



**ALLEGION**<sup>™</sup>

PIONEERING SAFETY<sup>™</sup>

# Q1-2026 Earnings Call

April 28, 2026

# Cautionary Statements

## Forward-Looking Statements

This presentation contains "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995, Section 27A of the Securities Act of 1933 and Section 21E of the Securities Exchange Act of 1934, which are statements that are not historical facts, including, but not limited to, statements related to 2026 Outlook Commentary, FY-2026 Outlook and statements regarding market trends, electronics growth, global software solutions business, the company's financial performance in 2026 and future years, the company's business plans, strategy and objectives of management for future operations, the company's growth strategy, the company's capital allocation strategy, competition, the company's ability to successfully complete and integrate acquisitions and achieve anticipated strategic and financial benefits, the performance of the markets in which the company operates, projections of revenue, margins, expenses, tax rate and provisions, earnings, cash flows, benefit obligations, dividends, share purchases or other financial items, the expected development, performance or market share relating to our products and services, the future economic conditions or our performance, pending investigations, claims or disputes; and any statements of expectation or belief underlying any of the foregoing. These forward-looking statements generally are identified by the words "believe," "aim," "projected," "expect," "anticipate," "estimate," "forecast," "outlook," "intend," "scheduled," "targets," "strategy," "future," "opportunity," "plan," "may," "should," "will," "would," "will be," "will continue," "will likely result" or the negative thereof or variations thereon or similar expressions generally intended to identify forward-looking statements.

Undue reliance should not be placed on any forward-looking statements, as these statements are based on the company's currently available information and our current assumptions, expectations and projections about future events. They are subject to future events, risks and uncertainties - many of which are beyond the company's control - as well as potentially inaccurate assumptions, that could cause actual results to differ materially from those in the forward-looking statements. Important factors and other risks that may affect the company's business or that could cause actual results to differ materially are included in filings the company makes with the Securities and Exchange Commission (SEC) from time to time, including its Annual Report on Form 10-K and its Quarterly Reports on Form 10-Q and in its other SEC filings. All forward-looking statements in this presentation are expressly qualified by such cautionary statements and by reference to the underlying assumptions. The company undertakes no obligation to update these forward-looking statements, whether as a result of new information, future events or otherwise, except as required by law.

## Non-GAAP Measures

This presentation also includes adjusted non-GAAP financial information, which should be considered supplemental to, not a substitute for, or superior to, the financial measure calculated in accordance with GAAP. The definitions of our non-GAAP financial information are included as an appendix in our presentation. These non-GAAP measures may not be defined and calculated the same as similar measures used by other companies. Reconciliations of the non-GAAP measures used to their most directly comparable GAAP measure are presented as supplemental schedules in the earnings release that can be found at [www.allegion.com](http://www.allegion.com).



## Staying Agile & Customer-Focused

- High-single digit revenue growth
- Balanced capital deployment
- Raising 2026 reported revenue outlook to 6-8%
- Affirming 2026 Adj. EPS and organic growth outlook

# Capital Allocation

## Invest for Organic Growth



LCN<sup>®</sup> Senior Swing

## Acquisitions



## Dividend

~\$47M

\$0.55 per ordinary share of the company

## Share Repurchases

~\$40M

In Q1 2026

# Q1-2026 Financial Summary

## Revenue \$Millions

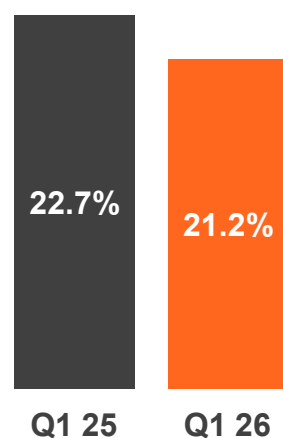
**+9.7%**



- Organic growth of 2.6%, led by Non-Residential Americas
- Price realization of 4.6%; Volume decline of 2.0%
- Acquisitions / divestiture of 4.8%; Currency tailwind of 2.3%

