

A vertical blue bar on the left side of the slide. At the top, there is a graphic of a water splash with ripples. Below the splash, the text 'Bringing comfort to life' is written in a white, serif font. At the bottom of the bar, the Uponor logo is displayed in white.

Market update

Georg von Graevenitz

Executive Vice President, Marketing and Development

Capital Markets Day

Fulda/Zella-Mehlis, 14-15 September 2005

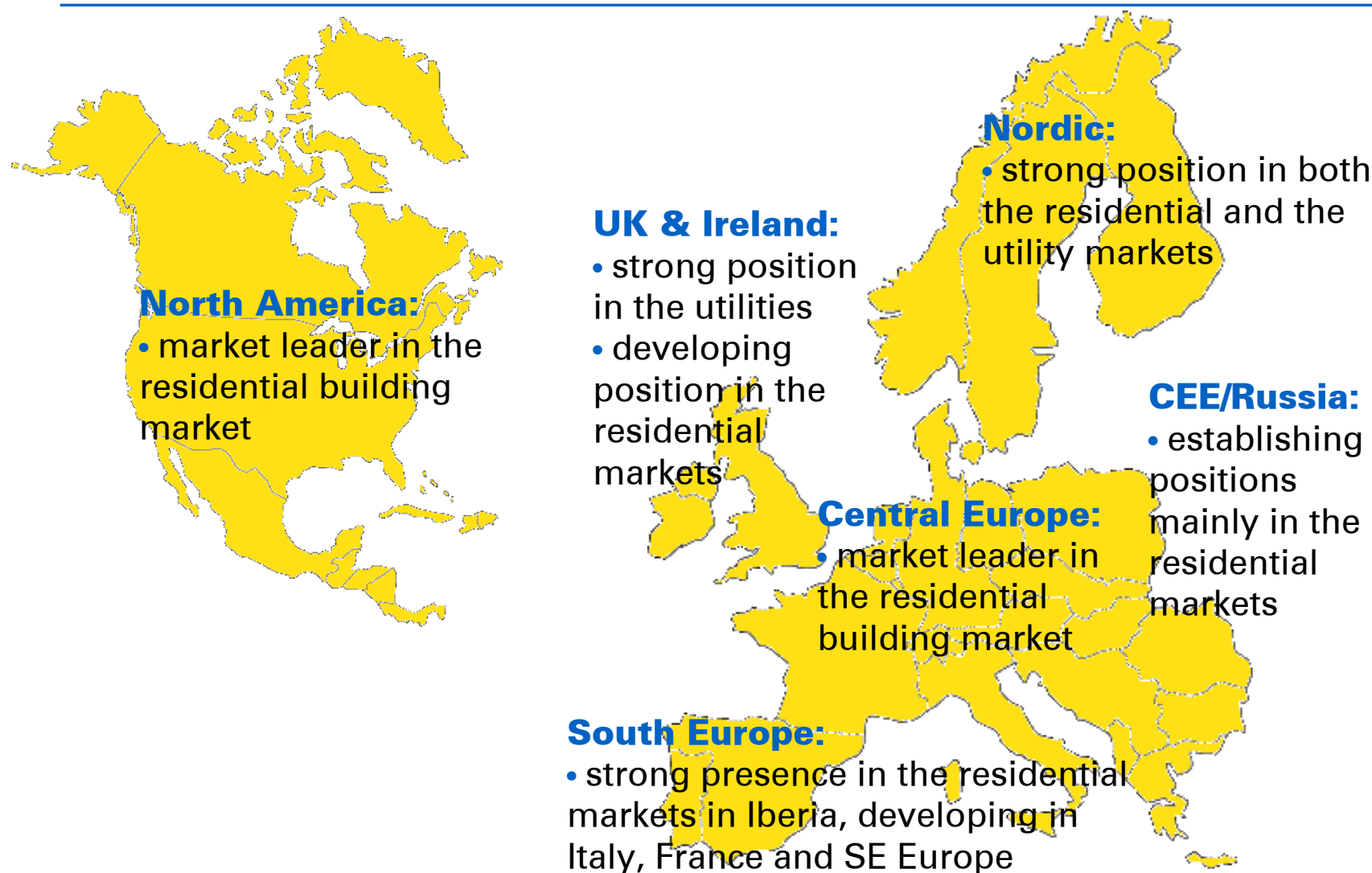
The markets of Uponor's businesses

- Applications grouped into new 'business groups' to reflect changes in strategic thinking
 - Heating and cooling - current share of Group net sales **23** %
 - Plumbing – current share of Group net sales **43** %
 - Infrastructure – current share of Group net sales **31** %

