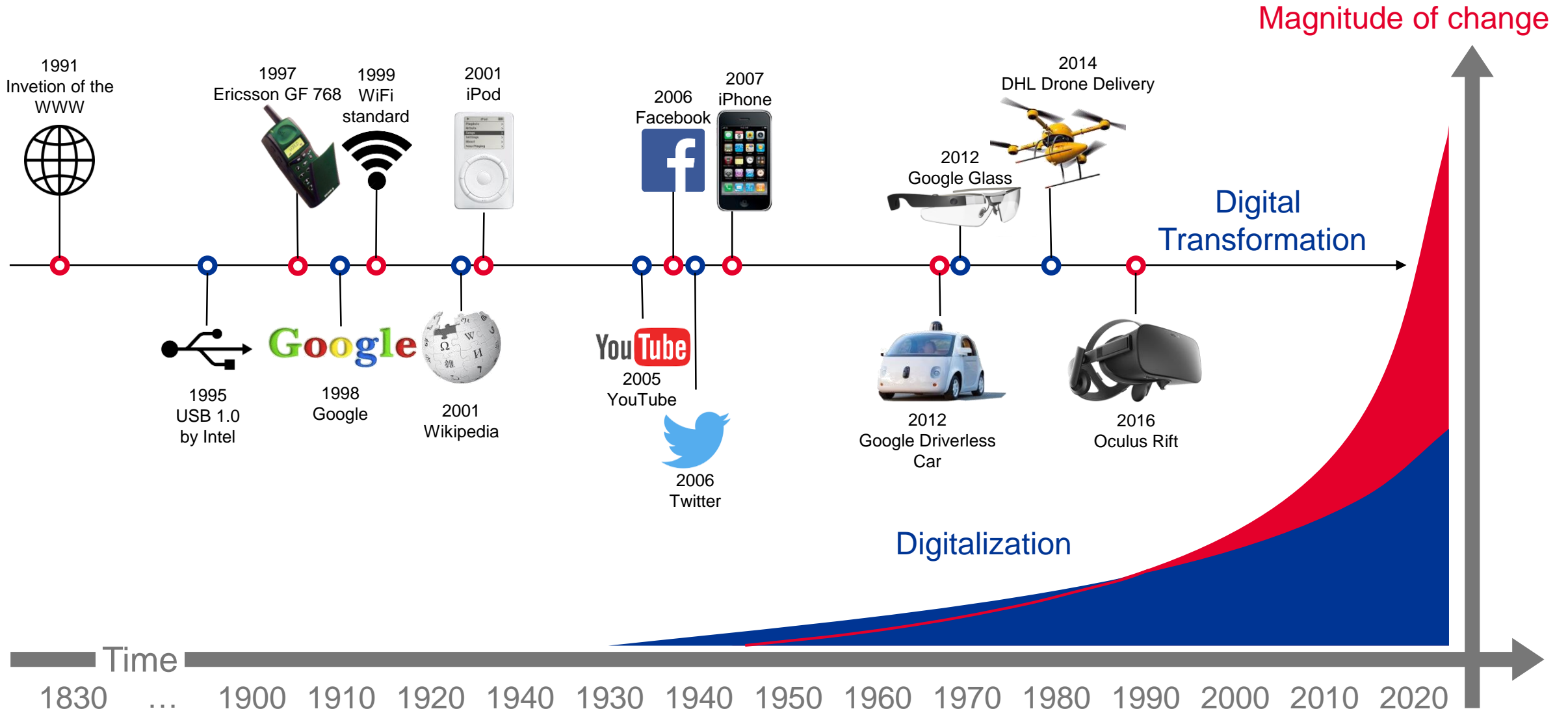
What is our strategy?

But there is more...

Digitization is not new!



In the last 20 years we experienced fundamental changes driven by technology



The Digital Transformation of our Industry

Digital Transformation

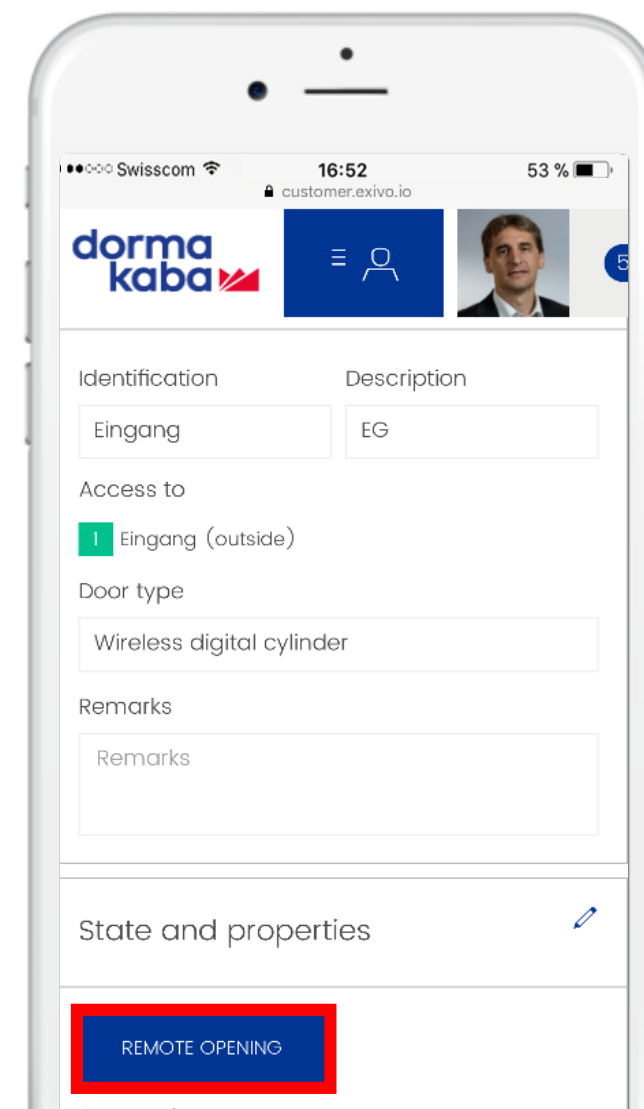
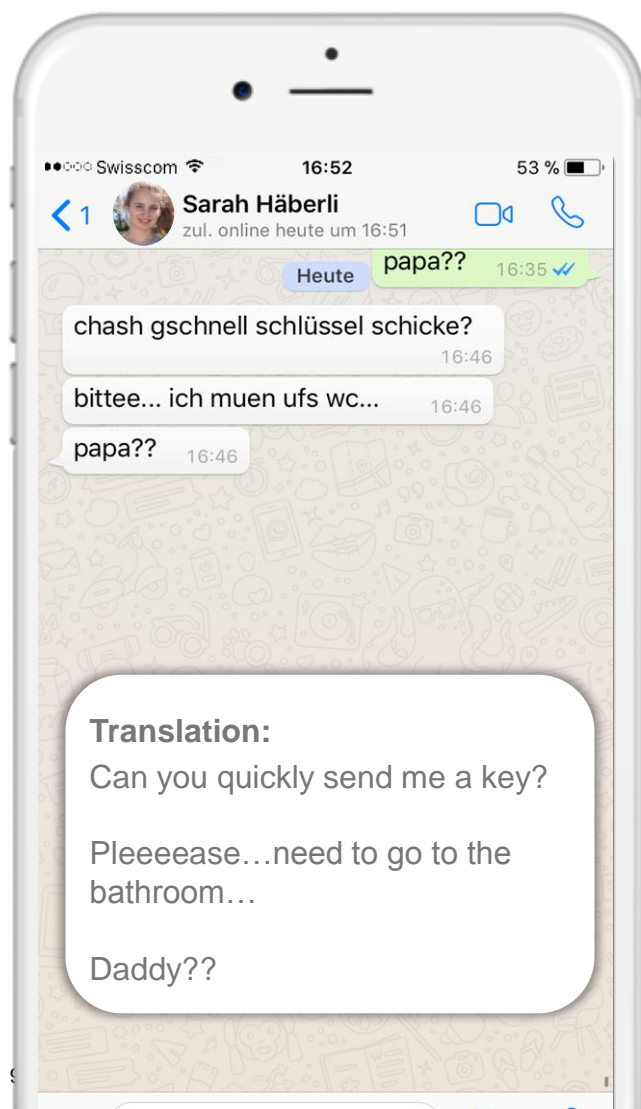
What does it mean for our industry?

What is our strategy?

But there is more...

What does it mean for our industry?

Transformation is NOW: On demand services! Anytime, anywhere...



What does it mean for our industry?

Transformation is NOW: Inclusion of 3rd party digital services



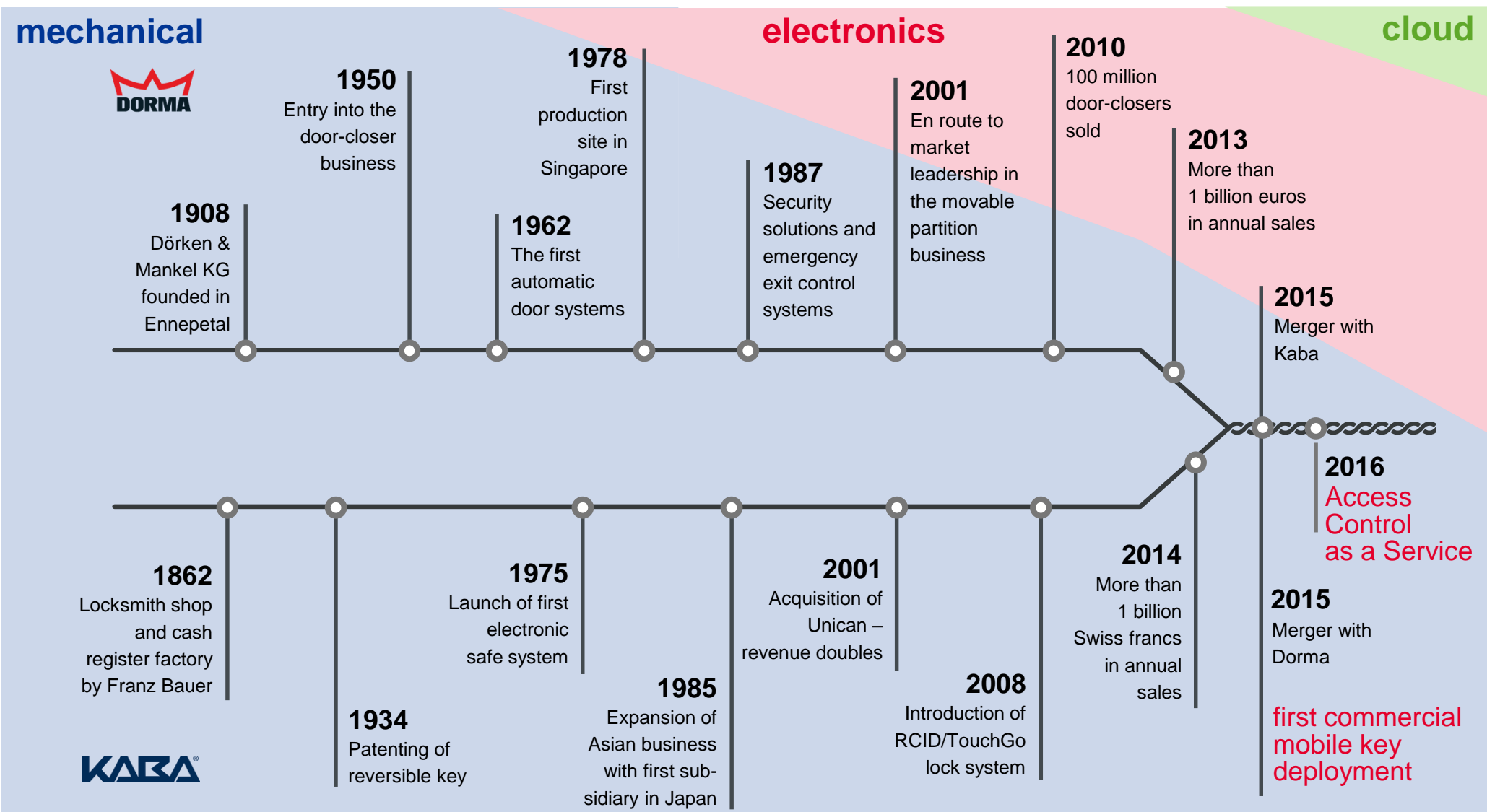
What does it mean for our industry?

The Digital Transformation of our Industry is about

TECHNOLOGY

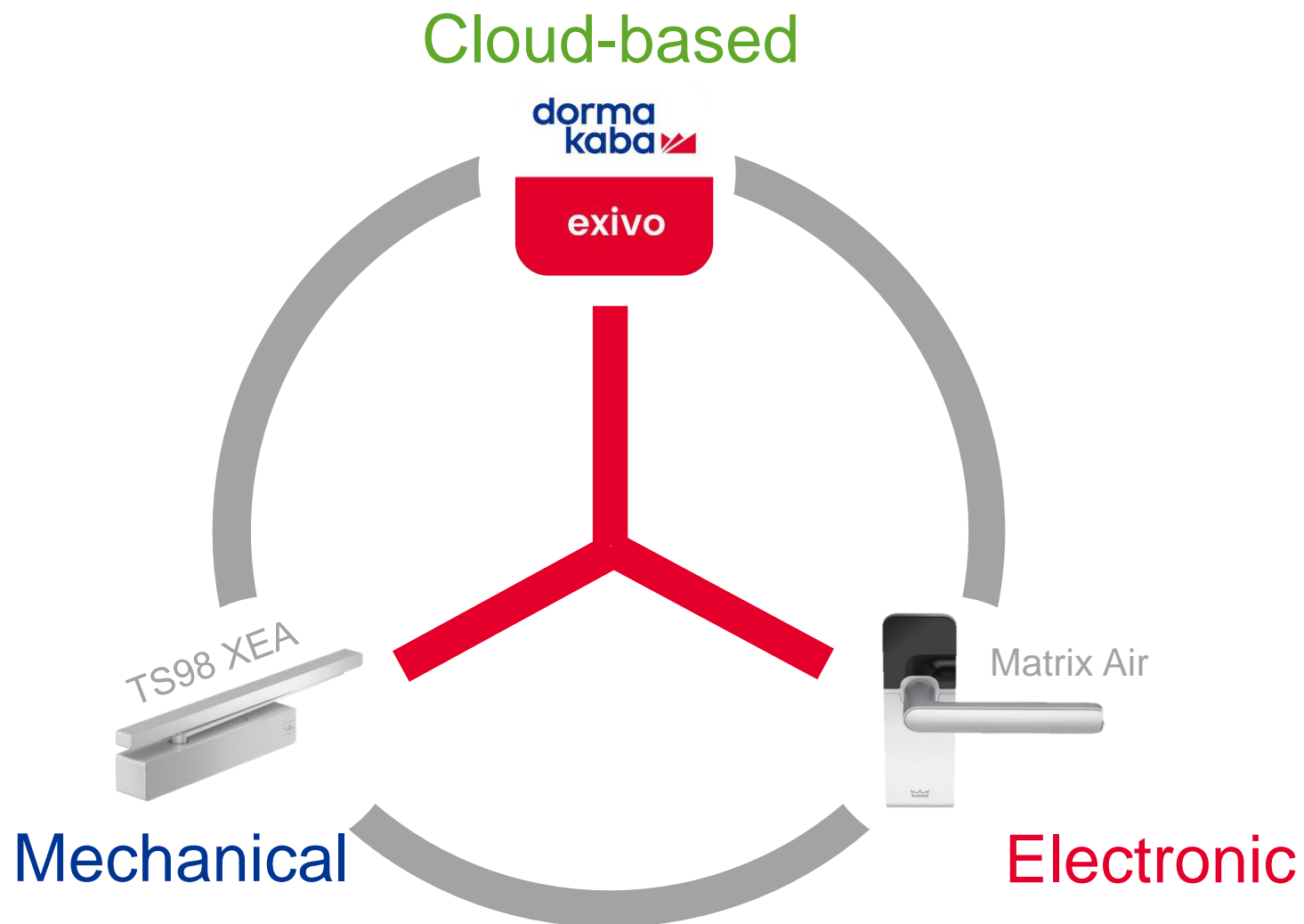
Milestones of a 155 year history ...

>2020



What does it mean for our industry?

Coexistence of Mechanic, Electronic and Cloud-based solutions



The Digital Transformation of our Industry

Digital Transformation

What does it mean for our industry?

What is our strategy?

But there is more...

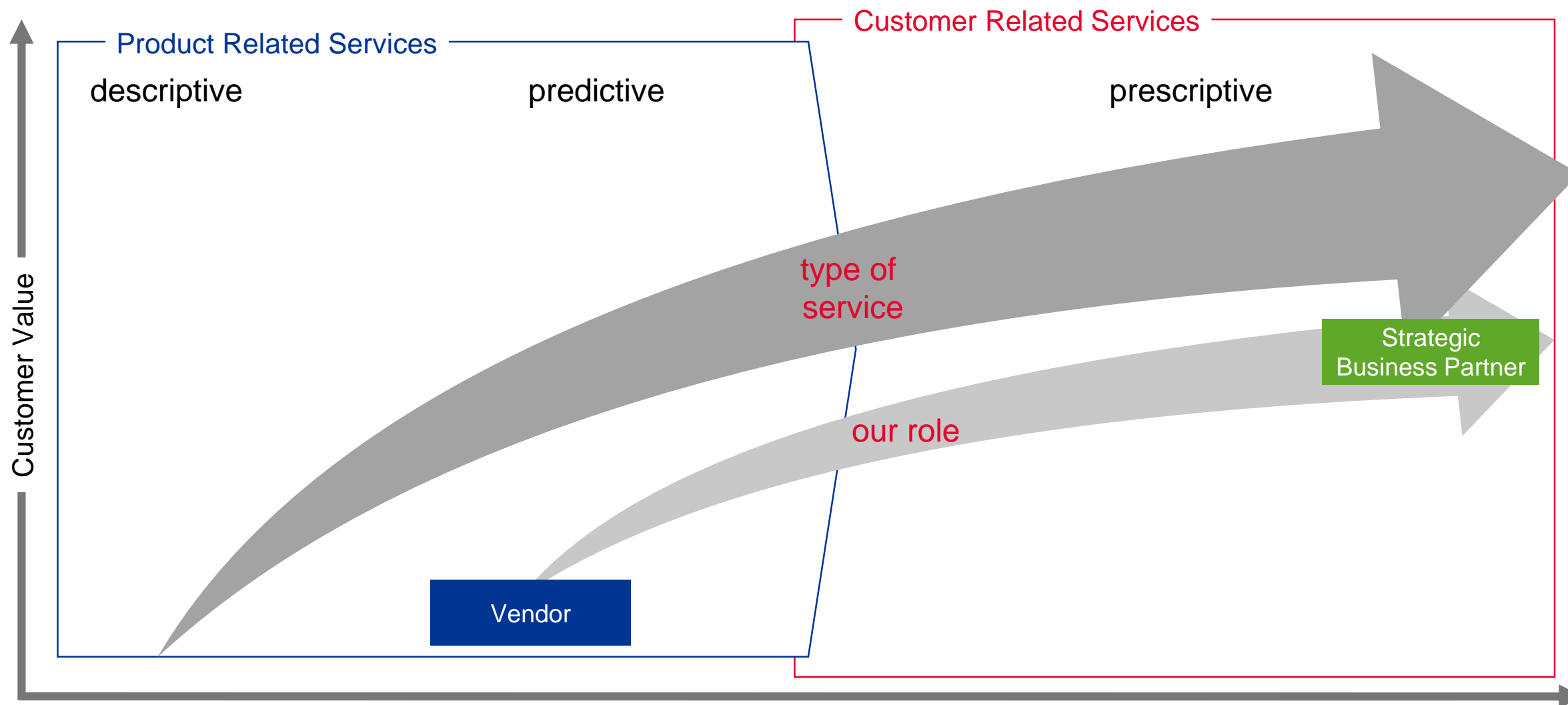
What is our strategy?

