Strategy update

Capital Markets Day
September 2009

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Current strategy valid since 2003

Growth	Brand	Operational excellence
Build on current platforms	**Strengthen the Uponor corporate brand**	**Integrate the company**
Grow essentially organically Increased focus on customers Enhance product offering through innovation Strengthen position in Europe	Single brand strategy 2006 → Unified culture Strengthen the image on the market Allows to leverage the product portfolio	Integrated processes, incl. ERP system; deployment progresses Competence transfer Leverage the supply chain

Update on current strategic initiatives

Presentation focuses on

- Geographic growth initiatives
- New structure in Europe
- Market segmentation
- Plumbing business update
- Infrastructure solutions update
- Brand update

Geographic growth initiatives

Consistent approach to enter selected markets

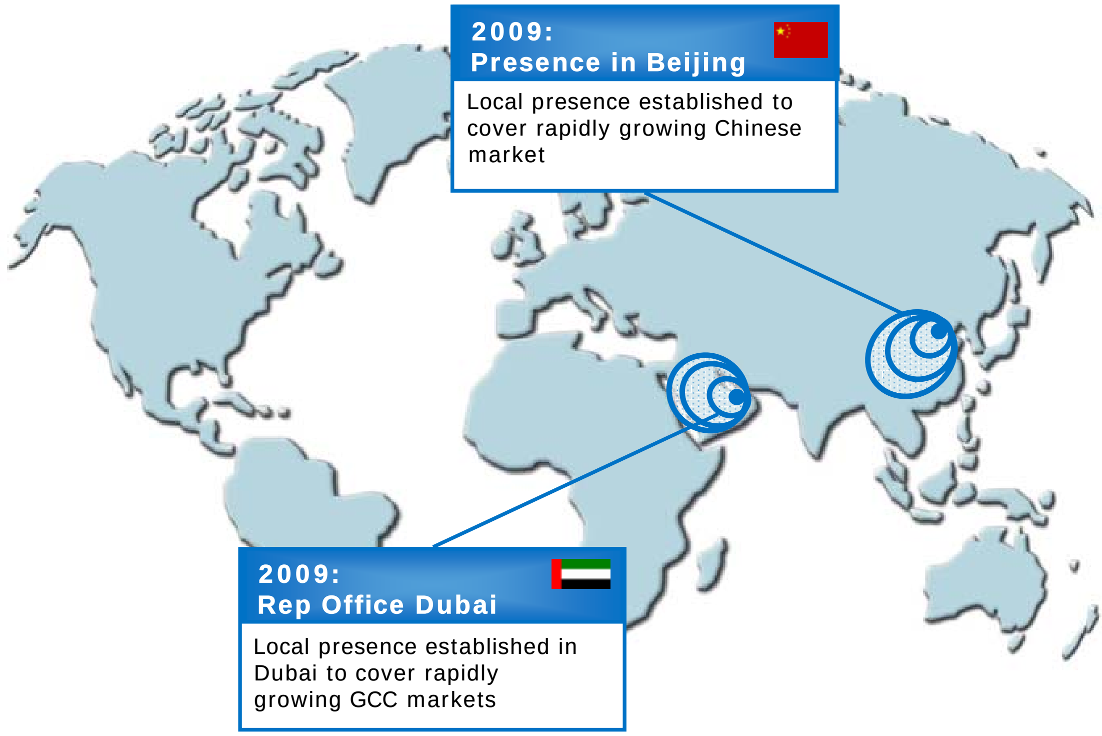
- Business Development team established in 2008 to accelerate entry into new markets
  - Structured approach, assists new units to utilise the opportunities
  - Support, transfer of know-how
- International Sales team, spin off of Business Development

Short-term goals

- Exploration of defined markets
- Strengthening of brand awareness
- Conceptual development of the indoor climate business
- Implementation of a mobile Academy concept
- Specific campaigns for selected systems
- Focus on
  - East and Southeast Europe and
  - Gulf Co-operation Council countries and China

