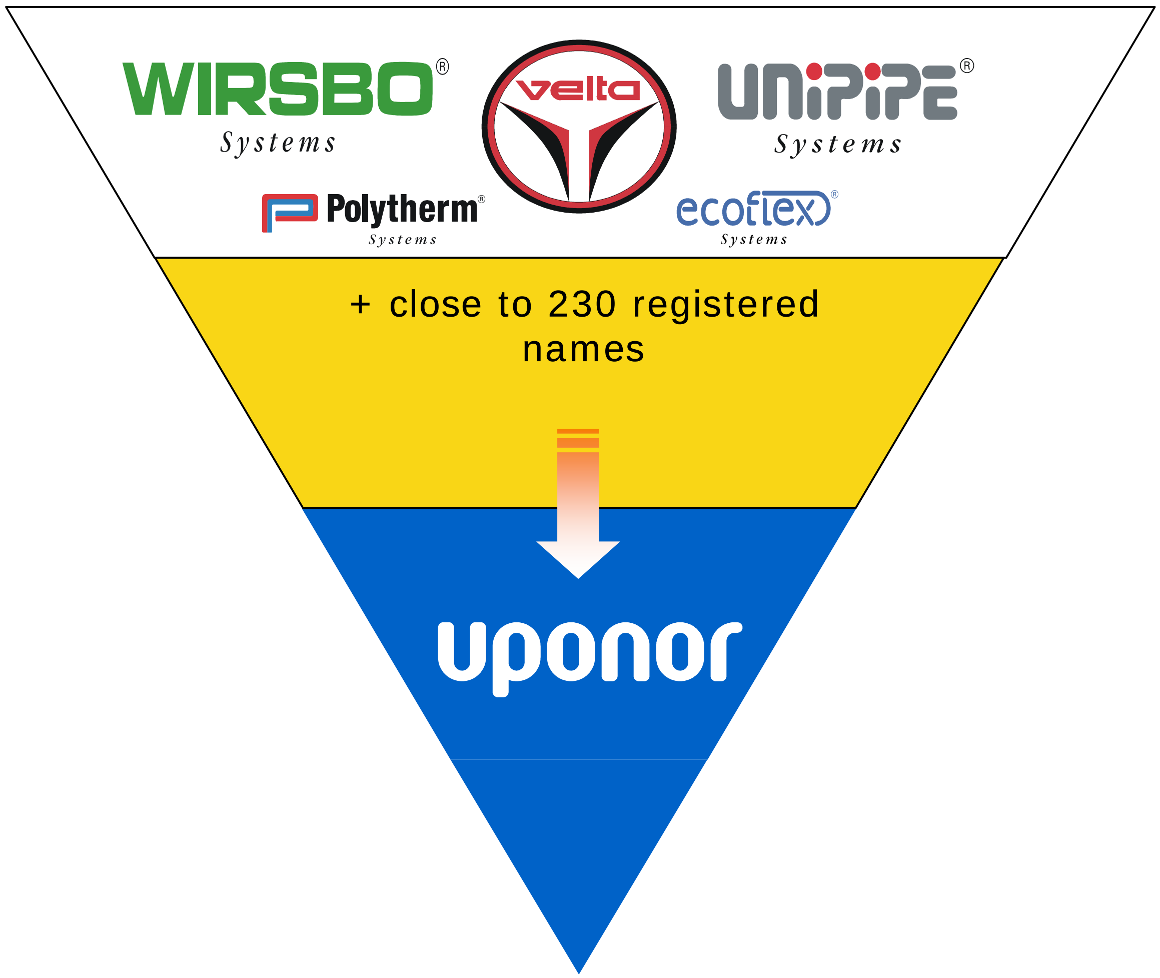
Review of operations in 2005

Jan Lång, President and CEO

AGM 16 March 2006

The new brand strategy focuses on the Uponor brand



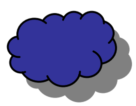
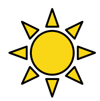
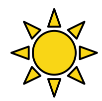
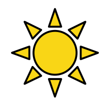
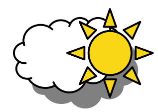
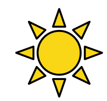
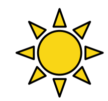
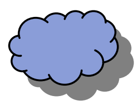
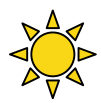
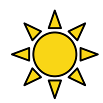
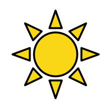
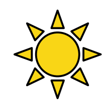
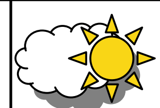
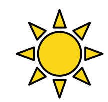
Net sales and operating profit developed favourably

	2005	Comparable change
Net sales	EUR 1,031.4m	+ 7.0%
Operating profit (EBITA)	EUR 123.0m	+ 9.9%
Return on investment (ROI)	28.1%	

