
In the consolidated half-year financial statements for 2015/2016, the former Dorma Group's entities are consolidated from 1 September 2015 (for four months) in line with Swiss GAAP FER. In order to show dorma+kaba Group's distinguished market position through the key financial figures, and to make the figures more significant and easier to interpret, additional pro forma figures are given for key financial data as though Dorma Group was already consolidated from 1 July 2015. In addition to the formally reported figures, therefore, there are separate pro forma figures at Group level for the period under review, the comparable period of the previous year and for the full 2014/2015 financial year available. The pro forma figures for the previous year were prepared using the exchange rates used for the 2015/2016 half-year results. The pro forma data in the segment reporting for the previous year are only available for full year 2014/15. Commentary in the texts about the income statement refer to these pro forma figures (with the figures reported under Swiss GAAP FER shown in brackets).

The pro forma figures are shown in this press release and in the presentation on the half-year results.

Rümlang | Switzerland | 7 March 2016 – Half-year results to 31 December 2015

dorma+kaba Group off to a successful start as a combined company in first half of 2015/2016 financial year

- Consolidated sales up 2.6% on a pro forma basis to CHF 1,135.5 million
- EBITDA margin up from 13.7% a year previously to 14.6% on a pro forma basis
- Strong balance sheet, solid equity ratio and net liquidity
- First successes achieved in new organization as a combined company

On 1 September 2015 the new dorma+kaba Group was created through the merger of two strong companies. The Group achieved its first successes in its new organization as a combined company during the first months of the 2015/2016 financial year, finishing the period under review with good results. On a pro forma basis and at constant exchange rates consolidated sales increased during the period by 2.6% to reach CHF 1,135.5 million (CHF 947.6 million reported). Organic sales growth was 1.8% while acquisition effects contributed 0.8% to sales growth.

Profitability and net profit

During the period under review, dorma+kaba achieved a higher operating profit than a year previously. On a comparable pro forma basis, EBITDA came to CHF 165.4 million (CHF 144.6 million reported: 4 months of former Dorma, 6 months of former Kaba) and the EBITDA margin rose from 13.7% in the same period of the previous year to 14.6% (15.3% reported). The improved profitability is due mainly to initial cost savings resulting directly from the merger, and to a very healthy performance in North America.

The extraordinary result on a pro forma basis of CHF -34.8 million (CHF -34.7 million reported) covers exclusively integration costs relating to the merger of the dorma+kaba Group.

dorma+kaba finished the first half of 2015/2016, its first half year as a merged company, with a pro forma profit of CHF 67.1 million (CHF 57.4 million reported).

Strong balance sheet

The combined dorma+kaba Group reported total assets of CHF 1,518.4 million as at the reporting date of 31.12.2015 and net liquidity of CHF 31.3 million. With total equity of CHF 621.6 million and an equity ratio of 41.2%, the Group has a very solid balance sheet structure.

New organizational structure provides optimum coverage of customer needs

The businesses in which dorma+kaba is globally active have been structured into six segments. Access Solutions (AS) is divided into four regional segments: AS AMER (North and South America), AS APAC (Asia-Pacific), AS DACH (Germany, Austria and Switzerland) and AS EMEA (Europe, Middle East and Africa). Additionally, there are the globally focussed segments Key Systems and Movable Walls.

The new organizational structure of Access Solutions has a matrix structure. Its global product portfolio has been divided into eight product clusters, each of which is the responsibility of one of the four AS segments as follows: Services, Lodging Systems and Safe Locks (AMER), Door Hardware, Interior Glass Systems and Entrance Systems (DACH), and Master Key Systems and Electronic Access & Data (EMEA). These global product clusters are complemented by local products in all the AS segments.

Segment performance

Access Solutions AMER (North and South America)

The AS AMER segment began the 2015/2016 financial year very well and achieved pleasing operating results. On a pro forma basis, AS AMER reported consolidated sales of CHF 255.6 million (CHF 218.2 million reported) and an EBITDA margin of 20.3% (22.8% reported).

Access Solutions APAC (Asia-Pacific)

As expected, the market environment remained challenging for the AS APAC segment, especially in Asia. Nevertheless, on a pro forma basis, AS APAC reported consolidated sales for the period under review of CHF 186.4 million (CHF 148.0 million reported) and an EBITDA margin of 9.5% (8.4% reported).

AS DACH (Germany, Austria and Switzerland)

Given the mixed economic performance in the DACH region, results posted by the newly created AS DACH segment were within the expected range. On a pro forma basis AS DACH posted consolidated sales of CHF 386.1 million (CHF 310.0 million reported), while its EBITDA margin came to 18.9% (18.3% reported).

AS EMEA (Europe, Middle East and Africa)

Despite the variation in economic conditions between the different regions, operating results at the AS EMEA segment were within expectations in terms of both sales and profitability. On a pro forma basis AS EMEA generated consolidated sales of CHF 357.8 million (CHF 298.8 million reported) and achieved an EBITDA margin of 7.9% (9.3% reported).

Key Systems

The segment performed as expected during the period under review and achieved good results. Key Systems recorded consolidated sales of CHF 99.3 million and achieved an EBITDA margin of 16.1%.

Movable Walls

Within the newly created Movable Walls Segment, global activities in the space-dividing systems sector are being reported as a single unit under joint management for the first time. Movable Walls finished its first half-year as an

autonomous segment with consolidated pro forma sales of CHF 56.9 million (CHF 38.5 million reported) and an EBITDA margin of 11.5% (12.0% reported).

