

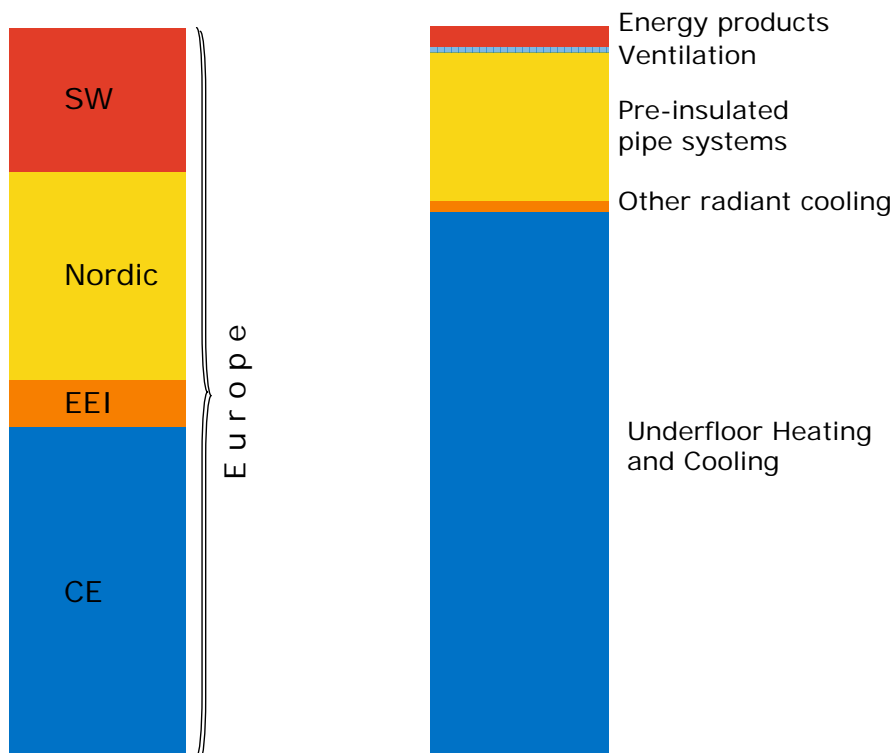
Indoor Climate strategy

Capital Markets Day
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Uponor's Indoor Climate business in 2008

Global net sales EUR 240 million



Uponor's European market position in Indoor Climate solutions

2008	Radiant heating	Radiant cooling	Pre-insulated pipe systems	Ventilation	Energy products
Central Europe	●●● ●●	●●● ●● (1)	●● - ●●● (2)	-	-
Nordic countries	●●● ●●●	● ●	●● - ●●● (2)	●	● - ●●● (2, 3)
South and West Europe	●●● ●	● - ●●● (2) ●	● - ●●● (2)	-	-
East Europe	●●● ●	● - ●●● (2) ●	● - ●●● (2)	-	-

Uponor position
Market penetration

●●● In top 1 or 2
●●● High

● In top 3 to 5
●● Medium

● Market presence
● Emerging

1) office and commercial buildings
2) varies by national market
3) refers to ground energy collection products only

Market environment and trends

<p>1 Economy and society</p> <ul style="list-style-type: none"> Economic downturn to continue to 2010 and beyond, with major impact on new-build volumes Environmental concerns creating demand for green solutions Mobility and other technological solutions enabling lifestyle and work changes Ageing population focusing on comfort, ease of use and carefree attitudes 	<p>3 Construction, customers, value chain</p> <ul style="list-style-type: none"> Renovation growing in importance in construction expenditure Industrialisation of the construction process Drive for simplification of procurement chains and contractual arrangements Internationalisation of CSPs (Construction service provider) and developers Private label and other pressures from the distribution channel
<p>2 Policy and regulation</p> <ul style="list-style-type: none"> Strong harmonised (European) energy policies, building codes and standards driving energy efficiency, low energy / passive buildings and renewable energy <ul style="list-style-type: none"> Member states shall ensure that all new buildings are at least net zero energy buildings by 31 Dec 2018 at the latest (Energy performance of buildings directive) Public stimulus packages directed to renovation and public construction 	<p>4 Competition</p> <ul style="list-style-type: none"> Global competition focusing on energy efficiency and total system supply Emerging local competition from small turnkey suppliers Field of competition expanding to traditional air-conditioning, controls companies, energy service companies etc. Wholesalers as competitors with private label systems

Uponor's Indoor Climate business scope

Indoor Climate Solutions

- Systems and services for maintaining healthy, comfortable and productive indoor climate
 - heating
 - cooling
 - ventilation
 - related control, management and optimisation systems

