Full-year results 2019/20

(1 July 2019 – 30 June 2020)
Agenda

**Full-year results 2019/20 at a glance**
Riet Cadonau

**Sustainable investments**
Riet Cadonau

**Financial results and outlook**
Bernd Brinker
Crisis management priorities

**Health & Safety**
- Protect employees
- Support employees, e.g. to adapt to new ways of working
- Transparent continuous internal and external communication

**Supply chain**
- Ensure business continuity
- Continuous premium services for customers
- Secure flexible and resilient supply chain

**“Cash is King”**
- Ensure liquidity at all times
- Focus on cash flow, e.g. trade receivables collection
- Initiate cost savings and restructuring program
Sales and profit impacted by Covid-19 pandemic, stronger operating cash flow

- Net sales of CHF 2,539.8 million (previous year CHF 2,818.3 million)
- Organic sales decrease of 6.9%
- EBITDA at CHF 325.0 million (previous year CHF 448.0 million), EBITDA margin 12.8% (previous year 15.9%)
- Net profit of CHF 164.1 million (previous year CHF 252.5 million)
- Operating cash flow margin up to 12.9% (previous year 10.0%)
- Dividend proposal of CHF 10.50 per share in accordance with dividend policy
Organic growth in the first half of FY 2019/20, sales heavily influenced by the Covid-19 pandemic in the second half

Technical system issues at Mesker have been resolved. Business performance remains under pressure, as Covid-19 risk management measures slowed efforts

Continued focus on innovative products like Switch Tech, a digital lock replacement for small-format interchangeable cores

Alex Housten assumed responsibility as COO AS AMER as of 1 July 2020

<table>
<thead>
<tr>
<th></th>
<th>FY 2019/20</th>
<th>FY 2018/19</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total segment sales</td>
<td>755.3</td>
<td>816.7</td>
</tr>
<tr>
<td>Third-party sales</td>
<td>720.4</td>
<td>783.7</td>
</tr>
<tr>
<td>EBITDA</td>
<td>128.1</td>
<td>168.1</td>
</tr>
<tr>
<td>EBITDA margin</td>
<td>17.0%</td>
<td>20.6%</td>
</tr>
<tr>
<td>Organic sales growth</td>
<td>-8.1%</td>
<td>-1.8%</td>
</tr>
</tbody>
</table>
AS APAC: Despite strong negative impact from Covid-19 pandemic on sales, EBITDA margin kept at a good level

- Second half of FY 2019/20 heavily impacted by the Covid-19 pandemic, major impact in the third quarter in China; in the fourth quarter all major markets across ASEAN region severely impacted by Covid-19, as well as South Asia with biggest negative impact in India
- Commercial business in China held up well in FY 2019/20 despite Covid-19 impact
- Pacific region and particularly Australia less affected by the pandemic with organic sales growth for FY 2019/20
- Continued focus on innovative products like dormakaba 9160, a new face recognition terminal

<table>
<thead>
<tr>
<th></th>
<th>FY 2019/20</th>
<th>FY 2018/19</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total segment sales</td>
<td>402.4</td>
<td>462.3</td>
</tr>
<tr>
<td>Third-party sales</td>
<td>378.2</td>
<td>435.8</td>
</tr>
<tr>
<td>EBITDA</td>
<td>54.8</td>
<td>68.9</td>
</tr>
<tr>
<td>EBITDA margin</td>
<td>13.6%</td>
<td>14.9%</td>
</tr>
<tr>
<td>Organic sales growth</td>
<td>-8.5%</td>
<td>3.7%</td>
</tr>
</tbody>
</table>
AS DACH: Overall negative impact from Covid-19 pandemic

- Switzerland with organic growth in FY 2019/20, sales in the German market slightly above and in Austria below last year’s level
- Segment’s plants negatively impacted by lower global demand for door hardware products, resulting in lower intercompany sales
- Segment was able to partly compensate the negative volume growth due to the Covid-19 pandemic by benefiting from its performance-based program started in FY 2018/19
- Continued focus on innovative products like ARGUS AIR, a novel self-boarding gate that combines sensor barriers with biometric control allowing for touchless access