Expansion in East and Southeast Europe

International expansion



Profile: Southeast Europe

- Population ~170 million people
- GDP growth 4-6% in 2008
- Completed homes in 2008: 700,000 units
- High plastics acceptance, strong local competition, but good opportunities esp. in project business
- Main market drivers are
  - rising residential living standards
  - commercial developments around major cities
  - massive developments on the coast (holiday resorts)

Uponor presence

- Representative offices opened in Turkey, Slovakia and Croatia in late 2008/spring 2009
- Main focus on project business through direct contacts with investors, construction and design companies

Profile: GCC countries

- Markets include Gulf Cooperation Council countries: UAE, Saudi Arabia, Kuwait, Qatar, Bahrain, Oman
- Project business with focus on
  - prestige and image
  - green building / energy efficiency / carbon footprint
  - trend-setting and innovative solutions and technologies

Uponor presence

- Rep office in Dubai running since May 2009
- Increase brand awareness and build relationships
- Reinvent distribution network, find alternative business partners, new strategic partnerships

Profile: China

- Population: 1.3 billion people
- GDP growth +9.0% in 2008
- Total annual new construction > 600 million sqm
- Market mainly project-driven
- Residential buildings account for 80% of the new buildings, with luxury homes (multi-occupancy) growing fastest (+25%)

Uponor presence

- Office and training facilities in Beijing as of autumn 2009
- Focus on professional training and certification
- Target commercial projects with international investors, developers and contractors
- Focus on Indoor Climate

New structure in Europe

Group structure

Shareholders' Meeting

Board of Directors

President & CEO
Jyri Luomakoski

Global Processes

Development & Technology
Jukka Kallioinen

Finance & Administration
Riitta Palomäki

Group Marketing and communications
Georg von Graevenitz

Supply Chain Management
Sebastian Bondestam

Europe

Building Solutions - Europe

Sales and Marketing – Central & Eastern Europe
Heiko Folgmann
– Central Europe
– Eastern Europe
– International sales

Sales and Marketing – North, South & West Europe
Fernando Roses
- Nordic
- South & West

Supply Chain
Sebastian Bondestam

Offering & Business Group Management
Jukka Kallioinen

Infrastructure Solutions – Nordic
Georg von Graevenitz

North America

Building Solutions - North America
Anders Tollsten
- USA
- Canada

New structure puts European unification in the fast lane

Sales and Marketing, Supply Chain and Offering Management into three dedicated entities as of 1 Oct 2008

- Integrated European Supply Chain to leverage the operational excellence opportunity
- Integrated business development through the new Business Group organisation addressing specific strategies for Plumbing and for Indoor Climate
- Sales & Marketing organisations focusing on customers
- Harmonisation of business approach across Europe based on the new-defined market segments and customer portfolios
- Infrastructure Nordic as separate organisation to address its specific customer and business needs

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Market segmentation

Evolution of Uponor's segment approach

Project segment (former High-rise)	**Distribution segment** (mainly former Single-family)
Project-driven	Distribution channel-driven
Focus on the performance of the whole building –Investment and return –Performance for purpose –Indoor environment and productivity –Operational costs, reliability, environmental performance	Focus on system and component cost –Reliability –Availability –System cost
Priority on construction process efficiency and productivity	Priority on ease of installation
Centralised purchasing, delivery performance at site, CSP–supplier partnerships	Availability at distributor

Segment characteristics

	Project segment	**Distribution segment**
Opportunity	• Plastics penetration • Safety • Need for better energy and environmental performance • Lower total cost of ownership	• Consolidation of customers • Renovation • Availability of European offerings • Economies of scale
Uponor's position and strengths	• Established position on key markets • Broad offering both in Indoor Climate and Plumbing • Presence at main customers and on European construction networks • Solid track record in large projects	• European leader in plumbing • Broad offering • Large geographical coverage • Supply chain efficiency • Installer training and loyalty programmes
Ambition	• Create total solution offering in Indoor Climate • Become a leading European partner to selected CSP's • Double-digit growth	• Strongest brand • Leader in product availability • Creation European offerings • No1 in overall competitiveness • Beat market growth rate

