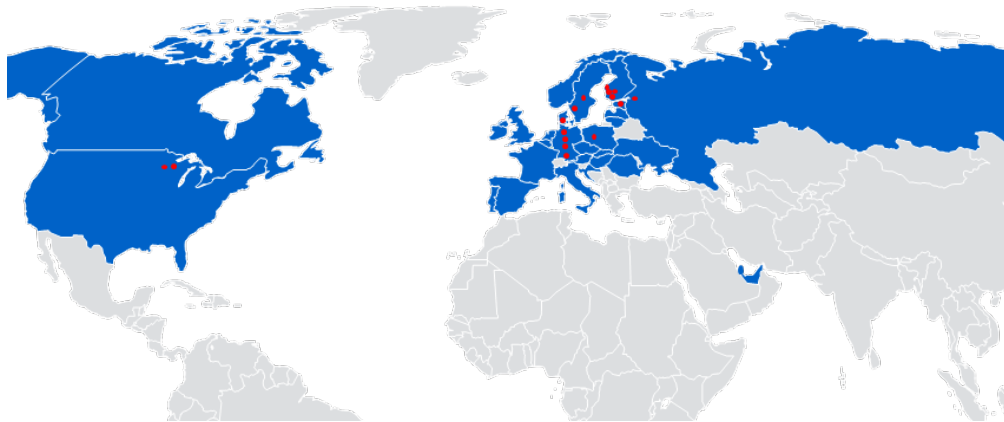


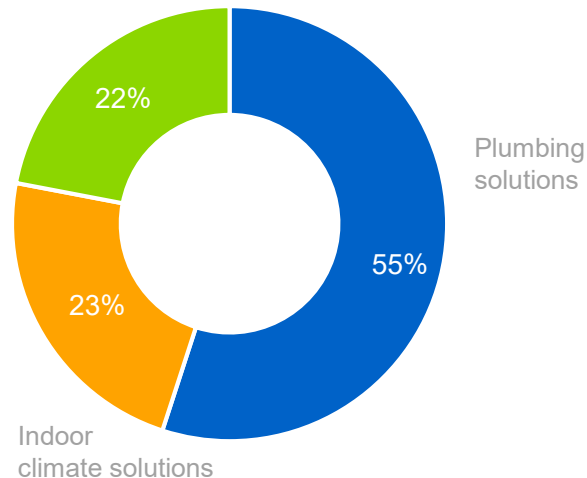
# CEO review

Annual General Meeting 16 March 2020  
Jyri Luomakoski, President and CEO

# Uponor in brief



Infrastructure  
solutions



## FACTS & FIGURES

**1.1**

billion euro  
net sales in 2019

**26**

countries with  
Uponor operations

**16**

manufacturing  
facilities worldwide

**3,800**

employees  
worldwide

# We aim to become recognised leader in sustainable building and infrastructure solutions



**World record and durable pipes to avoid an environmental disaster**  
Vistula River, Poland



**Comfortable temperatures and reduced costs with Udonor TABS at Oslo's new library**  
Oslo, Norway



**Texas high schools switch to PEX plumbing system**  
Texas, USA



**Decentralised heating and cooling for the tallest residential building in Germany**  
Grand Tower, Frankfurt, Germany



**Scheels department store saves energy costs with radiant heating and improves safety with snow/ice melting**  
Minnesota, USA



**Cosy temperatures and clean drinking water in Germany's highest mountaintop restaurant**  
Zugspitze, Germany



**Strong and durable floating fish farming facility to withstand the harsh conditions of the Norwegian Sea**  
Stavanger, Norway