### Full-year results 2019/20 at a glance

<table>
<thead>
<tr>
<th></th>
<th>CHF million FY 2019/20</th>
<th>CHF million FY 2018/19</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total segment sales</td>
<td>791.9</td>
<td>863.0</td>
</tr>
<tr>
<td>Third-party sales</td>
<td>501.4</td>
<td>534.4</td>
</tr>
<tr>
<td>EBITDA</td>
<td>129.3</td>
<td>153.6</td>
</tr>
<tr>
<td>EBITDA margin</td>
<td>16.3%</td>
<td>17.8%</td>
</tr>
<tr>
<td>Organic sales growth</td>
<td>-3.5%</td>
<td>2.8%</td>
</tr>
</tbody>
</table>
AS EMEA: Sales and profitability negatively impacted by Covid-19 pandemic

- Organic growth in the first nine months of FY 2019/20; sales dropped substantially in the fourth quarter due to Covid-19 pandemic
- Even stable business activities such as Services negatively impacted due to restricted access to customer premises during lockdown
- Continued focus on innovative products like an automatic door system that uses 3D and thermal imaging to control the flow of people in stores
- Steve Bewick assumed responsibility as COO AS EMEA as of 1 January 2020
- Divestment of project installation business in Norway completed as of 31 August 2020

<table>
<thead>
<tr>
<th>CHF million</th>
<th>FY 2019/20</th>
<th>FY 2018/19</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total segment sales</td>
<td>696.1</td>
<td>777.8</td>
</tr>
<tr>
<td>Third-party sales</td>
<td>585.2</td>
<td>660.7</td>
</tr>
<tr>
<td>EBITDA</td>
<td>45.5</td>
<td>56.7</td>
</tr>
<tr>
<td>EBITDA margin</td>
<td>6.5%</td>
<td>7.3%</td>
</tr>
<tr>
<td>Organic sales growth</td>
<td>-5.7%</td>
<td>1.9%</td>
</tr>
</tbody>
</table>
Key & Wall Solutions: Despite strong negative impact from Covid-19 pandemic on sales, EBITDA margin kept at a good level

Business Unit Key Systems:

• Heavily impacted by the Covid-19 pandemic in the second half of FY 2019/20 as major production sites in the US, in Italy, India, Columbia and Peru were unexpectedly and temporarily closed
• Continued focus on innovative products like new digital solutions, including “MyKeys Safe”, a digital wallet for residential and automotive keys

Business Unit Movable Walls:

• Good organic growth in FY 2019/20, especially based on a strong performance of the North American Modernfold and Skyfold businesses
• New and innovative products support growth like cost-effective automated movable walls

<table>
<thead>
<tr>
<th>CHF million</th>
<th>FY 2019/20</th>
<th>FY 2018/19</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total segment sales</td>
<td>351.4</td>
<td>401.9</td>
</tr>
<tr>
<td>Third-party sales</td>
<td>340.2</td>
<td>388.0</td>
</tr>
<tr>
<td>EBITDA</td>
<td>50.5</td>
<td>63.0</td>
</tr>
<tr>
<td>EBITDA margin</td>
<td>14.4%</td>
<td>15.7%</td>
</tr>
<tr>
<td>Organic sales growth</td>
<td>-8.9%</td>
<td>2.2%</td>
</tr>
</tbody>
</table>
Changes in the Executive Committee

**Steve Bewick – COO AS EMEA**
- COO AS EMEA as of 1 January 2020
- 53 years of age, UK citizen
- Joined dormakaba in 2008 and held various management and leadership positions with an impressive performance history at the company

**Alex Housten – COO AS AMER**
- COO AS AMER as of 1 July 2020
- 39 years of age, US citizen
- Industry expert with an outstanding track record over more than 15 years in various management and leadership positions at United Technologies Corporation (UTC)

A renewed Executive Committee, reduced from eleven to eight members since the merger. The role of CMO was discontinued as of 1 July 2020 as the operating model is now well-established.
Agenda

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Financial results and outlook  
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Further development of this new generation of sensor barrier which is based on the company’s XEA design language and offers various features for more convenience while at the same time providing the same high level of safety and security. New features include elements to support access control in times of a pandemic.

Launch of the new generation of self-locking panic locks with new advanced features like an advanced locking action, the possibility to be operated by three protocols, and a LED indicator which eases handling by the installer and service technician.

A battery-powered, Bluetooth-enabled, Small Format Interchangeable Core (SFIC) that can replace a traditional mechanical core in an existing lock, allowing customers to bring cost-efficiently electronic access control to openings. Switch Tech allows to go from mechanical to digital in minutes and at a fraction of the costs of traditional hardwired access control.