## Adjusted OI Margin

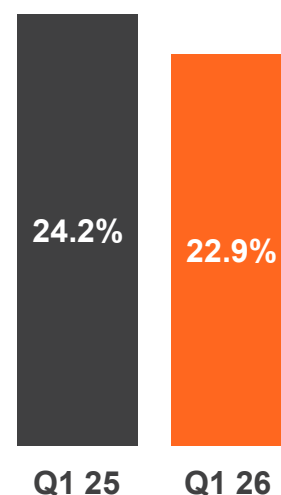
**-150 bps**



- Volume declines headwind to margin rate
- Price, productivity, inflation and investment (PPII) tailwind of \$5.3M (inclusive of transactional FX headwind of ~\$3M related to Mexican Peso); 40 bps headwind to margin rate

## Adjusted EBITDA Margin

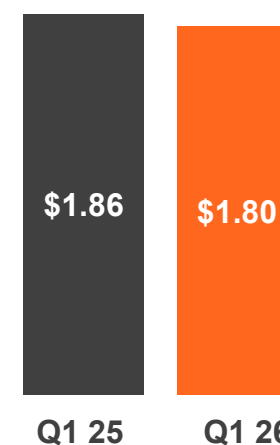
**-130 bps**



- Operating income delivered \$0.04 of Adj. EPS growth, inclusive of \$0.06 from acquisitions
- \$0.08 headwind from tax vs. prior year
- \$0.02 headwind from Interest / Other

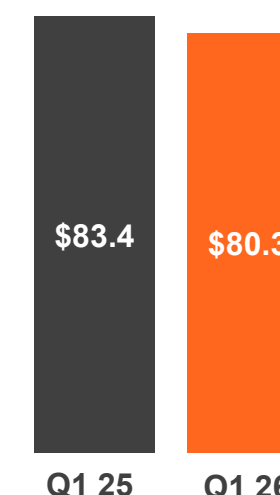
## Adjusted EPS

**-3.2%**



## ACF YTD \$Millions

**-3.7%**



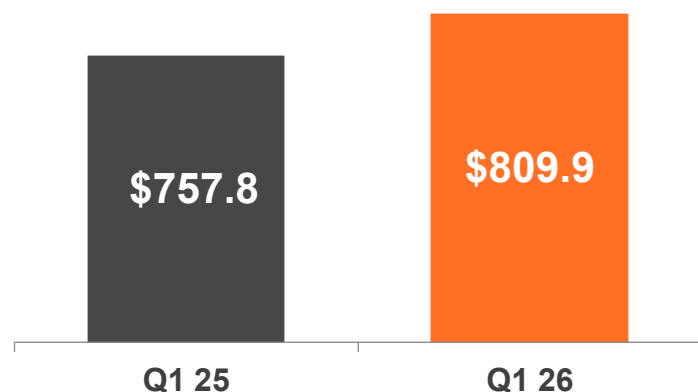
- Available cash flow relatively consistent with prior year

# Q1-2026 Allegion Americas Results

## Revenue

\$Millions

+6.9%



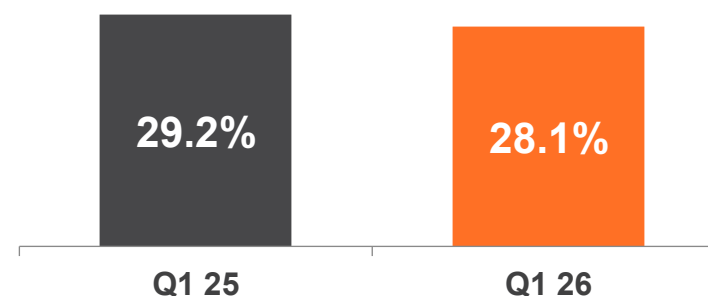
### Q1 Revenue Performance

- Organic revenue growth of 4.5%
  - Non-Residential increase mid-single digits
  - Residential flat
- Mid-single digit organic growth in electronics
- Price realization of 5.5%; Volume decline of 1.0%; Acquisitions of 2.1%; Currency tailwind of 0.3%

## Adjusted OI%

Adjusted OI%

-110 bps



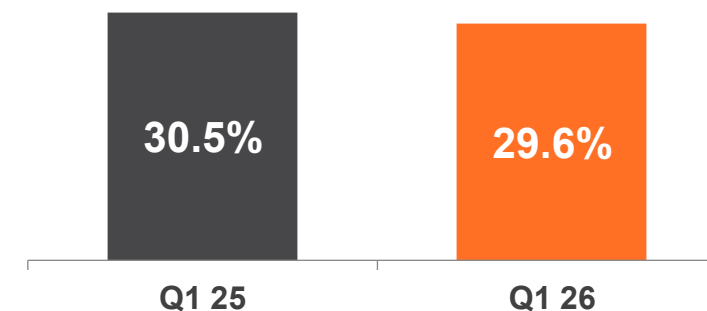
### Q1 Adjusted Margin Performance

- Volume declines and unfavorable mix headwind to margin rate
- PPII tailwind of \$9.9M (inclusive of transactional FX headwind of ~\$3M related to Mexican Peso); 30 bps headwind to margin rate
- Acquisitions headwind of 40 bps to margin rate