**A cost-effective and reliable stormwater solution**  
Volvo's Warehouse, Vantaa, Finland

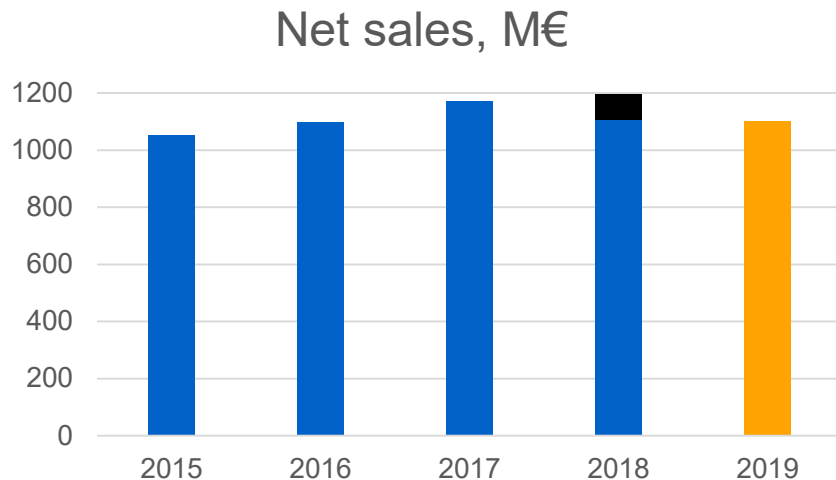




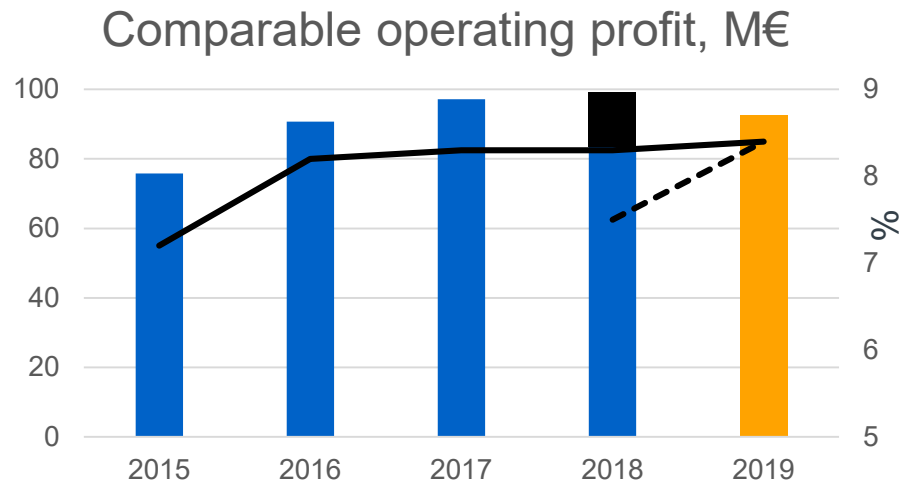
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# Review of year 2019