The Digital Transformation of our Industry is about

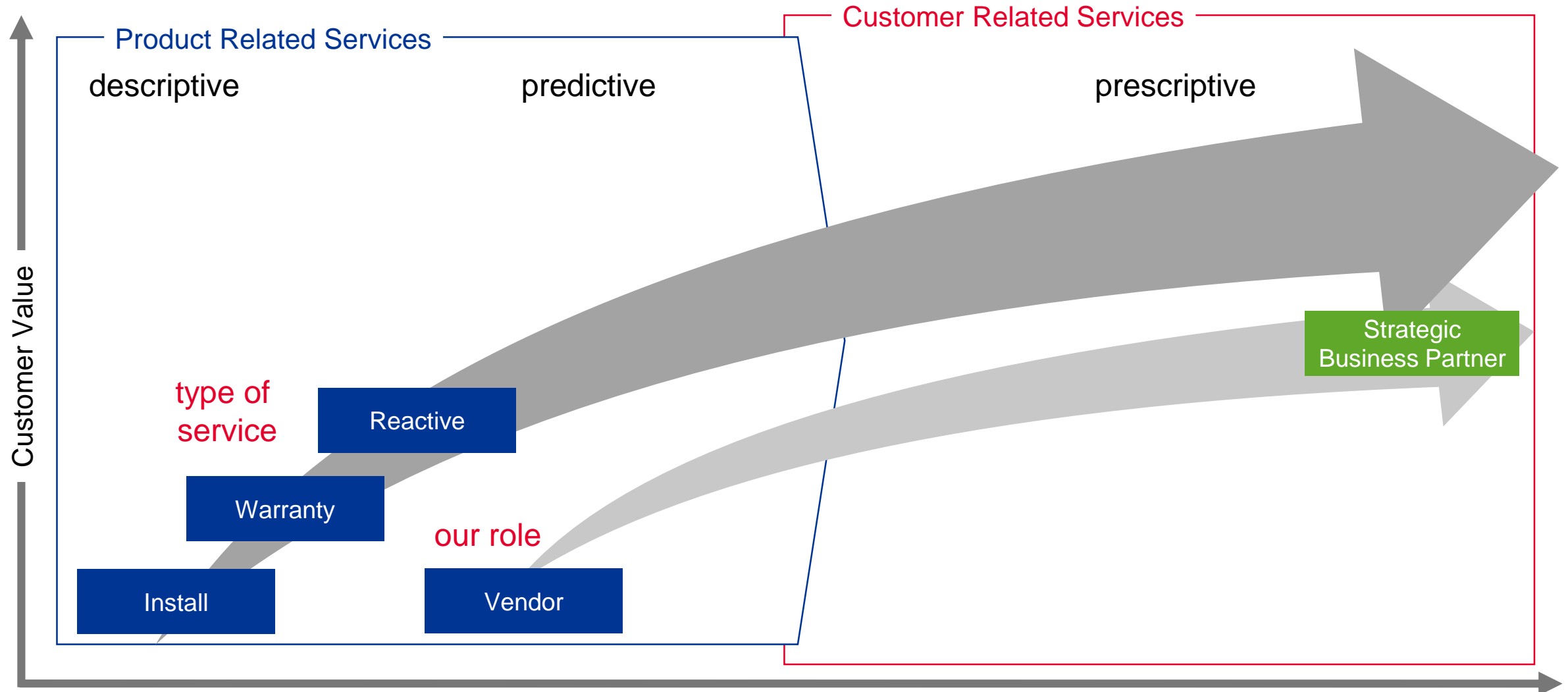
TECHNOLOGY

CUSTOMER VALUE

Our transformation: from a product vendor to strategic business partner

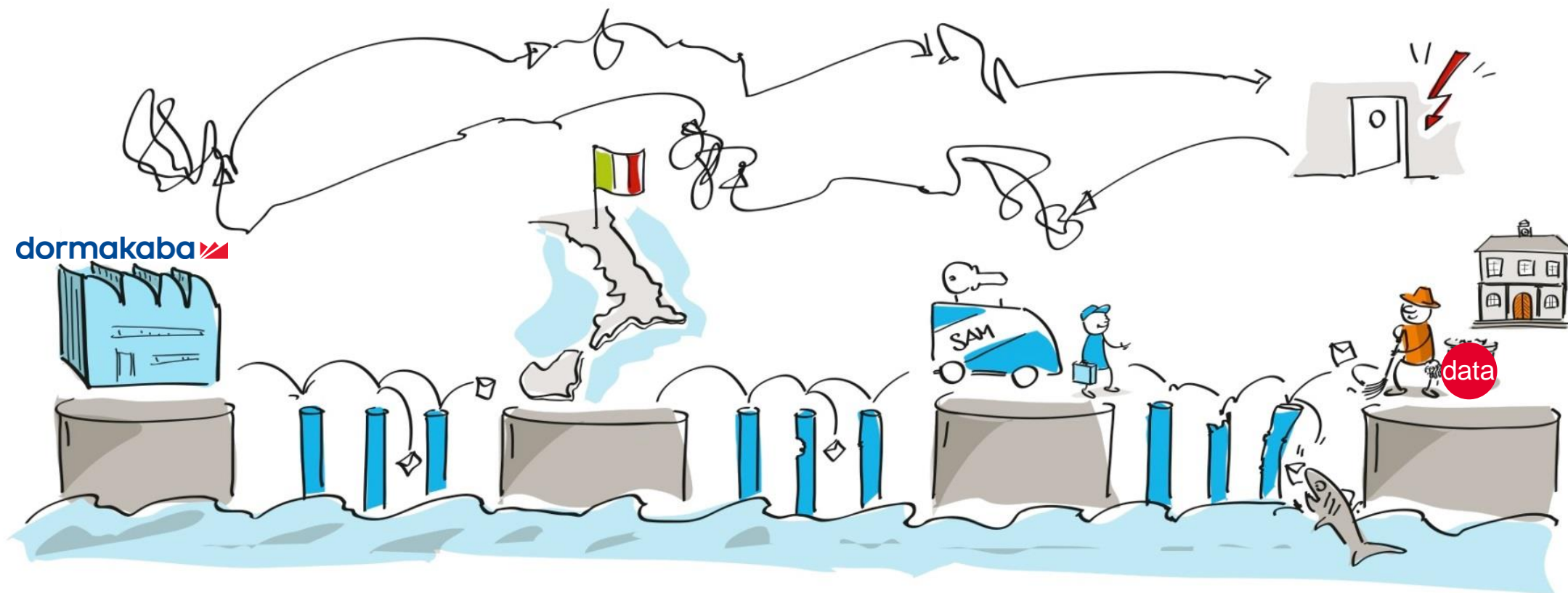


Our transformation: from a product vendor to strategic business partner



What is our strategy?

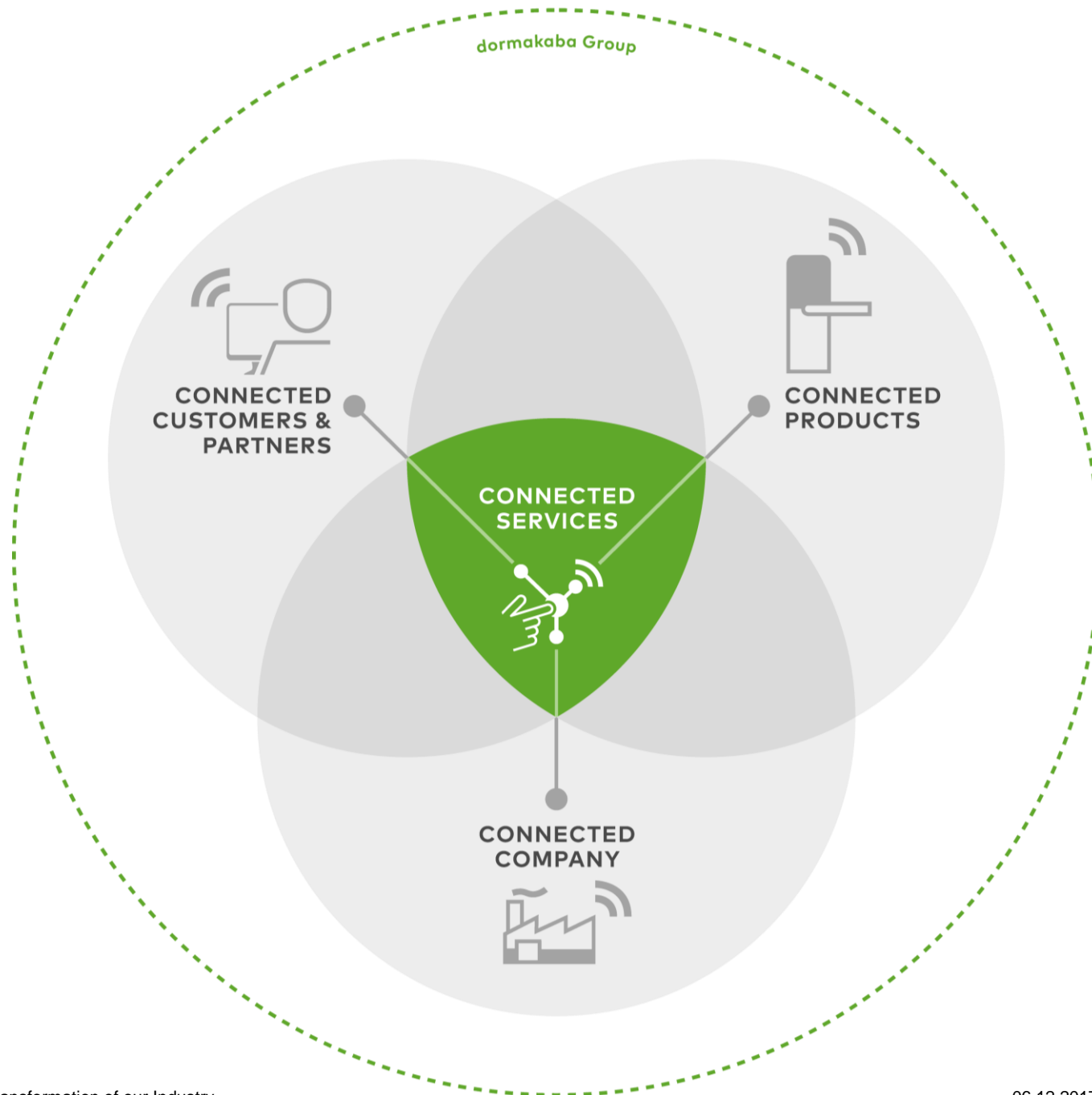
To move ahead we have to change the way we look at business



What is our strategy?

Data centricity requires a new business conception: connectivity!





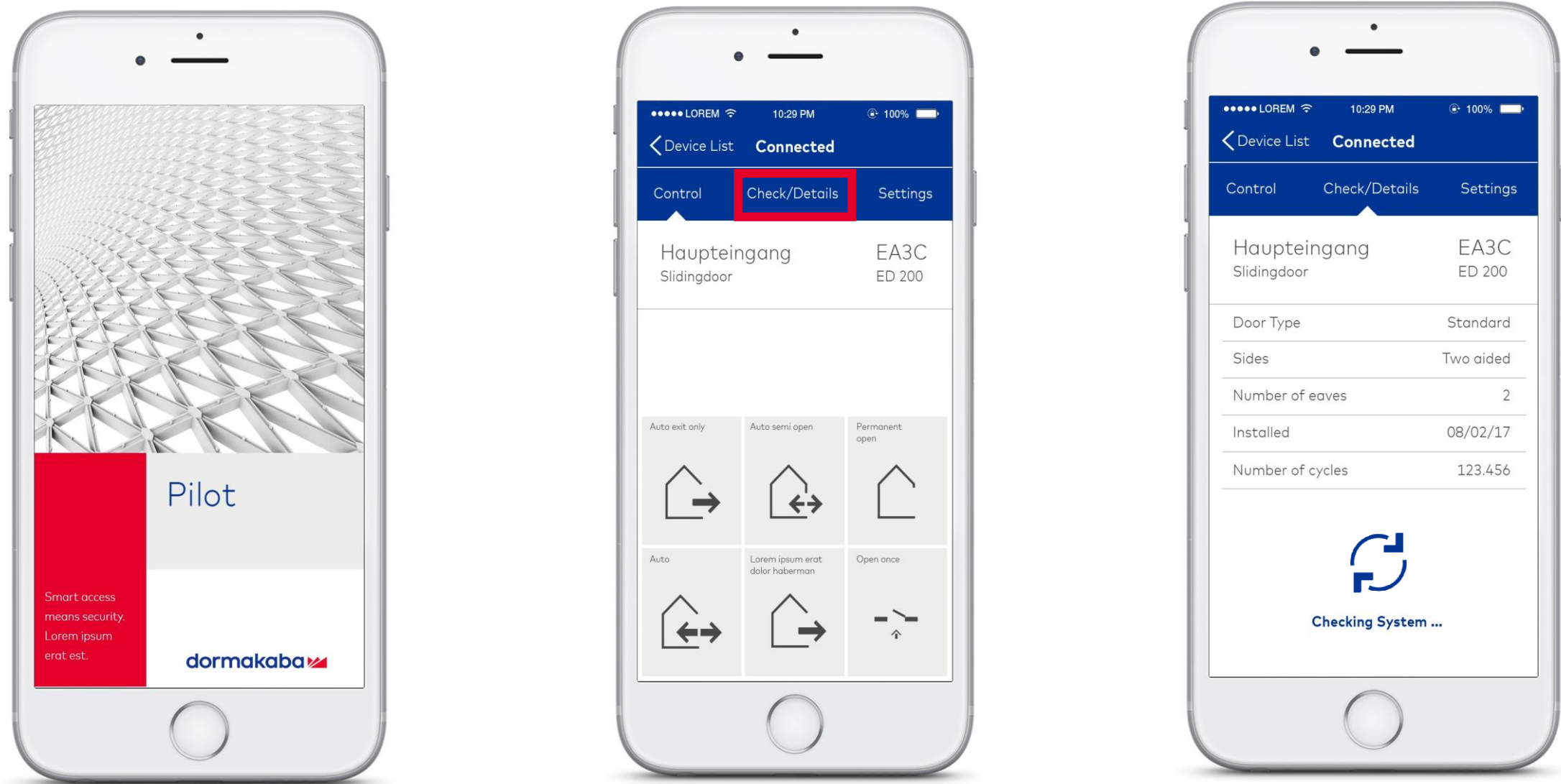
What is our strategy?

Example: Entry as a Service



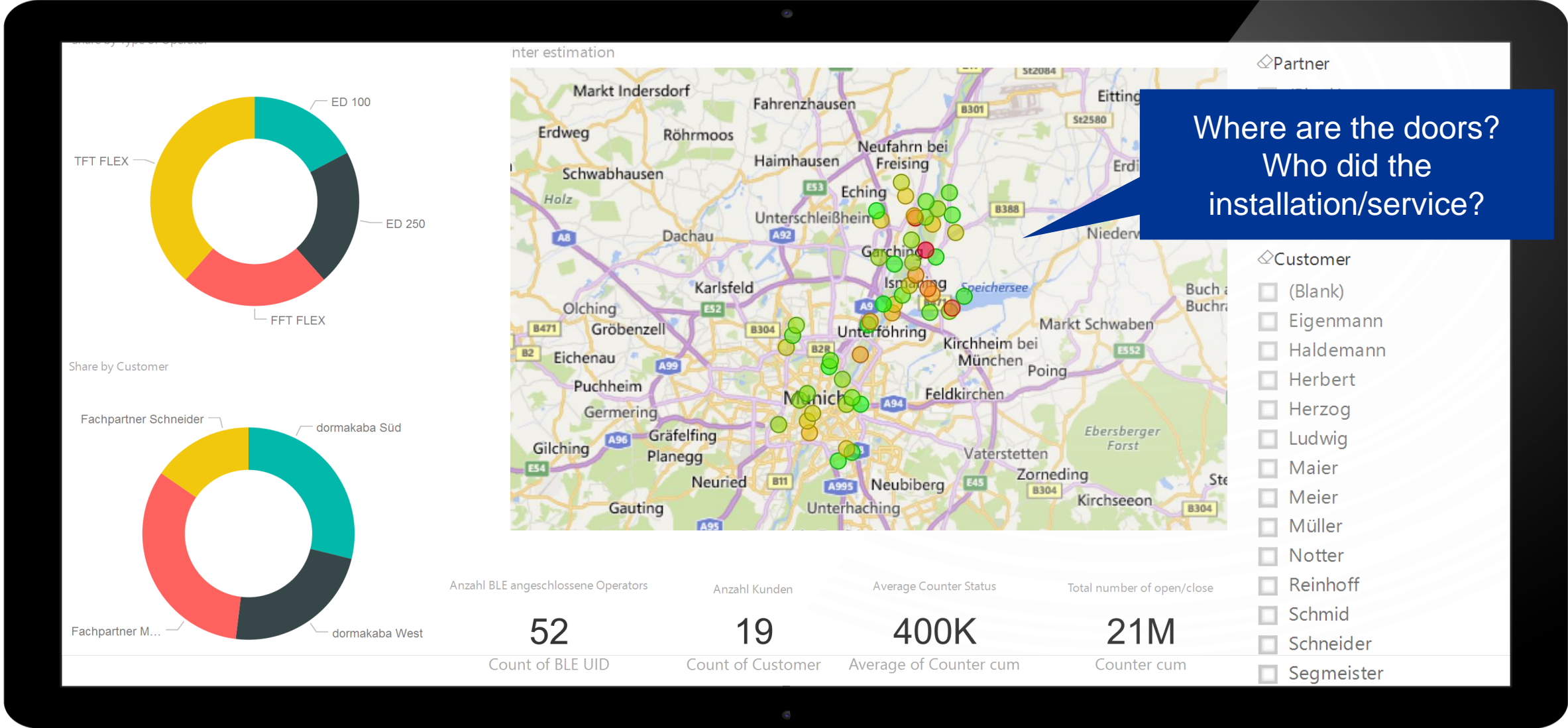
What is our strategy?

Data Collection



What is our strategy?

General Information



Where are the doors?
Who did the
installation/service?

What is our strategy?

New Services

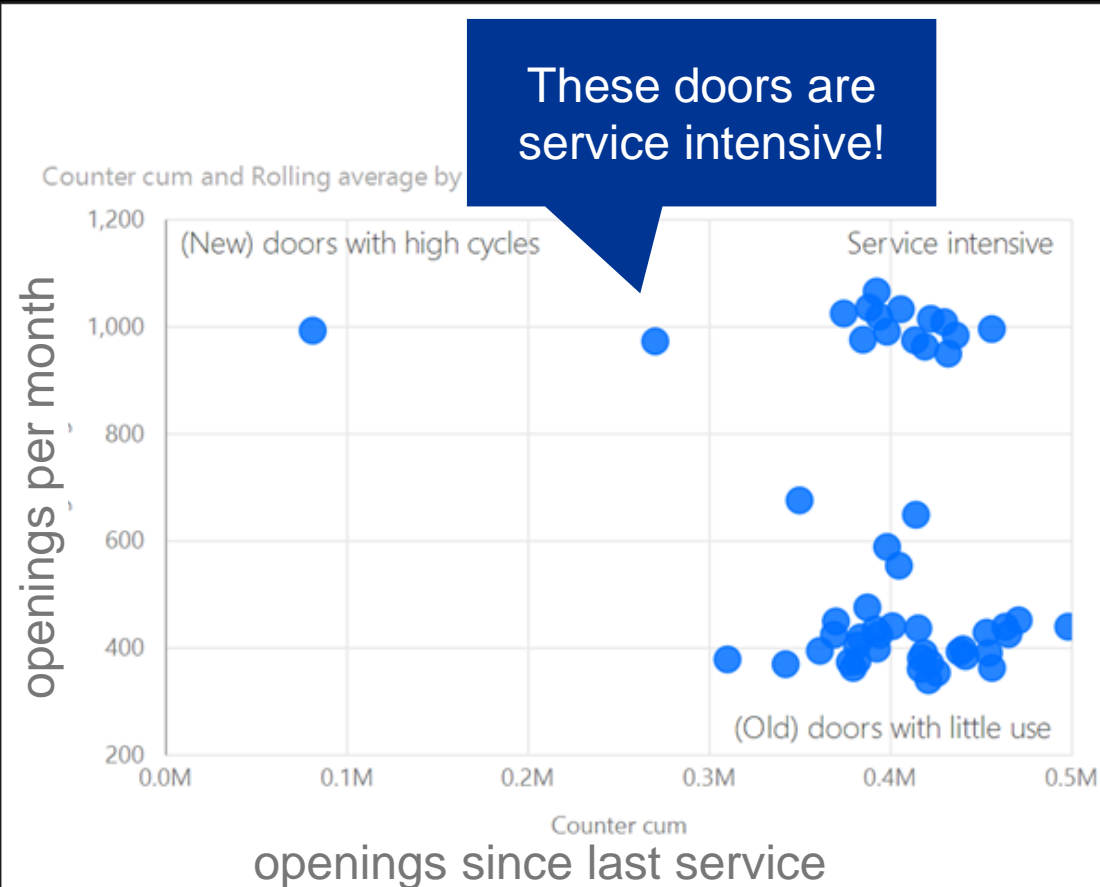


Counter estimation



What is our strategy?