ED ‘Force Balancing Technology’: major enhancement to our winning swing door operators ED series which significantly extends service lifetime.

A handle fingerprint lock in high-security design for advanced home security for the Asian markets, with various features such as vibration feedback, silent unlock, encryption management, and multiple alarms.

The self-closing patch fitting for toughened glass assemblies in Universal design. The door closes softly by itself, all components are integrated in the patch fitting, no power supply needed. Smart, almost invisible, comfortable and easy to install.

A redesign of the existing versatile Variflex system range, resulting in simplified production and sales processes. The products display an optimized design to achieve high acoustic performance and offer advantages in terms of weight as well as in smaller dimension for space saving in stacking and operation.

An innovative B2C (Business-to-Customer) digital service to allow end-users to store digitalized data of their residential and automotive keys into a secure cloud wallet. Both key digitalizing and copying operations with Silca electronic machines at a locksmith’s shop are controlled by the user.
dormakaba well positioned to address demand in a post Covid-19 world

Sustainable investments

Smart and secure touchless access…

- Facial recognition & temperature screening
- Sensor & remote opening solutions
- Automatic doors
- People flow management
- Access rights management platform

… In attractive verticals such as healthcare

- Hygienic and user-centric access
- Tailor-made solutions
- Comprehensive portfolio
Sustainability progress in the financial year 2019/20 in strategic focus areas

- **Sustainable investments**
  - Emissions avoided through green electricity purchase and energy efficiency: 16,400 tonnes CO2
  - ISO 14001 certified manufacturing sites: 36% of baseline FY 2017/18
  - Manufacturing sites with health & safety management systems: 73%
  - Participation rate in employee survey dormakaba dialogue: 80% of full-time equivalent employees

- **Environmental Product Declarations published**: 13
- **Products with environmental and/or health product declarations**: 19% of revenue share
- **Suppliers invited for sustainability assessment**: 475
- **Statement of Commitment on Human Rights published**: ✓
EcoVadis, a leading provider for monitoring sustainability in global supply chains, has rated dormakaba in the top 5% for sustainability management in its assigned sector.

- Third-party assessment covers issues along the themes of environment, labor & human rights, ethics, and sustainable procurement
- dormakaba in top 30% from over 50,000 companies assessed by EcoVadis
- Especially strong in the areas of sustainable procurement (top 21%) and ethics (top 6%) among other companies in its assigned sector

Sustainable investments

dormakaba awarded gold medal for sustainability management from EcoVadis
**Agenda**

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  - Riet Cadonau
  - Slide 3

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- **Financial results and outlook**
  - Bernd Brinker
  - Slide 17
Financial results and outlook

Key figures

• Covid-19 pandemic overshadows financial results for FY 2019/20, starting from February 2020

• Organic sales growth of -6.9%
  o H1: 0.8%
  o H2: -14.3%

• Net sales decreased by 9.9% due to volume decline in H2 as well as negative currency translation effect

• EBITDA margin of 12.8%
  o H1: 15.5%
  o H2: 9.6%
  o Includes extraordinary non-recurring costs (one-offs and Covid-19 related restructuring)

• Lower net profit driven by operational performance

• Proposed dividend per share of CHF 10.50 (previous year CHF 16.00), in line with dividend policy

<table>
<thead>
<tr>
<th>CHF million (except where indicated)</th>
<th>FY 2019/20</th>
<th>FY 2018/19</th>
<th>Variance</th>
</tr>
</thead>
<tbody>
<tr>
<td>Net sales</td>
<td>2,539.8</td>
<td>2,818.3</td>
<td>-9.9%</td>
</tr>
<tr>
<td>- thereof: organic sales growth</td>
<td>-6.9%</td>
<td>1.3%</td>
<td></td>
</tr>
<tr>
<td>- thereof: acquisition sales growth</td>
<td>0.7%</td>
<td>-1.0%</td>
<td></td>
</tr>
<tr>
<td>- thereof: currency effect on sales</td>
<td>-3.7%</td>
<td>-1.1%</td>
<td></td>
</tr>
<tr>
<td>EBITDA</td>
<td>325.0</td>
<td>448.0</td>
<td>-27.5%</td>
</tr>
<tr>
<td>EBITDA margin</td>
<td>12.8%</td>
<td>15.9%</td>
<td>-3.1 ppt</td>
</tr>
<tr>
<td>Profit before taxes</td>
<td>211.2</td>
<td>332.7</td>
<td>-36.5%</td>
</tr>
<tr>
<td>Net profit</td>
<td>164.1</td>
<td>252.5</td>
<td>-35.0%</td>
</tr>
<tr>
<td>Net profit after minorities</td>
<td>84.6</td>
<td>131.8</td>
<td>-35.8%</td>
</tr>
<tr>
<td>Earnings per share (diluted – in CHF)</td>
<td>20.30</td>
<td>31.50</td>
<td></td>
</tr>
<tr>
<td>Dividend per share (in CHF)</td>
<td>10.501)</td>
<td>16.00</td>
<td></td>
</tr>
</tbody>
</table>