# Since 2013 Uponor has improved its profitability year-on-year



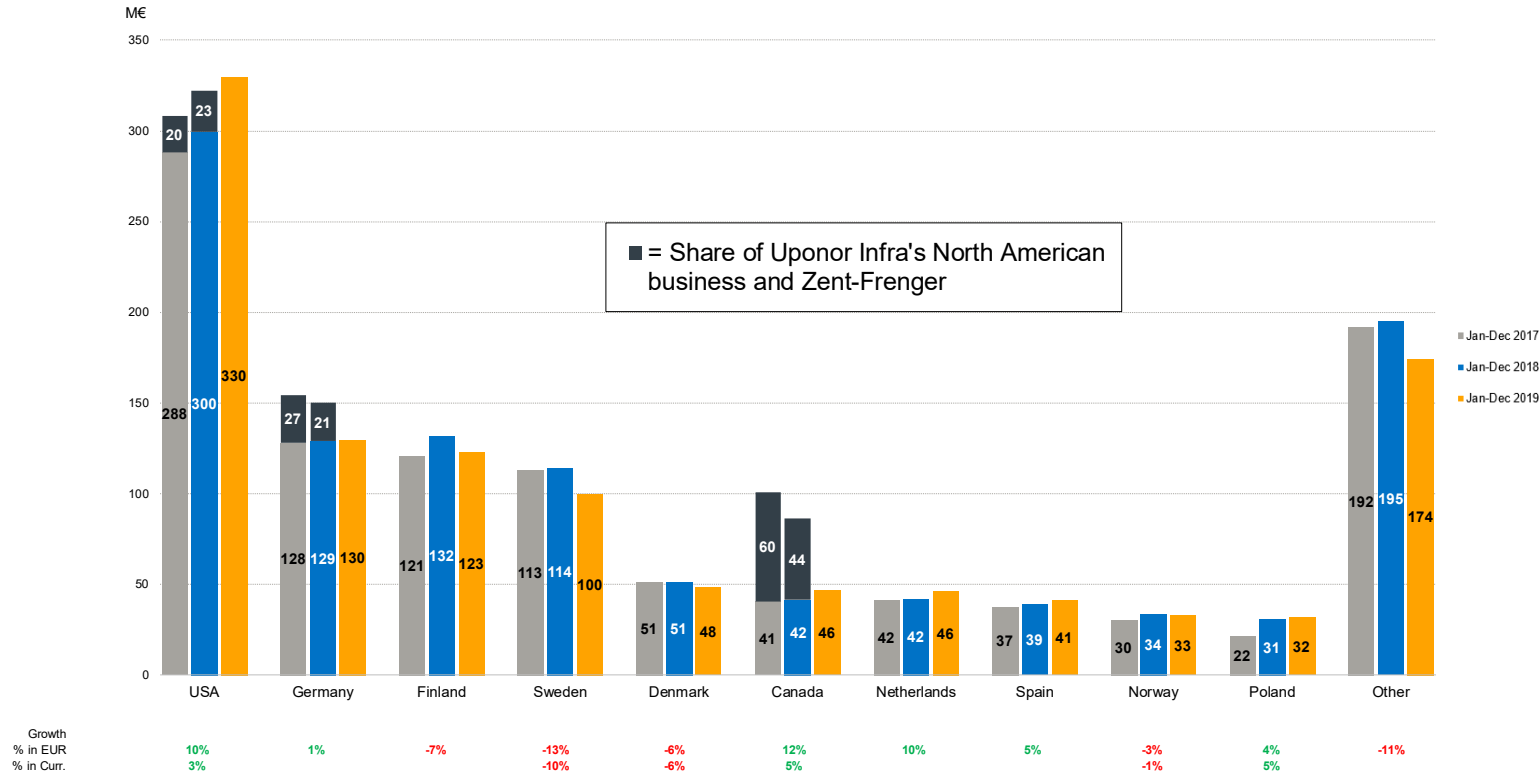
■ = share of Uponor Infra's North American business and Zent-Frenger



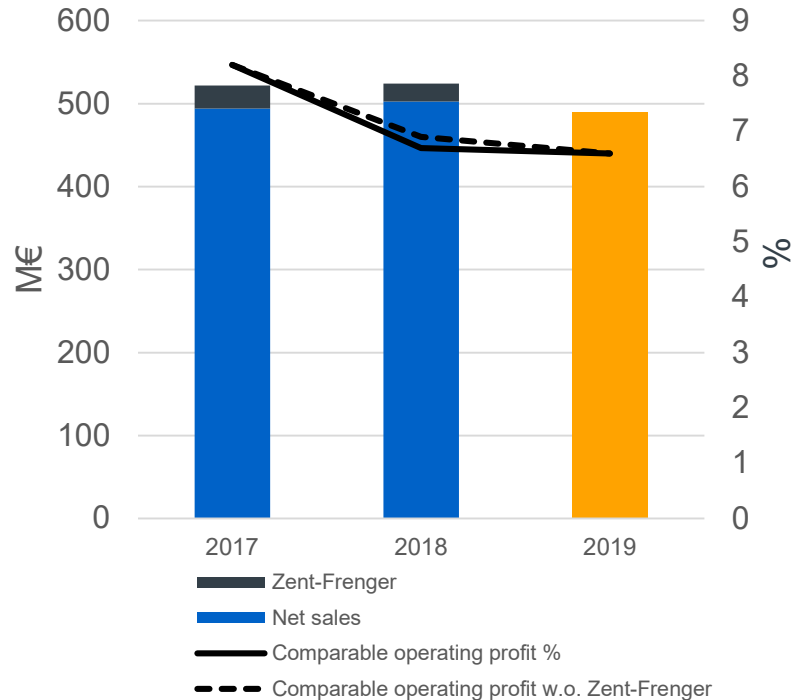
- Infra, North-America + Zent-Frenger
- Comparable operating profit
- Comparable operating profit %
- - - Comparable operating profit w.o. divestments