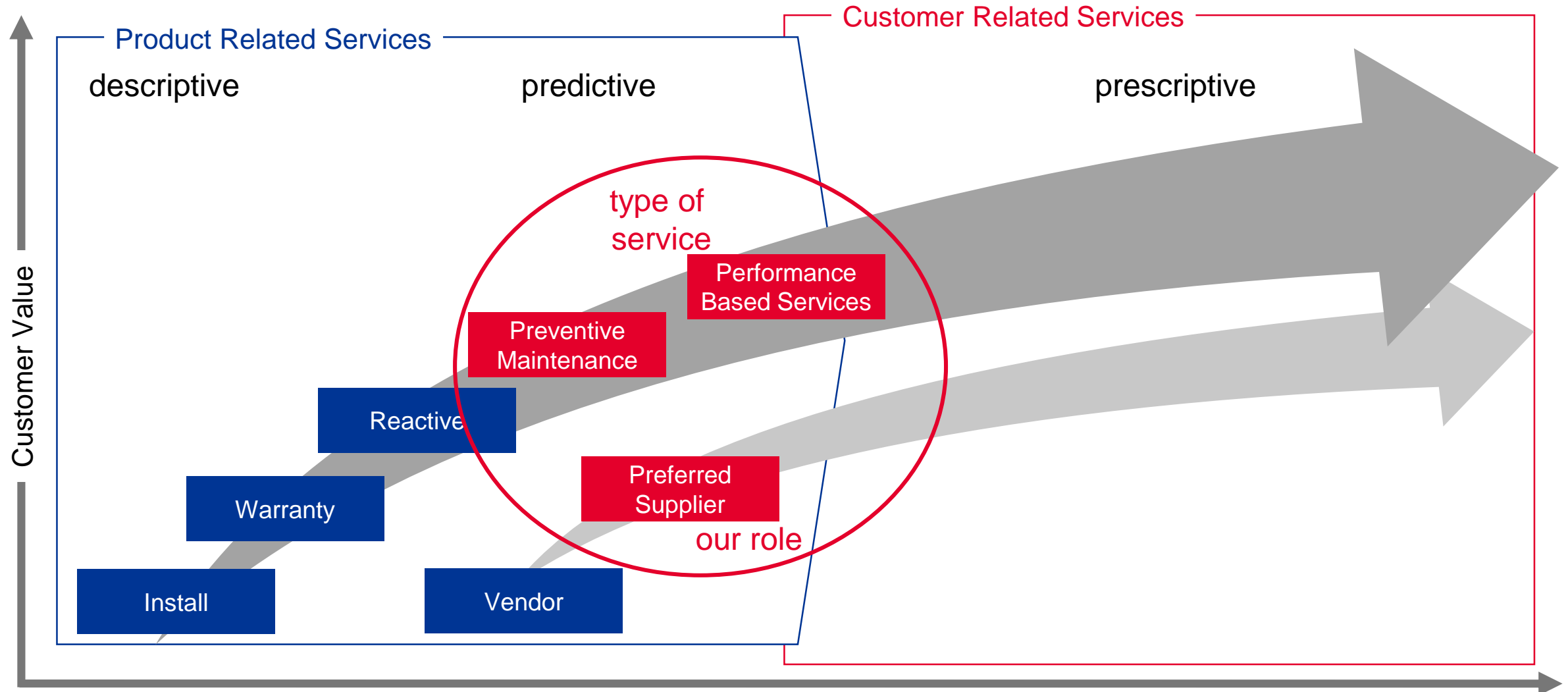
New Services



Counter estimation

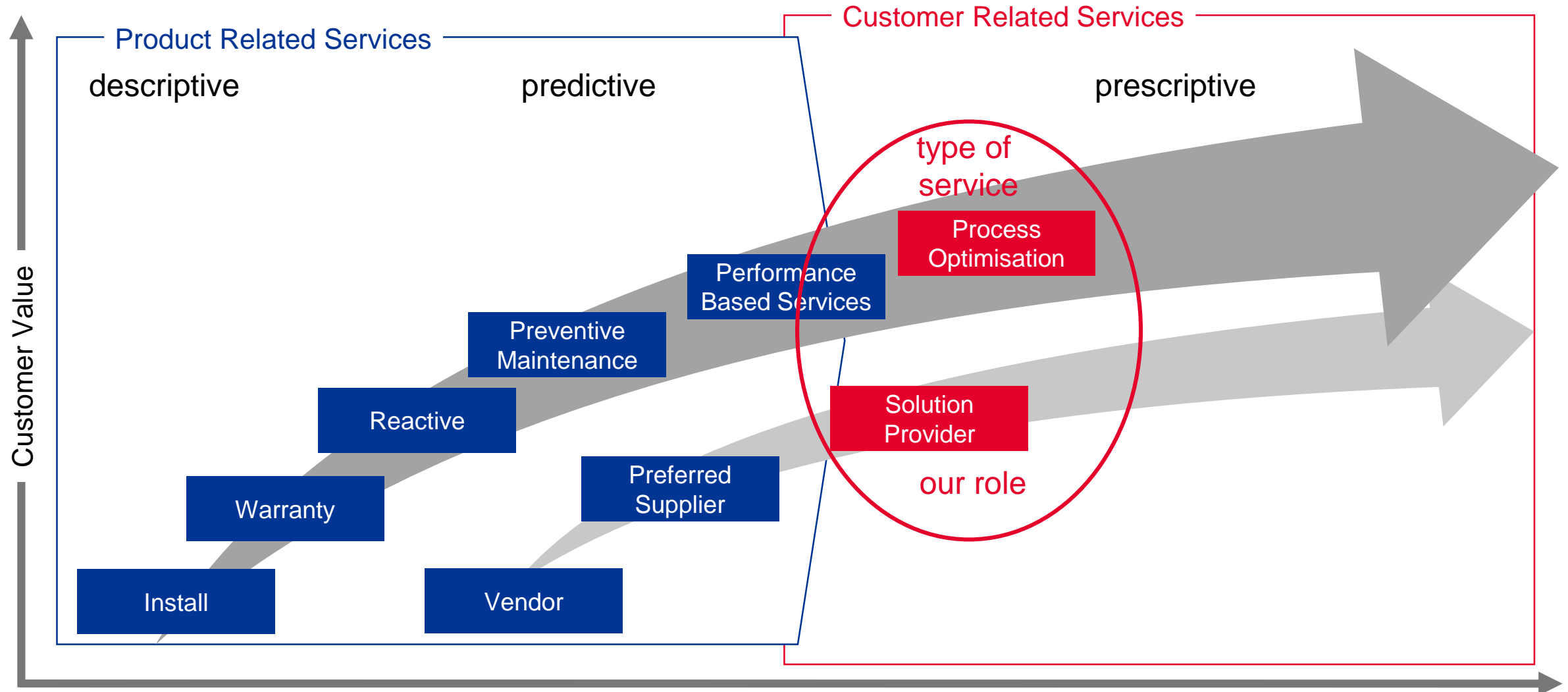


Our transformation: from a product vendor to strategic business partner



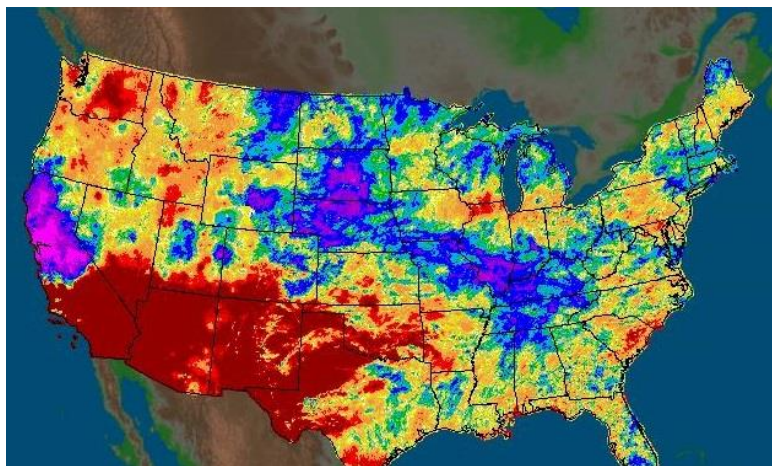
What is our strategy?

We can do even more...



What is our strategy?

Entry as a Service: From a product vendor to a solution provider



Energy saving



Customized settings



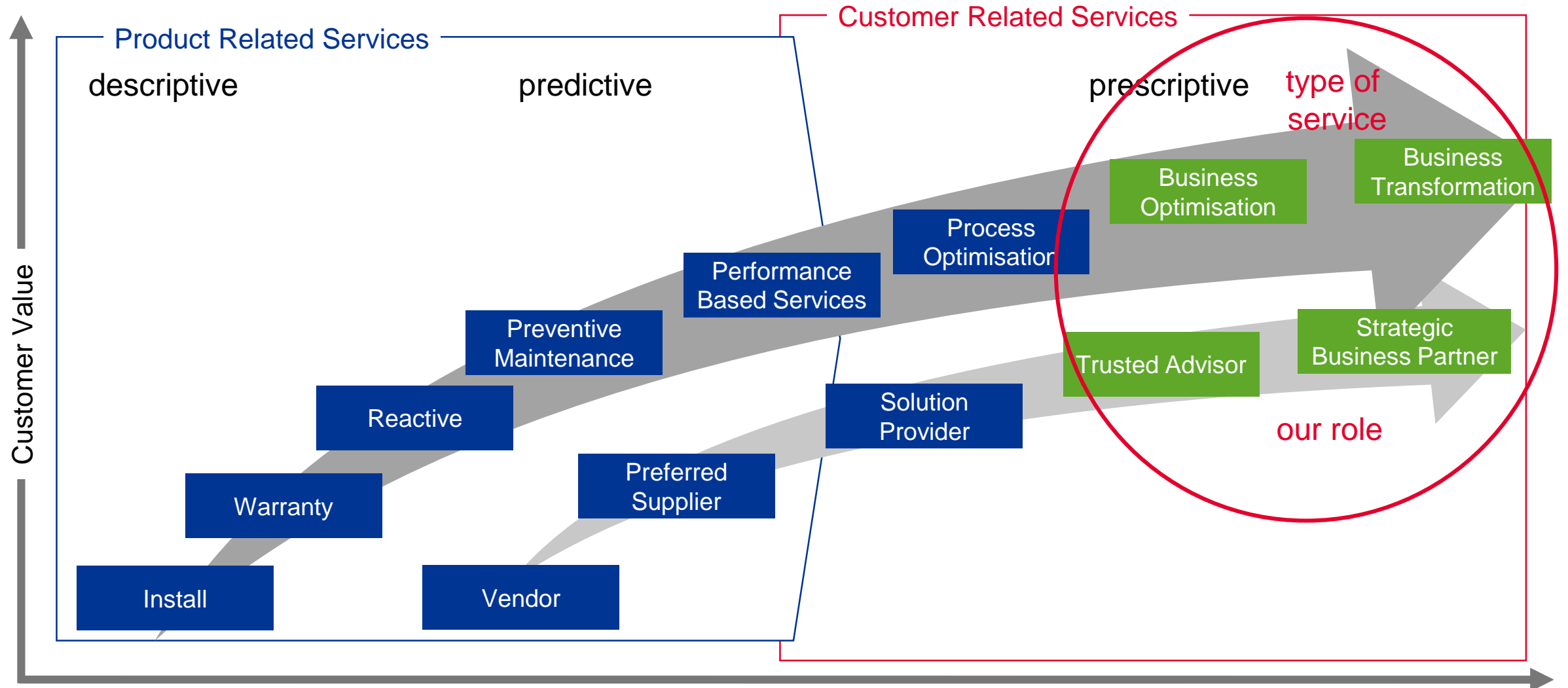
Cleanliness

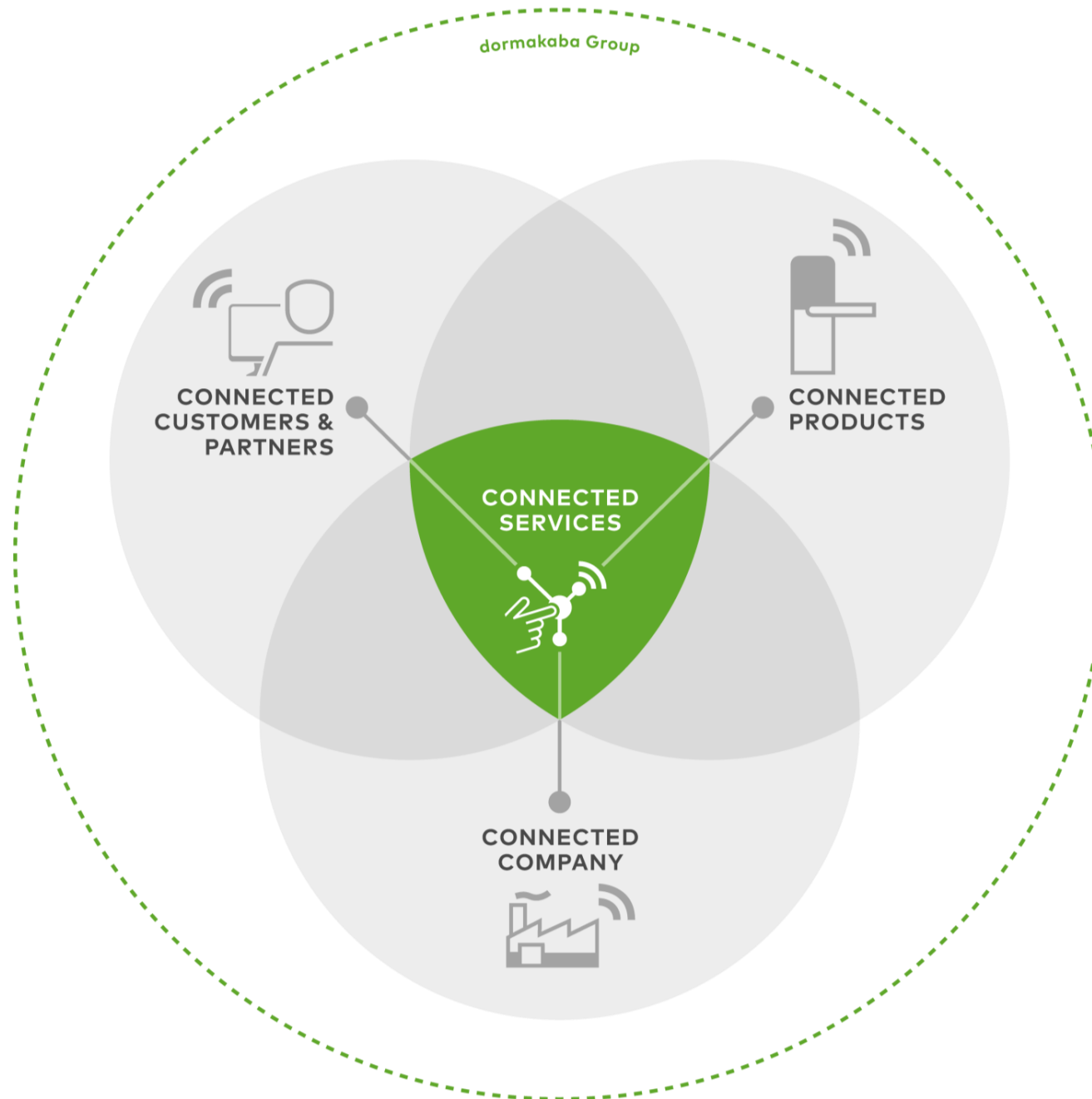


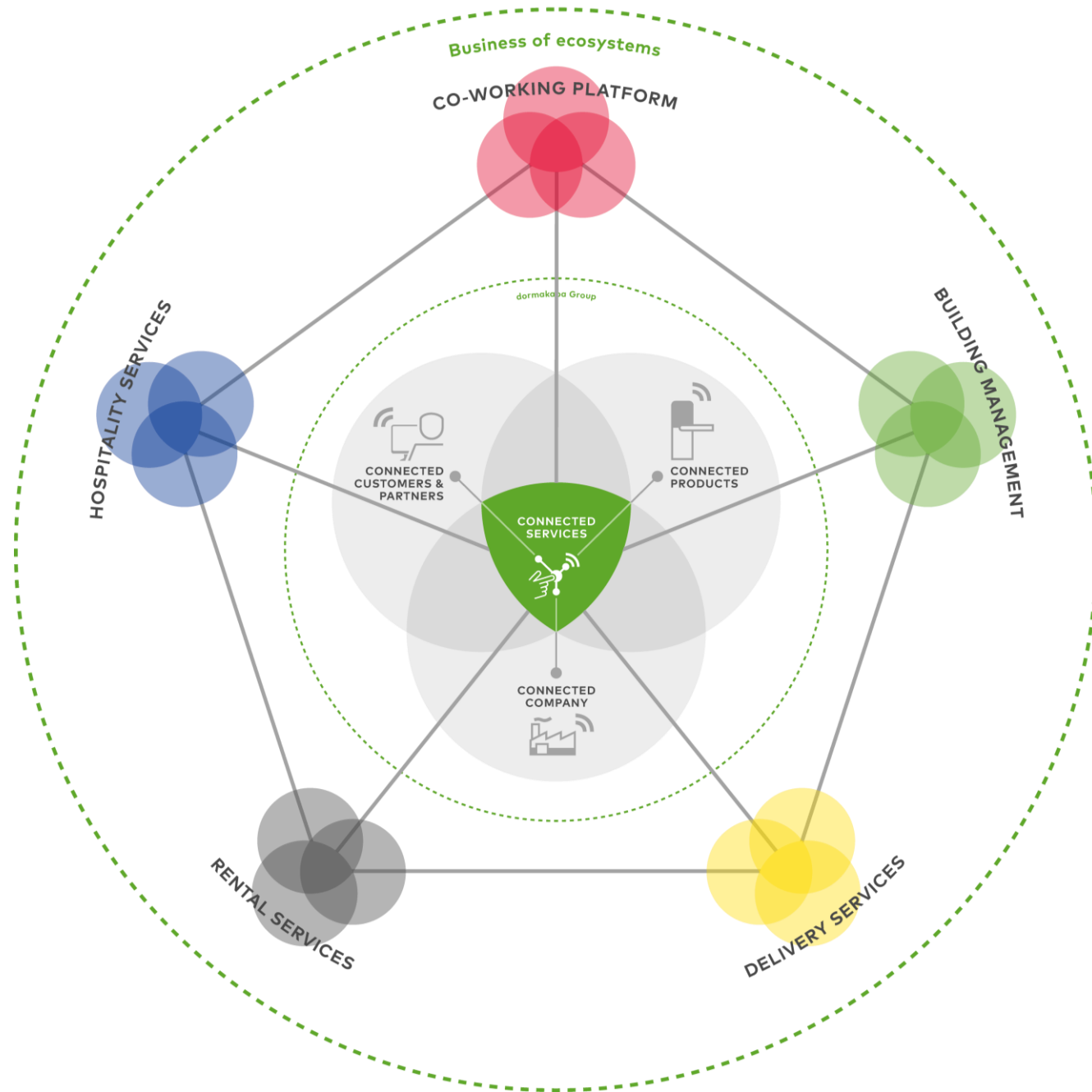
Customized settings

What is our strategy?