1) In 2019/20: proposal to the Annual General Meeting
Financial results and outlook
Sales development

• Organic growth of -6.9% due to Covid-19 related H2 business environment, all segments impacted
• Negative impact on net sales from currency translation (-3.7%) due to stronger CHF against all major business portfolio currencies
• Positive impact of 0.7% on net sales from M&A related transactions, which improved business portfolio
• Relatively stable third-party sales contribution by segment vs. PY; AS AMER continues to represent the highest share, while Key & Wall Solutions is the smallest segment

<table>
<thead>
<tr>
<th>Segments</th>
<th>Third-party sales contribution FY 2019/20</th>
<th>Organic sales growth FY 2019/20</th>
<th>FY 2019/20 FX development against CHF (average rate)</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
<td>USD 0.9770</td>
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<tr>
<td></td>
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<td></td>
<td>EUR 1.0803</td>
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<td></td>
<td></td>
<td></td>
<td>CAD 0.7286</td>
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<tr>
<td></td>
<td></td>
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<td>AUD 0.6559</td>
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<td>CNY 0.1390</td>
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<td>INR 0.0135</td>
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<tr>
<td></td>
<td></td>
<td></td>
<td>NOK 0.1048</td>
</tr>
<tr>
<td>AS AMER</td>
<td>28.4%</td>
<td>-8.1%</td>
<td>0.9949</td>
</tr>
<tr>
<td>AS APAC</td>
<td>14.9%</td>
<td>-8.5%</td>
<td>1.1350</td>
</tr>
<tr>
<td>AS DACH</td>
<td>19.7%</td>
<td>-3.5%</td>
<td>0.7518</td>
</tr>
<tr>
<td>AS EMEA</td>
<td>23.0%</td>
<td>-5.7%</td>
<td>0.7118</td>
</tr>
<tr>
<td>AS total</td>
<td>86.0%</td>
<td>-6.4%</td>
<td>1.2880</td>
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<tr>
<td>Key &amp; Wall Solutions</td>
<td>13.4%</td>
<td>-8.9%</td>
<td>0.1458</td>
</tr>
<tr>
<td>Others</td>
<td>0.6%</td>
<td>0.0%</td>
<td>0.0141</td>
</tr>
<tr>
<td>Total</td>
<td>100.0%</td>
<td>-6.9%</td>
<td>0.1174</td>
</tr>
</tbody>
</table>

Presentation on full-year results 2019/20
3 September 2020
EBITDA development

- EBITDA decreased by CHF 123.0 million vs PY (-27.5%), mostly Covid-19 related
  - H1 contribution = CHF 214.1 million; H2 contribution = CHF 110.9 million
  - Negative impact of CHF 16.0 million by currency translation (strong CHF)
  - In addition, extraordinary non-recurring costs impacted the reporting period (70 bps EBITDA margin)
- M&A activities contributed positively to EBITDA by CHF 9.3 million
- Relatively stable EBITDA contribution by segment vs. PY; AS AMER and AS DACH continue to represent the highest share, while AS EMEA has the smallest share due to its profile in our operating model

EBITDA contribution and EBITDA margin development by segment

<table>
<thead>
<tr>
<th>Segments</th>
<th>EBITDA contribution</th>
<th>EBITDA margin development</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>FY 2019/20</td>
<td>FY 2018/19</td>
</tr>
<tr>
<td>AS AMER</td>
<td>31.4%</td>
<td>32.9%</td>
</tr>
<tr>
<td>AS APAC</td>
<td>13.4%</td>
<td>13.5%</td>
</tr>
<tr>
<td>AS DACH</td>
<td>31.7%</td>
<td>30.1%</td>
</tr>
<tr>
<td>AS EMEA</td>
<td>11.1%</td>
<td>11.1%</td>
</tr>
<tr>
<td>AS total</td>
<td>87.6%</td>
<td>87.6%</td>
</tr>
<tr>
<td>Key &amp; Wall Solutions</td>
<td>12.4%</td>
<td>12.4%</td>
</tr>
<tr>
<td>Total</td>
<td>100.0%</td>
<td>100.0%</td>
</tr>
</tbody>
</table>
Financial results and outlook

