

> 2022 Financials

Full-year revenue

\$3.27
Billion

+14.1%

Adjusted earnings
per share

Full-year 2022
\$5.69

+9.6%*

Adjusted
operating
margin

Full-year 2022
19.5%

“
Our focus on
operational
excellence and
investing for
growth –
paired with
healthy
demand in
electronics and
non-residential
markets –
gives Allegion
strong
momentum as
we enter 2023.

Available
cash
flow

Full-year 2022
\$395.5
Million

”
—John H. Stone,
Allegion President
and CEO

*Compared to 2021.

Adjusted operating margin, adjusted earnings per share and available cash flow are considered non-GAAP measures. The Company presents operating income, operating margin, net earnings and diluted earnings per share (EPS) on both a U.S. GAAP basis and adjusted (non-GAAP) basis, and adjusted EBITDA and adjusted EBITDA margin (both non-GAAP measures). The Company presents these non-GAAP measures because management believes they provide useful perspective of the Company's underlying business results, trends and a more comparable measure of period-over-period results. These measures are also used to evaluate senior management and are a related factor in determining at-risk compensation. Investors should not consider non-GAAP measures as alternatives to the related GAAP measures.

The Company defines non-GAAP measures as follows:

Adjustments to operating income, operating margin, 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.

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.