Development by key markets January–December 2019:

# Net sales increased in the U.S. and Germany

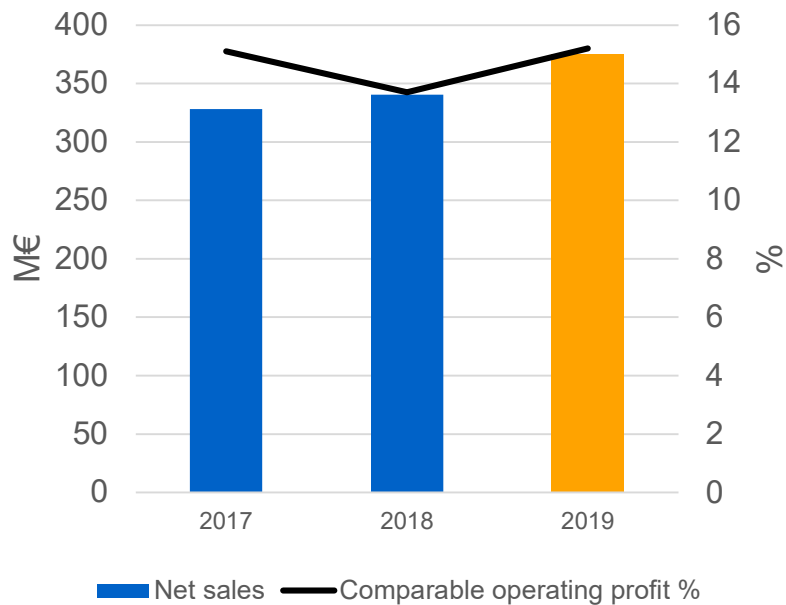


# Building Solutions – Europe: S-Press PLUS affected performance during the year



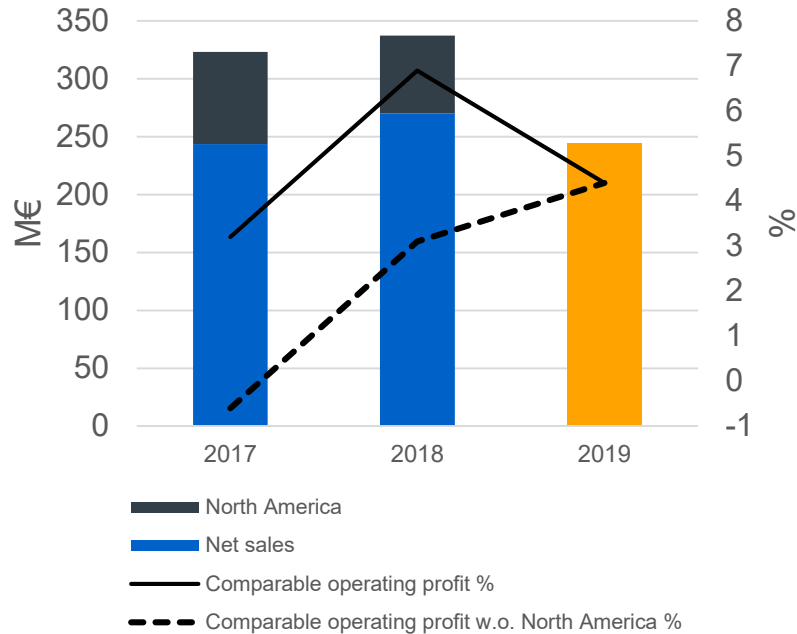


