



Uponor

Transformation of Uponor North America

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1. Achievements
2. Strategic initiatives
 - Sales
 - Marketing & Offering
 - Supply chain
 - Administration
3. Market opportunity & execution

Implementing a culture change

Strategy

- Developed a shared strategy to increase profitability & continue to grow

Leadership

- Hiring of key leadership positions to increase competence
 - Functional executive positions
 - Commercial/business positions
- Extensive leadership training

Reorganisation

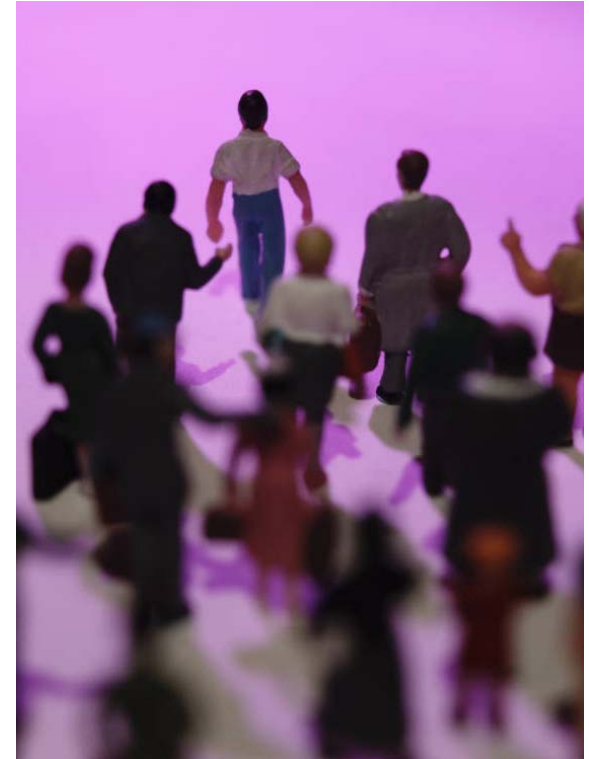
- New sales and marketing/offering organisations
- Streamlined administration

Alignment

- Development of critical success factors

Execution

- 2007 net sales about flat while NA market clearly down
- Improved profitability
- Adjusted (legacy costs) operating income up



Investment and focus on sales, marketing and offerings capitalising on market opportunities

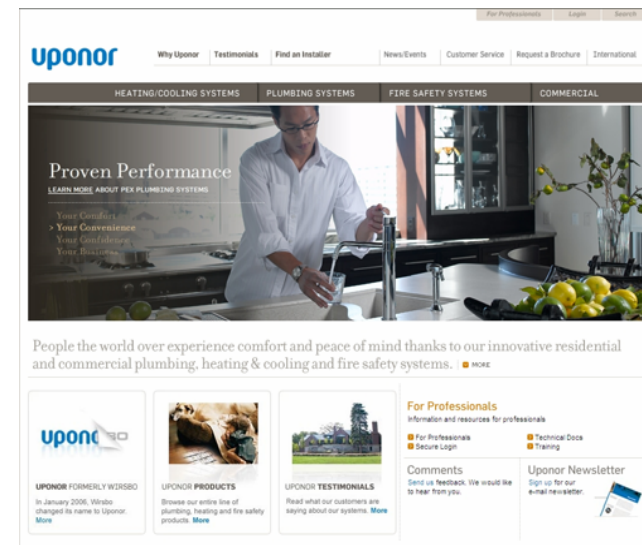
- Targeted to strategic plan opportunities
- Segmentation of the market
 - Ensuring market coverage and distribution geographically
 - Dedicated resources to important market segments
- Restructured and upgraded sales organisation
 - New talent added
 - Resources increased by 100% in 2007 and additional increase of 40% planned in 2008
- Alignment and correction of customer programmes
- Basic planning and follow-up
 - Implemented throughout organisation including rep. agencies
 - Aligned with marketing and offering activities

Strategic initiatives Marketing & Offering



Investment and focus on marketing and offerings capitalising on market opportunities

- Restructured marketing/offering
 - New talent and increased resources by 50%
- Effective marketing leveraging a superior Uponor position
 - Launched new website delivering compelling content
 - Focused communication strategy aligned with customer hierarchy of needs
 - Executing a structured approach to targeting key customers and strategic partners, maximising effect of programs and promotions
 - Initiating public relations and advertising that will make millions of impressions
- Development of offerings across multiple product portfolios
 - Leverage Uponor Total Solution
- Maximise opportunity with integrated launches



www.uponor-usa.com

Consumer campaign



Strategic initiatives

Supply Chain

Leverage Global experience

- Implemented best practices in running the pipe extrusion
 - Reduced scrap
 - Increased productivity
 - Reduced cost
- Leveraging Uponor knowledge to expand production to new products
- Upgraded the talent and competence within sourcing and logistics
- Improved efficiency and reduced costs in distribution
 - Increased truckload consolidation
- Operational excellence
 - Improved on-time delivery to 96%
 - Improved supplier delivery performance



Strategic initiatives

Administration

Streamline and support the strategy

- New talent to finance and controlling to improve capabilities
- Streamline and leverage the North American platform
 - Centralising North American “back-office” functions and strengthen the local customer interface
- Leadership training for all UNA managers
 - Resulting in greater alignment to the region’s critical success factors and improved accountability
- Driving process improvements
 - Leveraging the Oracle platform adding new functionality





Strategic plan that calls for growing the business

- **2008 Outlook**

- Residential housing market is in a downward trend
 - 1.4M single and multi-family starts in North America still remain
- High-rise growth slowing, but still with 5-year forecast at 3-4% per year
 - significant revenue opportunity for Uponor

- **Market/industry dynamics**

- High price of copper continues to support conversion opportunities to PEX
- Energy costs driving focus to “green” as a selection criteria
 - Uponor heating and cooling systems are well positioned for green building
- Consumer expectations are higher and open for new and better ways
- Builders/developers seeking ways to reduce their risk
 - Favours solutions such as Uponor’s ProPEX and fire safety systems
- PEX competitors investing in business as means of attempting to gain on Uponor’s lead

- **Execution of strategies generated a real growth in 2007; growth will continue in 2008**

Uponor

simply more

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The actual result may differ materially from such statements.*