A growth opportunity for Uponor

Business group	Project segment	Distribution segment
Plumbing	• Established market • Low plastics penetration • Growing awareness of life-cycle cost	• Established market • High plastics penetration in tap water, lower in radiator connections • Growing brand awareness
Indoor Climate	• Energy and eco-performance becoming decisive • Emerging demand for Low-ex systems • Significant potential • Undeveloped market	• Renovation potential • Growing need for training and support • Ease of installation • Energy efficiency

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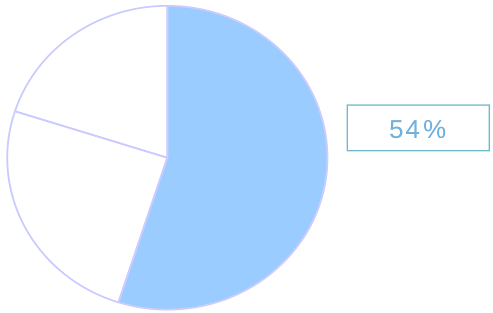
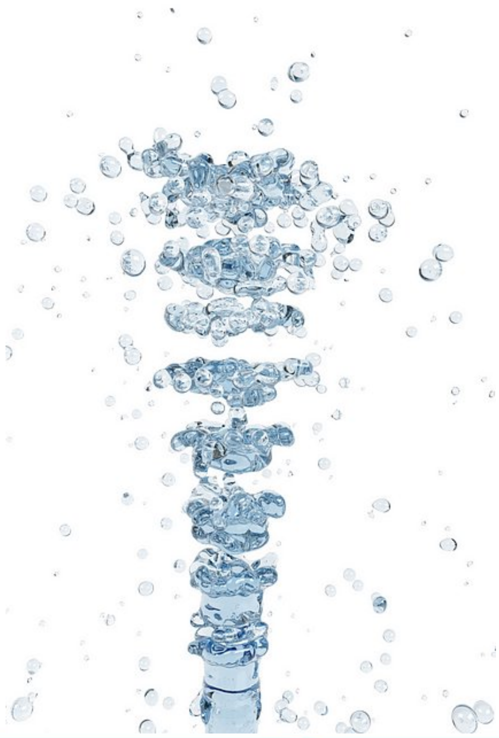
Plumbing business update

Uponor's largest business group

- Plumbing solutions
  - All buildings
  - New-build and renovation
  - Driven by builder/installer demand
  - Strong penetration against metal pipes
  - Products shipped through wholesalers