"Cash is King"

1 Early implementation of a comprehensive crisis management

- In March 2020, the "Cash is King" principle was introduced throughout the entire organization to address the Covid-19 challenges
- Adjustment of financial management to retain entrepreneurial flexibility at all times
- Weekly steering by top management, strong collaboration between Operations, HR, Finance, IT

2 Measures (selection)

- Reduction in overtime, vacation days and of temporary workers, hiring freeze, short-time work in selected countries
- Re-assessment and adjustment of previously approved investments and projects
- Re-prioritization of M&A (continuation of pipeline management)
- Daily monitoring of cash flow development by tracking of all bank accounts

3 Status and results as at 30 June 2020 (selection)

- Significant improvement of working capital by reduction of trade receivables by more than CHF 100 million against PY
- Basically stable net debt and solid leverage (net debt/EBITDA) of 2.1x
- Sufficient committed credit lines available (undrawn amount of more than CHF 500 million)
Financial results and outlook

Cost savings and restructuring program

Covid-19 pandemic impact

Unprecedented slump in business activity

- Both supply and demand heavily impacted
- Government-mandated lockdowns and many local restrictions limiting production and/or execution of orders
- Substantial negative impact on dormakaba business; even usually very stable businesses such as Services affected
- AS APAC hit first (China) and continues to be impacted severely (India), while Europe was second (Italy, Spain, France), later spreading across all regions; Key & Wall Solutions most affected due its geographical footprint

Measures

Group-wide cost savings and restructuring program initiated

- Crisis counter-measures to maintain operational and financial stability
- Program started early Q4 of FY 2019/20
- Adjustment of internal capacities and costs
- Overall headcount reduction of up to 1,300 FTEs Group-wide, mainly in manufacturing in Asia and the Americas to adjust for lower volumes

Financial impact

Program will generate a positive financial impact

- Costs of the program are expected to amount to CHF 26 million
- Thereof CHF 12 million already expensed in FY 2019/20 (provisions as of 30 June 2020: CHF 8 million)
- Limited additional CAPEX required to execute the entire program
- Costs will be charged on Group level
- Accretive to EBITDA by FY 2020/21 (dilution in FY 2019/20)
Financial results and outlook

Income statement (condensed)

• Gross margin suffered from lower volume and decreased by 100 bps, mainly Covid-19 related
• Lower SG&A spend as a result of lower volume and effective cost management initiatives (Covid-19 related and beyond)
• R&D spending including capitalized R&D (CHF 9.6 million) = CHF 112.1 million (4.4% of sales); R&D expenses basically unchanged vs PY (capitalized R&D PY of CHF 5.4 million, total CHF 112.8 million; 4.0% of sales)
• Stable net financial result (higher net debt on average through FY, lower interest rates)
• Favorable income tax rate of 22.3% due to one-time benefits (PY 24.1%)
• Decline of net profit driven by operational performance