We want to go beyond that!

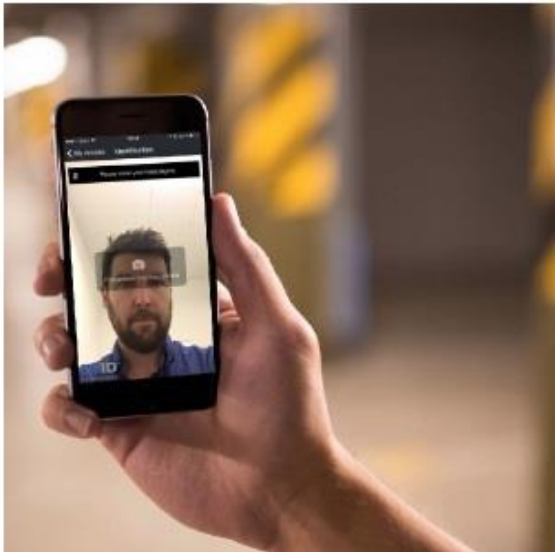






What is our strategy?

Example: Co-working: Increase the share of wallet in building management



what we do

Check-In

Frictionless check-in and visitor management that creates the right impression

My Access

Secure and encrypted access through mobile-enabled digital keys.

My Identity

Secure and certified identity validation. Biometric security that secures individual privacy

My Reservation

Allowing you to reserve assets and send invitations and with full calendar integration.

My Guide

Guiding you to the people, places and things that are important to you.

My Notification

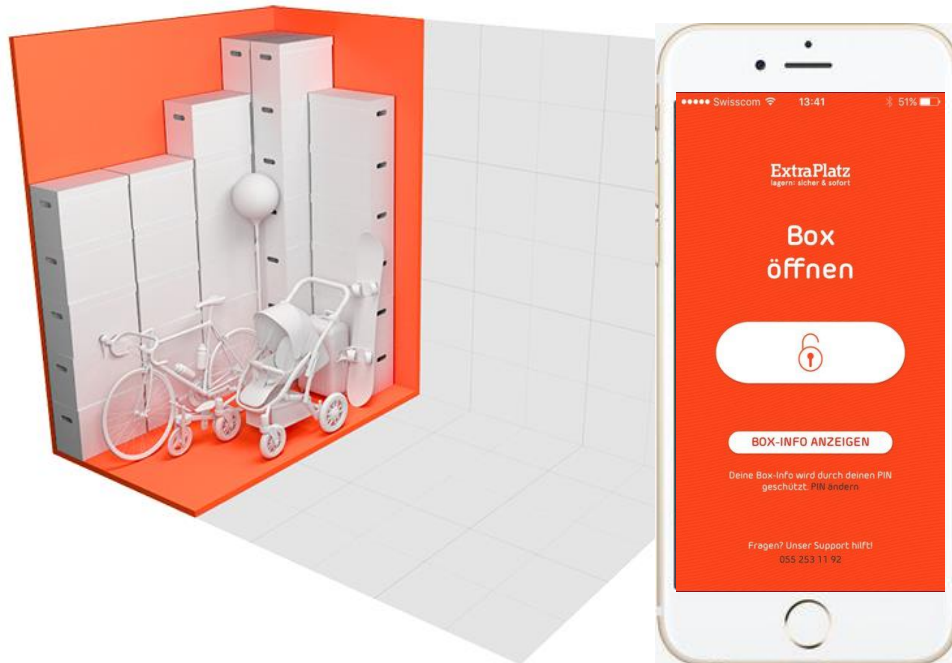
A conversation prompted by connection, community, location, and context.



What is our strategy?

Example: New ways to monetize unused space

ExtraPlatz



What is our strategy?

Example: ...increased customer loyalty.



What is our strategy?

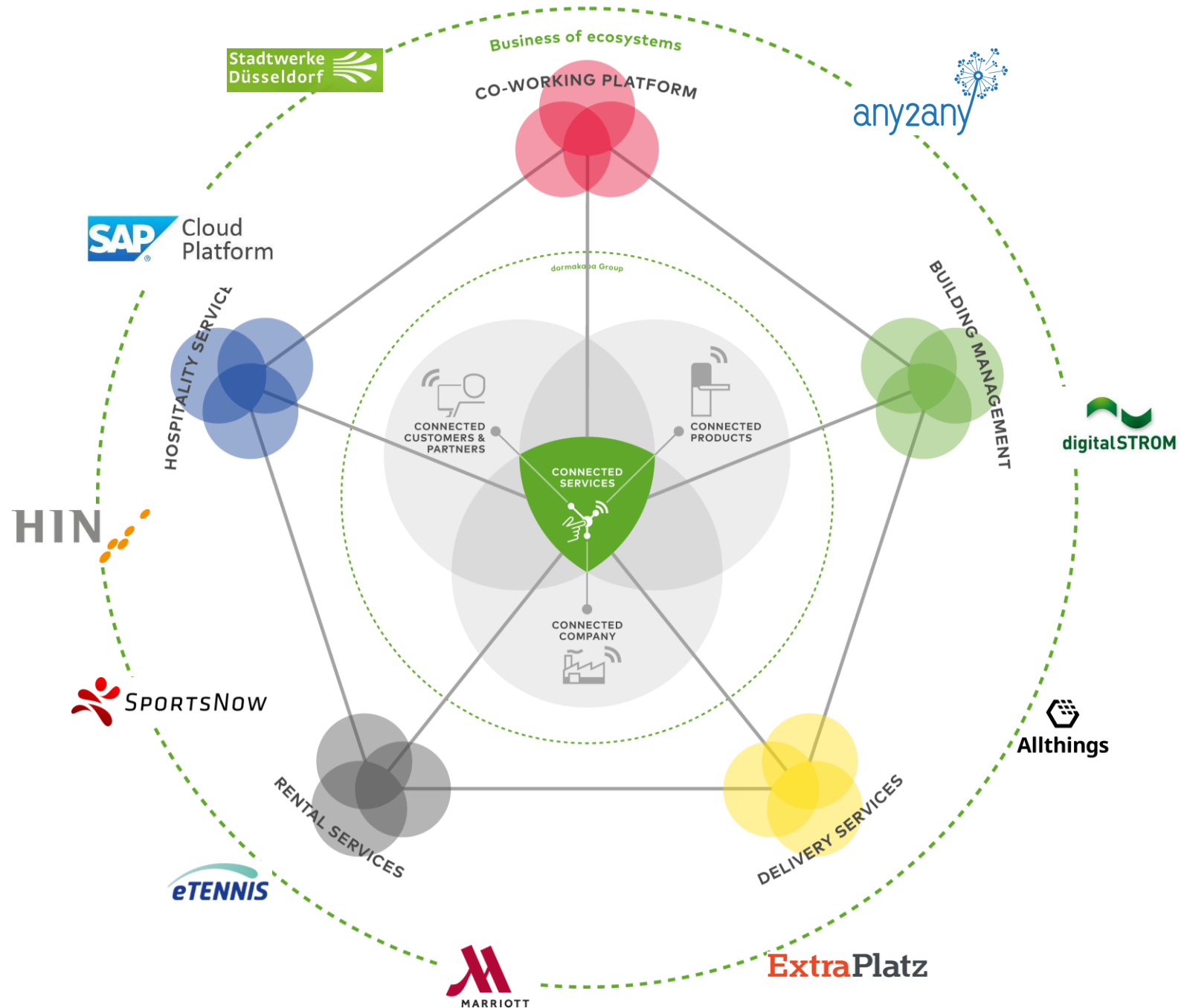
Example: Smart Home is becoming simple – and reality!



digitalSTROM

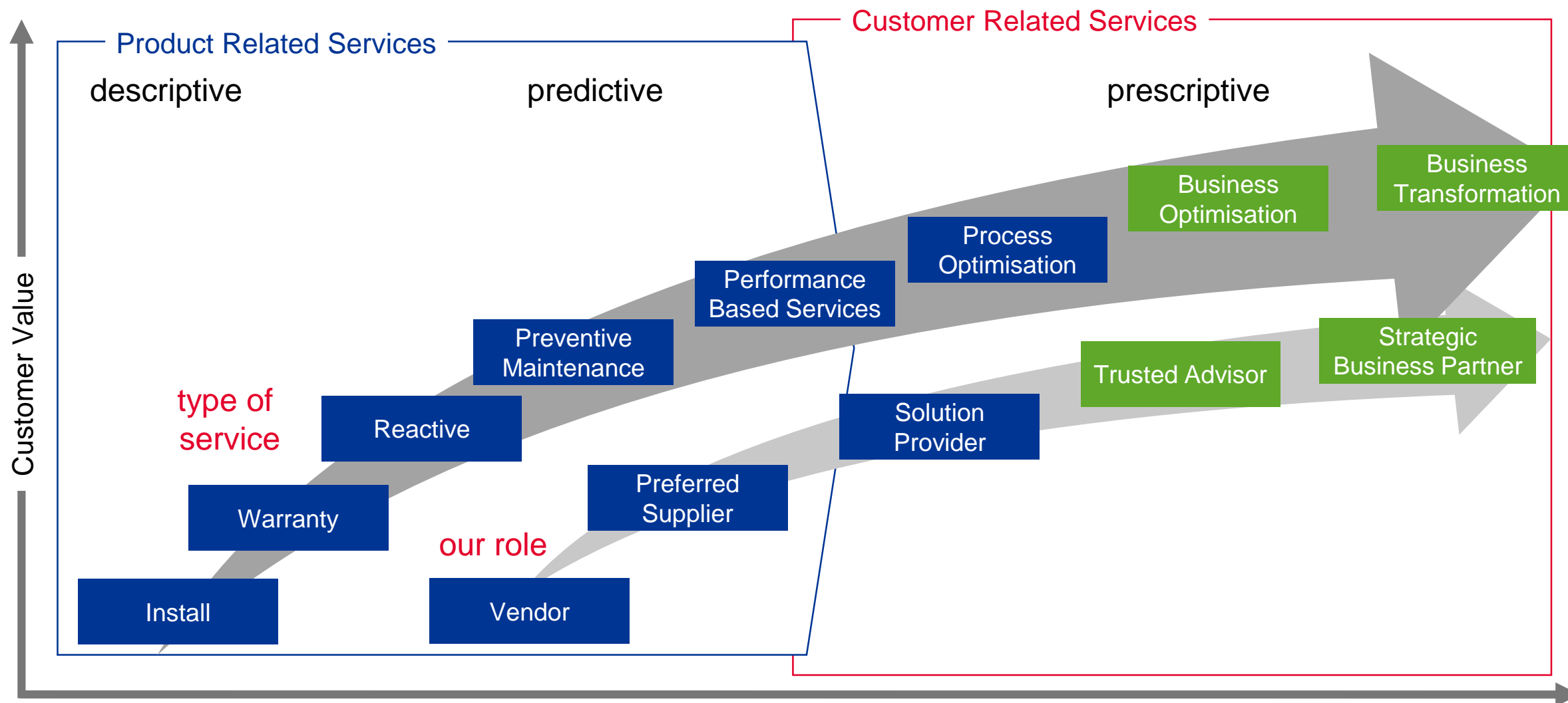
+





What is our strategy?

We want to go beyond that!



What is our strategy?

The Digital Transformation of our Industry is about

TECHNOLOGY

CUSTOMER VALUE

The Digital Transformation of our Industry

Digital Transformation

What does it mean for our industry?

What is our strategy?

But there is more...

But there is more...

The Digital Transformation of our Industry is about

TECHNOLOGY

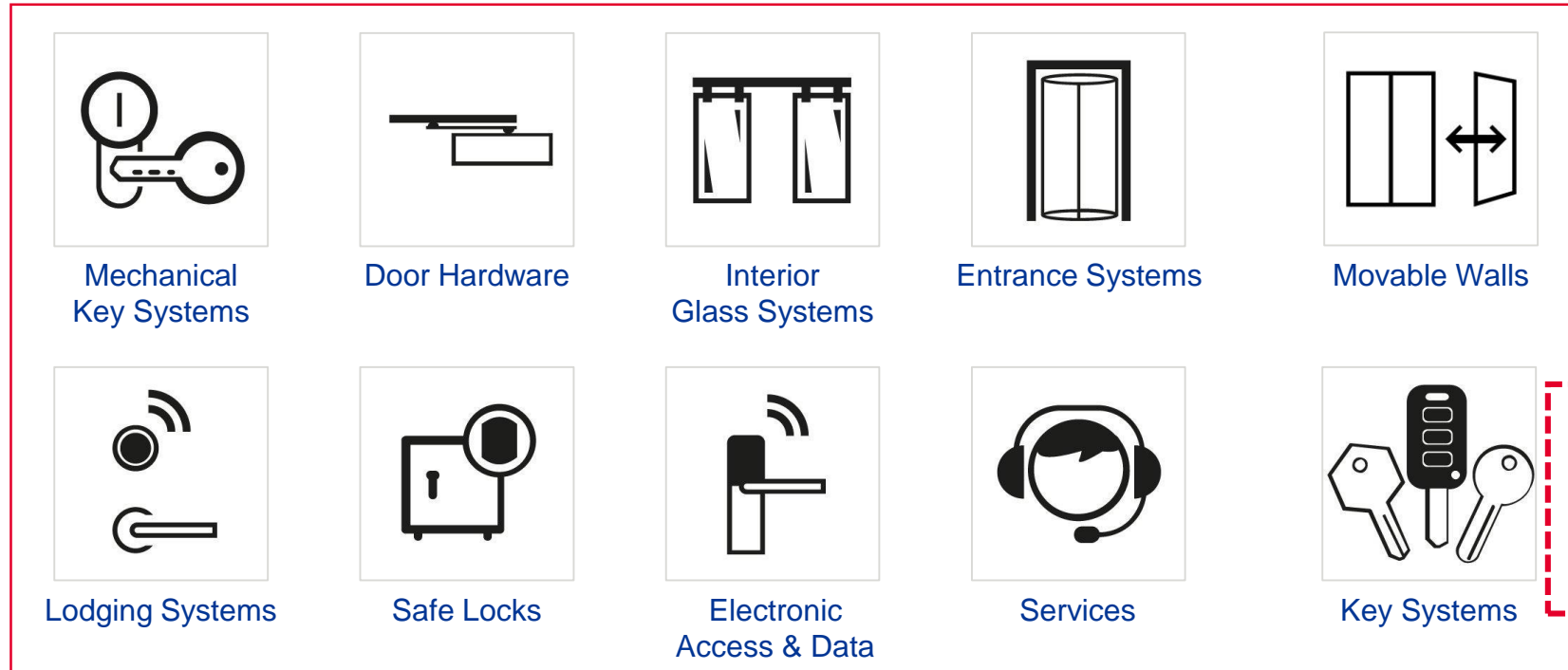
CUSTOMER VALUE

CULTURE

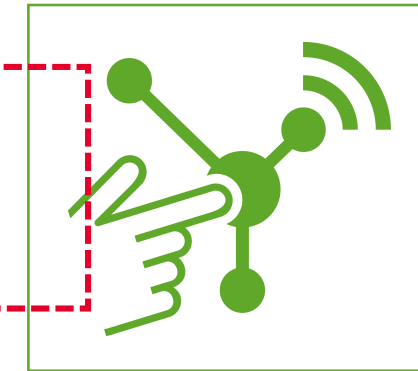
But there is more...

Substantial investment in digital transformation needed

Core offering



Complement

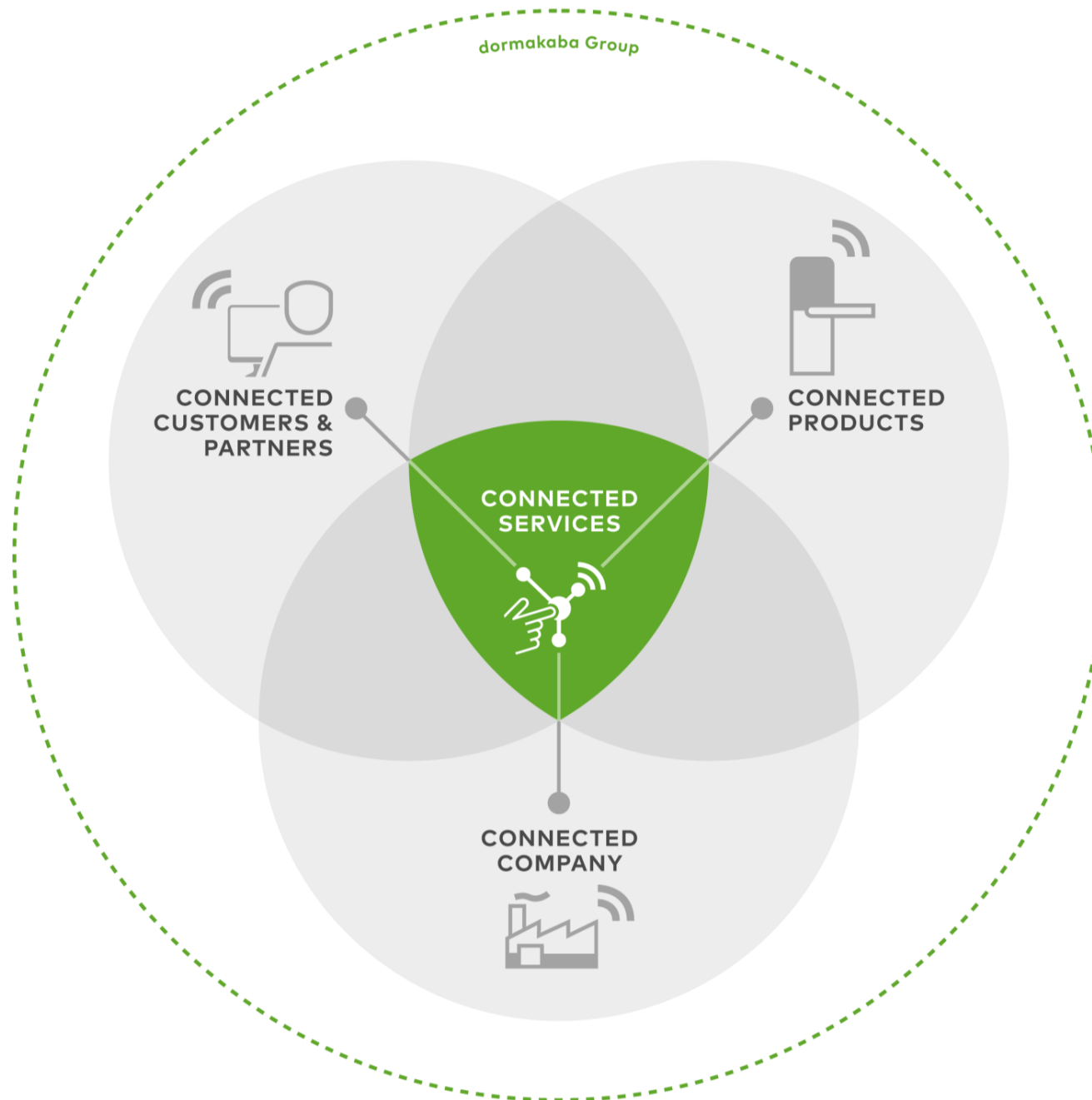


Growth and Exploitation of our Pipeline Business

- Standards, optimization
- Quality of products
- Development of new products
- Focus on customer value