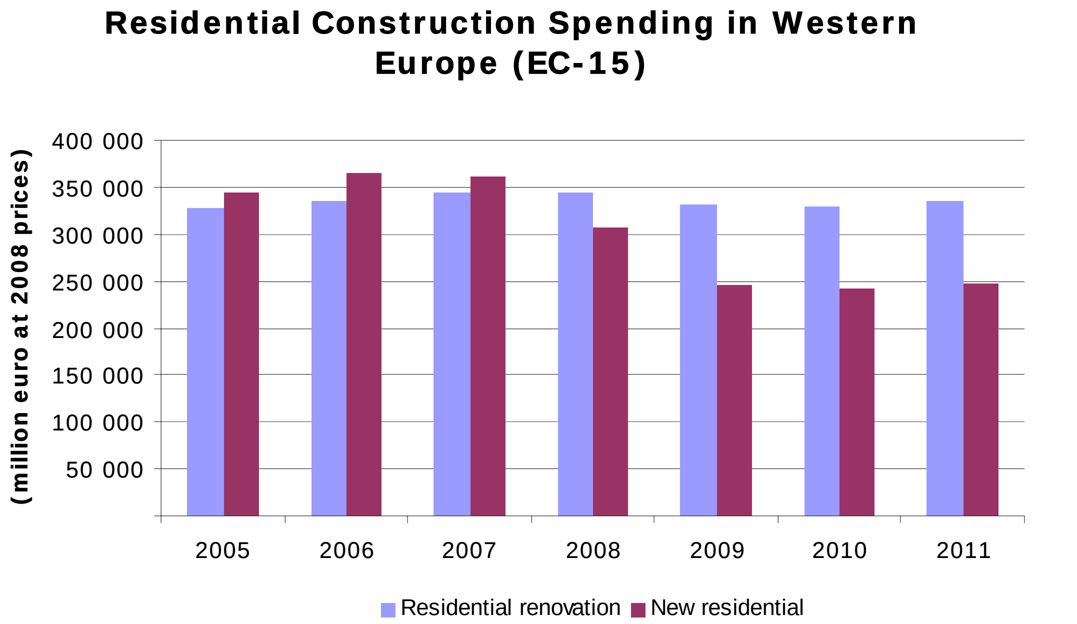


Plumbing market environment

- Renovation demand will drive the market during next 3-5 years
- Declining differentiation – increasing commoditisation
- Large overcapacity puts pressure on margins
- Plastic materials continue to substitute metals in pipes and in fittings
  - Metallic materials still dominate in large diameters
- Wholesalers' private label offerings increasing
- Uponor's current market share in Europe <10% including all materials

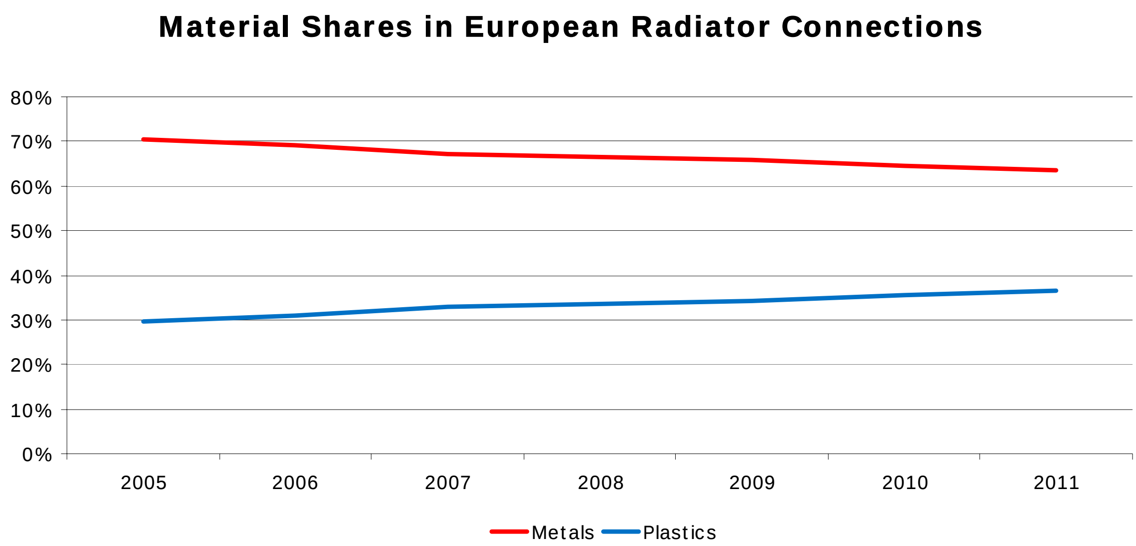
- Despite of general maturity of the building market, renovation radiator connections and large diameter pipe systems offer sustainable source for growth