<table>
<thead>
<tr>
<th>CHF million</th>
<th>FY 2019/20</th>
<th>%</th>
<th>FY 2018/19</th>
<th>%</th>
<th>Variance in %</th>
</tr>
</thead>
<tbody>
<tr>
<td>Net sales</td>
<td>2,539.8</td>
<td>100.0</td>
<td>2,818.3</td>
<td>100.0</td>
<td>-9.9</td>
</tr>
<tr>
<td>Gross margin</td>
<td>1,042.8</td>
<td>41.1</td>
<td>1,185.9</td>
<td>42.1</td>
<td>-12.1</td>
</tr>
<tr>
<td>Other operating income, net</td>
<td>11.3</td>
<td>0.4</td>
<td>21.2</td>
<td>0.8</td>
<td>-46.7</td>
</tr>
<tr>
<td>Sales and marketing</td>
<td>-428.7</td>
<td>-16.9</td>
<td>-441.3</td>
<td>-15.7</td>
<td>-2.9</td>
</tr>
<tr>
<td>General administration</td>
<td>-269.7</td>
<td>-10.6</td>
<td>-283.4</td>
<td>-10.1</td>
<td>-4.8</td>
</tr>
<tr>
<td>Research and development</td>
<td>-102.5</td>
<td>-4.0</td>
<td>-107.4</td>
<td>-3.8</td>
<td>-4.6</td>
</tr>
<tr>
<td>EBIT</td>
<td>253.2</td>
<td>10.0</td>
<td>375.0</td>
<td>13.3</td>
<td>-32.5</td>
</tr>
<tr>
<td>Financial result, net</td>
<td>-42.0</td>
<td>-1.6</td>
<td>-42.3</td>
<td>-1.5</td>
<td>-0.7</td>
</tr>
<tr>
<td>Profit before taxes</td>
<td>211.2</td>
<td>8.4</td>
<td>332.7</td>
<td>11.8</td>
<td>-36.5</td>
</tr>
<tr>
<td>Income taxes</td>
<td>-47.1</td>
<td>-1.9</td>
<td>-80.2</td>
<td>-2.8</td>
<td>-41.3</td>
</tr>
<tr>
<td>Net profit</td>
<td>164.1</td>
<td>6.5</td>
<td>252.5</td>
<td>9.0</td>
<td>-35.0</td>
</tr>
</tbody>
</table>
Cash flow

- “Cash is King” principle introduced in March 2020 to handle the challenges of Covid-19 and to maintain financial stability
- As a result, strong improvement of operating cash flow margin to 12.9% (PY 10.0%)
- Strong trade receivables collection as the main driver for improved operating cash flow (reduction in assets of CHF 111.4m vs. PY closing)
- Cash flow from investing activities includes
  - Capital expenditures of CHF 94.9 million (PY: CHF 111.4 million), which represents 3.7% of sales (PY: 4.0%)
  - Acquisitions of CHF 147.2 million, while PY comprises net proceeds from divestments of CHF 33.2 million
- Improvement of free cash before acquisitions / divestments in the reporting period against PY due to strong operating cash flow

### Financial results and outlook

<table>
<thead>
<tr>
<th>CHF million</th>
<th>FY 2019/20</th>
<th>FY 2018/19</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cash generated from operations</td>
<td>407.9</td>
<td>372.8</td>
</tr>
<tr>
<td>Net cash from operating activities</td>
<td>328.1</td>
<td>280.7</td>
</tr>
<tr>
<td>Net cash used in investing activities</td>
<td>-232.4</td>
<td>-67.8</td>
</tr>
<tr>
<td>- thereof: capital expenditure</td>
<td>-94.9</td>
<td>-111.4</td>
</tr>
<tr>
<td>- thereof: acquisition and divestment related</td>
<td>-147.2</td>
<td>33.2</td>
</tr>
<tr>
<td>Free cash flow</td>
<td>95.7</td>
<td>212.9</td>
</tr>
<tr>
<td>Operating cash flow margin(^1)</td>
<td>12.9%</td>
<td>10.0%</td>
</tr>
<tr>
<td>Free cash flow before acquisitions/ divestments</td>
<td>242.9</td>
<td>179.7</td>
</tr>
</tbody>
</table>

\(^1\) Net cash from operating activities / net sales
Financial results and outlook

Net debt

- Net debt development benefited from implementation of “Cash is King” principle
- As a result, net debt improved significantly against HY reporting (31 December 2019: net debt of CHF 836.1 million)
- Solid leverage (net debt/EBITDA) of 2.1x
- Unused committed credit lines available of more than CHF 500 million
- Slightly higher net debt by CHF 16.3 million mainly as a result of acquisitions and capital expenditures as well as dividend payments for FY 2018/19, which exceeded net cash from operating activities of the reporting period
- Maturity of bonds (long-term debt) only in October 2021 (CHF 360 million) and October 2025 (CHF 320 million)
- Still comfortable with leverage of up to 2.5x (short term even higher), which provides additional financial flexibility; M&A re-prioritized as part of crisis management