Exploiting potential for synergies within the Group

The dorma+kaba Group follows a clear strategic agenda focused on profitable growth. In order to exploit the synergy potential created within the Group by the merger to the full we will, as planned, be implementing targeted concentration and efficiency raising measures as the merger process continues. The aim is to strengthen the Group's market position in all segments so that we can utilize the additional growth opportunities in all regions as effectively as possible and thus increase the Group's profitability for the long term. Implementation of the first projects has already begun.

Expectations for the current year

The global macroeconomic and geopolitical environment is expected to remain challenging and volatile. dorma+kaba expects the economic climate to be good in North America and largely moderate in Western Europe. Meanwhile the situation in Asia-Pacific, Eastern Europe and Latin America will remain very demanding. For the full year 2015/2016, and on a comparable pro forma basis at constant exchange rates, dorma+kaba expects an organic growth rate and an EBITDA margin at the level of the current half-year results plus or minus 0.5 percentage points.

The full 2015/2016 half-year report for dorma+kaba Holding AG and the analyst presentation can be found at <http://www.dormakaba.com/publications>

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Key figures of dorma+kaba Group

Consolidated income statement

in CHF million	HY1 2015/2016 ¹ (reported)	HY1 2015/2016 ² (pro forma)	FY 2014/2015 ³ (pro forma)	HY1 2014/2015 ⁴ (pro forma)
Net sales	947.6	1135.5	2249.6	1106.6
Operating profit before depreciation and amortization (EBITDA)	144.6	165.4	303.3	151.1
in % of net sales	15.3	14.6	13.5	13.7
Operating profit (EBIT)	121.2	137.8	251.9	126.6
in % of net sales	12.8	12.2	11.3	11.4
Ordinary result	113.4	126.8	239.9	120.3
Net profit	57.4	67.1	186.7	94.8
in % of net sales	6.1	5.9	8.4	8.6
Earnings per share in CHF	7.3			

¹ Former Dorma Group consolidated as of 1st September 2015 (4 months) and former Kaba Group (6 months)

² Former Dorma Group and former Kaba Group both 6 months

³ Former Dorma Group and former Kaba Group both 12 months at current December 2015 exchange rates

⁴ Former Dorma Group and former Kaba Group both 6 months at current December 2015 exchange rates

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Consolidated balance sheet

in CHF million	HY1 ended 31.12.2015	FY ended 30.6.2015 ¹	HY1 ended 31.12.2014 ¹
Total assets	1518.4	734.3	682.6
Cash and cash equivalents	178.5	142.5	55.2
Net liquidity	31.3	121.2	-93.0
Total equity	621.6	442.1	248.7
in % of total assets	41.2	60.2	36.4

¹ Former Kaba Group

Key figures segments

	AS AMER		AS APAC		AS DACH		AS EMEA	
in CHF million	HY1 2015/2016 ¹ (reported)	HY1 2015/2016 ² (pro forma)						
Segment sales	218.2	255.6	148.0	186.4	310.0	386.1	298.8	357.8
EBITDA	49.7	51.8	12.5	17.8	56.7	73.0	27.8	28.4
in % of segm. sales	22.8	20.3	8.4	9.5	18.3	18.9	9.3	7.9
EBIT	47.2	48.7	10.1	14.8	52.4	66.9	20.5	20.5
in % of segm. sales	21.6	19.0	6.8	7.9	16.9	17.3	6.9	5.7

	Access Solutions TOTAL ⁵		Key Systems		Movable Walls		Group	
in CHF million	HY1 2015/2016 ¹ (reported)	HY1 2015/2016 ² (pro forma)	HY1 2015/2016 ³ (reported)	HY1 2015/2016 ³ (pro forma)	HY1 2015/2016 ⁴ (reported)	HY1 2015/2016 ⁴ (pro forma)	HY1 2015/2016 ¹ (reported)	HY1 2015/2016 ² (pro forma)
Segment sales	811.5	983.1	99.3	99.3	38.5	56.9	947.6	1135.5
EBITDA	146.6	171.0	15.9	15.9	4.6	6.5	144.6	165.4
in % of segm. sales	18.1	17.4	16.1	16.1	12.0	11.5	15.3	14.6
EBIT	130.2	150.9	13.3	13.3	4.2	5.9	121.2	137.8
in % of segm. sales	16.0	15.4	13.4	13.4	11.0	10.4	12.8	12.2

¹ Former Dorma Group consolidated as of 1st September 2015 (4 months) and former Kaba Group (6 months)² Former Dorma Group and former Kaba Group both 6 months³ Former Kaba Group 6 months - former Dorma Group is not active in the Key Systems segment⁴ Former Dorma Group consolidated as of 1st September 2015 (4 months) and pro forma 6 months - former Kaba Group is not active in the Movable Walls segment⁵ Intercompany sales between Access Solutions segments eliminated – includes intercompany sales with other non-Access Solutions segments**dorma+kaba – a new industry leader is born**

The merger of the businesses of Kaba Group, headquartered in Rümlang (Switzerland) and Dorma Group, based in Ennepetal (Germany), was completed on 1 September 2015. Together, dorma+kaba are one of the top 3 global companies in the market for security and access solutions, with pro forma sales of over CHF 2 billion, and around 16,000 employees.

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

Further information at www.dormakaba.com

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- 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

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