## Building Solutions – North America: Strong year after a slow start

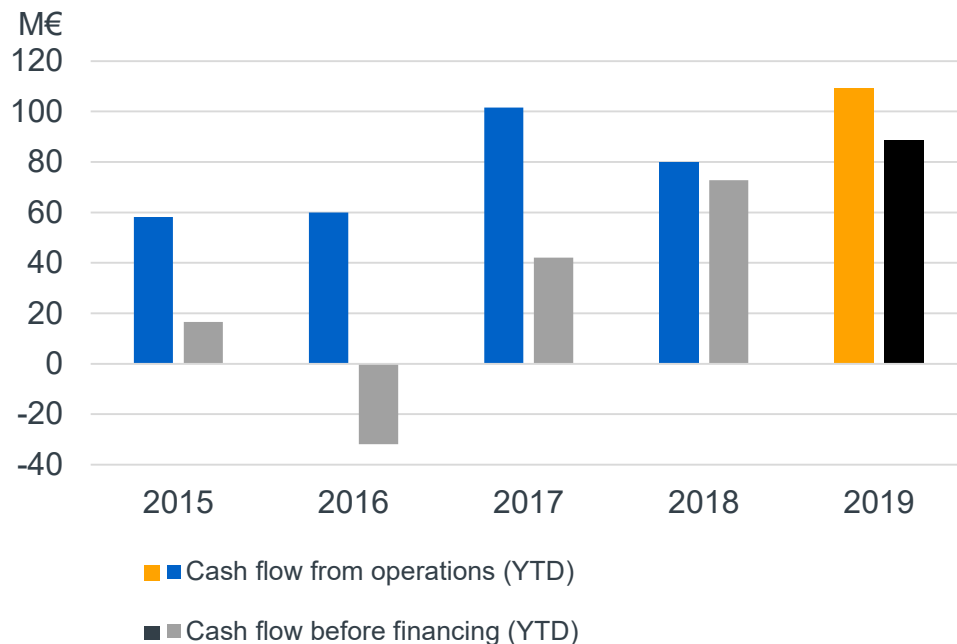




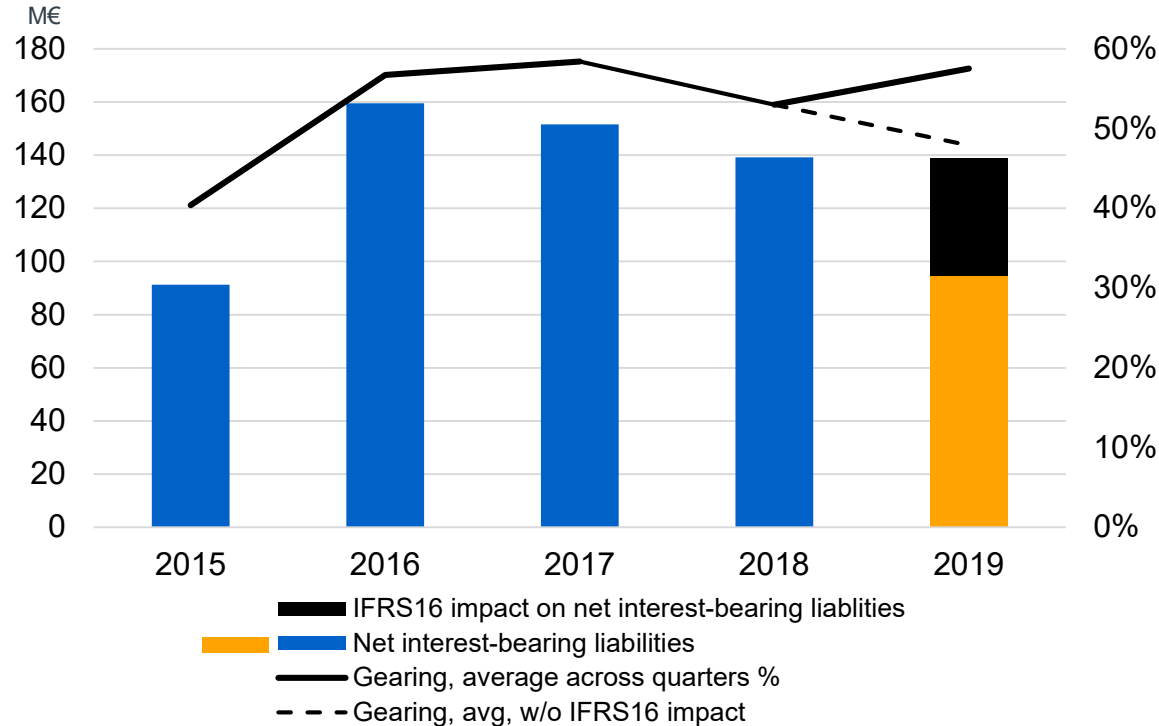
# Uponor Infra: Progress in profitability improvement strategy