<table>
<thead>
<tr>
<th>CHF million</th>
<th>FY ended 30.06.2020</th>
<th>FY ended 30.06.2019</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cash and cash equivalents</td>
<td>156.8</td>
<td>122.4</td>
</tr>
<tr>
<td>Short term debt</td>
<td>139.9</td>
<td>86.3</td>
</tr>
<tr>
<td>Bond (long term)</td>
<td>680.4</td>
<td>680.5</td>
</tr>
<tr>
<td>Other long term debt</td>
<td>4.2</td>
<td>7.0</td>
</tr>
<tr>
<td><strong>Net debt</strong></td>
<td><strong>667.7</strong></td>
<td><strong>651.4</strong></td>
</tr>
<tr>
<td>Net debt / EBITDA (leverage)</td>
<td>2.1x</td>
<td>1.5x</td>
</tr>
</tbody>
</table>
**Dividend payout proposal for financial year 2019/20**

**Dividend policy**
Envisaged pay-out ratio of minimum of 50% of consolidated net profit after minority interests

**Proposed dividend payout FY 2019/20**
- Consolidated net profit after minority interests for financial year 2019/20 = CHF 84.6 million
- CHF 10.50 per share (total CHF 44.2 million)
- Pay-out ratio = 52.1%; distribution of an equal share from the reserves from capital contributions (balance today: CHF 93.5 million) and from statutory retained earnings (balance today: CHF 411.3 million)

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1) FY 2015/16: Adjusted for merger related integration costs, "extraordinary result"
2) FY 2019/20: Dividend proposal, pay-out ratio calculation is based on the total number of shares as at 30 June 2020. The effective ratio depends on the number of shares entitled to dividend as at 21 October 2020.
Financial performance in the months of June and July 2020 indicate an improvement of the economic environment for dormakaba’s businesses compared with the very weak months of April and May 2020. While some important countries for dormakaba continue to suffer from negative Covid-19 impacts, other important countries show resilience and an improved business performance.

However, due to the ongoing Covid-19 pandemic, global business visibility is still very limited. Geopolitical risks like the ongoing trade conflicts create additional uncertainty.

Under the assumption that Covid-19 or geopolitical tensions will not create additional significant deterioration of the business environment, dormakaba expects for the first quarter of FY 2020/21 to outperform financial results of the fourth quarter of FY 2019/20, both in terms of organic growth and EBITDA margin. Based upon the same framework, expectation for the first half of FY 2020/21 is to outperform second half of FY 2019/20.

Due to the lack of visibility to the further course of business dormakaba does not provide any additional financial and business guidance for FY 2020/21 and beyond.
Financial results and outlook

Sabrina Soussan to take over as CEO on 1 April 2021

A smooth transition to a new CEO with a strong track record in delivering profitable growth and driving innovation

- Co-CEO of Siemens Mobility since 2017
  - French and German citizen
  - 51 years of age
- Studied engineering and completed an MBA before starting her career as a development engineer at Renault
- Held several leadership positions in Siemens’ mobility, building technologies and automotive businesses over the past 20 years
- Strong leadership and personal skills, profound industrial knowledge and a successful track record of growing businesses profitably
Thank you for your attention.
IR Agenda 2020/21

- UBS, Best of Switzerland Virtual Conference 17 September 2020
- Baader Helvea, Investment Conference 2020, Munich & Virtual 24 September 2020
- Jefferies, 2020 European Mid-Cap Industrials Virtual Forum 14 October 2020
- Annual General Meeting 20 October 2020
- Credit Suisse, Swiss EQ Mid-Cap Conference, Zurich 18 November 2020
- Baader Helvea, Swiss Equities Conference, Bad Ragaz 15 January 2021
- Publication and presentation of HY results 2020/21 03 March 2021
If you want to find out more, visit us on one of our websites or channels

**Annual Report 2019/20**
Read more about the financial results 2019/20 of dormakaba Group on report.dormakaba.com/2019_20.

**Sustainability Report 2019/20**
Visit report.dormakaba.com/2019_20/sustainability to find out what we have achieved in sustainability during financial year 2019/20.

