

Allegion (NYSE: ALLE) Reports Q3-2026 Financial Results

*High-Single Digit Revenue Growth, Strength in Americas Non-Residential;
Raising Full-Year 2026 Outlook*

Quarterly Financial Highlights

(All comparisons are year-over-year, unless otherwise noted)

- Net earnings per share (EPS) of \$2.59, up 18.8% compared with \$2.18; Adjusted EPS of \$2.60, up 13.0% compared with \$2.30
- Revenues of \$1,172.6 million, up 9.6% on a reported basis and up 7.2% on an organic basis
- Operating margin of 24.3%, compared with 21.8%; Adjusted operating margin of 24.7%, compared with 24.1%

DUBLIN (Oct. 22, 2026) – Allegion plc (NYSE: ALLE), a leading global security products and solutions provider, today reported financial results for its third quarter (ended Sept. 30, 2026).

“I am pleased with our Q3 performance as we delivered high-single digit organic revenue growth and low teens adjusted EPS growth led by our Americas non-residential business,” Allegion President and CEO John H. Stone said.

“With steady momentum in our demand generation engine and a proven, resilient business model, we are raising our full-year 2026 revenue and adjusted EPS outlook.”

Q3 2026 Company Results

(All comparisons are year-over-year, unless otherwise noted)

Allegion reported third-quarter 2026 net revenues of \$1,172.6 million and net earnings of \$220.9 million, or \$2.59 per share. Adjusted net earnings were \$221.0 million, or \$2.60 per share, up 13.0%. (Details of the adjustments are included in the footnotes of the tables in this press release.)

Third-quarter 2026 net revenues increased 9.6%. On an organic basis, which excludes impacts of acquisitions, divestitures and foreign currency movements, net revenues increased 7.2%, led by the Americas region. The organic revenue increase was driven by volume growth and price realization. Reported revenue reflects a 2.6% net positive impact from acquisitions and divestitures, as well as a 0.2% headwind from foreign currency.

Third-quarter 2026 operating income was \$284.6 million, an increase of \$50.8 million or 21.7%. Adjusted operating income in third-quarter 2026 was \$289.7 million, an increase of \$32.3 million or 12.5%.

Third-quarter 2026 operating margin was 24.3%, compared with 21.8%. The adjusted operating margin in third-quarter 2026 was 24.7%, compared with 24.1%. The adjusted operating margin increase is attributable to favorable volume leverage as well as price and productivity net of inflation and investment (PPII), inclusive of transactional foreign currency, which was positive on a dollar basis and a tailwind to margin rate.

Q3 2026 Segment Results

(All comparisons are year-over-year, unless otherwise noted)

The Americas segment revenues were up 11.7% (up 9.1% on an organic basis). The non-residential business was up low-double digits organically, driven by volume growth and price realization. The residential business was up mid-single digits organically, driven by price realization. The reported revenue reflects a 2.6% positive impact from acquisitions. Adjusted operating margin in the region increased 20 basis points to 30.1%. The adjusted operating margin increase is attributable to favorable volume leverage as well as PPII, inclusive of transactional foreign currency headwinds, which was positive on a dollar basis and a 20-basis point tailwind to margin rate. Acquisitions were a 40-basis point headwind to margin rate.

The International segment revenues were up 1.8% (down 0.2% on an organic basis). The slight organic revenue decrease was driven by volume declines, which more than offset favorable pricing. Reported revenue reflects a 2.5% net positive impact from acquisitions and divestitures and a 0.5% headwind from foreign currency. Adjusted operating margin in the region decreased 40 basis points to 13.9%, driven by volume declines and unfavorable mix offset partially by a PPII tailwind and favorable impacts from acquisitions.

IEEPA Tariff Refunds

Third-quarter 2026 reported results include the impact of IEEPA tariff refunds (tariff refunds), which benefited operating income by \$19.9 million and interest income by \$0.9 million. These benefits are excluded from adjusted operating income and adjusted EPS and reflect the impact from refunds received and expected to be received from the U.S. government.

Additional Items

(All comparisons are year-over-year, unless otherwise noted)

Interest expense for third-quarter 2026 was \$24.2 million, a decrease of \$2.4 million.

Other income, net for third-quarter 2026 was \$7.4 million, compared to other income, net of \$1.7 million. Other income, net for third-quarter 2026 includes a \$4.1 million gain on non-operating investments and \$0.9 million of interest income related to tariff refunds.