# Cash flow from operations exceeded last year's level



# Net-interest bearing liabilities and gearing



# Uponor continues to drive its sustainability agenda

	Unit	2018	2019
Total energy consumption	1,000 MWh	226.0	<b>218.0</b>
Raw material used	1,000 tonnes	151.2	<b>146.2</b>
Water consumption	1,000 m3	206.2	<b>154.1</b>
Total GHG emissions (Scope 1)	1,000 tonnes	8.5	<b>8.4</b>
Total GHG emissions (Scope 2)	1,000 tonnes	30.8	<b>27.0</b>
Total waste	1,000 tonnes	20.2	<b>18.1</b>
Incident rate (LTIF)	per million work hours	12.7	<b>11.9</b>

- The overall change in volumes and product mixes resulted in lower energy consumption, which also lowered scope 1 and 2 GHG emissions
- Water consumption returned back to its normal level in 2019. The comparison period included a leak in the Hutchinson manufacturing facility and increased use of water in Virsbo due to a hot summer
- Uponor continues to develop its internal ways of working and advancing processes that improve safety



# Long-term financial targets

Since 12 February 2020

Organic net sales  
growth to exceed  
annual GDP  
growth\* by  
**3 ppts**

EBIT margin  
to exceed  
**10%**

ROI  
to exceed  
**20%**

Gearing to  
stay within  
**40 to 80**  
as an annual  
average of the  
quarters

Dividend pay-out  
to be at least  
**50%**  
of annual  
earnings  
(considering the  
gearing target)