**dormakaba Newsroom**
Find the latest news about dormakaba in our newsroom on newsroom.dormakaba.com.

**dormakaba blog**
Latest insights and inspirations from the world of access in our blog on blog.dormakaba.com.
Appendix

Segment split – Key & Wall Solutions

Product portfolio

Currency exposure

Shareholder structure
## Appendix - Results FY 2019/20

### Segment split – Key & Wall Solutions

<table>
<thead>
<tr>
<th>Business Units</th>
<th>Key Systems</th>
<th></th>
<th></th>
<th>Movable Walls</th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>CHF million</td>
<td>FY 2019/20 %</td>
<td>FY 2018/19[1] %</td>
<td>Change on previous year in %</td>
<td>FY 2019/20 %</td>
<td>FY 2018/19[1] %</td>
</tr>
<tr>
<td>Net sales third parties</td>
<td>180.4</td>
<td>229.7</td>
<td>-21.5%</td>
<td>159.8</td>
<td>158.3</td>
<td>0.9%</td>
</tr>
<tr>
<td>Intercompany sales</td>
<td>3.5</td>
<td>3.6</td>
<td></td>
<td>7.7</td>
<td>10.3</td>
<td></td>
</tr>
<tr>
<td>Total business unit sales</td>
<td>183.9</td>
<td>233.3</td>
<td>-21.2%</td>
<td>167.5</td>
<td>168.6</td>
<td>-0.7%</td>
</tr>
<tr>
<td>Change in business unit sales</td>
<td>-49.4</td>
<td>-21.2%</td>
<td>4.7</td>
<td>-1.1</td>
<td>-0.7</td>
<td>9.7</td>
</tr>
<tr>
<td>Of which translation exchange differences</td>
<td>-8.9</td>
<td>-3.8%</td>
<td>-1.1</td>
<td>-5.7</td>
<td>-3.4</td>
<td>-0.5</td>
</tr>
<tr>
<td>Of which acquisition (disposal) impact</td>
<td>0.0</td>
<td>8.2%</td>
<td>3.6</td>
<td>0.0</td>
<td>0.0</td>
<td>-0.7</td>
</tr>
<tr>
<td>Of which organic sales growth</td>
<td>-40.5</td>
<td>-17.4%</td>
<td>-2.4</td>
<td>4.6</td>
<td>2.7</td>
<td>10.9</td>
</tr>
<tr>
<td>Operating profit before depreciation and amortization (EBITDA)</td>
<td>22.9</td>
<td>12.5%</td>
<td>36.9</td>
<td>15.8%</td>
<td>27.6</td>
<td>16.5%</td>
</tr>
<tr>
<td>Average number of full-time equivalent employees</td>
<td>1,387</td>
<td>1,497%</td>
<td>801</td>
<td>799%</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

\[1\] In order to enable a fair comparison with current-year data, certain segment costs have been reclassified within “Key Systems” and “Movable Walls”.

Presentation on full-year results 2019/20
As every globally active group, dormakaba is exposed to currency risks.

The currency profile of dormakaba shows a broad balance between sales and cost per region (= natural hedge)
Product portfolio* – one stop shop – balanced mix between mechanical, electronic and cloud-based solutions

- Mechanical
  - Key Systems
  - Entrance Systems
- Electronic
  - Access & Data
  - Lodging Systems
  - Safe Locks
- Services
- Interior Glass Systems
- Mechanical Key Systems
- Door Hardware

* Figures are rounded on a 5% basis
Appendix – Shareholder structure

Shareholder structure (1) – supporting sustainable development

- **“Dorma” Family** has increased its shareholding during FY2019/20 from 9.2% to 10.7%.
- Members of the Pool Shareholder Group hold:
  - An **economic interest of 62.6%** in dormakaba;
  - 28.7% of the 52.5% in dormakaba Holding GmbH + Co. KGaA, which are directly held by the ultimate parent company dormakaba Holding AG;
  - And 47.5% in dormakaba Holding GmbH + Co. KGaA.

<table>
<thead>
<tr>
<th>Shareholder dormakaba Holding AG</th>
<th>30.06.2020</th>
<th>30.06.2019</th>
</tr>
</thead>
<tbody>
<tr>
<td>Pool Shareholders (4)</td>
<td>28.7%</td>
<td>27.2%</td>
</tr>
<tr>
<td>Free Float</td>
<td>71.3%</td>
<td>72.8%</td>
</tr>
</tbody>
</table>

---

(1) As of 30 June 2020
(2) Strategic, financial and operational decisions are made at level of listed holding entity
(3) Execution of M&A as well as financing take place at level of dormakaba Holding GmbH + Co. KGaA (intermediate holding entity) and below
(4) Based on a pool agreement dated 29.04.2015

Presentation on full-year results 2019/20

3 September 2020
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 / impacts of the Covid-19 pandemic / competition from other companies / the effects and risks of new technologies / the company’s continuing capital requirements / financing costs / delays in the integration of mergers 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.

For definition of alternative performance measures, please refer to the chapter 5.1 of the notes to the consolidated financial statements of the Annual Report 2019/20 of dormakaba.

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