The company's effective tax rate for third-quarter 2026 was 17.5%, compared with 9.8%. The company's adjusted effective tax rate for third-quarter 2026 was 17.5%, compared with 14.9%.

Cash Flow and Liquidity

Year-to-date available cash flow for 2026 was \$539.4 million, an increase of \$54.2 million versus the prior-year period. The company ended third-quarter 2026 with cash and cash equivalents of \$388.1 million and total debt of \$2,032.0 million.

Share Repurchase and Dividends

In the third quarter of 2026, the company repurchased approximately 0.8 million shares for approximately \$120 million and paid quarterly dividends of \$0.55 per ordinary share or approximately \$46 million.

2026 Full-Year Outlook

(All comparisons are year-over-year, unless otherwise noted)

The company is raising its full-year 2026 reported revenue growth outlook to a range of 9.5% to 10.5% and is raising its organic growth outlook to a range of 5.0% to 6.0%, after excluding the expected impacts of acquisitions, divestitures and foreign currency movements.

The company is raising the outlook for full-year 2026 adjusted EPS to be in the range of \$9.05 to \$9.10. The company is updating the outlook for full-year 2026 reported EPS and expects it to be in the range of

\$8.35 to \$8.40. Adjustments to 2026 EPS include estimated impacts of approximately \$0.60 per share for acquisition-related amortization, \$0.28 per share for restructuring, M&A and other adjustments as well as \$0.18 per share benefit for tariff refunds.

The outlook continues to assume a full-year adjusted effective tax rate of approximately 18% to 19%.

The outlook assumes an average diluted share count for the full year of approximately 85.6 million shares.

The company continues to expect full-year available cash flow to be 85% to 95% of adjusted net income.

Conference Call Information

On Thursday, Oct. 22, 2026, President and CEO John H. Stone and Senior Vice President and Chief Financial Officer Mike Wagnes will conduct a conference call for analysts and investors, beginning at 8 a.m. ET, to review the company's results.

A real-time, listen-only webcast of the conference call will be broadcast live online. Individuals wishing to listen may access the call through <https://investor.allegion.com>.

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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.

Non-GAAP Measures

This news release and accompanying earnings release materials include 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 company presents operating income, operating margin, earnings before income taxes, effective tax rate, net earnings and diluted earnings per ordinary 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) 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 these non-GAAP measures 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. Further information about the adjusted non-GAAP financial tables is attached to this news release. The Quarterly Financial Highlights, Full-Year Financial Highlights and 2026 Full-Year Outlook Highlights contain non-GAAP financial measures that exclude or otherwise have been adjusted for non-GAAP adjustment items from our U.S. GAAP financial statements. When we provide forward-looking outlooks for any of the various non-GAAP metrics described above, we do not provide reconciliations of the U.S. GAAP measures as we are unable to predict with a reasonable degree of certainty the actual impact of the non-GAAP adjustment items. By their very nature, non-GAAP adjustment items are difficult to anticipate with precision because they are generally associated with unexpected and

unplanned events that impact our company and its financial results. Therefore, we are unable to provide a reconciliation of these measures without unreasonable efforts.

Forward-Looking Statements

This press release 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, including, but not limited to, statements under the heading “2026 Full-Year Outlook” and statements regarding the company’s 2026 and future financial performance, the company’s business plans and strategy, the company’s growth strategy, the company’s capital allocation strategy, the company’s ability to successfully complete and integrate acquisitions and achieve anticipated strategic and financial benefits and the performance of the markets in which the company operates. 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. Forward-looking statements may relate to such matters as projections of revenue, margins, expenses, tax rate and provisions, earnings, cash flows, benefit obligations, dividends, share purchases or other financial items; any statements of the plans, strategies and objectives of management for future operations, including those relating to any statements concerning expected development, performance or market share relating to our products and services; any statements regarding future economic conditions or our performance; any statements regarding pending investigations, claims or disputes; any statements of expectation or belief; and any statements of assumptions underlying any of the foregoing. 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 press release are made only as of the date hereof and 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.