## Adjusted EBITDA%

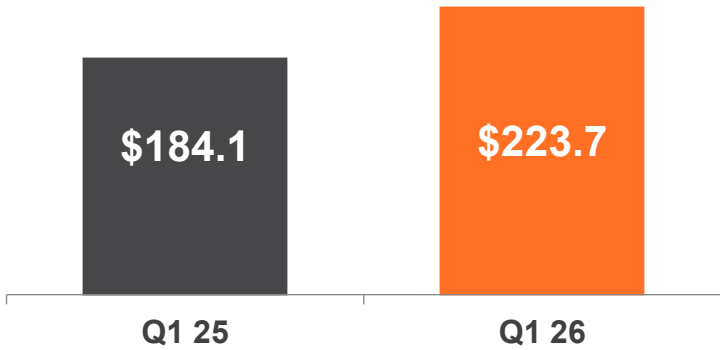
Adjusted EBITDA%

-90 bps



# Q1-2026 Allegion International Results

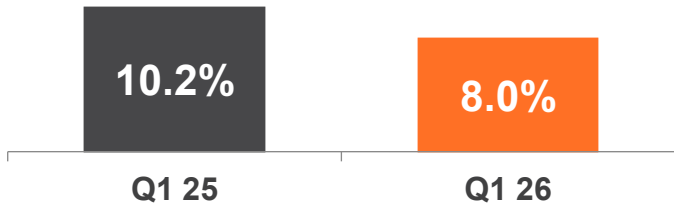
**Revenue**  
\$Millions  
**+21.5%**



## Q1 Revenue Performance

- Organic revenue decline of 5.3%
  - Weakness in mechanical primarily attributable to ERP implementation partially offset by growth in electronics
- Price realization of 1.3%; Volume decline of 6.6%; Acquisitions / divestiture of 15.9%; Currency tailwind of 10.9%

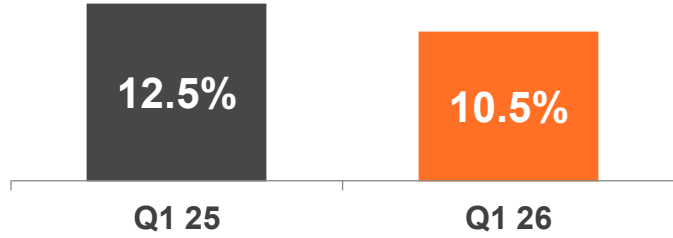
**Adjusted OI%**  
**-220 bps**



## Q1 Adjusted Margin Performance

- Volume declines headwind to margin rate
- PPII headwind of \$4.5M; 210 bps headwind to margin rate
- Acquisitions / divestiture 140 bps accretive to segment margin rate