Exploration of the Platform Business

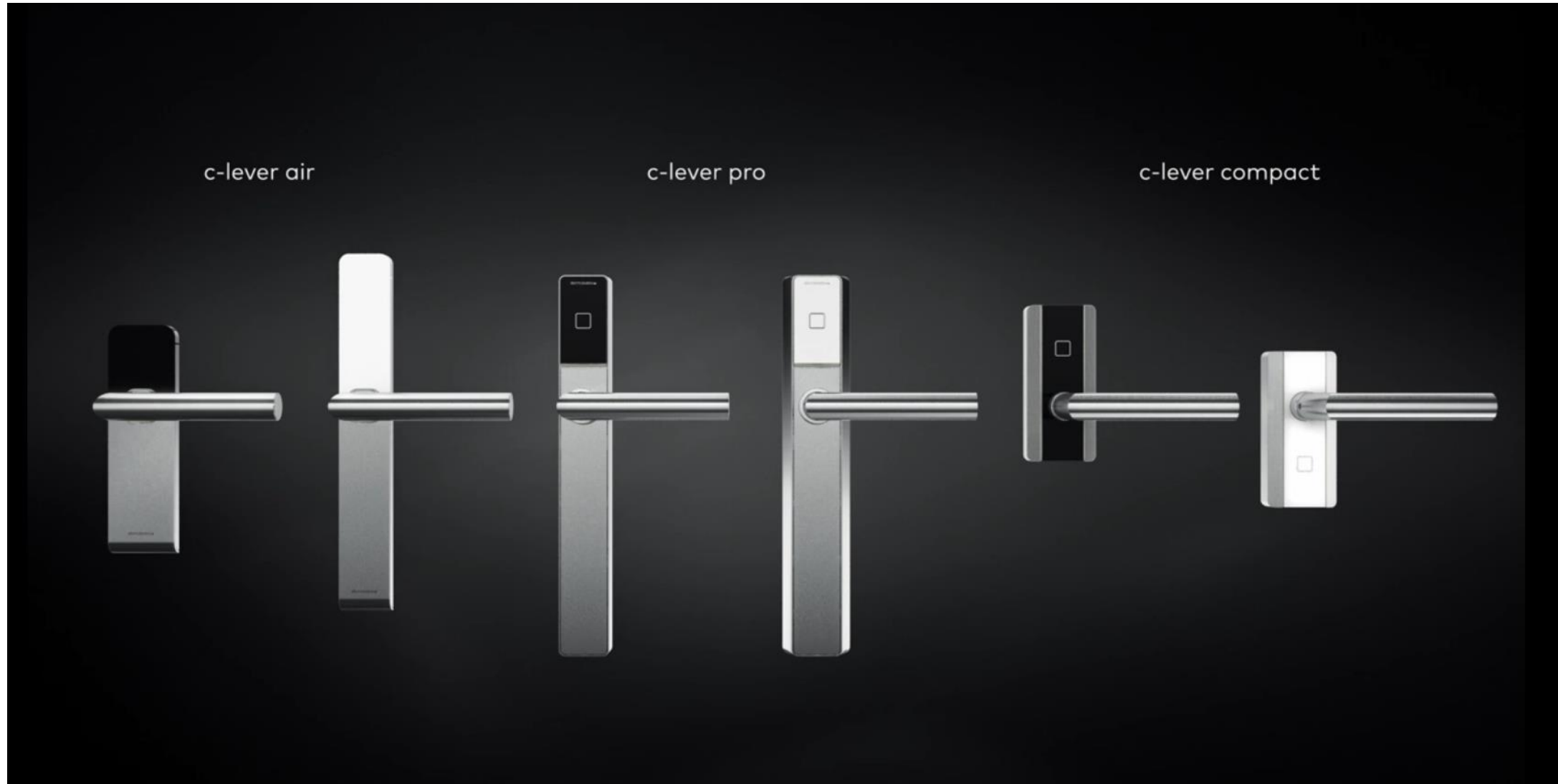
- Platform Partner orchestration
- Quality of digital services
- Development of new digital services
- Data and ecosystem Monetization







Transformation: Product Innovations **combined** with new Digital Services:





Classification: Public

Capital Market Day
December 2017
Andreas Häberli

Q&A

Thank you for your attention.

dormakaba Holding AG
Hofwisenstrasse 24
8153 Rümlang
Switzerland

www.dormakaba.com

dormakaba 

Disclaimer

This communication contains certain forward-looking statements including, but not limited to, those using the words “believes”, “assumes”, “expects” or formulations of a similar kind. Such forward-looking statements are made on the basis of assumptions and expectations that the company believes to be reasonable at this time, but may prove to be erroneous. Undue reliance should not be placed on such statements because, by their nature, they are subject to known and unknown risks, uncertainties and other factors which could lead to substantial differences between the actual future results, the financial situation, the development or performance of the company or the Group and those either expressed or implied by such statements. Such factors include, but are not limited to:

the general economic conditions / competition from other companies / the effects and risks of new technologies / the company's continuing capital requirements / financing costs / delays in the integration of the merger or acquisitions / changes in the operating expenses / currency and raw material price fluctuations / the company's ability to recruit and retain / qualified employees / political risks in countries where the company operates / changes in applicable law / and other factors identified in this communication

Should one or more of these risks, uncertainties or other factors materialize, or should any underlying assumption or expectation prove incorrect, actual outcomes may vary substantially from those indicated. In view of these risks, uncertainties or other factors, readers are cautioned not to place undue reliance on such forward-looking statements. Except as required by applicable law or regulation, the company accepts no obligation to continue to report or update such forward-looking statements or adjust them to future events or developments. It should be noted that past performance is not a guide to future performance. Please also note that interim results are not necessarily indicative of the full-year results. Persons requiring advice should consult an independent adviser.

This communication does not constitute an offer or an invitation for the sale or purchase of securities in any jurisdiction.

dormakaba®, dorma+kaba®, Kaba®, Dorma®, Ilco®, La Gard®, LEGIC®, Silca®, SAFLOK®, BEST®, phi® etc. are registered trademarks of the dormakaba Group. Due to country-specific constraints or marketing considerations, some of the dormakaba Group products and systems may not be available in every market.



Classification: Public

Bernd Brinker, CFO
London, 6 December 2017

Capital Market Day 2017

Agenda

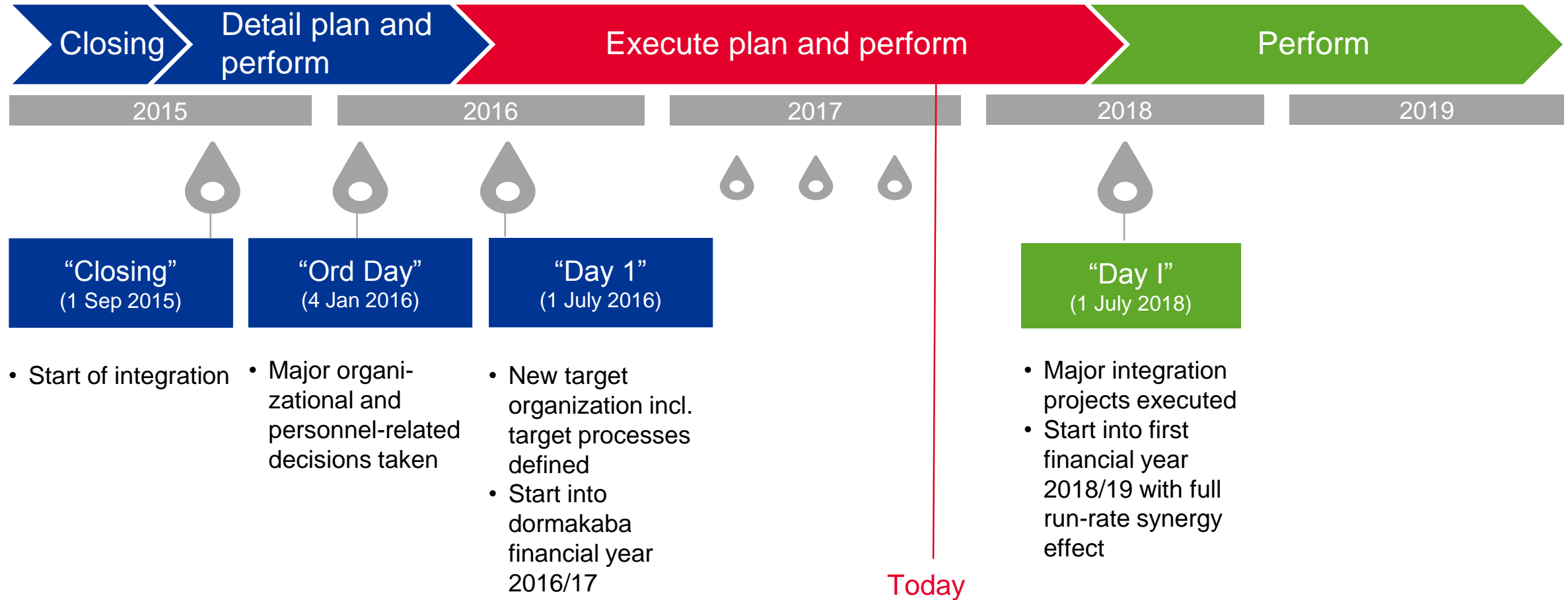
Current PMI status

dormakaba – strength of portfolio

Optimized business portfolio and Enterprise excellence

Financials

Status post-merger integration process



PMI – What have we achieved



Targets for 2018/19

- 60m – 70m CHF cost synergies; Headcount reduction of 800 FTEs
- 18% EBITDA margin; organic growth > 200 bps above adjusted GDP

PMI Status (as of 30 June 2017)



- About 70% of targeted headcount reduction achieved
- Expected PMI cost synergies: CHF 70 million, 55% achieved
- Consolidation of legal entities, strengthening of umbrella brand dormakaba
- Overall, we are on track in 51 out of 53 countries
- Employees aligned to new organization, Change Management an integral part of integration
- Top line synergies have started to materialize

PMI projects



PMI Germany

- Headcount to be reduced more than 400 positions
- Relocate production of standard door closers to Singapore and China



IT

- Infrastructure
- Applications



Other projects

- Movable Walls (Automation of production facility in Ocholt, Germany)
- Integration of BEST Access (carve out), Mesker and Skyfold

Agenda

Current PMI status

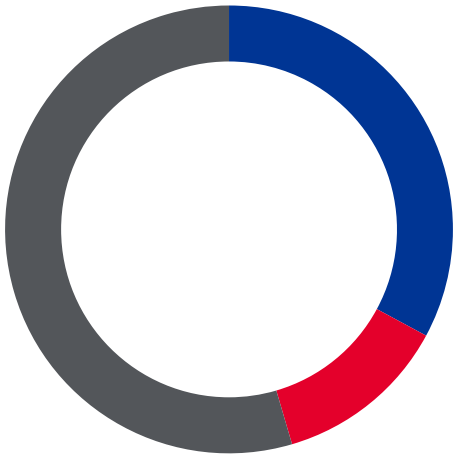
dormakaba – strength of portfolio

Optimized business portfolio and Enterprise excellence

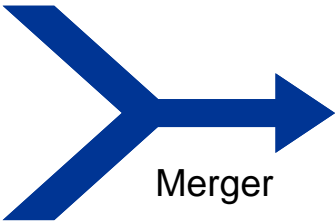
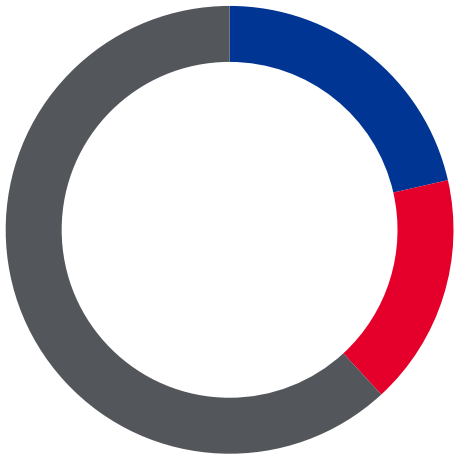
Financials

Establishing a true global player

Former Kaba



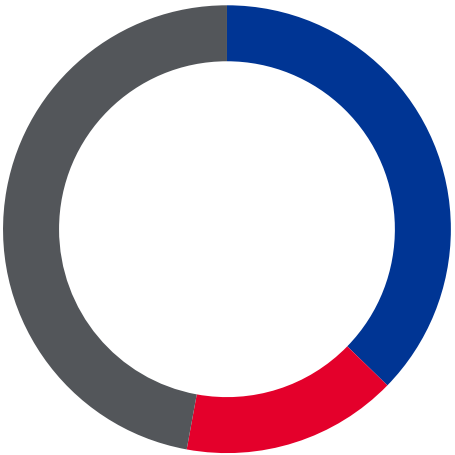
Former Dorma



dormakaba



Acquisitions in North America



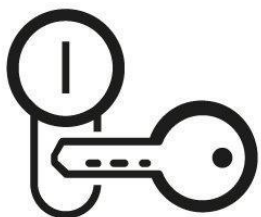
- AMER
- APAC
- EMEA & DACH



* Sales figures include regional exposure from Key & Wall Solutions; 2016/17 figure adjusted, 12 months Best Access and Mesker, without GMT

Our offering – smart and secure access solutions from a single source

Access Solutions segments



Mechanical
Key Systems



Door Hardware



Interior
Glass Systems



Entrance Systems



Lodging Systems



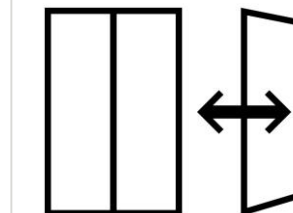
Safe Locks



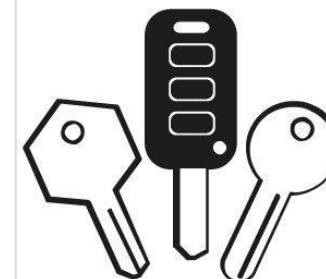
Electronic
Access & Data



Services



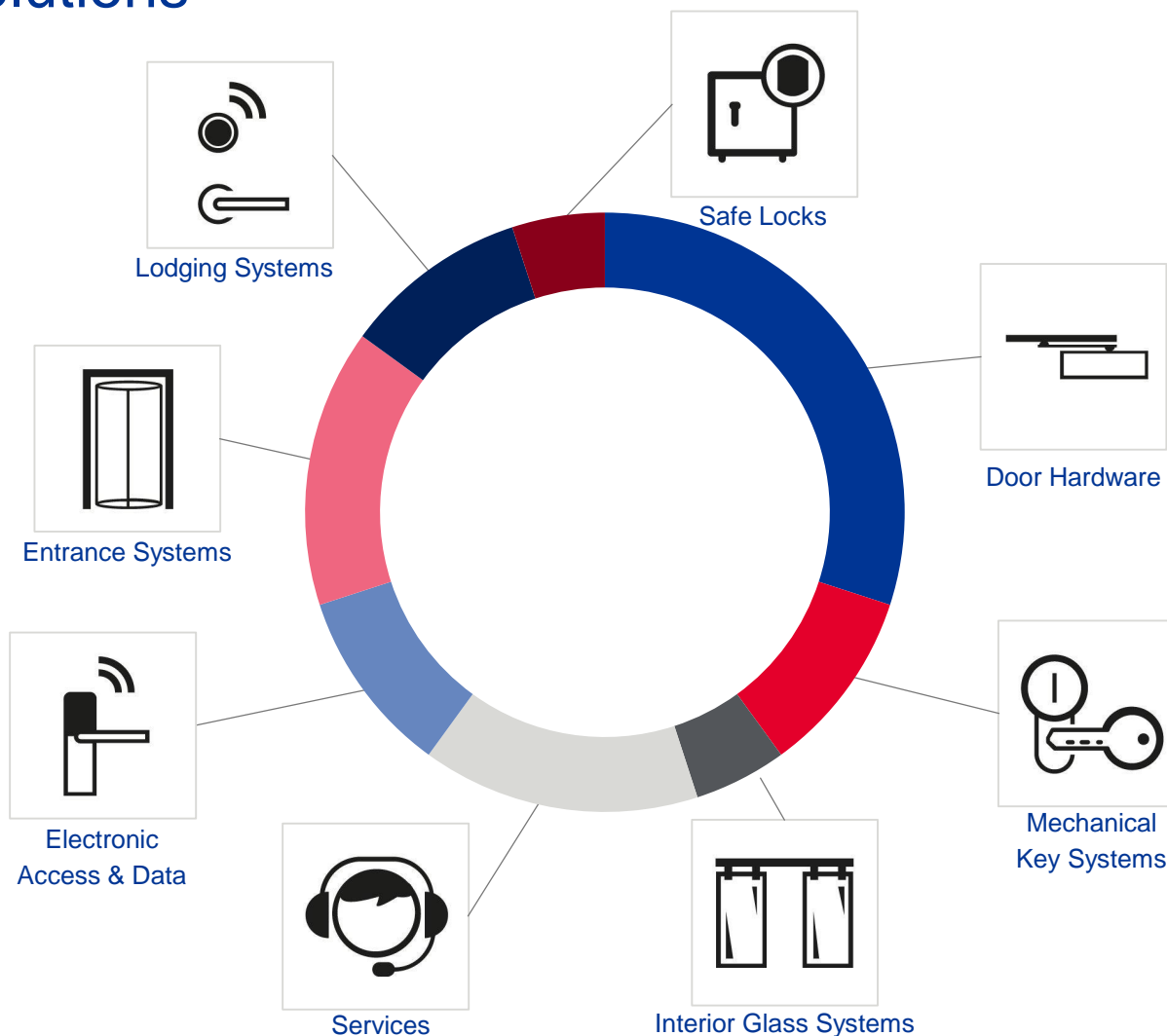
Movable Walls



Key Systems

Key & Wall Solutions

Product portfolio* – one stop shop - balanced mix between mechanical, electronic and cloud-based solutions



* Figures are excluding Key & Wall Solutions and are rounded on 5% basis, BEST Access and Mesker are included on a run-rate basis

Agenda

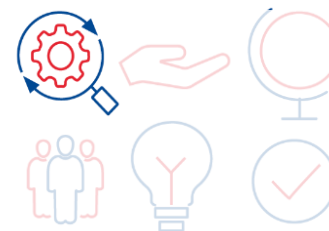
Current PMI status

dormakaba – strength of portfolio

Optimized business portfolio and Enterprise excellence

Financials

Effective business portfolio management – Acquisition criteria and priorities



- Prioritized, systematic M&A with dedicated process, organization and attitude
- Actively manage our business portfolio by assessing market environment, risks and opportunities – and taking action

Acquisition criteria

1. Strategic fit and complementarity (product, geography, value chain)
2. Convincing USP (e.g. technology, offering, IP)
3. Critical mass (\geq CHF 20 million turnover, except for local service businesses and complementary technologies)
4. Profitable performance track record with potential for above-market profitable growth
5. Purchase Price: proper risk adjusted valuation, EPS accretive, no turnaround project