- Market estimates based on a consensus of the available market data and Uponor's own estimations

- Changes to previously announced figures result from:
 - inclusion of new countries (e.g. Russia, France, Czech)
 - new definition of markets (e.g. radiator connector pipes)
 - changes in market size
 - improved methodology

Uponor's key geographic markets are Europe and North America



Bringing
comfort
to life

Uponor's market positions

- Uponor's goal is to be in businesses in which we have or can achieve a n:o 1 or 2 position in the market-place

August 2005	Heating (underfloor)	Plumbing	Infrastructure*
Central Europe	>30%	ca10%	
Nordic	>30%	ca15%	ca 25%
Europe - WES	<15%	ca 5%	ca 15%
North America	>50%	>10%	

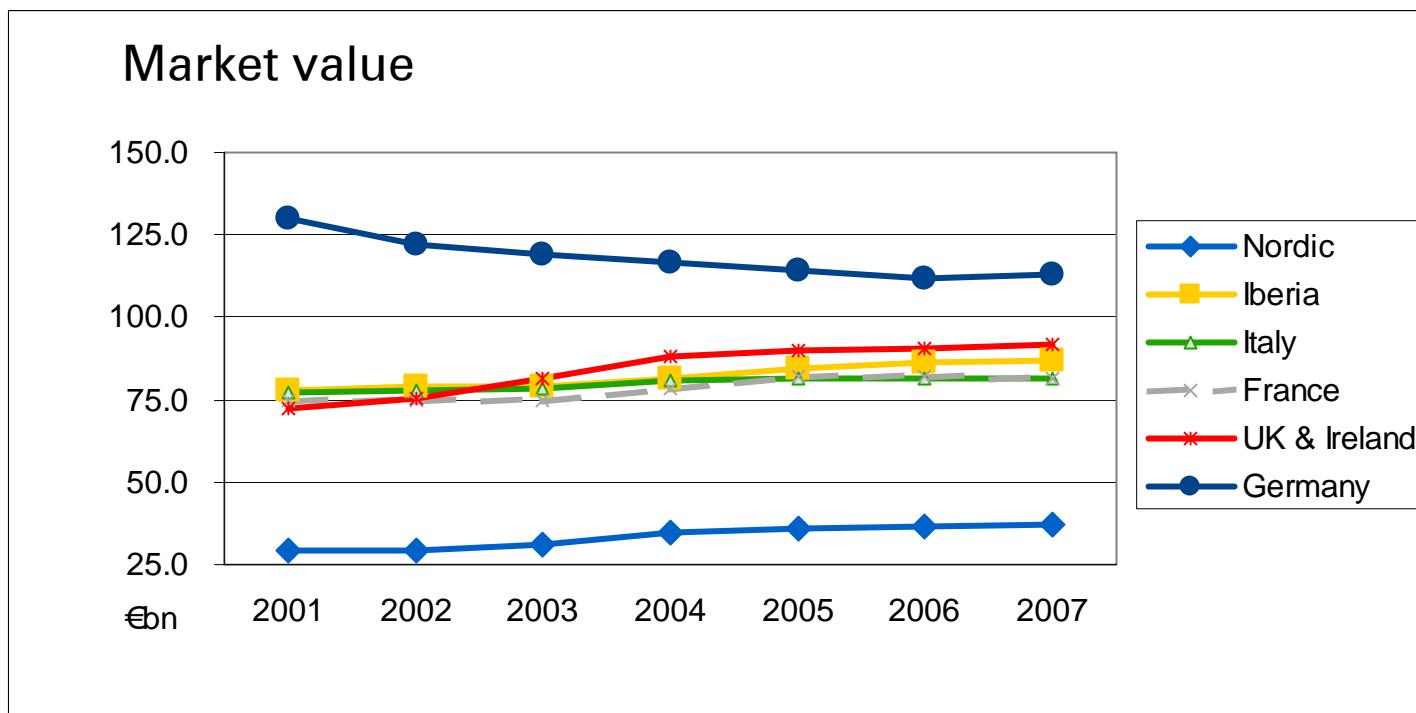
Source: Uponor estimates

*) Infrastructure includes Sewer & storm, Pressure water and sewer for Nordic, UK and Ireland and Pressure gas for UK and Ireland.