Share of renovation in residential construction spending



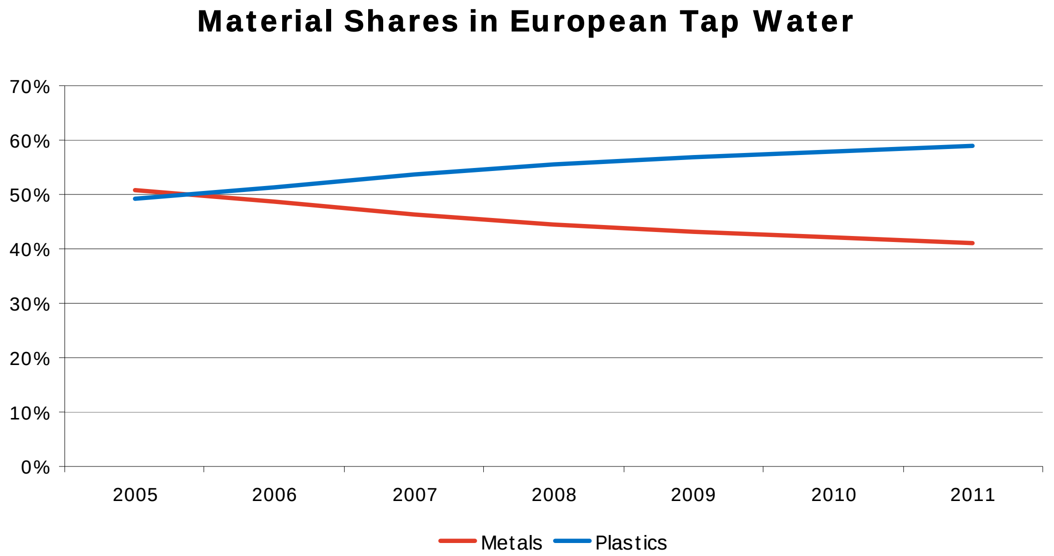
Source: Euroconstruct 6/2009

Material shares in European radiator connections



Source: KWD 10/2008

Material shares in European tap water



Source: KWD 10/2008

Ongoing strategic initiatives in Plumbing

- Competitiveness
  - European offerings
  - R&D focus on critical customer benefits
  - growth of the plastic fittings range
  - supply chain initiatives
- Differentiation
  - emphasising non-product features
  - R&D emphasis on value creating parts of offering
- Renovation
  - business concept development
  - renovation-specific development programmes
  - radiator connection opportunity
- Large diameters
  - new riser pipe system in spring 2009
  - modular fittings to increase competitiveness
  - Europe-wide launch campaigns since spring 2009

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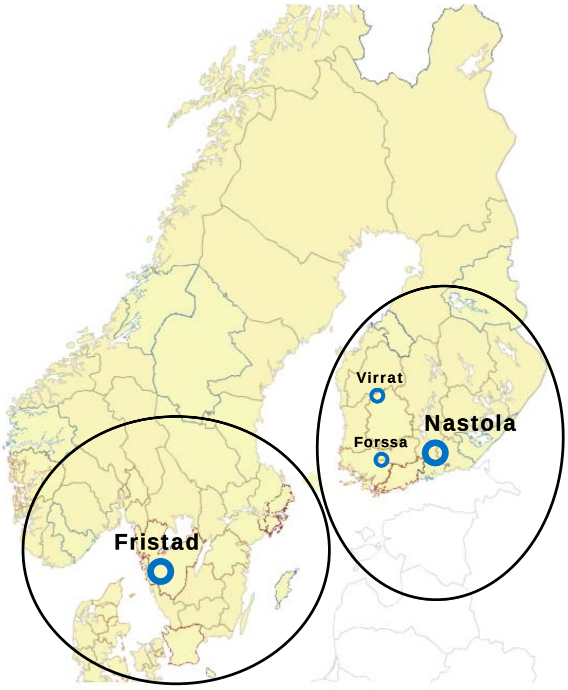
Infrastructure Solutions update

Supply chain development of Infrastructure solutions

- To achieve best in class performance within the Nordic Infrastructure Solutions
- New industrial structure
  - Fristad, Sweden and Nastola, Finland as the main manufacturing units
  - Production and warehouse in Hadsund, Denmark planned to be closed and integrated into Fristad
- Infrastructure Solutions to be linked to the European ERP system during 2010
- Clear performance improvement planned
  - Net reduction of work force ~40 employees (pending on employee consultation process)

North European supply from two core factories



- Future capacity needs to be satisfied by the two core factories
- Better capacity utilisation, lower capital expenditure and significantly reduced cost
- Geographically favourable locations, opportunities in the Baltic markets can be efficiently utilised

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Brand update

Update on brand-related activities

- Business running under the Uponor brand since 2006
  - Unified culture with company values reflecting the brand fully implemented internally
  - Customer loyalty transferred to the Uponor brand equity
- Efficiency in Sales & Marketing has improved due to the single brand
  - Sales organisation in Germany
  - Common European marketing organisation
  - Harmonised international web presence launched in 2009
- Good results from product harmonisation, resulting in cost efficiency
- Additional opportunities still exist

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simply more

The text may contain forward-looking statements, which are based on the present business scope and the management's present expectations and beliefs about the future. The actual result may differ materially from such statements.