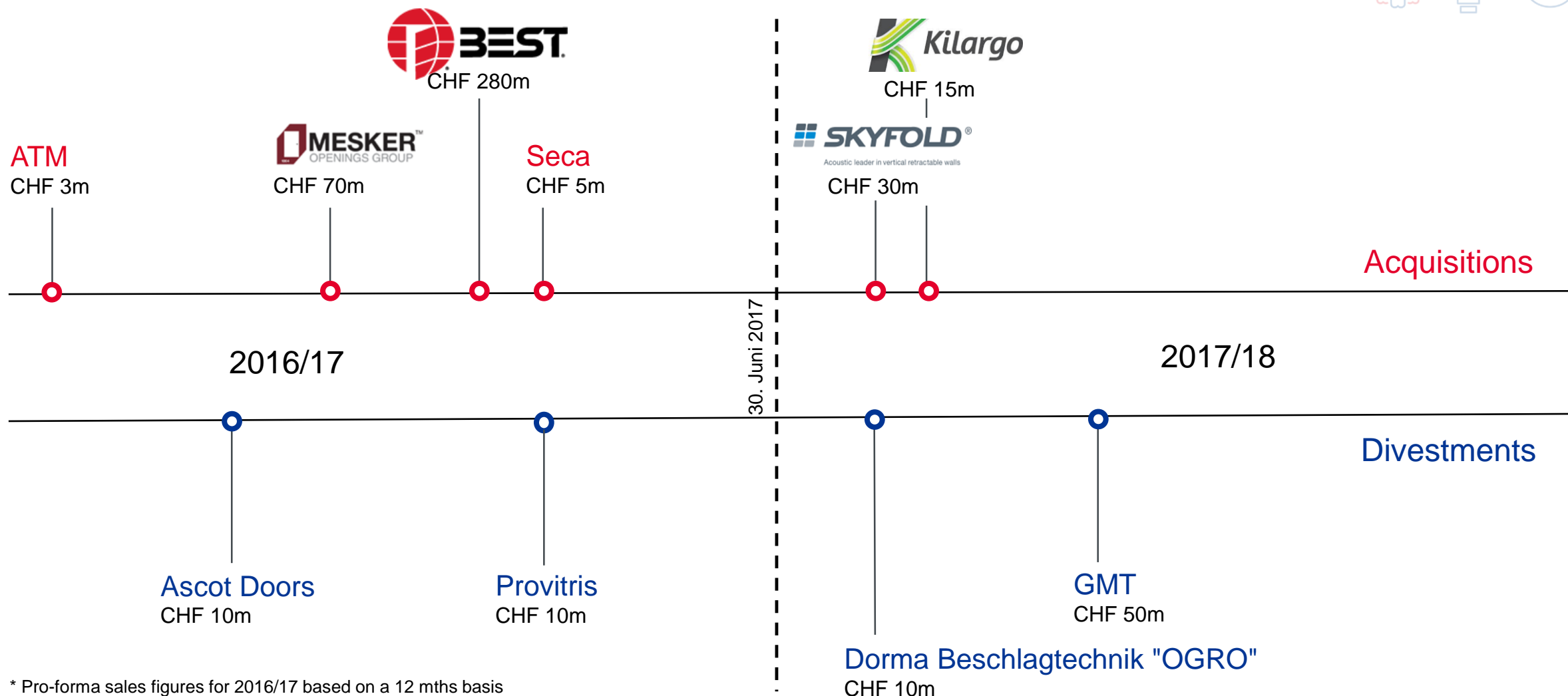
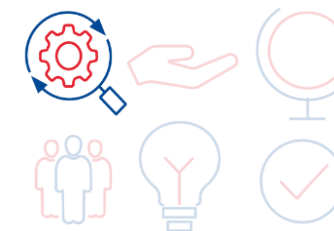
Acquisition priorities, we focus on

- Portfolio add-ons (product, technology) and adjacent businesses
- Emerging markets
- Geographic add-ons (developed regions with sub-critical market share)

In addition, there is also the option and opportunity for

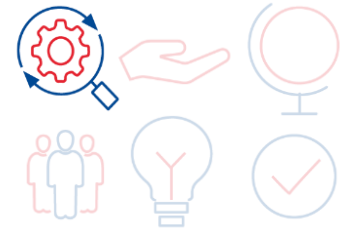
- Strategic alliances (e.g. people flow, smart building)
- Business portfolio management

Active Portfolio Management*



* Pro-forma sales figures for 2016/17 based on a 12 mths basis

Divestment of GMT



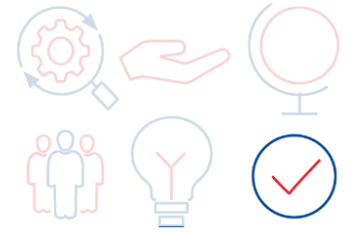
- GMT became member of dormakaba as part of the acquisition of Stanley Black & Decker's mechanical security businesses on 22 February 2017
- Stand-alone business focused on mid to lower price segments in China; products include floor hinges and door hardware
- Net sales 2016E of USD 48 million and adjusted EBITDA of USD 2 million, ~600 employees

Decision to divest GMT:

- Lack of synergies
- GMT's market position not in-line with dormakaba strategy
- Profitability prospects

Sale of GMT to a key shareholder of Seagull Group, closed on 29 Sept. 2017

Enterprise excellence – Four main areas to drive efficiency and competitiveness



Optimized manufacturing footprint

focused manufacturing to allow critical volumes at location with best cost base, skill base etc.

Automation and lean manufacturing

modernize production facilities, equipment and process, lean programs and experts

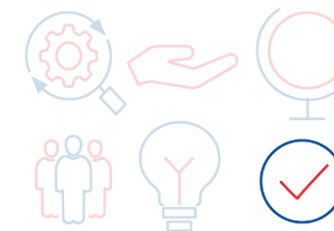
Professionalized procurement

- Commodity experts responsible for developing strategies for major spend categories
- Bundle procured materials and gain procurement power

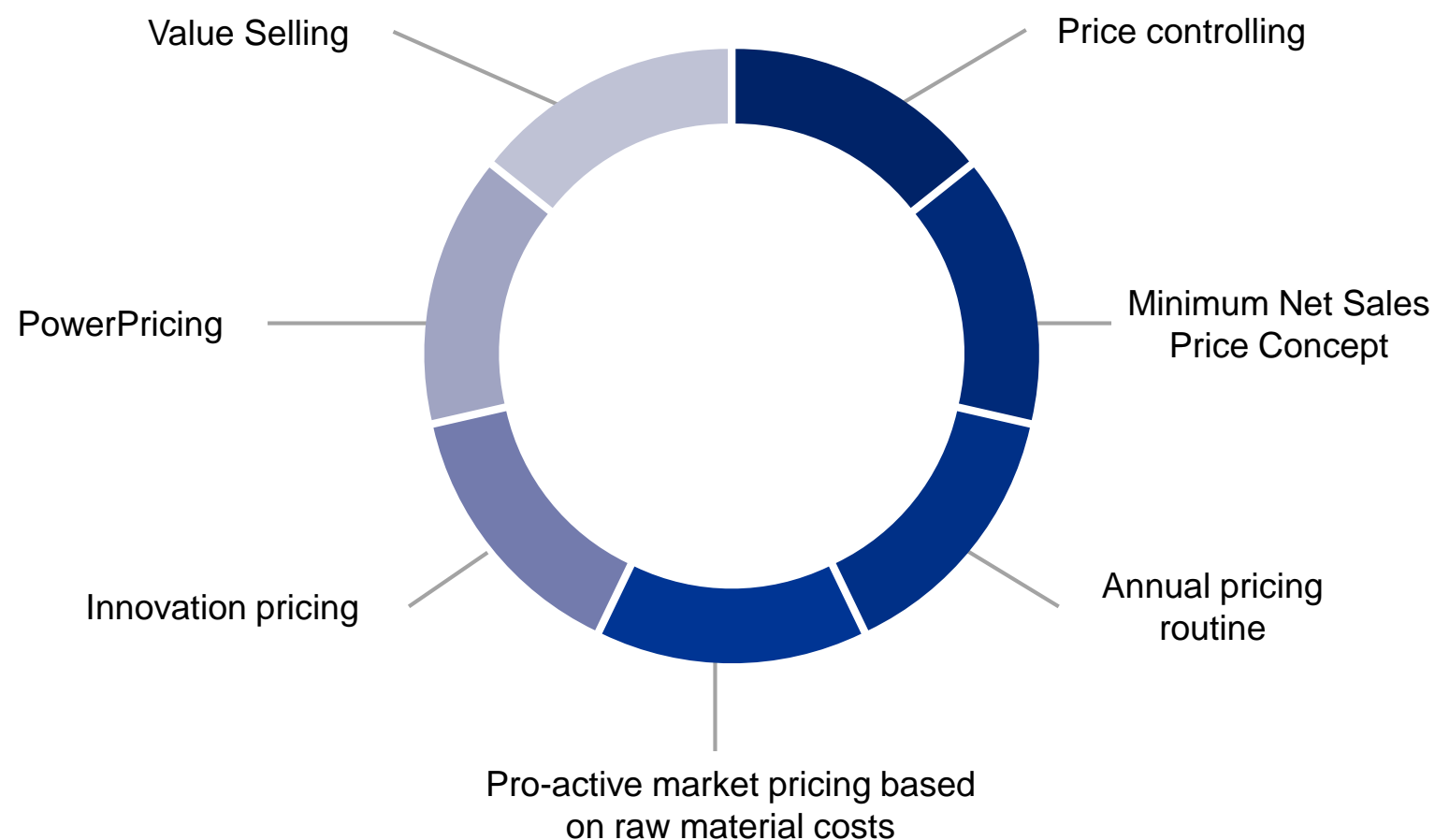
Strategic pricing

to improve profitability and outweigh higher input costs

Strategic Pricing – Target: Professional pricing as part of our DNA – improve profitability



Strategic Pricing



2014/15

Kick-off - pricing as strategic lever: Get buy in, start projects (former Kaba)

2015/16

Execute projects; alignment of approach for dormakaba

2016/17

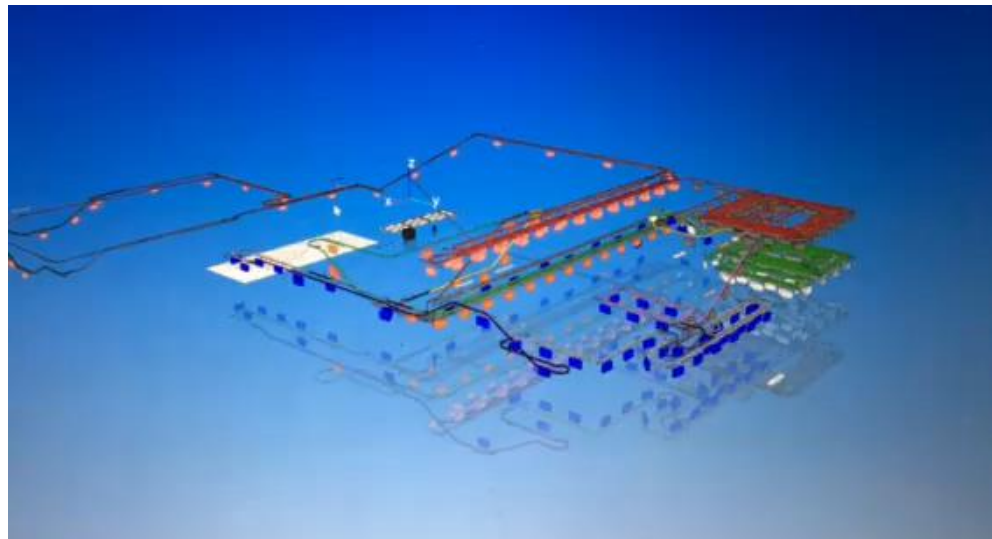
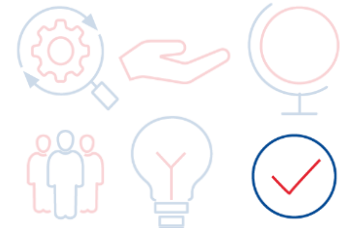
Execute projects; identify, train and support pricing ambassadors within Segments

2017/18

Execute projects; measure and manage roles & responsibilities: strategic – operational – tactical

Industry 4.0 – our next steps

Lighthouse projects from the segments



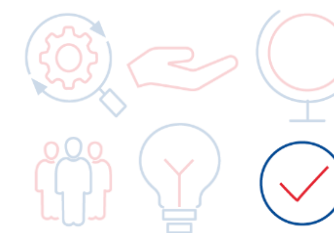
Example: Collaborative Robots (Cobots) – Ennepetal

- Formulate use-cases for Cobots
- Make use of their advantages
 - Reduced setup efforts, no fences
 - Semi-automation of processes
- Productivity gains by reducing direct labor costs within simple, standardized handling process

Example: Digital twin painting system - Singapore

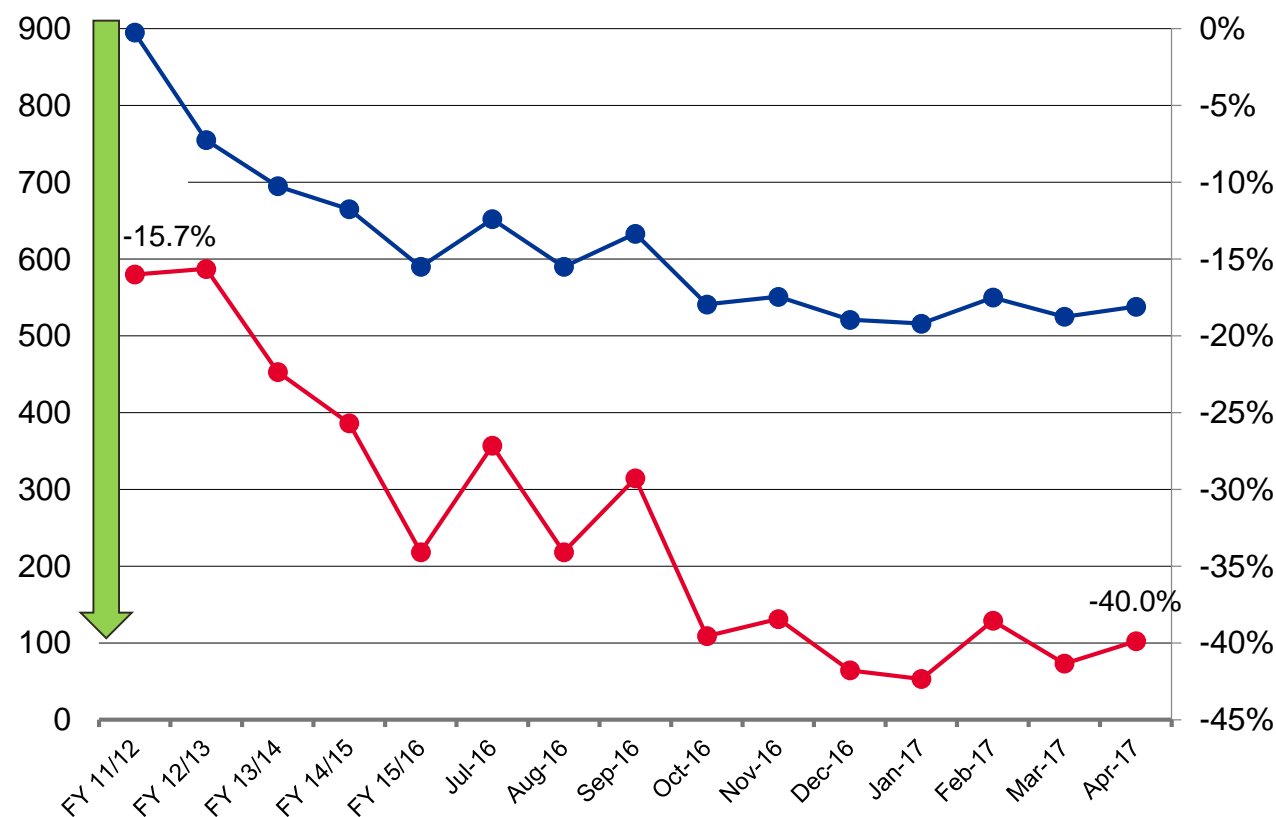
- Software that simulates painting system to optimize design of new system
- Avoiding over- and under-engineering (e.g. size of buffers, amount of stops, amount of carriers)
- Higher flexibility to react to changes during production (model changes, higher throughput etc)

Extending Lean Management – improving plant productivity



Plant Productivity: Door Closer production in China
(started from FY11/12)

(second/pc)



Plant productivity has been improved 40% over past 5 years

- A lean organization and low-waste processes are mandatory to improve profitability
- During the merger we aligned on the ambition to expand this initiative to all plants and beyond – e.g. to administration
- Even in plants where productivity has stagnated, the integration of additional products (new or transferred) and digitalization/Industry 4.0 offers new options
- Industry 4.0 can be understood as digitally enabled lean (e.g. use of sensors, data, advanced analytics to support problem solving)
- Lean Management addresses not only costs and productivity but also quality, delivery performance and people motivation/engagement