Housing statistics are a good indicator of the demand of all of Uponor's business groups

Europe:

- Total European markets continue stable
- Germany continues as the largest European market in terms of value despite the decline of the early 2000s

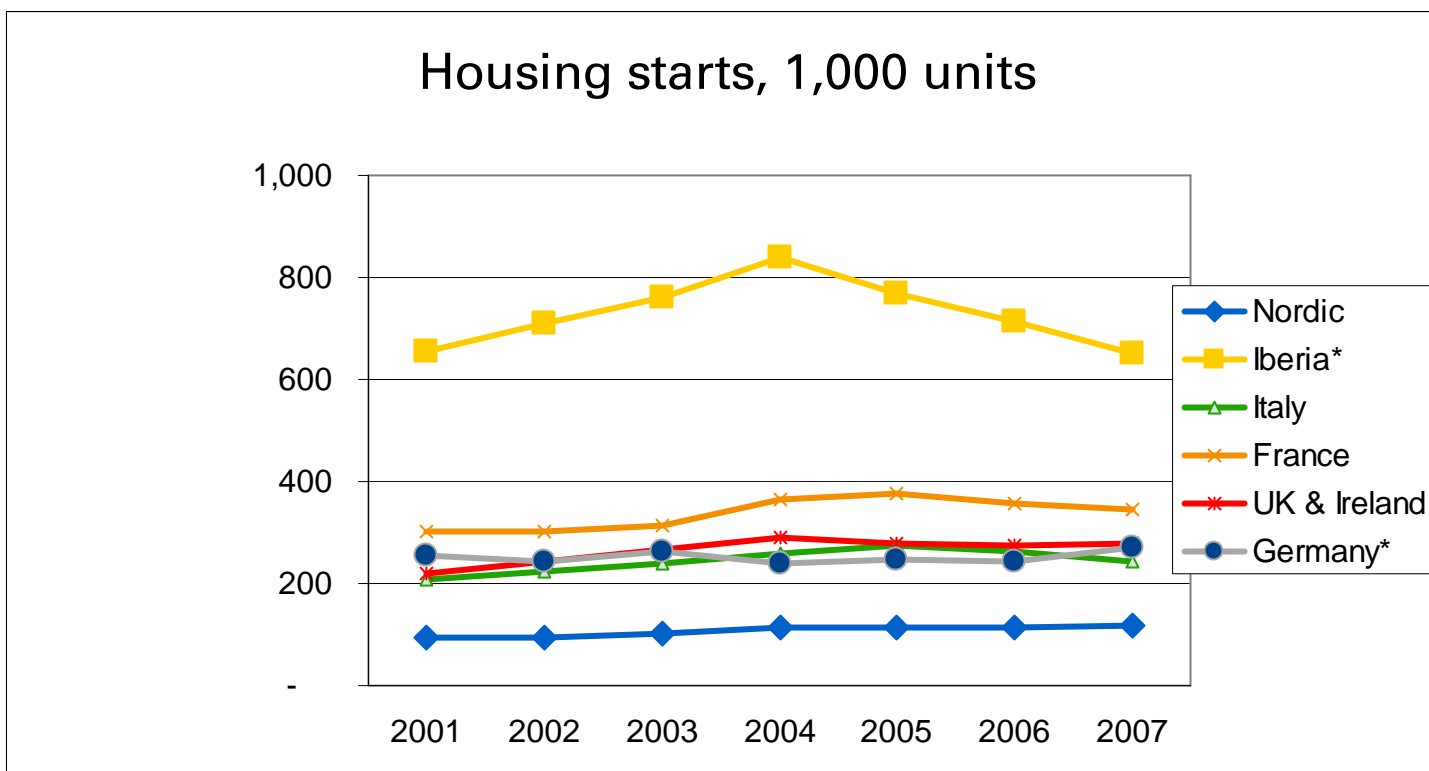


Source: Euroconstruct

Housing statistics are a good indicator... cont'd

Europe:

- Measured by building starts, Iberia is the liveliest building market in Europe



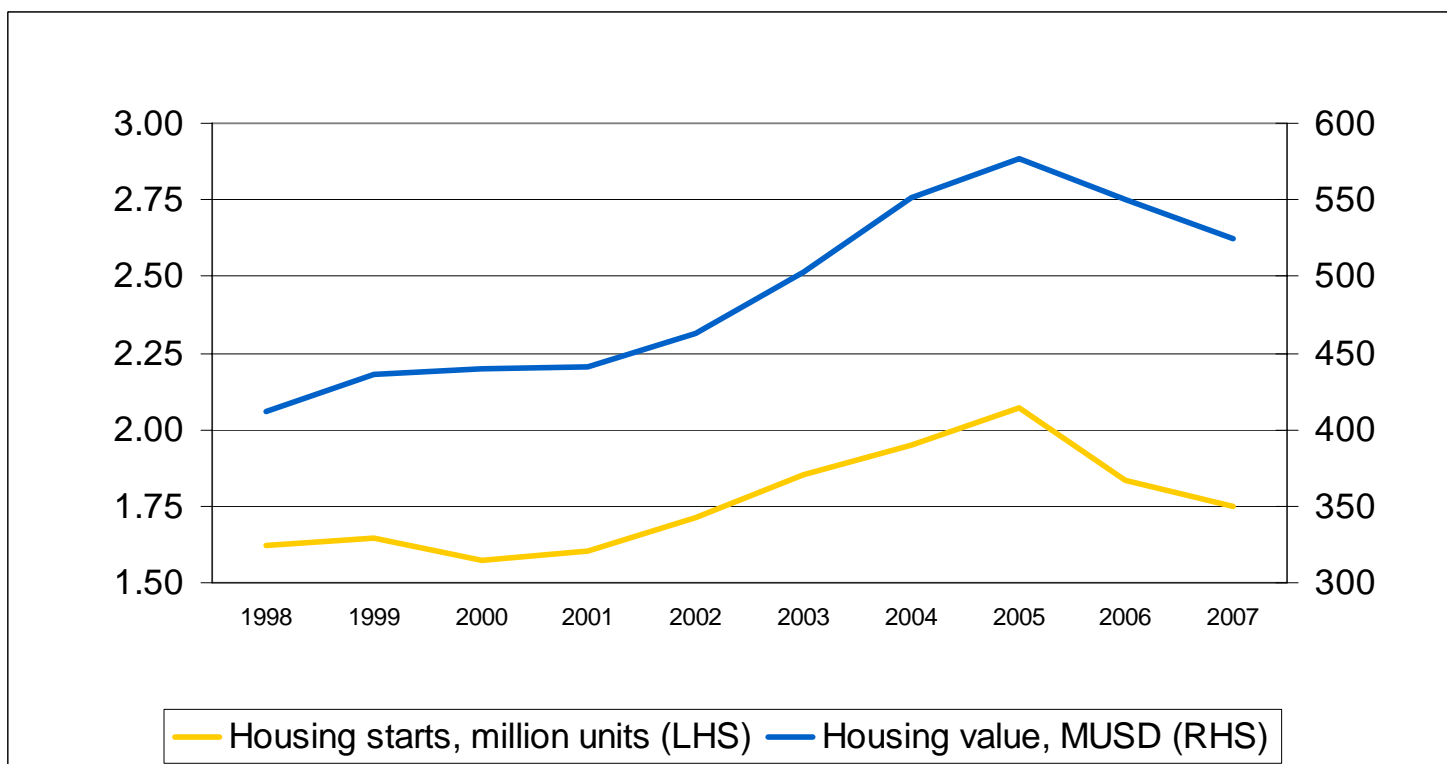
Source: Euroconstruct

*) housing permits

Housing statistics are a good indicator... cont'd

North America:

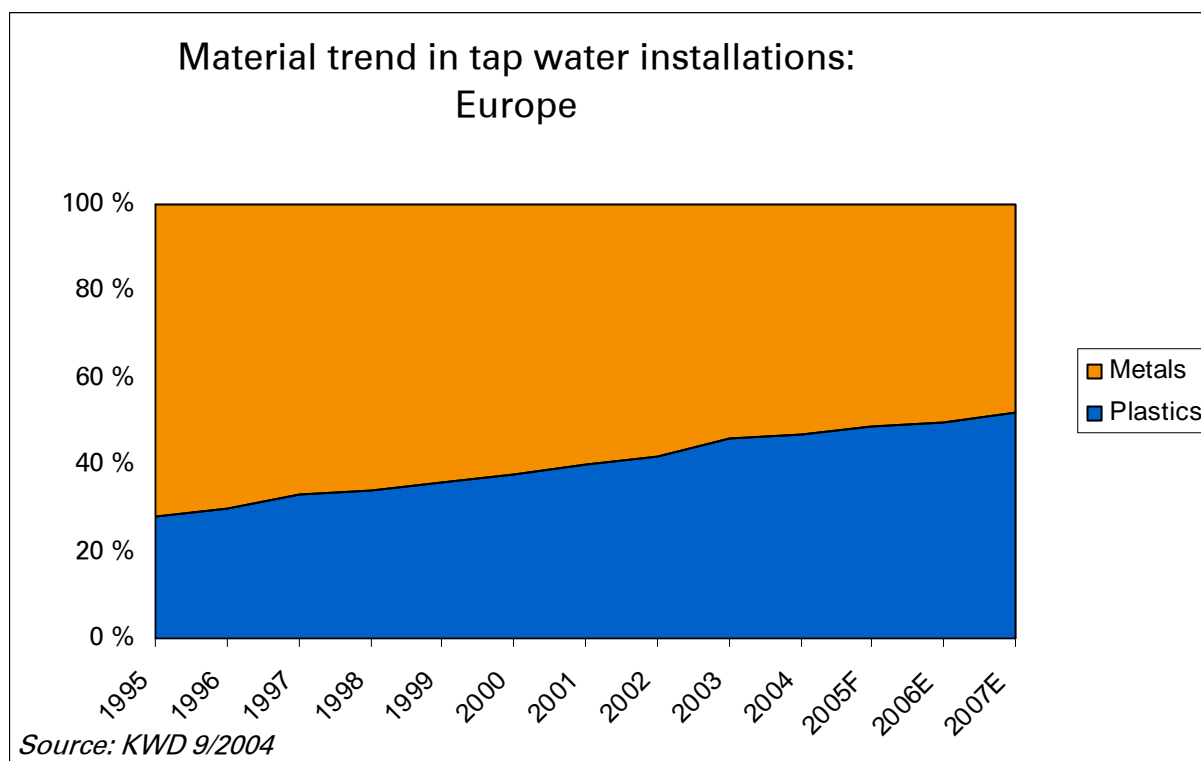
- For several years, residential 1-2 family housing starts in USA and Canada have sustained excellent levels
- They are also expected to continue on a healthy level despite an anticipated decline