**Adjusted EBITDA%**  
**-200 bps**

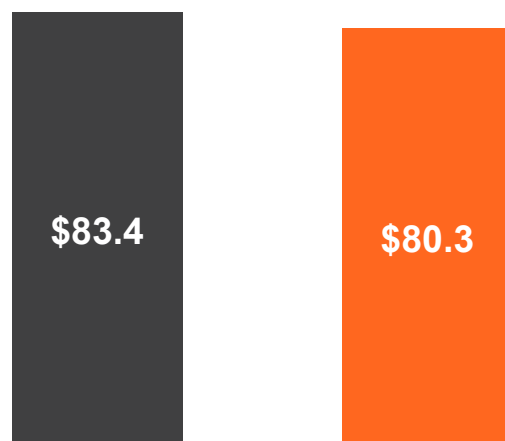


# Balance Sheet & Cash Flow

## Available Cash Flow

\$Millions

**-3.7%**



Q1 25

Q1 26

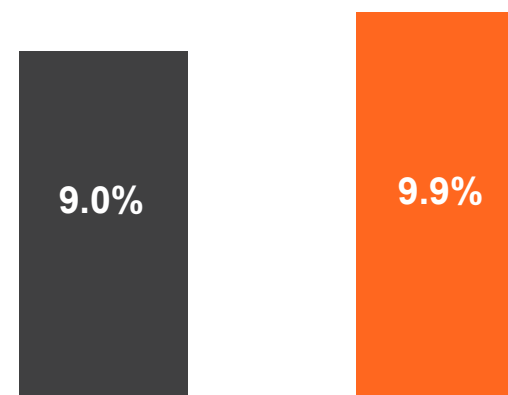
Capex \$21.1M

\$21.0M

- Available cash flow relatively consistent with prior year
- Affirming FY outlook of 85% to 95% of adjusted net income

## Working Capital

% of Revenue

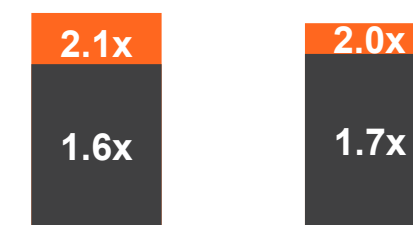


Q1 25

Q1 26

- Working capital as a % of revenue increased primarily due to acquired working capital

## Leverage



Q1 25

Q1 26

■ Gross Debt/Adj EBITDA

■ Net Debt /Adj EBITDA

- Healthy balance sheet supports continued capital deployment

# 2026 Outlook Commentary

## Americas

- Stable demand trends; End market assumptions unchanged
- Modest incremental headwind in 2026 from recent tariff changes and higher inflation, expect to offset with a combination of price and cost actions, not reflected in outlook given volatility; Expect to be neutral to 2026 adjusted operating income and EPS

## International

- Expect to recover ERP-related production shortfall over the remainder of 2026, supported by orders and backlog
- Electronics businesses are seasonally stronger in 2H
- Negligible sales in the Middle East; No downstream impact on International demand at this time

# Staying Agile & Customer-Focused



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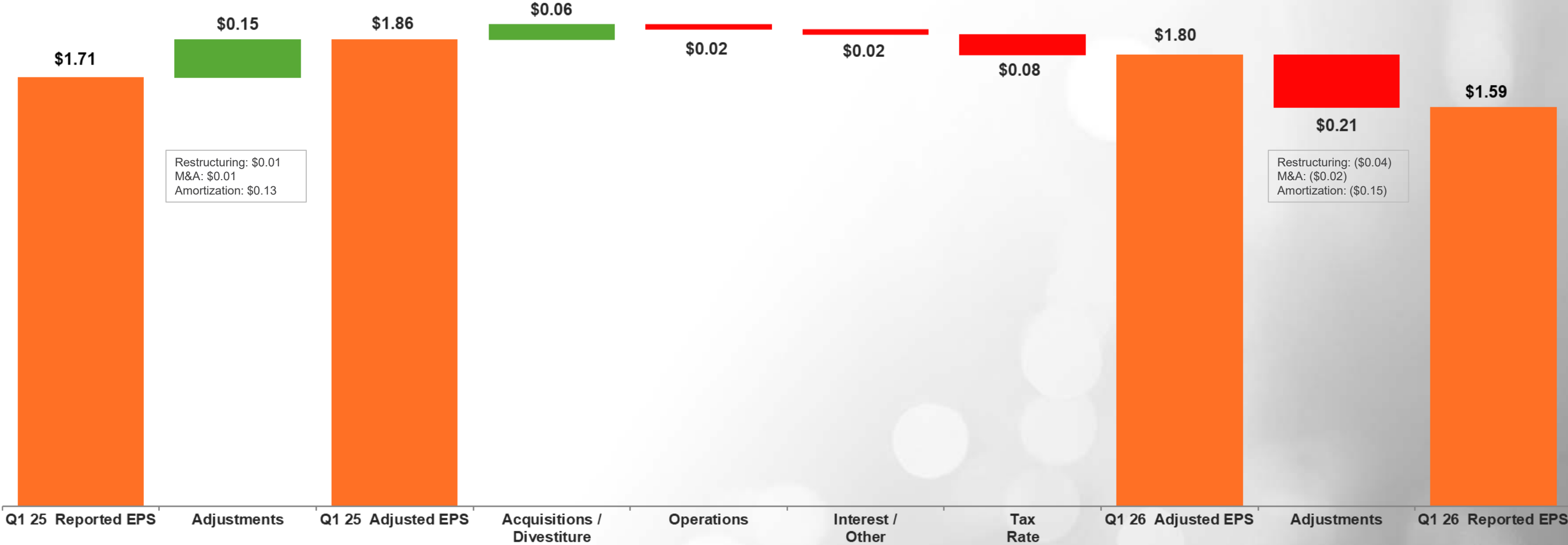
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# Appendix