Market outlook remains positive

uponor

Residential new building

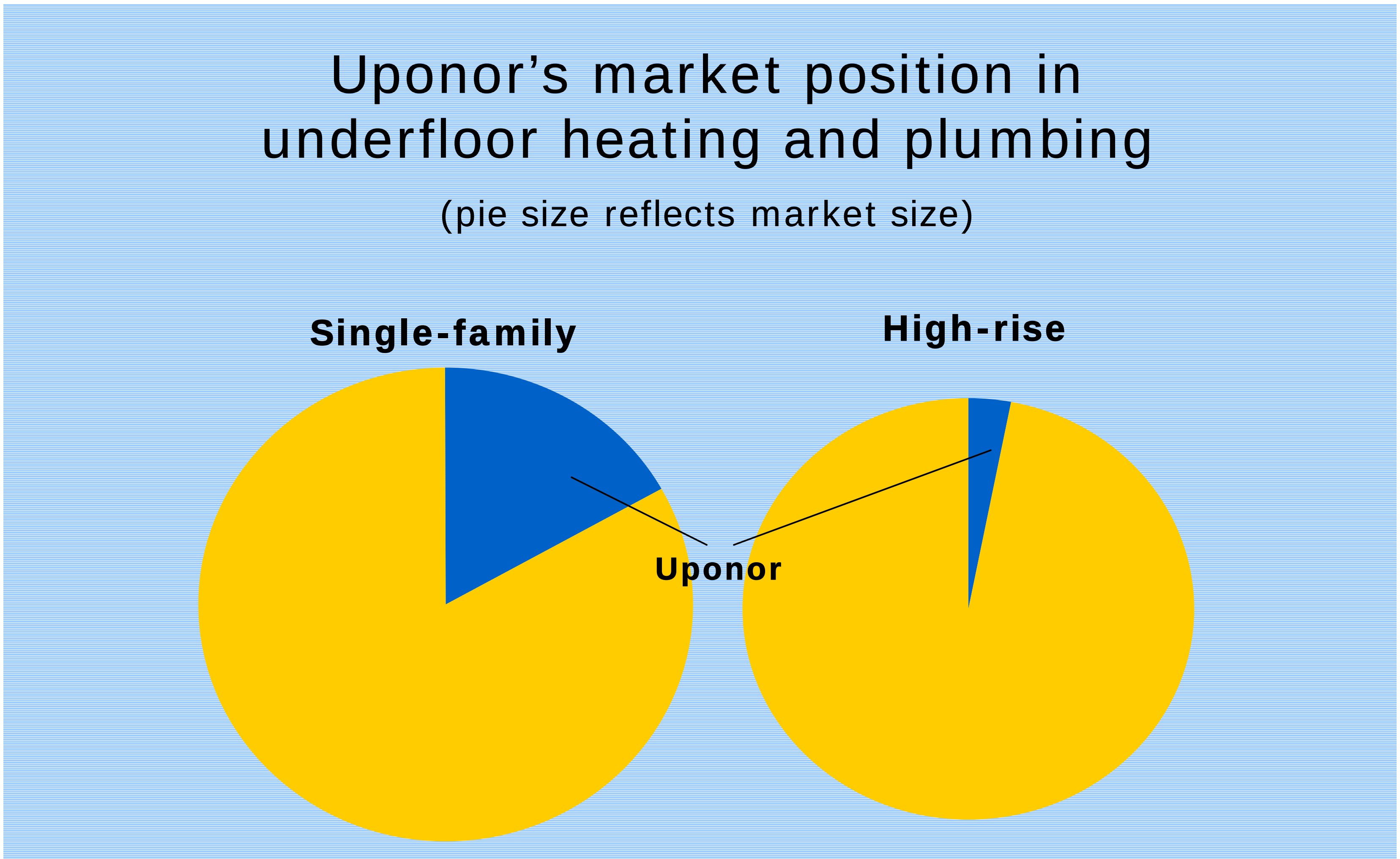
	Germany	Nordic	UK & Ireland	Iberia	Italy	USA	Canada
2005							
Outlook 2006							

Uponor's strategy rests on three pillars

uponor

Growth	Brand	Operational excellence
Build on current platforms	Strengthen the Uponor corporate brand	Integrate the company

New strategic focus on high-rise buildings



Summary of guidances for 2006

- **Net sales** to grow in line with long term targets and similar to 2005 organic growth rate
- **Operating profit** to be on 2005 level despite the ~6 MEUR other operating income included in the latter

Presentation of financial statements for 2005

Jyri Luomakoski, CFO and Deputy CEO

AGM 16 March 2006

First financial statements according to IFRS

- Uponor's first financial statements prepared according to International Financial Reporting Standards (IFRS)
- Adoption of IFRS initiated by issuing a stock exchange release on 1 April 2005
- Change of reporting standards had a minor impact on the 2005 financial statements and balance sheet
- Financial report and Annual review now issued as separate documents due to increased information volume

Income statement, p. 13

- Net sales reported change –3.8%
  - Comparable change +7.0%
  - Greatest growth (in euros) from Nordic countries and North America

- Gross profit improvement mainly from more efficient production structure as a result of completed restructuring programme

Income statement, p. 13

- Fixed costs developed favourably
  - Slight increase in sales and marketing as well as product and systems development expenditure
  - Administration costs down by EUR 4.8 million

- Operating profit grew by 9.9%, in comparable terms, reaching EUR 123 million or 11.9% of net sales

- Profit for the period reached EUR 82.7 million

Balance sheet, pp. 14 - 15

- Fixed assets
  - biggest change is the absence of investment property in the balance sheet

- Good development of capital tied in inventories – a decrease of ca EUR 25 million

Balance sheet, pp. 14 - 15

- Net interest-bearing liabilities negative, i.e. cash and cash equivalent exceeded the amount of interest-bearing liabilities at the time of closing

- Balance sheet total at EUR 663.3 million, of which EUR 418.4 million in shareholders' equity

- Solvency at 63.2%

Cash flow statement, p. 16

- Net cash from operations improved by ca EUR 5 million as a result of stronger performance
- Better inventory management helped release EUR 22.8 million from net working capital
- Cash flow from operations at EUR 158.6 million

Cash flow statement, p. 16

- Investment in fixed assets at EUR 49 million, mainly consisting of:
  - Enterprise resource planning system (ERP), EUR 10.6 million, for European operations
  - Manufacturing expansion in North America
- Share divestments generated EUR 19.9 million
- Cash flow from financing at EUR –120.3 million, of which ca 60%, or EUR 72 million, returned to shareholders in the form of dividends and share buyback