## Achievement in 2019

**-0.4%**  
(target 4.8%\*)

Comparable  
EBIT 8.4%

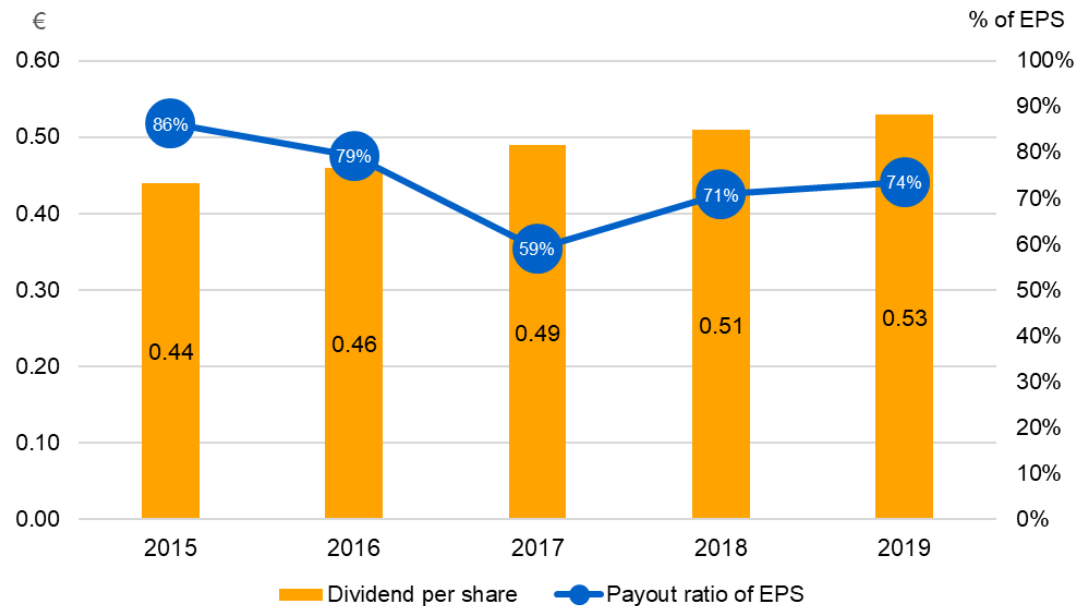
**14.4%**

**57.5%**

**73.6%**

\* GDP growth based on a weighted average growth in the top 10 countries

## January–December 2020: Dividends and payout ratio



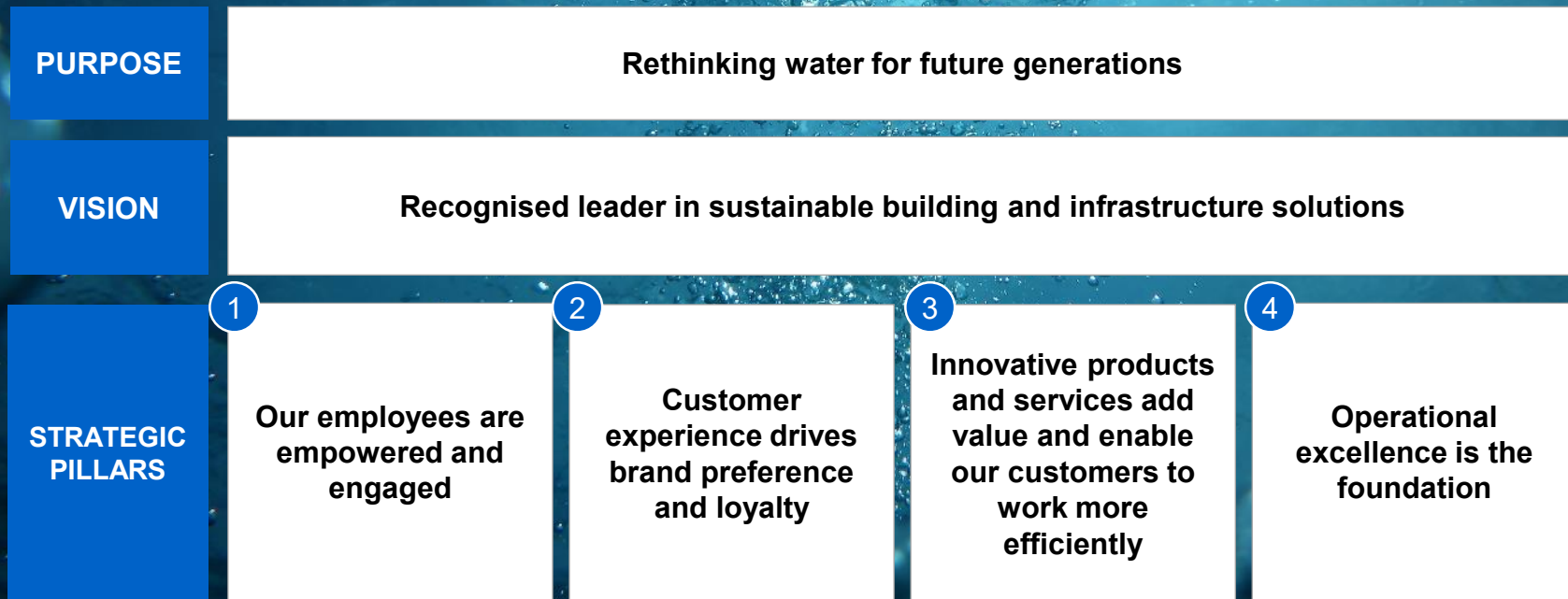
- The Board's dividend proposal is €0.53 (0.51) per share, of which 26 c will be paid in March 2020 and 27 c planned to be paid in September 2020

A photograph of a modern building with a large, cantilevered section. The building features a glass facade on the left and a metallic, perforated metal screen on the cantilevered part. The sky is a clear blue gradient.