Source: Global Insight

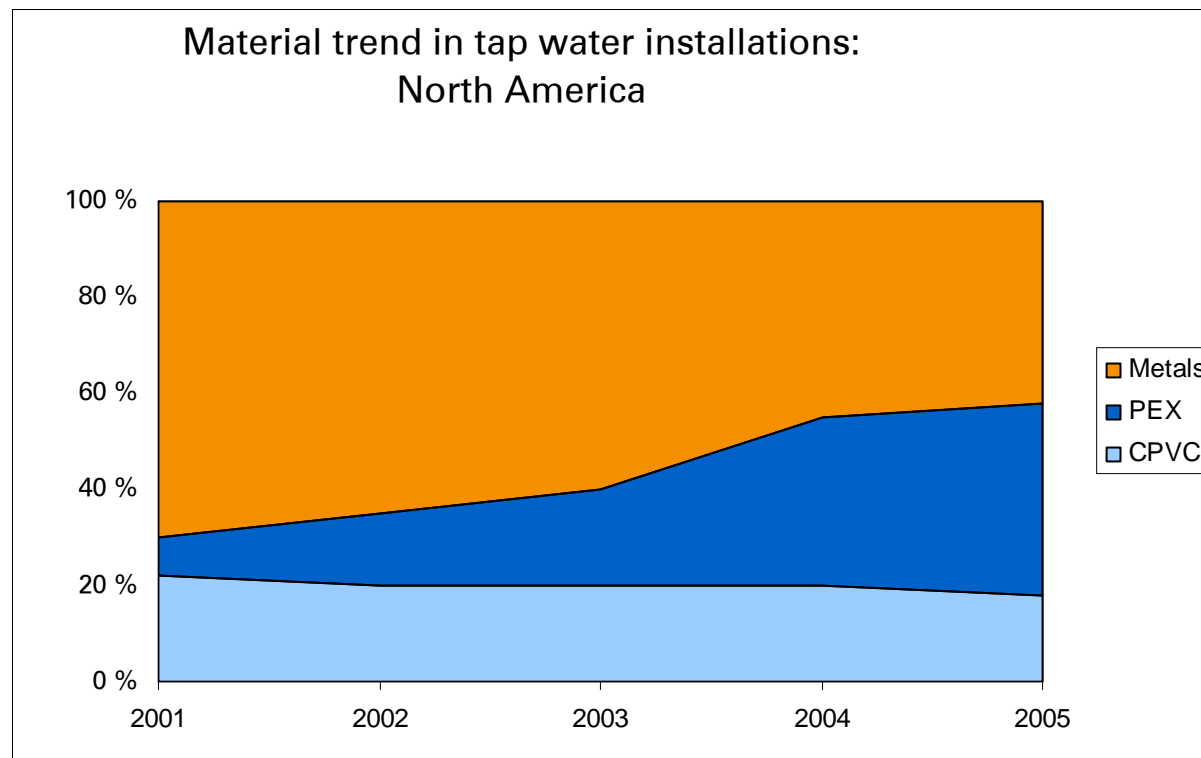
Penetration of plastics continues stable in Europe...

- Plastic systems are expected to grow by > 5% in average annually between 2005 and 2007 in Uponor's businesses
- Penetration of plastics is higher in the north than in the south: UK, Spain (25 - 35%), Germany, Sweden (50 - 55%)
- The fastest growing materials are multilayer and PEX