Based on the Low Exergy principle

- Operating at temperatures close to indoor temperature
- Able to utilise low-grade waste energy sources
- Based primarily on renewable energy sources
 - hydronic radiant heating and cooling
 - balanced heat recovery ventilation + hydronic heating and cooling
 - ground source and solar heating and cooling
 - local distribution systems for low-temperature heating and cooling



Overarching objectives for Indoor Climate Business

1. Back to growth mode by becoming a total solution provider
 - Re-establish leadership position in the residential new-build segment
 - Build and strengthen presence in non-residential buildings
 - Systematic entry into the renovation market
2. Europe-wide brand consistency and recognition
 - Build a recognised position as an Indoor Climate solution provider



Main strategies for Indoor Climate

Growth Boost growth	Brand Among the top 5 brands in Europe	Operational excellence Improve profitability
<p>Extend business model and offering to complete indoor climate and energy solutions</p> <ul style="list-style-type: none">- acquisitions/strategic alliances for offering extensions- controls as a key integration factor- engineering resources and competences- contracted installer network <p>Build a position in energy efficiency and indoor climate renovation</p> <p>Invest in developing low radiant penetration/low market share countries</p>	<p>Transform brand image from pipes and fittings to indoor climate solutions, energy efficiency support and partnering</p>	<p>Differentiated solution architecture based on harmonised and common system and services platforms across Europe</p> <p>Consistent, efficient and Europe-wide common efforts in marketing</p> <p>Build indoor climate expertise in sales, marketing, technical support and offering</p>

Advantages of our Indoor Climate technology base

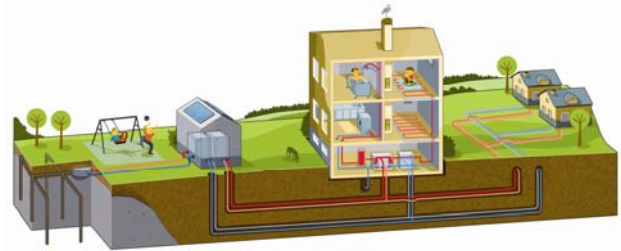
- Superior indoor comfort
 - No draught, uniform thermal environment
 - Silent, no fans or other noise sources
- Excellent energy efficiency
 - Minimised thermal losses
 - Best possibilities for utilising free and renewable energy sources
 - Energy efficiency improvement potential 5...25...50% compared to standard solutions
- Added-value for the construction industry
 - Differentiation through premium offering for the end-user
 - Construction and cost efficiency by integration of heating and cooling



Case example 1

Nupurinkartano

- New residential area in Espoo, Finland
 - construction start during 2009
 - low energy dwellings for 500-600 inhabitants
 - new integrated concept for low-energy residential areas with geothermal heating and cooling system
- Developed in partnership with
 - YIT (developer and main contractor)
 - Fortum (energy company)
- A novel business model, allowing the area, buildings, and heating & cooling systems to be optimised as one entity from the very start



Case example 2

Kranhaus, Cologne

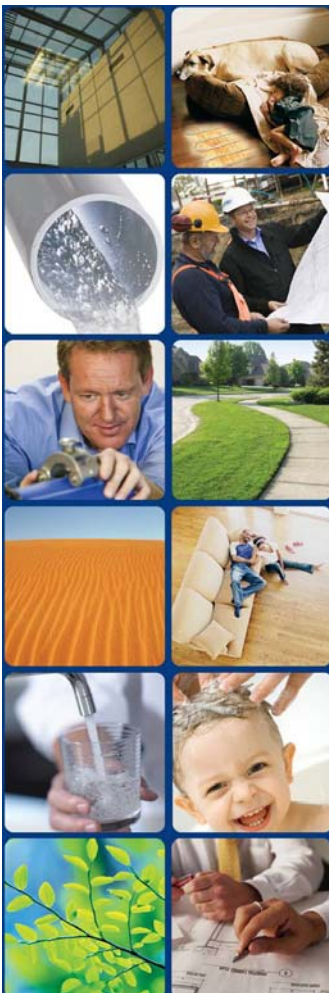
- Spectacular architecture combined with ecological and economical building services solution
- Selected as the *Office Building of the Year 2009* at the Mipim Real Estate Fair in Cannes
- Sustainable energy use with
 - Uponor TABS solution
 - ground-coupled heating and cooling



Case example 3

Dynamic Energy Management

- Higher energy efficiency
 - New and innovative control algorithms
 - Improved support for cooling
- Improved comfort
 - More even floor temperature
 - Faster reaction time
 - Comfort setting per zone
 - SMS module (optional)
- Making the installers life easier
 - Easier & more reliable installation
 - System status analysis
 - No need to install mechanical by-pass
 - Less need for after sales support



uponor

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.