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# Q1-2026 Allegion EPS Performance



# FY-2026 Outlook

	Prior Outlook		Current Outlook	
<b>Total Company Revenue</b>	<u>Reported:</u> 5.0% - 7.0%	<u>Organic:</u> 2.0% - 4.0%	<u>Reported:</u> 6.0% - 8.0%	<u>Organic:</u> 2.0% - 4.0%
<b>Segment Revenue</b> Organic Acquisitions / Divestitures FX	<u>Americas:</u> +LSD/MSD ~+0.5% ~Flat	<u>International:</u> ~LSD ~+8.0% ~+3.0%	<u>Americas:</u> +LSD/MSD ~+2.0% ~Flat	<u>International:</u> ~LSD ~+8.0% ~+3.0%
<b>EPS</b>	<u>Reported:</u> \$8.00 - \$8.20	<u>Adjusted:</u> \$8.70 - \$8.90	<u>Reported:</u> \$7.95 - \$8.15	<u>Adjusted:</u> \$8.70 - \$8.90
<b>ACF</b>	85% - 95% of Adj. Net Income		85% - 95% of Adj. Net Income	

# Reconciliation of Non-GAAP Measures

The company presents operating income, operating margin, earnings before income tax, effective tax rate, net debt, net earnings and diluted earnings per share (EPS) on both a U.S. GAAP basis and on an adjusted (non-GAAP) basis, revenue growth on a U.S. GAAP basis and organic revenue growth on a non-GAAP basis, EBITDA, adjusted EBITDA and adjusted EBITDA margin (all non-GAAP measures), working capital as a percentage of revenue (a non-GAAP measure) and Available Cash Flow (“ACF,” a non-GAAP measure), including in certain cases, on a segment basis. The company presents these non-GAAP measures because management believes they provide management and investors useful perspective of the company’s underlying business results and trends and a more comparable measure of period-over-period results. These measures are also used to evaluate senior management and are a factor in determining at-risk compensation. Investors should not consider non-GAAP measures as alternatives to the related U.S. GAAP measures.

The company defines the presented non-GAAP measures as follows:

- Adjustments to operating income, operating margin, earnings before income taxes, effective tax rate, net earnings, EPS and EBITDA include items such as goodwill, indefinite-lived trade name and other asset impairment charges, restructuring charges, acquisition and integration costs, amortization expense related to acquired intangible assets, debt financing costs, gains or losses related to the divestiture of businesses or equity method investments and non-operating investment gains or losses.
- Organic revenue growth is defined as U.S. GAAP revenue growth excluding the impact of acquisitions, divestitures and currency effects.
- Available cash flow is defined as U.S. GAAP net cash from operating activities less capital expenditures.
- Net Debt is defined as total long-term and short-term debt less cash and cash equivalents.
- Working capital defined as accounts receivable plus inventories less accounts payable and other accrued expenses; Working capital % of revenue calculated by dividing the period ending working capital balance by annualized quarterly revenue for the period.

These non-GAAP measures may not be defined and calculated the same as similar measures used by other companies. Reconciliations of the non-GAAP measures used to their most directly comparable GAAP measure are presented as supplemental schedules in the earnings release that can be found at [www.allegion.com](http://www.allegion.com).

## About Allegion™

At Allegion (NYSE: ALLE), we design and manufacture innovative security and access solutions that help keep people safe where they live, learn, work and connect. We're pioneering safety with our strong legacy of leading brands like CISA®, Interflex®, LCN®, Schlage®, SimonsVoss® and Von Duprin®. Our comprehensive portfolio of hardware, software and electronic solutions is sold around the world and spans residential and commercial locks, door closer and exit devices, steel doors and frames, access control and workforce productivity systems. Allegion had \$4.1 billion in revenue in 2025.

For more, visit [www.allegion.com](http://www.allegion.com)

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