...and also in North America

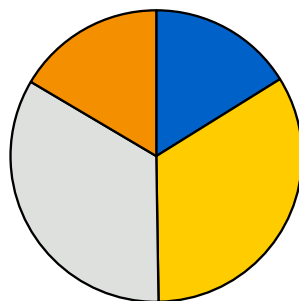
Bringing
comfort
to life



Source: Uponor estimates

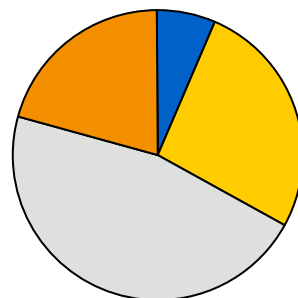
Addressable market size

Underfloor heating



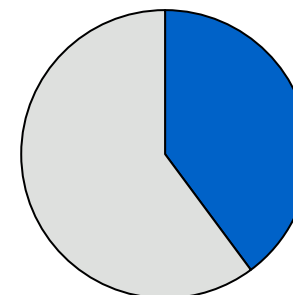
Total market
ca 1,000 MEUR

Tap water and radiator connections



Total market
ca 4,000 MEUR

Infrastructure



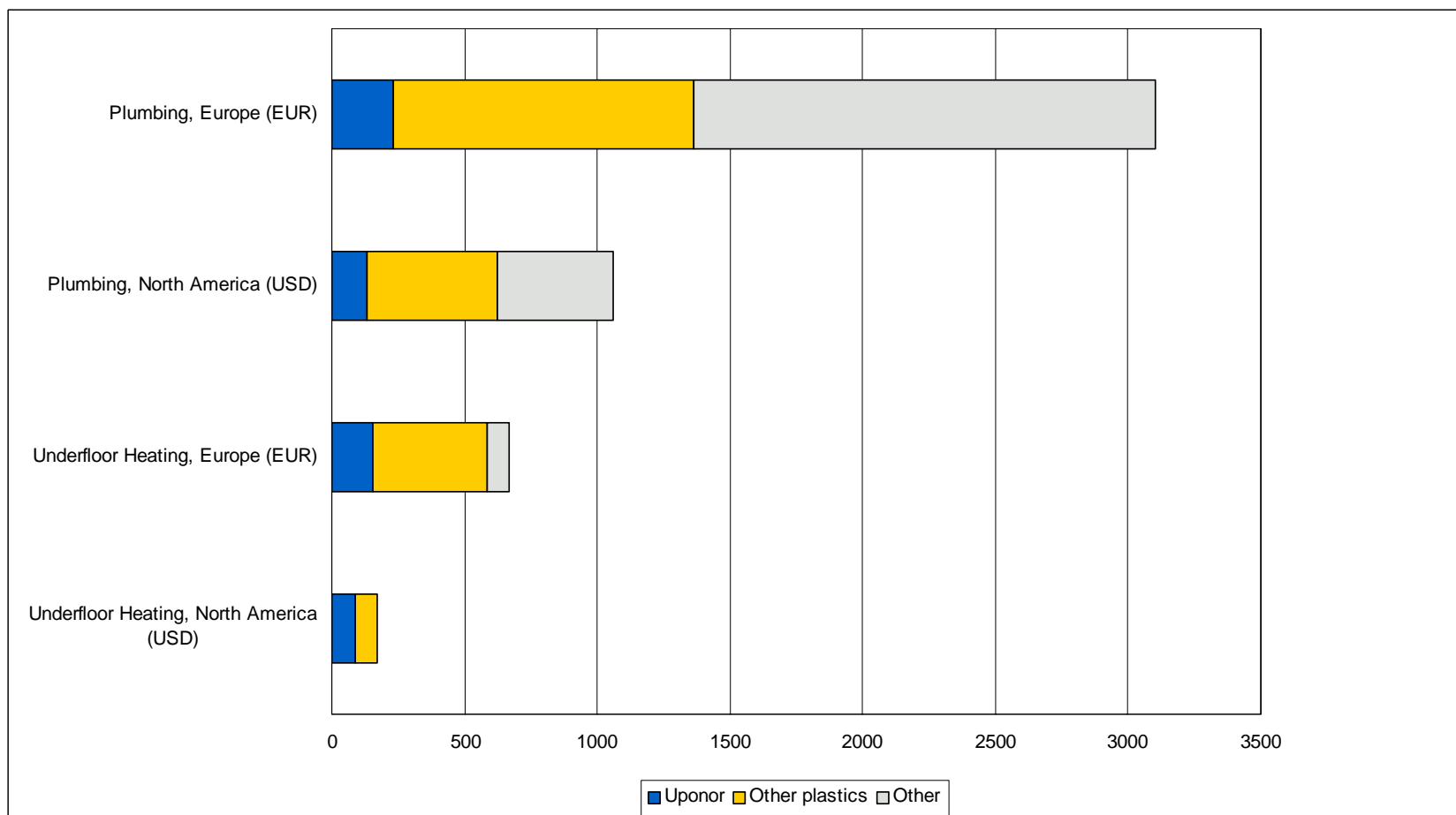
Total market
ca 1,000 MEUR
(Europe WES: only UK)



Bringing
comfort
to life

Estimate: Plumbing and heating market size 2005

- Total plumbing and heating market opportunity at ca EUR 5 billion
 - plumbing now includes radiator connections
- The cooling market (commercial and residential) not included