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Source: Allegion plc

ALLEGION PLC
Condensed and Consolidated Income Statements
(In millions, except per share data)

UNAUDITED

	Three months ended September 30,		Nine months ended September 30,	
	2026	2025	2026	2025
Net revenues	\$ 1,172.6	\$ 1,070.2	\$ 3,357.7	\$ 3,034.1
Cost of goods sold	624.4	580.4	1,837.5	1,655.3
Gross profit	548.2	489.8	1,520.2	1,378.8
Selling and administrative expenses	263.6	256.0	785.6	728.9
Operating income	284.6	233.8	734.6	649.9
Interest expense	24.2	26.6	73.2	75.9
Other income, net	(7.4)	(1.7)	(5.8)	(10.5)
Earnings before income taxes	267.8	208.9	667.2	584.5
Provision for income taxes	46.9	20.5	123.6	88.2
Net earnings	\$ 220.9	\$ 188.4	\$ 543.6	\$ 496.3
Basic earnings per ordinary share	\$ 2.60	\$ 2.19	\$ 6.36	\$ 5.76
Diluted earnings per ordinary share	\$ 2.59	\$ 2.18	\$ 6.33	\$ 5.73
Shares outstanding - basic	84.8	85.9	85.5	86.1
Shares outstanding - diluted	85.2	86.5	85.9	86.6

ALLEGION PLC
Condensed and Consolidated Balance Sheets
(In millions)

UNAUDITED

	<u>September 30, 2026</u>	<u>December 31, 2025</u>
ASSETS		
Cash and cash equivalents	\$ 388.1	\$ 356.2
Accounts and notes receivables, net	551.6	437.7
Inventories	539.4	519.0
Other current assets	83.9	78.9
Total current assets	1,563.0	1,391.8
Property, plant and equipment, net	457.2	444.6
Goodwill	1,926.1	1,912.4
Intangible assets, net	798.5	826.0
Other noncurrent assets	722.1	648.9
Total assets	<u>\$ 5,466.9</u>	<u>\$ 5,223.7</u>
LIABILITIES AND EQUITY		
Accounts payable	\$ 283.2	\$ 244.8
Accrued expenses and other current liabilities	539.5	510.4
Short-term borrowings and current maturities of long-term debt	0.3	0.2
Total current liabilities	823.0	755.4
Long-term debt	2,031.7	1,979.9
Other noncurrent liabilities	439.8	420.8
Equity	2,172.4	2,067.6
Total liabilities and equity	<u>\$ 5,466.9</u>	<u>\$ 5,223.7</u>

ALLEGION PLC
Condensed and Consolidated Statements of Cash Flows
(In millions)

UNAUDITED

	Nine months ended September 30,	
	2026	2025
Operating Activities		
Net earnings	\$ 543.6	\$ 496.3
Depreciation and amortization	107.4	98.6
Changes in assets and liabilities and other non-cash items	(47.0)	(51.2)
Net cash provided by operating activities	604.0	543.7
Investing Activities		
Capital expenditures	(64.6)	(58.5)
Acquisition of businesses, net of cash acquired	(74.7)	(594.0)
Other investing activities, net	(38.9)	3.2
Net cash used in investing activities	(178.2)	(649.3)
Financing Activities		
Net debt proceeds	50.4	83.3
Dividends paid to ordinary shareholders	(140.2)	(131.4)
Repurchase of ordinary shares	(280.3)	(80.0)
Other financing activities, net	(17.9)	12.9
Net cash used in financing activities	(388.0)	(115.2)
Effect of exchange rate changes on cash and cash equivalents	(5.9)	19.7
Net increase (decrease) in cash and cash equivalents	31.9	(201.1)
Cash and cash equivalents - beginning of period	356.2	503.8
Cash and cash equivalents - end of period	<u>\$ 388.1</u>	<u>\$ 302.7</u>

SUPPLEMENTAL SCHEDULES**ALLEGION PLC****SCHEDULE 1****SELECTED OPERATING SEGMENT INFORMATION****(In millions)**

	Three months ended September 30,		Nine months ended September 30,	
	2026	2025	2026	2025
Net revenues				
Allegion Americas	\$ 942.4	\$ 844.0	\$ 2,670.9	\$ 2,423.3
Allegion International	230.2	226.2	686.8	610.8
Total net revenues	<u>\$ 1,172.6</u>	<u>\$ 1,070.2</u>	<u>\$ 3,357.7</u>	<u>\$ 3,034.1</u>
Operating income (loss)				
Allegion Americas	\$ 294.6	\$ 242.4	\$ 776.5	\$ 690.4
Allegion International	17.2	19.7	40.3	47.1
Corporate unallocated	(27.2)	(28.3)	(82.2)	(87.6)
Total operating income	<u>\$ 284.6</u>	<u>\$ 233.8</u>	<u>\$ 734.6</u>	<u>\$ 649.9</u>

The Company presents operating income, operating margin, earnings before income taxes, effective income tax rate, net earnings and diluted earnings per ordinary 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), and available cash flow ("ACF", a non-GAAP measure). The Company presents these non-GAAP measures because management believes they provide 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 of acquired intangible assets, debt financing costs, gains or losses related to the divestiture of businesses or equity method investments, non-operating investment gains or losses, non-cash pension settlement charges, and tariff refunds;
- Organic revenue growth is defined as U.S. GAAP revenue growth excluding the impact of acquisitions, divestitures and currency effects; and
- ACF 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.

