

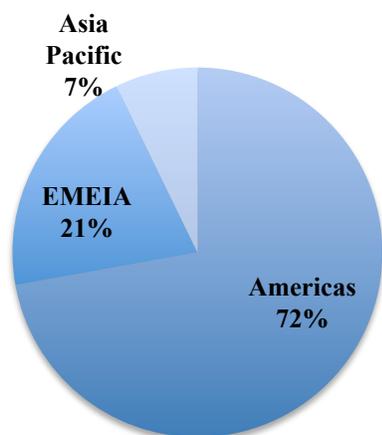


TFG Executive Board  
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### Financials and Market Data

Price	\$50.87
Market Cap	\$5.0B
Intraday P/E	274.48x
52-Week High	\$58.29
52-Week Low	\$40.24
Dividend Yield	0.63%
EV/EBITDA (adj.)	15.40x
Target Price (% upside)	\$58.37 (16%)

### Revenue by Segment



## Allegion PLC (NYSE: ALLE)

### Company Overview

Allegion plc is a global provider of security products and solutions that was spun off from Ingersoll-Rand in May 2013. Products include exit devices, mechanical & electronic locks, key systems, door closers, and more. The Company offers a portfolio of mechanical and electronic security products across a wide range of brands, all of which are independently operated subsidiaries of the Company. Allegion's end markets include commercial, institutional and residential facilities worldwide, including in the education, healthcare government, commercial office and housing markets. In April 2014 the Company acquired Fire & Safety Hardware.

### Investment Thesis

- Increased spending on security building.** Given the recent rising incidence of weaponized and biomedical security threats, builders and renovators are increasingly concerned with security outfitting. Most of Allegion's brands have Top 3 market share in their product areas. Additionally, both private and public sector construction are experiencing cyclical recoveries after extended periods of relative stagnation.
- Allegion's reputation and expansive suite of offerings help the Company capture and maintain market share.** Given the high cost of failure in the markets where the Company operates, reputation is important. Allegion has developed this by allowing its brands to operate independently in order to expedite acquisition integration as well as to operate flexibly through multiple brand names.
- Analysts' take:** As a market leader in global security products Allegion is well positioned to continue to expand its market share through an acquisitive strategy. The Company's recent spin-off from Ingersoll-Rand and resulting lack of historical independent financial performance and low coverage leave many investors unaware of or unsure of this investment opportunity, creating a good buying opportunity for the Alpha Fund.
- Risks:** Allegion is a recent spin-off and, as a result of a special dividend to Ingersoll-Rand shareholders, operating at a high leverage level. Additionally, Allegion's business is sensitive to the building market conditions (though the Company performed very well during the 2008 downturn) and to acquisition opportunities to increase market share.



Source: Google Finance, Allegion (ALLE)

