

Stock exchange release

9 May 2008 09.00

Uponor divests infrastructure business in the UK and Ireland

Uponor Corporation has signed a contract to divest its UK and Irish infrastructure business to 3i, Europe's leading mid-market private equity company, and funds managed by 3i. The contract includes the sale of the share capital of Uponor's subsidiary company, Uponor Ltd. in the UK and its subsidiary Radius Plastics Ltd. in Northern Ireland. The companies have manufacturing operations in Hilcote (nr. Alfreton) and in Aycliffe (county Durham) as well as in Banbridge, Northern Ireland.

The infrastructure business in Cork in the Republic of Ireland is also included in the deal. Uponor has earlier announced a separate sale of its factory premises in Cork to a third party, the closing of which has now been postponed to Q1/2009.

The net sales of the divested businesses was EUR 169.1 million in 2007, employing a staff of 470 persons. The enterprise value of the deal amounts to GBP 100 million, giving Uponor a sales gain of nearly EUR 50 million. The deal is subject to necessary permissions from the authorities. The divestment has no impact on Uponor's guidance for 2008: the full-year guidance given in connection with the publication of Q1 interim results remains valid with reference to continuing business operations.

For Uponor, the deal means stepping out of the infrastructure business outside of the Nordic countries.

Jyri Luomakoski, Uponor's Deputy CEO and responsible for the divested businesses comments:

- We have over the years invested extensively in the development of the gas and water pipe business in the UK and Ireland, and reached a market leading position in our segments in the municipal infrastructure sector.
- In our strategic planning, we analysed different development scenarios for this business. In the longer-term, we did not regard it as a rational choice to keep the business in Uponor, because its synergies with the Nordic infrastructure business or the local housing solutions business were few. The divested business mostly concentrates on serving gas and water utility customers, hence lacking a firm bond to both our product and our geographical focus.
- The divested business is in a good position with strong market demand. This divestment reinforces our strategy to maintain a core business approach with which our long-term financial targets are also aligned. Uponor believes that the new owners will develop the business further.

After the completion of the deal, 80% of Uponor's global net sales is generated by the housing solutions business, which Uponor runs in Europe and in North America. In the Nordic countries, the housing solutions and infrastructure businesses form a strong, mutually supportive full-service concept to builders. In 2007, the infrastructure business represented 60% of net sales in the Nordic region.

President and CEO Jan Lång comments:

- In each of the Nordic countries, Uponor operates through a single subsidiary company, offering its customers a comprehensive product and systems portfolio through one distribution channel. The housing and infrastructure solutions together have a strong product and service proposition to our municipal, utility and builder customers alike. It is a platform, on which we will build on also in the future in each of the Nordic countries.
- The emphasis of our Nordic infrastructure business is in water and sewer systems, and also their development know-how is local.

Uponor acquired the Irish water pipe business as its first non-Nordic acquisition in 1983. The gas pipe business became part of Uponor in 1991 and the Radius telecommunications pipe business in 1998.

Uponor's remaining subsidiary company in the UK, Uponor Housing Solutions Ltd. will continue to develop the housing solutions business in the UK and Ireland, both countries representing strategic markets for Uponor. The company has expanded its operations vigorously in recent years. At year-end, it employed a staff of 110 persons.

Uponor has published relevant pro forma figures for 2007 and 2008 on its website at www.uponor.com.

Webcast:

A webcast recording will be available at www.uponor.com/investors, under 'IR Material'.

Uponor is a leading supplier of plumbing and heating systems for the residential and commercial building markets across Europe and North America, and a market leader in municipal infrastructure pipe systems in the Nordic countries. Uponor's key applications include floor heating and plumbing systems. The Group employs 4,250 persons globally. In 2007, Uponor's net sales (pro forma*) totalled 1,050 million euros, returning an operating profit of 12.9*%. Uponor Corporation is listed on the OMX Nordic Exchange in Helsinki, Finland. [Http://www.uponor.com](http://www.uponor.com).*

**) Does not include the Infrastructure business in the UK and Ireland.*

For further information, please contact:

Jan Lång, President and CEO, at tel. +358 20 129 2822

Jyri Luomakoski, CFO and Deputy CEO, at tel. +358 40 515 4498

Uponor Corporation

Tarmo Anttila

Vice President, Communications

+358 20 129 2852

DISTRIBUTION:

OMX Nordic Exchange - Helsinki

Media

www.uponor.com