RECONCILIATION OF GAAP TO NON-GAAP NET EARNINGS

(In millions, except per share data)

	Three months ended September 30, 2026			Three months ended September 30, 2025		
	Reported	Adjustments	Adjusted (non-GAAP)	Reported	Adjustments	Adjusted (non-GAAP)
Net revenues	\$1,172.6	\$ —	\$ 1,172.6	\$1,070.2	\$ —	\$ 1,070.2
Operating income	284.6	5.1 ⁽¹⁾	289.7	233.8	23.6 ⁽¹⁾	257.4
Operating margin	24.3 %		24.7 %	21.8 %		24.1 %
Earnings before income taxes	267.8	0.1 ⁽²⁾	267.9	208.9	24.6 ⁽²⁾	233.5
Provision for income taxes	46.9	—	46.9	20.5	14.3 ⁽³⁾	34.8
Effective income tax rate	17.5 %		17.5 %	9.8 %		14.9 %
Net earnings	<u>\$ 220.9</u>	<u>\$ 0.1</u>	<u>\$ 221.0</u>	<u>\$ 188.4</u>	<u>\$ 10.3</u>	<u>\$ 198.7</u>
Diluted earnings per ordinary share:	<u>\$ 2.59</u>	<u>\$ 0.01</u>	<u>\$ 2.60</u>	<u>\$ 2.18</u>	<u>\$ 0.12</u>	<u>\$ 2.30</u>

- (1) Adjustments to operating income for the three months ended September 30, 2026, consist of \$8.0 million of restructuring charges and acquisition and integration expenses and \$17.0 million of amortization expense related to acquired intangible assets, partially offset by \$19.9 million for tariff refunds. Adjustments to operating income for the three months ended September 30, 2025, consist of \$4.6 million of restructuring charges and acquisition and integration expenses and \$19.0 million of amortization expense related to acquired intangible assets.
- (2) Adjustments to earnings before income taxes for the three months ended September 30, 2026, consist of the adjustments to operating income discussed above, a \$4.1 million net gain on non-operating investments and \$0.9 million of interest income related to tariff refunds. Adjustments to earnings before income taxes for the three months ended September 30, 2025, consist of the adjustments to operating income discussed above as well as a \$1.1 million loss on divestiture.
- (3) Adjustments to the provision for income taxes for the three months ended September 30, 2025, consist of \$14.3 million of tax expense related to the excluded items discussed above.

	Nine months ended September 30, 2026			Nine months ended September 30, 2025		
	Reported	Adjustments	Adjusted (non-GAAP)	Reported	Adjustments	Adjusted (non-GAAP)
Net revenues	\$3,357.7	\$ —	\$ 3,357.7	\$3,034.1	\$ —	\$ 3,034.1
Operating income	734.6	52.8 ⁽¹⁾	787.4	649.9	62.8 ⁽¹⁾	712.7
<i>Operating margin</i>	21.9 %		23.5 %	21.4 %		23.5 %
Earnings before income taxes	667.2	52.4 ⁽²⁾	719.6	584.5	63.9 ⁽²⁾	648.4
Provision for income taxes	123.6	13.0 ⁽³⁾	136.6	88.2	23.6 ⁽³⁾	111.8
<i>Effective income tax rate</i>	18.5 %		19.0 %	15.1 %		17.2 %
Net earnings	543.6	39.4	583.0	496.3	40.3	536.6
Diluted earnings per ordinary share:	\$ 6.33	\$ 0.46	\$ 6.79	\$ 5.73	\$ 0.47	\$ 6.20