uponor

# Strategy review

# Reviewed purpose, vision and strategic pillars give a direction for our profitable growth





# Execution of operational excellence programme continues

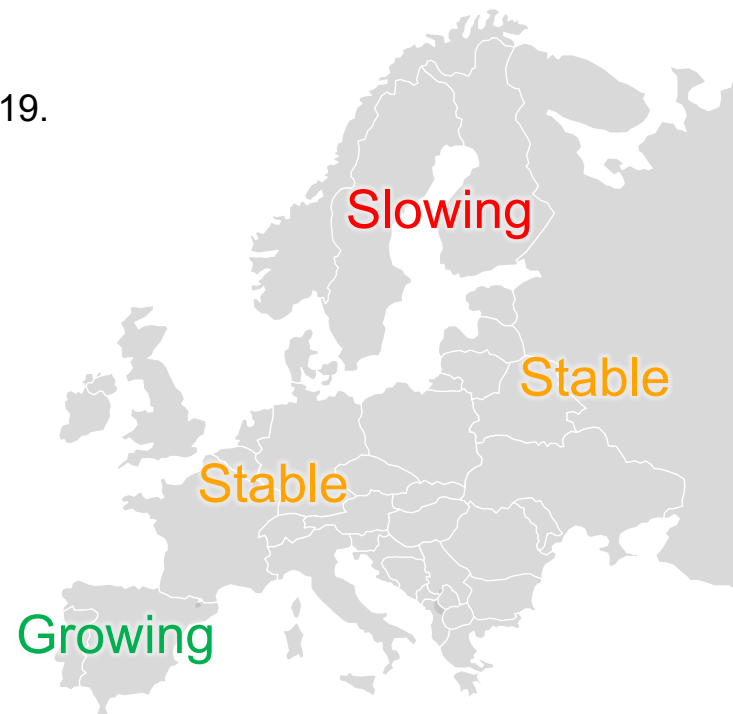
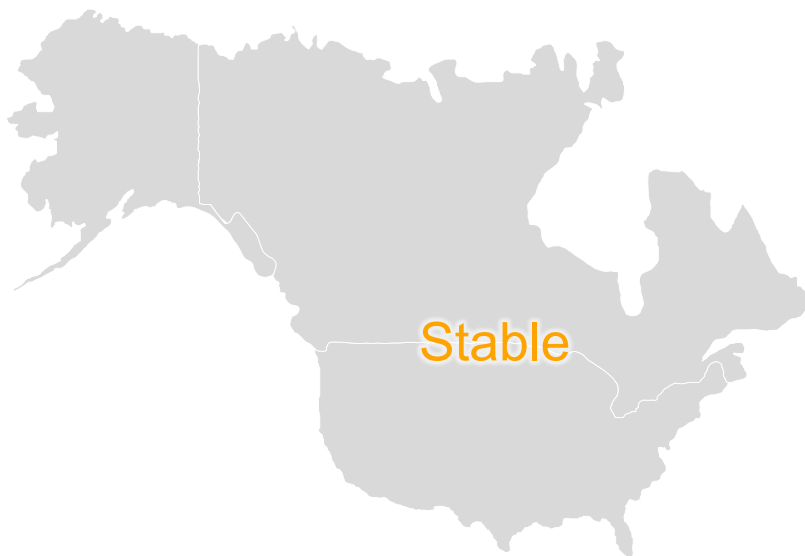
- Main focus on initiatives related to Building Solutions – Europe and General & Administrative costs
- The aim is to deliver annual cost improvements of around €20 million by the end of 2021
- Uponor expects first signs of the programme to be visible during the second half of 2020
- The estimated costs of the programme are expected to be around €20 million, majority of which is expected to realise during 2020



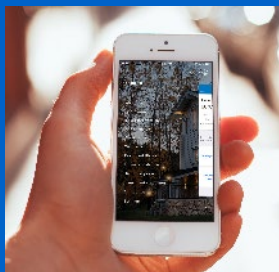
# Market outlook

## Uponor's guidance for 2020:

Uponor expects comparable operating profit to improve from 2019.



# Thank you!



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