Agenda

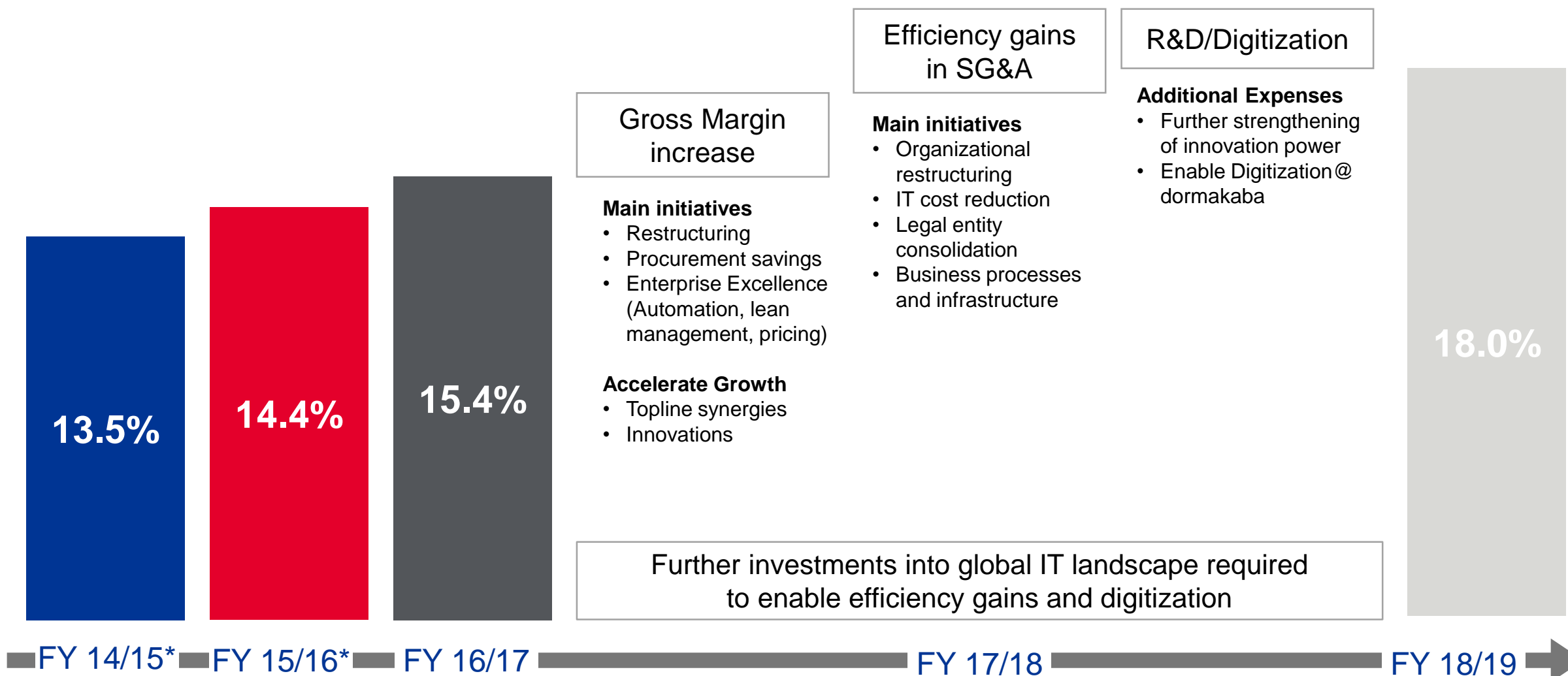
Current PMI status

dormakaba – strength of portfolio

Optimized business portfolio and Enterprise excellence

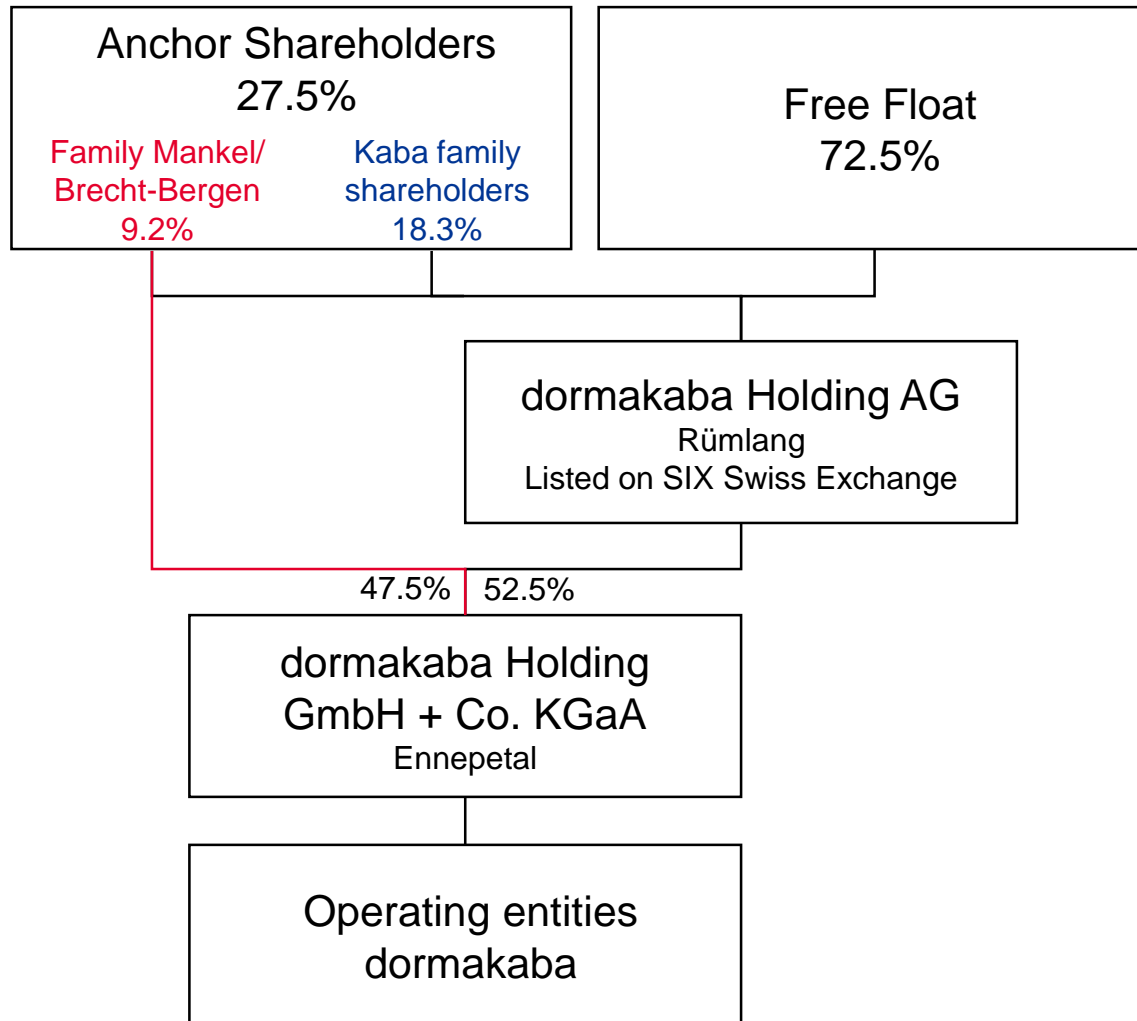
Financials

2018/19 targets confirmed



* Pro forma figures, including 12 months of the previous Dorma and Kaba

Ownership structure – supporting sustainable development



1. BoD: 10 members: 5 independent, 3 Members of Mankel/Brecht-Bergen family, 2 Members of Kaba family shareholders
2. Strategic, financial and operational decisions are made at level of listed entity
3. M&A as well as financing take place at level of dormakaba Holding GmbH + Co. KGaA and below

Successful debut in the bond market to fund US acquisitions for the medium and long term as planned

- Successfully placed two bonds as dual tranche transaction on 28 September 2017
 - CHF 360 million bond 2017-2021, Coupon: 0.375% p.a.
 - CHF 320 million bond 2017-2025, Coupon: 1.00% p.a.
- BBB- issuer credit rating based on 2.5x net debt/EBITDA, no covenants
- Represents the largest CHF corporate transaction ever in the BBB-segment
- The proceeds are used to partially refinance a syndicated credit facility raised to finance recent acquisitions in North America, CHF will be swapped into USD for around 2.5% (annualized) in addition to the above mentioned coupons

Guidance and business outlook for financial year 2017/18

Market Development	<p>dormakaba believes that the global macroeconomic and geopolitical environment remains volatile and therefore challenging</p> <ul style="list-style-type: none">• North America: Continued good growth, changes in US legislation might increase volatility and could impact other economies• EMEA: Moderate growth in Europe; continued weak environment in the Middle East (with increased political uncertainty)• Asia Pacific: Continued good growth
Organic growth*	<p>Organic sales growth expected of 150 to 200 bps above the GDP growth for dormakaba's relevant markets (which is currently expected to be at 2.5%)**</p>
EBITDA margin	<p>EBITDA margin expected slightly higher compared to the previous year**</p> <ul style="list-style-type: none">• Positive EBITDA contribution from operational improvements, post-merger cost synergies and acquisition benefits• However margin improvement will be partly offset by merger-related IT costs, as well as by integration costs for the acquired companies

* in local currency

** provided no change of current economic situation

Thank you for your attention.

dormakaba Holding AG
Hofwisenstrasse 24
8153 Rümlang
Switzerland

www.dormakaba.com

dormakaba 

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 document constitutes neither an offer to sell nor a call to buy securities of dormakaba in any legal system.

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



Classification: Public

Michael Kincaid, COO AS AMER
London, 6 December 2017

Capital Market Day 2017

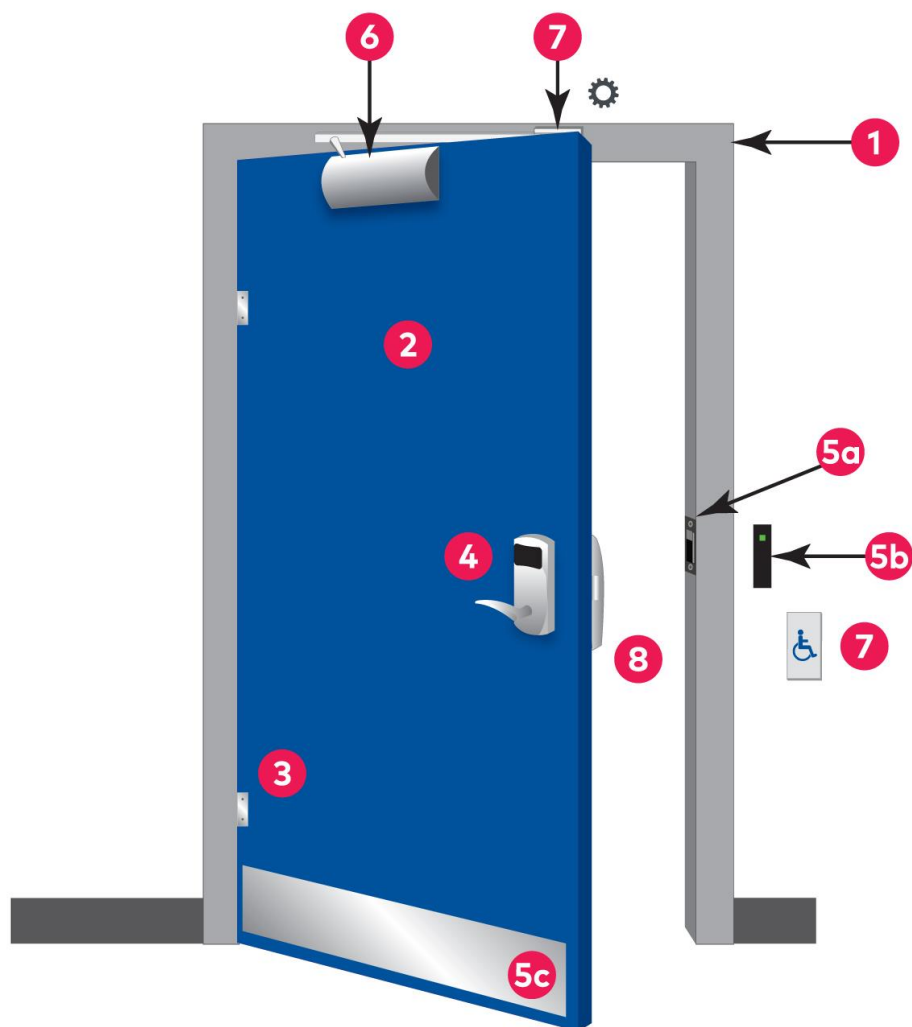
Access Solutions Americas - Manage the Opening

dormakaba 

Agenda

AS AMER introduction
Go to market synergies
Operational synergies
Innovation

Managing the Opening



1. Hollow metal frames
2. Wood and hollow metal doors
3. Hinges
4. Electronic and mechanical door locks
5. Door accessories
 - a. Electrified hardware (i.e. strikes)
 - b. Sensors, readers and controls
 - c. Flat goods (i.e. kickplates)
6. Manual door closers
7. Automatic door operators
8. Exit devices

dormakaba now a strong number 3 in the North American market

		ASSA ABLOY	ALLEGION	dormakaba as of 02/17	STANLEY Security	MESKER OPENINGS GROUP	dormakaba
Needed to manage the opening	Manual doors						
	Mechanical locks						
	Mechanical key systems						
	Door accessories						
	Electronic locks						
	Door closers						
	Exit devices						
	Door operators						
Selected other	Entrance systems						
	Padlocks ¹⁾ and cabinet locks						
	Glass fittings						
	Safe locks ²⁾						

dormakaba now offers a comprehensive portfolio to manage the opening – all from a single source

- Presence in product category with scale
- Limited scale or offering
- No product offering

¹⁾ For commercial use; ²⁾ Safe locks business from Stanley Black & Decker is not included in the acquisition
Source: dormakaba estimates

8 Product Clusters - Our offering of access solutions



Mechanical
Key Systems



Door Hardware



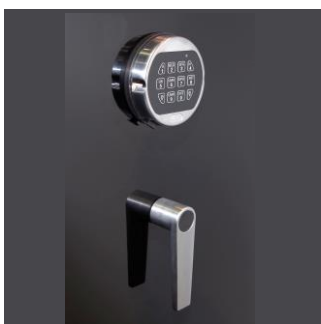
Interior
Glass Systems



Entrance Systems



Lodging Systems



Safe Locks



Electronic
Access & Data



Services

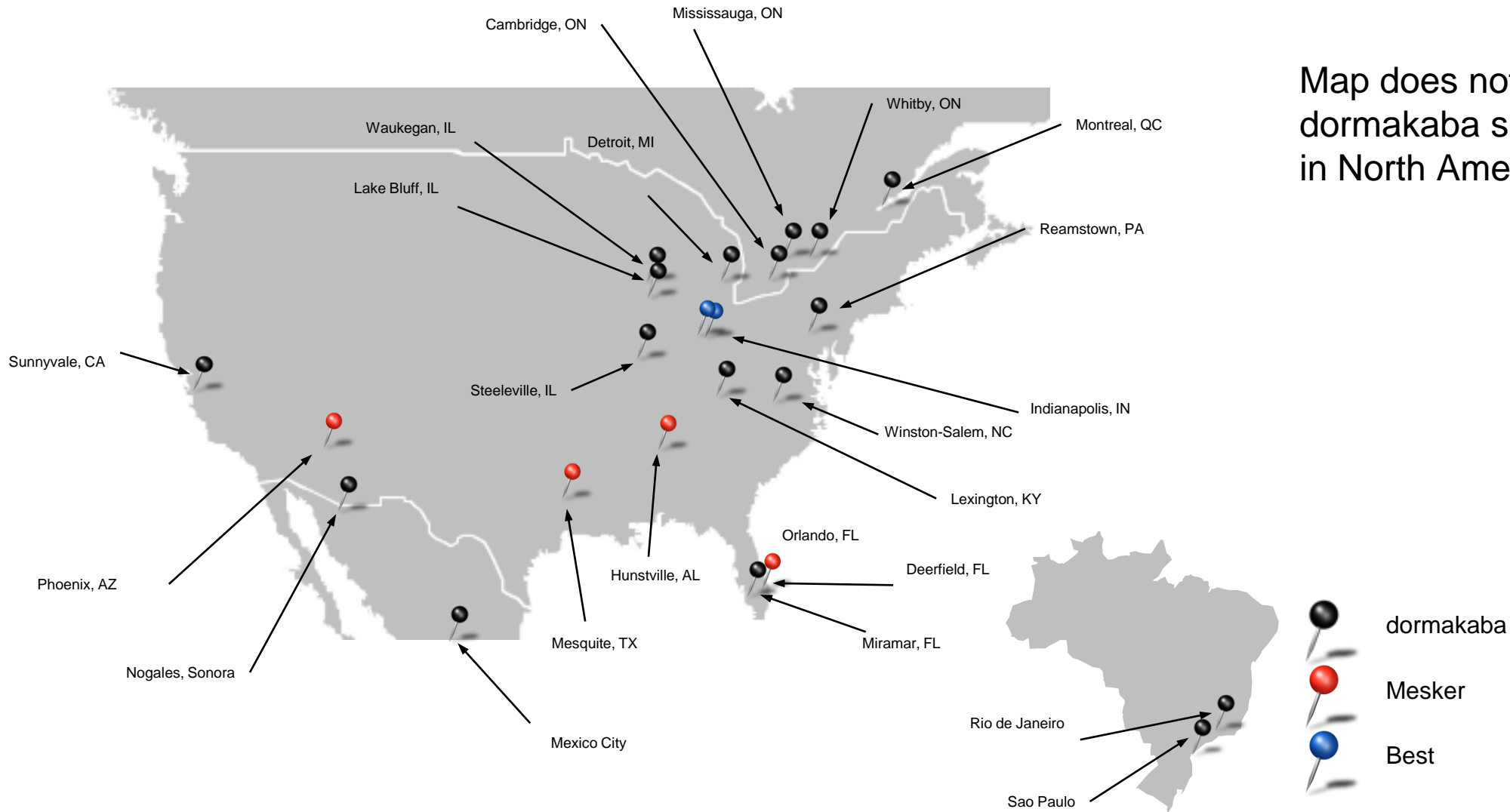


11 December 2016



22 February 2017

23 AS AMER principal operations facilities in the Americas



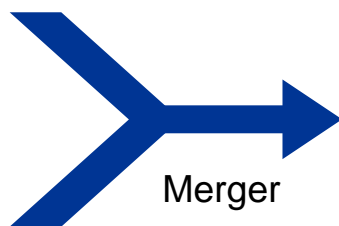
Map does not include the 34 dormakaba services branches in North America

Establishing a strong number 3 in North America

Former Kaba



Former Dorma



dormakaba



Acquisitions of
BEST Solutions
and Mesker



- AMER
- APAC
- EMEA & DACH

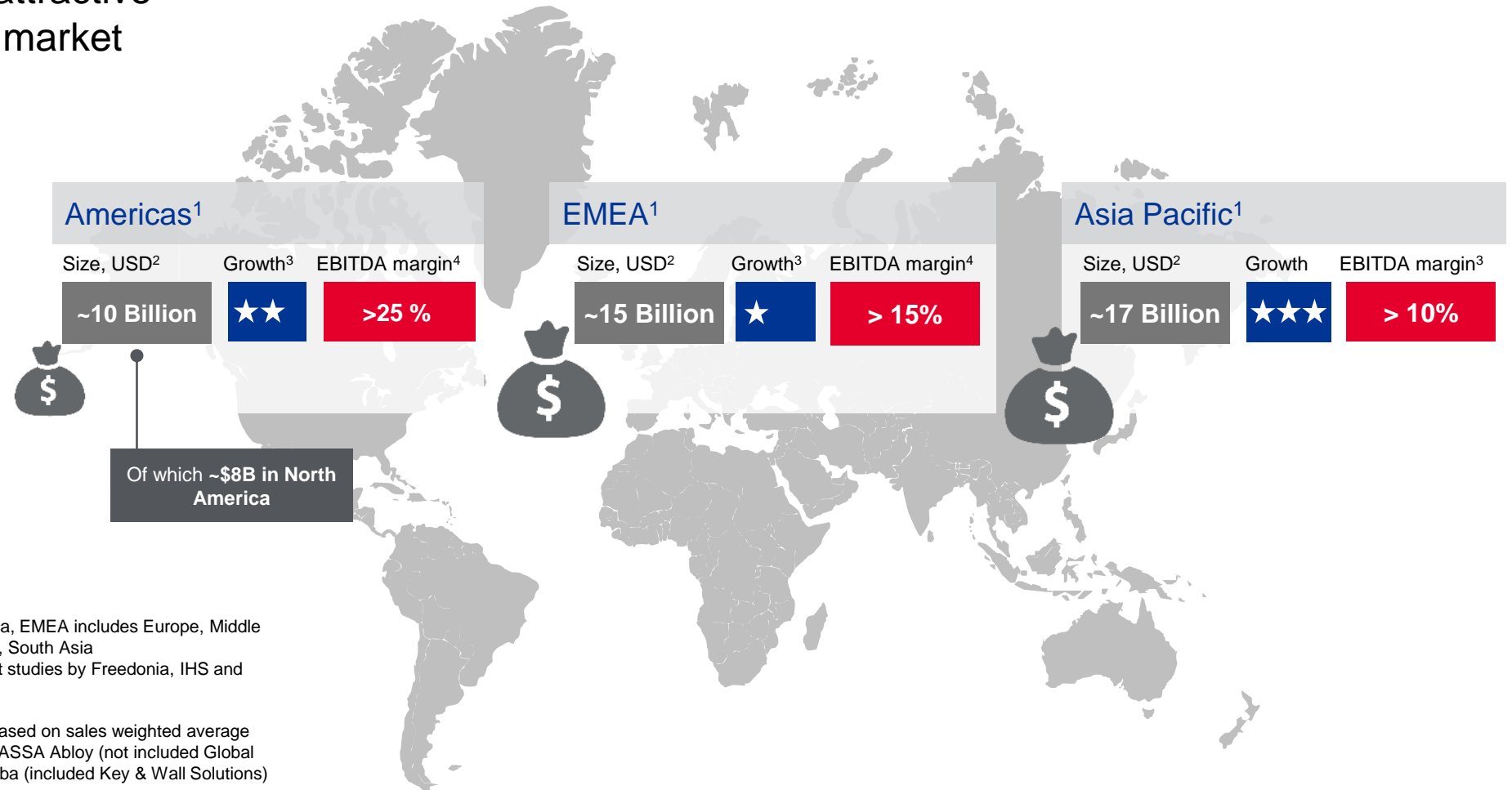


* Figures include regional exposure from Key & Wall Solutions; 2016/17 figure adjusted, 12 months Best Access and Mesker, without GMT

The North American physical access control market is attractive with high profitability and growth relative to other regions