- (1) Adjustments to operating income for the nine months ended September 30, 2026, consist of \$21.4 million of restructuring charges and acquisition and integration expenses and \$51.3 million of amortization expense related to acquired intangible assets, partially offset by \$19.9 million for tariff refunds. Adjustments to operating income for the nine months ended September 30, 2025, consist of \$14.2 million of restructuring charges and acquisition and integration expenses and \$48.6 million of amortization expense related to acquired intangible assets.
- (2) Adjustments to earnings before income taxes for the nine months ended September 30, 2026, consist of the adjustments to operating income discussed above, a \$3.7 million non-cash pension settlement charge, a \$0.1 million adjustment to a previously recorded loss on divestiture, a \$3.3 million net gain on non-operating investments and \$0.9 million of interest income related to tariff refunds. Adjustments to operating income for the nine months ended September 30, 2025, consist of the adjustments to operating income discussed above as well as a \$1.1 million loss on divestiture.
- (3) Adjustments to the provision for income taxes for the nine months ended September 30, 2026, consist of \$13.0 million of tax expense related to the excluded items discussed above. Adjustments to the provision for income taxes for the nine months ended September 30, 2025, consist of \$15.1 million of tax expense related to the excluded items discussed above, as well as an \$8.5 million tax benefit related to a legislative change.

RECONCILIATION OF GAAP TO NON-GAAP REVENUE AND OPERATING INCOME BY REGION
(In millions)

	Three months ended September 30, 2026		Three months ended September 30, 2025	
	As Reported	Margin	As Reported	Margin
Allegion Americas				
Net revenues (GAAP)	\$ 942.4		\$ 844.0	
Operating income (GAAP)	\$ 294.6	31.3 %	\$ 242.4	28.7 %
Restructuring charges	0.3	— %	—	— %
Acquisition and integration costs	0.4	— %	0.3	— %
Amortization of acquired intangible assets	8.4	0.9 %	9.3	1.2 %
Tariff refunds	(19.9)	(2.1) %	—	— %
Adjusted operating income	283.8	30.1 %	252.0	29.9 %
Depreciation and amortization of nonacquired intangible assets	12.4	1.3 %	11.1	1.3 %
Adjusted EBITDA	<u>\$ 296.2</u>	<u>31.4 %</u>	<u>\$ 263.1</u>	<u>31.2 %</u>
Allegion International				
Net revenues (GAAP)	\$ 230.2		\$ 226.2	
Operating income (GAAP)	\$ 17.2	7.5 %	\$ 19.7	8.7 %
Restructuring charges	5.3	2.3 %	0.9	0.4 %
Acquisition and integration costs	0.8	0.3 %	2.0	0.9 %
Amortization of acquired intangible assets	8.6	3.8 %	9.7	4.3 %
Adjusted operating income	31.9	13.9 %	32.3	14.3 %
Depreciation and amortization of nonacquired intangible assets	5.7	2.5 %	5.3	2.3 %
Adjusted EBITDA	<u>\$ 37.6</u>	<u>16.4 %</u>	<u>\$ 37.6</u>	<u>16.6 %</u>
Corporate				
Operating loss (GAAP)	\$ (27.2)		\$ (28.3)	
Acquisition and integration costs	1.2		1.4	
Adjusted operating loss	(26.0)		(26.9)	
Depreciation and amortization of nonacquired intangible assets	0.2		0.3	
Adjusted EBITDA	<u>\$ (25.8)</u>		<u>\$ (26.6)</u>	
Total				
Net revenues	\$ 1,172.6		\$ 1,070.2	
Adjusted operating income	\$ 289.7	24.7 %	\$ 257.4	24.1 %
Depreciation and amortization of nonacquired intangible assets	18.3	1.6 %	16.7	1.6 %
Adjusted EBITDA	<u>\$ 308.0</u>	<u>26.3 %</u>	<u>\$ 274.1</u>	<u>25.7 %</u>