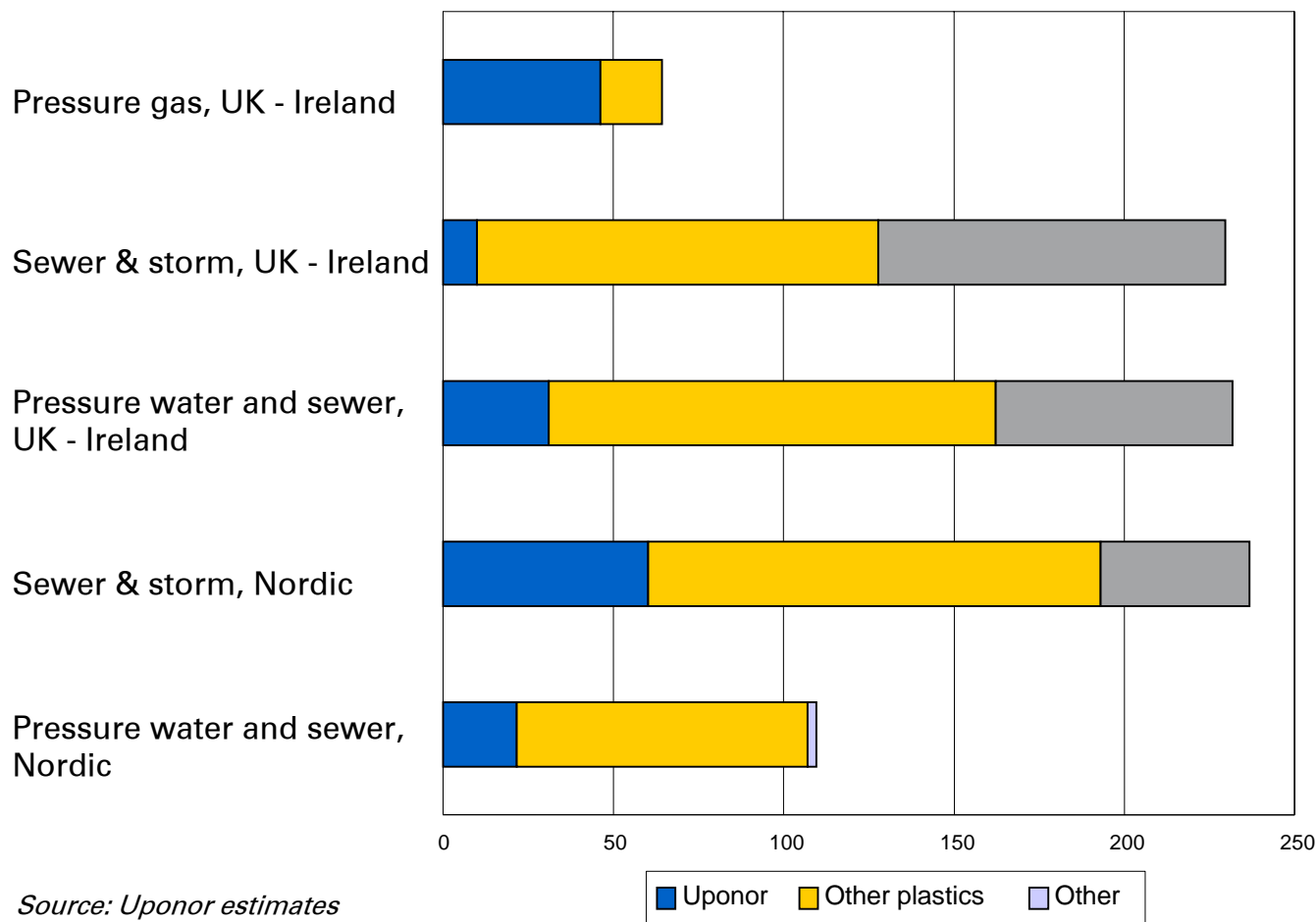


Source: Uponor estimates

Bringing
comfort
to life

Estimate: Infrastructure market size 2005

- Total opportunity for Uponor's targeted infrastructure markets is ca 1,000 MEUR



Bringing
comfort
to life

Renovation vs. new build

- In the housing solutions business, new build typically represents more than 2/3 of the market opportunity in Europe
 - the renovation's share is somewhat higher in central Europe and the in Nordic countries
 - while the majority of household renovation projects address interiors and replacement of kitchen and bathroom structures, larger HVAC projects are typically conducted with cycle of 20 years or more
- In the infrastructure business, renovation represents 35 % of the market in Europe
- Typically, the renovation market is valued at 35 % of total residential construction in the US.

Definitions of terminology

- General remark
 - For Heating and Cooling Solutions and Plumbing Solutions, only the residential market is considered
 - Renovation systems are considered as part of each application
- Heating and Cooling Solutions
 - Underfloor Heating includes wall all surface heating systems and systems for combined heating/cooling
 - Cooling means dedicated systems for cooling and includes systems for the thermal activation of building structures
- Plumbing solutions
 - Tap water systems
 - Radiator connections
 - Insulated house connection pipes
- Infrastructure Solutions
 - Sewer and Storm includes also technical drainage and land drainage
 - Pressure water and sewer includes systems for new no-dig installations
 - House Drainage includes soil & waste and underground drainage

Bringing
comfort
to life



©
Uponor