North American market attractive

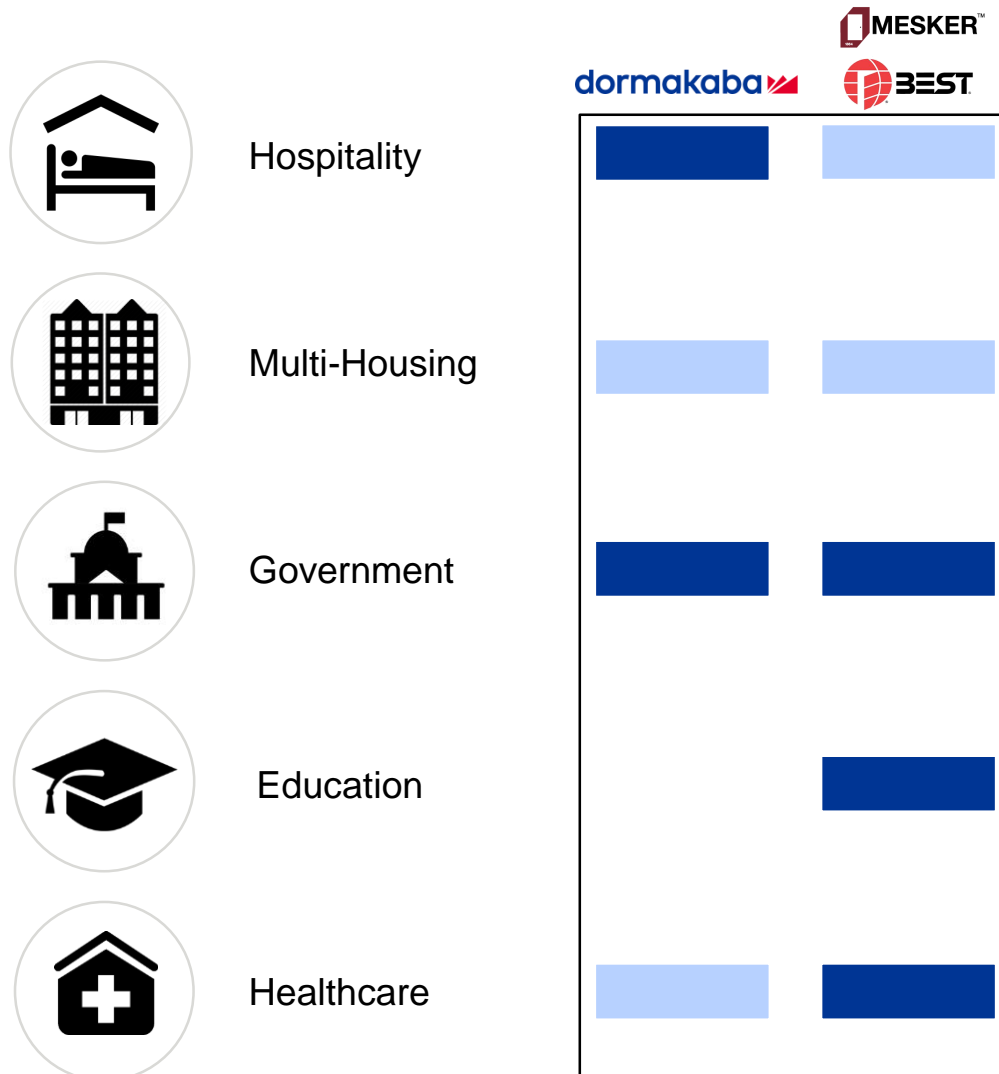
- Consolidated mature market
- One standard (ANSI)
- One major currency



Agenda

AS AMER introduction
Go to market synergies
Operational synergies
Innovation

Vertical Market Opportunity



- Acquisitions enhance existing dormakaba verticals with additional solutions and revenue opportunities
- Acquisitions bring new vertical opportunities
- Together, dormakaba and recent acquisitions have size and scale in very attractive vertical markets
- Continued opportunity for product and services expansion within each identified vertical market

 Increased Size & Reach

 Enhanced Revenue Ops

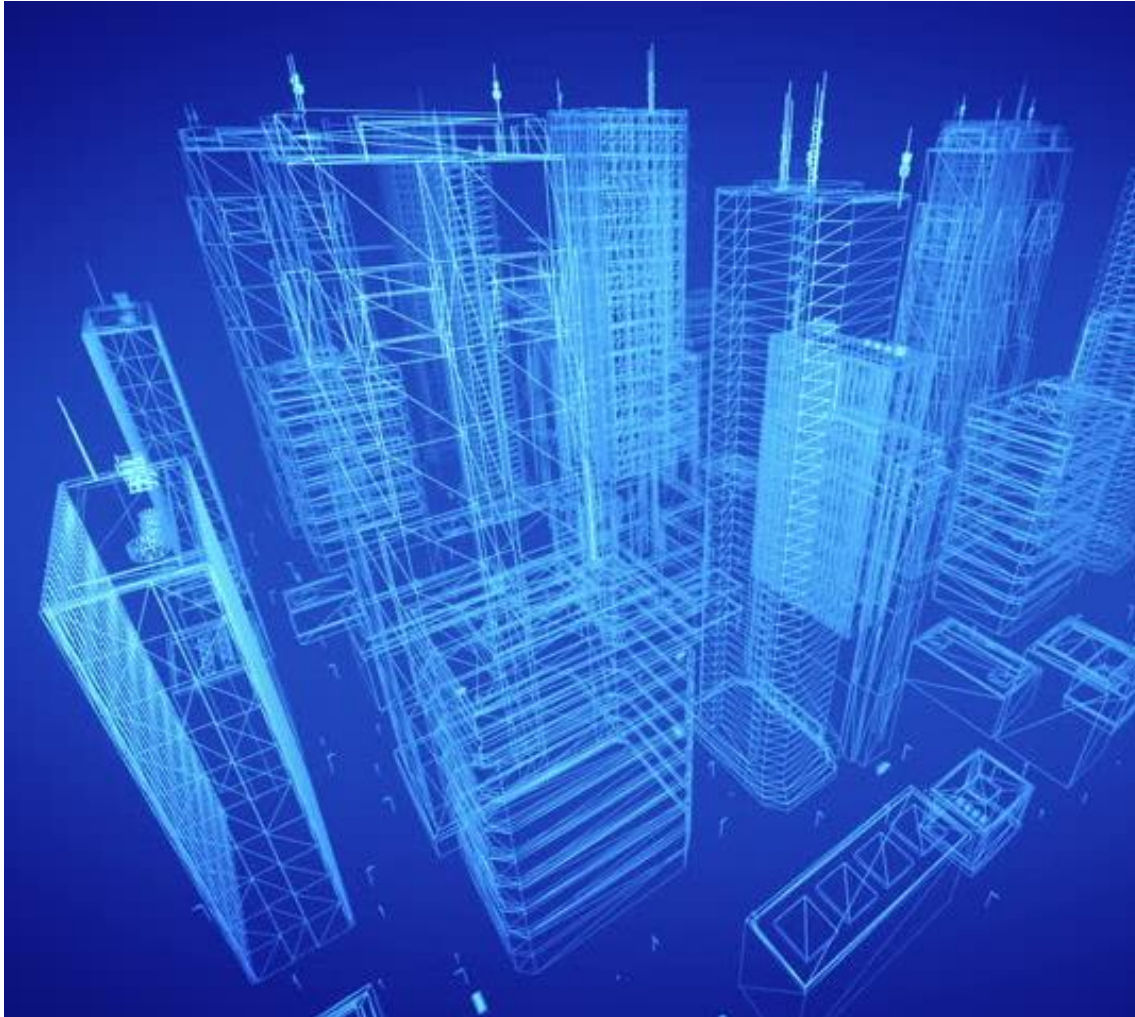
 Expanded Solutions

Vertical Spotlight – Hospitality



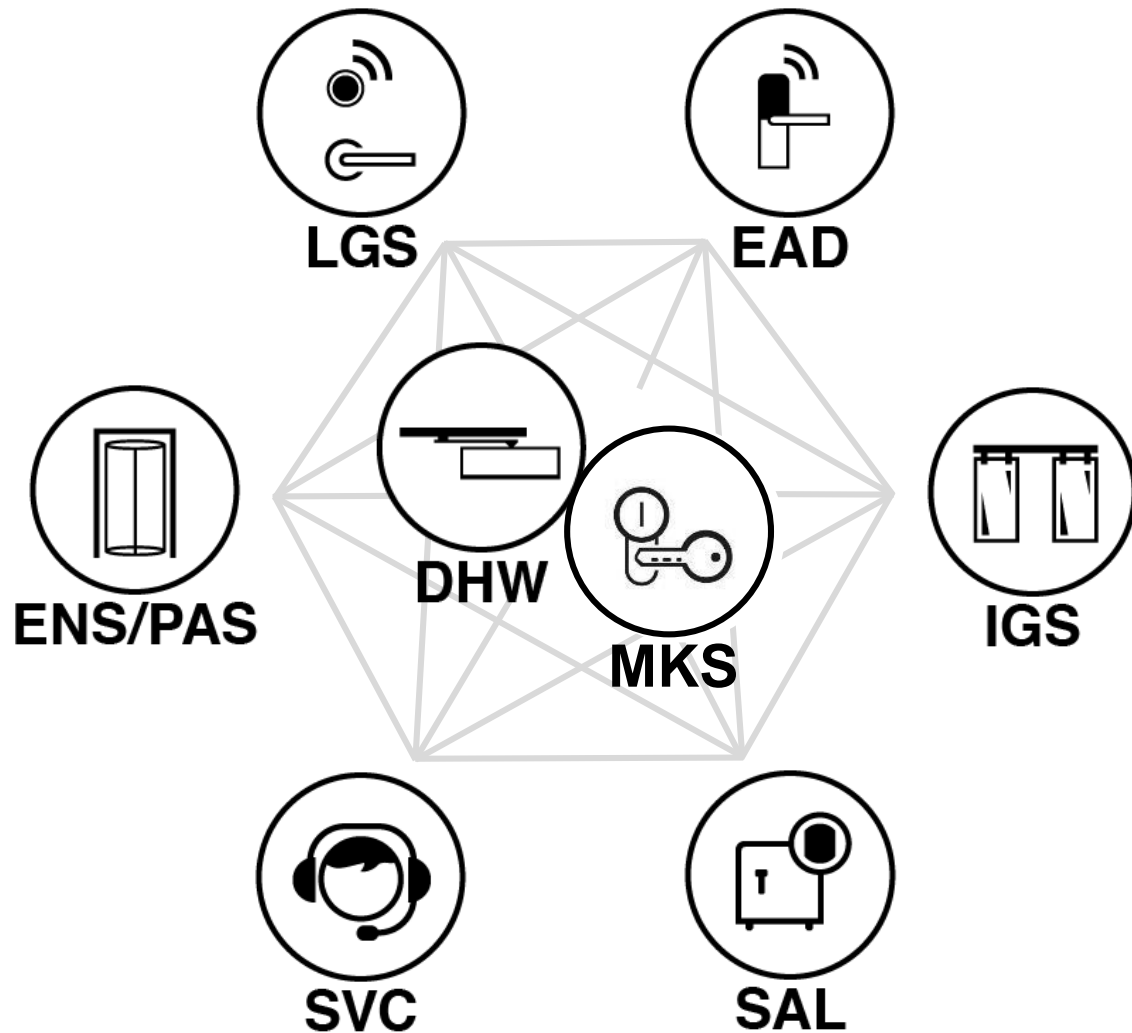
- Vertical market leader and resident expert
- Understand needs to craft customizable solutions
- Drive product development to fill gaps in portfolio
- Enables sales team with selling processes
- Provides one-stop-shop for needs, instead of each cluster, exponential revenue over single solution strategy
- Enhanced interoperability and services
- Project coordination from owner and architectural specifications to construction coordination to post installation service

Architectural Specification Services Integration



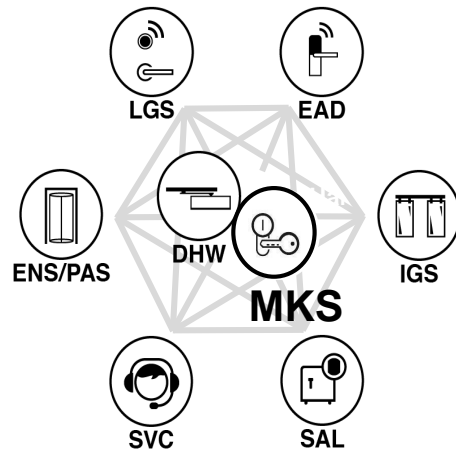
- Fully integrated into one architectural specification team
- New construction demand creation across product clusters
- Project specs now include hollow metal doors, glass, auto doors, access control, revolving doors, physical access systems, in addition to traditional door hardware
- Increased \$ value per specification
- Leveraged tools & technology
- Apprenticeship program development

Strategic Sales Focus



- Sales organization structured to emphasize and leverage cross-cluster sales opportunities
- Leading products and services under the dormakaba brand providing superior value
- Focused customer interface in sales, customer services and technical support
- Structure supports architectural services strategy
- Implemented in US, Canada, Latin America and Caribbean

International ANSI Cross-Selling

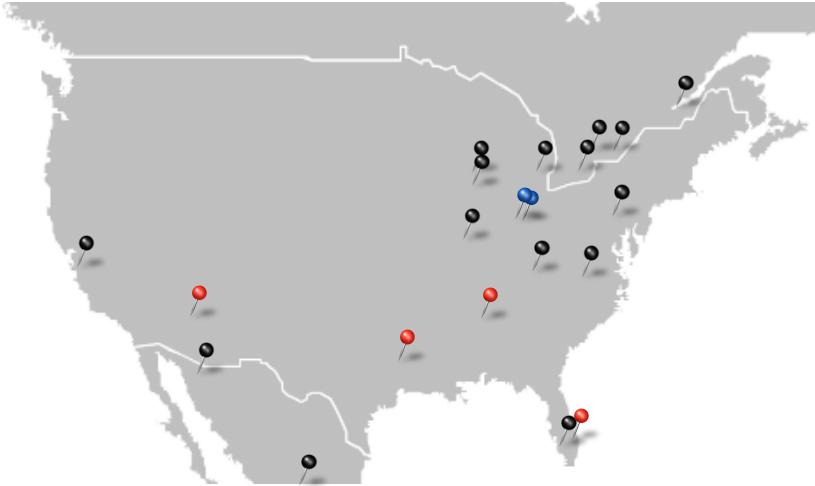


- Scale allowing for sales reorganization around geographic regions rather than specific products
- Acquisitions give South America 3x sales presence for ANSI solutions and hollow metal doors
- Made In America products an advantage in MEA markets and others
- Leveraging existing dormakaba sales and operations knowledge, relationships and expertise in ANSI markets
- Architectural specification services being offered across all product clusters

Agenda

AS AMER introduction
Go to market synergies
Operational synergies
Innovation

Post Merger Integration (PMI) - dormakaba



Manufacturing Footprint Optimization



Nogales, Mexico: Assembly plant

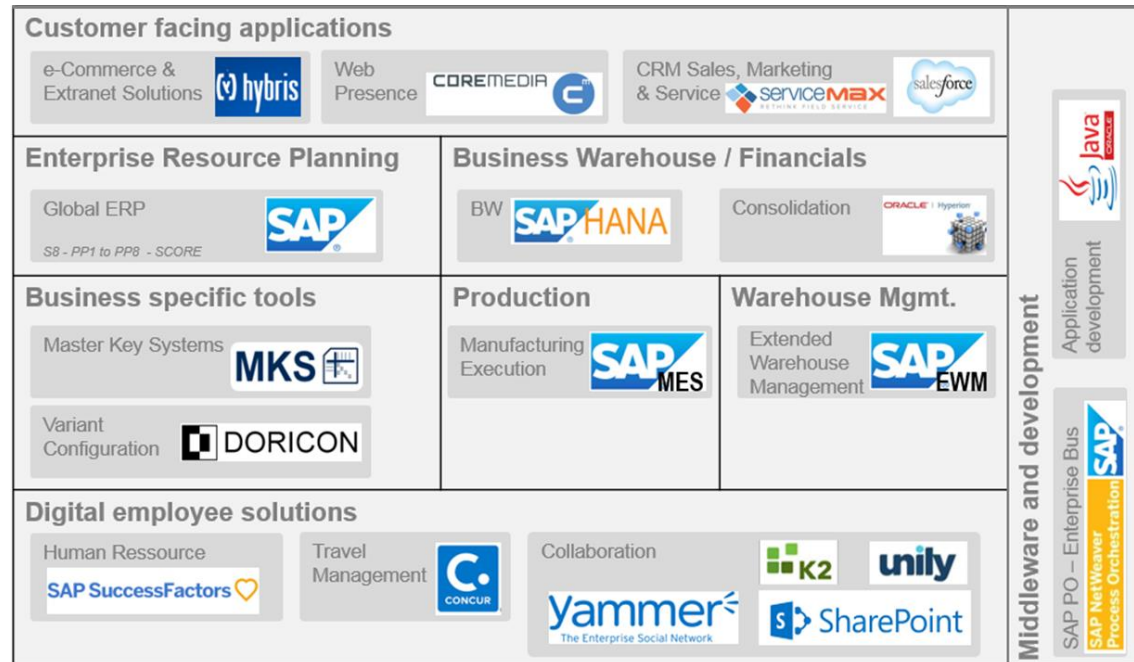
- Core Projects: e.g. IT Infrastructure standardization across the Americas
- Value Driver Initiatives: exploiting sales, R&D and operational synergies, e.g.
 - Manufacturing Footprint Optimization: Close several under-utilized factories and consolidate in larger U.S. facilities
- Change Management: Creating a new culture in Americas, leveraging the best practices from the expanded segment

Integration of Mesker and Best Access



- Change Management is key – people are our greatest assets
- Well-versed integration team, dedicated PMI Manager for Best Access and Mesker put in place on-site
- Sales and marketing organization of Best Access are run separately for approximately 24 months, leverage operational and organizational strength
- Revenue and costs synergies in total expected to reach up to USD 15m (1/3 from higher revenues, 2/3 from cost synergies). Full run-rate synergies will be available in year 2019/20
- USD 15m for the integration process in the next three years, most of it will incur in the next two years of the integration process

ERP/CRM Standardization



Description:

- Enterprise wide consolidation to Global SAP that will now include Best Access Solutions, Mesker Group and associated best practices

Opportunity:

- Improved enterprise connectivity across all order fulfillment, MRP, A/R, A/P, and organizational business systems
- Will be able to take one purchase order from the customer for the portfolio and one invoice to the customer
- Enable Shared Services within the organization for financial transactions

Agenda

AS AMER introduction
Go to market synergies
Operational synergies
Innovation

The Digital Transformation: Mobile Access Solutions



- Delivering a new level of security, convenience and dependability
- Supports entire dormakaba product portfolio in multiple customer verticals
- Extensive collaboration opportunities with Value Added Resellers (VAR) and integration partners

Mobile Access Solutions: Lodging



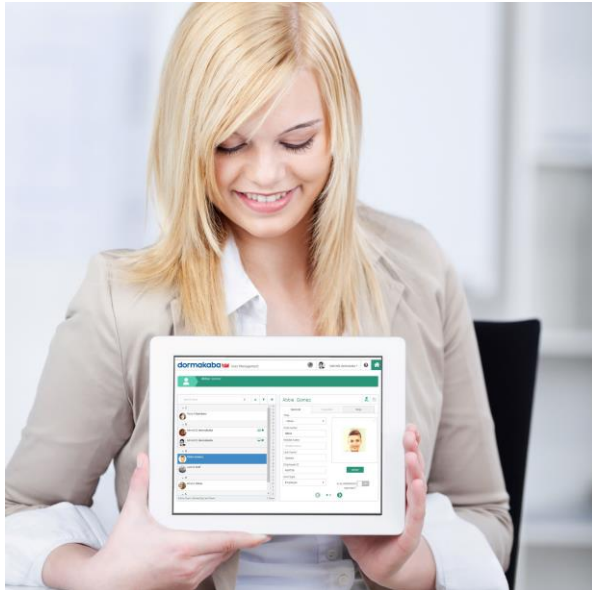
- Multiple delivery options support customer business models
- Personalized guest experience allows check-in bypass
- Functional across entire property including rooms and amenities
- Increases guest loyalty from reservation to contact throughout stay and beyond

Mobile Access Solutions: Multi-family housing



- Meets “technology as an amenity” requirement of mobile minded residents
- Complements physical key for unique living situations such as dog walker, service technician, special deliveries etc.
- Branded mobile app integrates with access control and property management systems
- Controls access to all property amenities

Ambiance Software: The heart of access control for Lodging



Resort Hotel Upgrade

- 70 Luxury cabins plus one main building and 2 floors
- 600+ doors / locks
- Mechanical to RFID



Hotel / Conference Center Upgrade

- 300 Rooms
- Conference Center
- Mag Stripe to RFID conversion
- Current Saflok 6000 User

- Next-gen, state-of-the-art application that interfaces with hotel Property Management Systems (PMS)
- Flexible architecture allows deployment on mobile device or traditional workstation
- Scalable to support all property sizes and access credentials (mobile, RFID, magstripe)

Thank you for your attention.

dormakaba Holding AG
Hofwisenstrasse 24
8153 Rümlang
Switzerland

www.dormakaba.com

dormakaba 

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 document constitutes neither an offer to sell nor a call to buy securities of dormakaba in any legal system.

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