	Nine months ended September 30, 2026		Nine months ended September 30, 2025	
	As Reported	Margin	As Reported	Margin
Allegion Americas				
Net revenues (GAAP)	\$ 2,670.9		\$ 2,423.3	
Operating income (GAAP)	\$ 776.5	29.1 %	\$ 690.4	28.5 %
Restructuring charges	4.5	0.2 %	0.1	— %
Acquisition and integration costs	1.3	— %	1.4	0.1 %
Amortization of acquired intangible assets	25.1	0.9 %	26.6	1.0 %
Tariff refunds	(19.9)	(0.7) %	—	— %
Adjusted operating income	787.5	29.5 %	718.5	29.6 %
Depreciation and amortization of nonacquired intangible assets	36.5	1.4 %	32.6	1.4 %
Adjusted EBITDA	<u>\$ 824.0</u>	<u>30.9 %</u>	<u>\$ 751.1</u>	<u>31.0 %</u>
Allegion International				
Net revenues (GAAP)	\$ 686.8		\$ 610.8	
Operating income (GAAP)	\$ 40.3	5.8 %	\$ 47.1	7.7 %
Restructuring charges	10.9	1.6 %	1.9	0.3 %
Acquisition and integration costs	1.2	0.2 %	6.3	1.1 %
Amortization of acquired intangible assets	26.2	3.8 %	22.0	3.6 %
Adjusted operating income	78.6	11.4 %	77.3	12.7 %
Depreciation and amortization of nonacquired intangible assets	16.9	2.5 %	14.2	2.3 %
Adjusted EBITDA	<u>\$ 95.5</u>	<u>13.9 %</u>	<u>\$ 91.5</u>	<u>15.0 %</u>
Corporate				
Operating loss (GAAP)	\$ (82.2)		\$ (87.6)	
Acquisition and integration costs	3.5		4.5	
Adjusted operating loss	(78.7)		(83.1)	
Depreciation and amortization of nonacquired intangible assets	0.6		0.7	
Adjusted EBITDA	<u>\$ (78.1)</u>		<u>\$ (82.4)</u>	
Total				
Net revenues	\$ 3,357.7		\$ 3,034.1	
Adjusted operating income	\$ 787.4	23.5 %	\$ 712.7	23.5 %
Depreciation and amortization of nonacquired intangible assets	54.0	1.6 %	47.5	1.6 %
Adjusted EBITDA	<u>\$ 841.4</u>	<u>25.1 %</u>	<u>\$ 760.2</u>	<u>25.1 %</u>

RECONCILIATION OF CASH PROVIDED BY OPERATING ACTIVITIES TO AVAILABLE CASH FLOW AND NET EARNINGS TO ADJUSTED EBITDA

(In millions)

	Nine months ended September 30,			
	2026		2025	
Net cash provided by operating activities	\$	604.0	\$	543.7
Capital expenditures		(64.6)		(58.5)
Available cash flow	\$	539.4	\$	485.2

	Three months ended September 30,		Nine months ended September 30,	
	2026	2025	2026	2025
Net earnings (GAAP)	\$ 220.9	\$ 188.4	\$ 543.6	\$ 496.3
Provision for income taxes	46.9	20.5	123.6	88.2
Interest expense	24.2	26.6	73.2	75.9
Amortization of acquired intangible assets	17.0	19.0	51.3	48.6
Depreciation and amortization of nonacquired intangible assets	18.3	16.7	54.0	47.5
EBITDA	327.3	271.2	845.7	756.5
Tariff refunds	(19.9)	—	(19.9)	—
Other income, net	(7.4)	(1.7)	(5.8)	(10.5)
Acquisition and integration costs and restructuring charges	8.0	4.6	21.4	14.2
Adjusted EBITDA	\$ 308.0	\$ 274.1	\$ 841.4	\$ 760.2

RECONCILIATION OF GAAP REVENUE GROWTH TO NON-GAAP ORGANIC REVENUE GROWTH BY REGION

	Three months ended September 30,		Nine months ended September 30,	
	2026	2025	2026	2025
Allegion Americas				
Revenue growth (GAAP)	11.7 %	7.9 %	10.2 %	7.1 %
Acquisitions	(2.6)%	(1.5)%	(2.6)%	(2.0)%
Currency translation effects	— %	— %	— %	0.2 %
Organic growth (non-GAAP)	9.1 %	6.4 %	7.6 %	5.3 %
Allegion International				
Revenue growth (GAAP)	1.8 %	22.5 %	12.4 %	8.2 %
Acquisitions / divestitures	(2.5)%	(13.6)%	(10.5)%	(5.4)%
Currency translation effects	0.5 %	(5.3)%	(4.0)%	(2.1)%
Organic growth (non-GAAP)	(0.2)%	3.6 %	(2.1)%	0.7 %
Total				
Revenue growth (GAAP)	9.6 %	10.7 %	10.7 %	7.3 %
Acquisitions / divestitures	(2.6)%	(3.9)%	(4.2)%	(2.6)%
Currency translation effects	0.2 %	(0.9)%	(0.8)%	(0.3)%
Organic growth (non-GAAP)	7.2 %	5.9 %	5.7 %	4.4 %