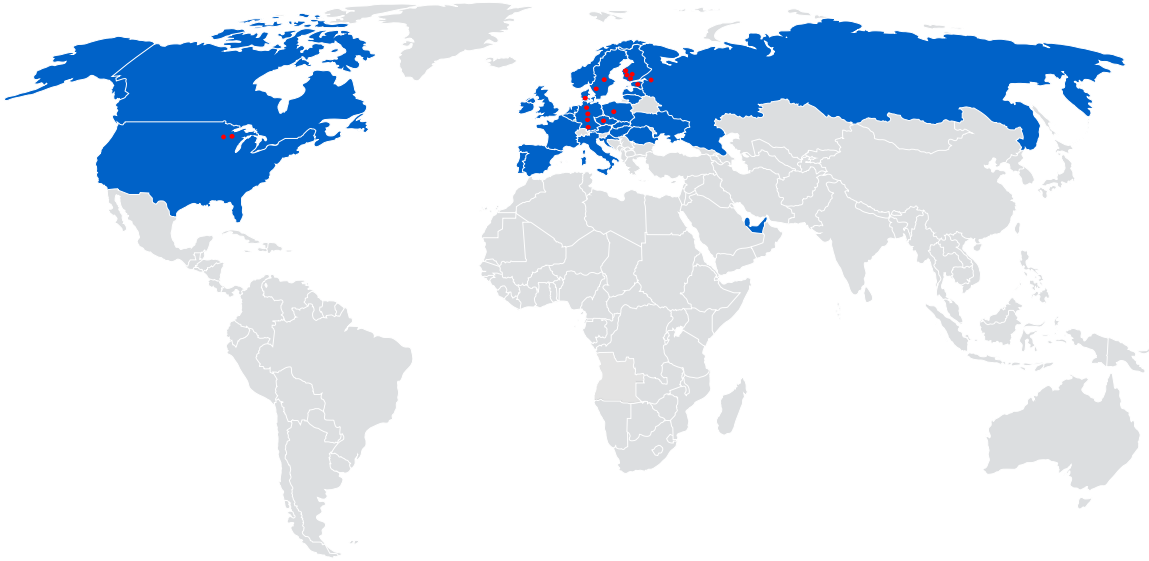


Investor presentation

SEB Nordic Seminar
7 January 2020

Jyri Luomakoski – President and CEO
Minna Yrjönmäki – CFO

Uponor today



1.2

billion euro
net sales in 2018

16

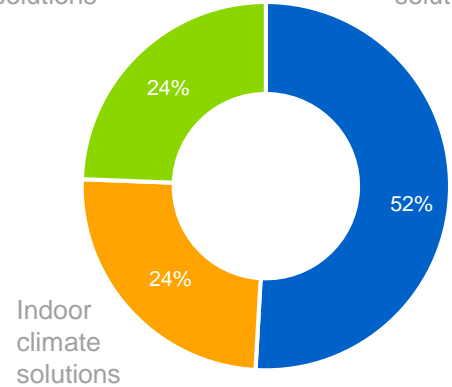
manufacturing
facilities worldwide

4,000

employees
worldwide

Infrastructure
solutions

Plumbing
solutions



**Net sales by
business group**

Megatrends create opportunities to improve our living environments

Megatrends affect societies fundamentally and over a long period of time



Climate change and scarcity of resources



Urbanisation



Digital transformation

...raising new requirements and opportunities to Uponor



Sustainability and energy efficiency
Quality and management of water



Multi-family homes
Offsite construction and pre-fabrication



Building Information Modelling (BIM)
Shift from manufacturing to services

Reviewed purpose, vision and strategic pillars give a direction for our profitable growth



An operational excellence programme to improve processes and increase efficiencies

- On 25 Oct 2019, Uponor announced an operational excellence programme to improve processes and increase efficiencies
- The aim is to deliver cost improvements of around €20 million with full effects realised by the end of 2021
- The estimated costs of the programme are expected to be around €20 million, majority of which is expected to realise during 2020, and they will be recorded as items affecting comparability



Embedding sustainability into our daily operations

Our sustainability strategy is built on UN's sustainable development goals:

SDG

Our main activities:

6 CLEAN WATER AND SANITATION



- We improve water efficiency & quality
- We mitigate water risk

SDG

Our main activities:

8 DECENT WORK AND ECONOMIC GROWTH



- We build sustainable and transparent value chain
- Employee safety and wellbeing is our number one priority

12 RESPONSIBLE CONSUMPTION AND PRODUCTION



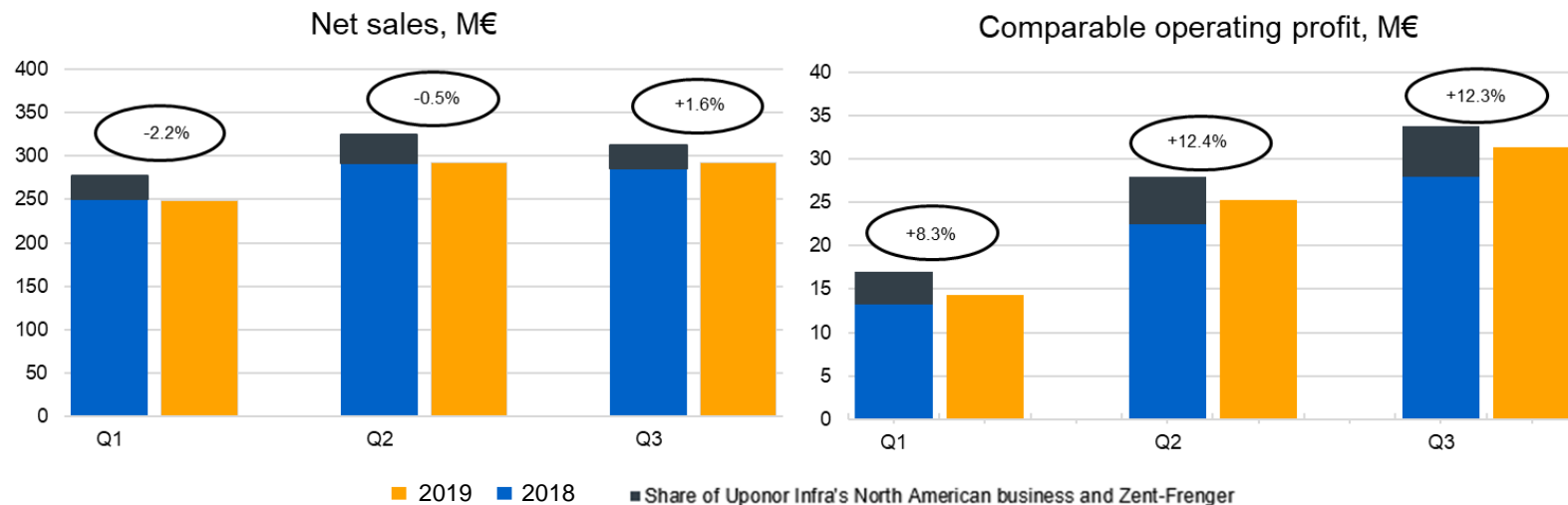
- We aim for zero waste
- Our products are sustainable
- We aim to reduce the amount of packaging

13 CLIMATE ACTION



- We aim for carbon neutrality in production

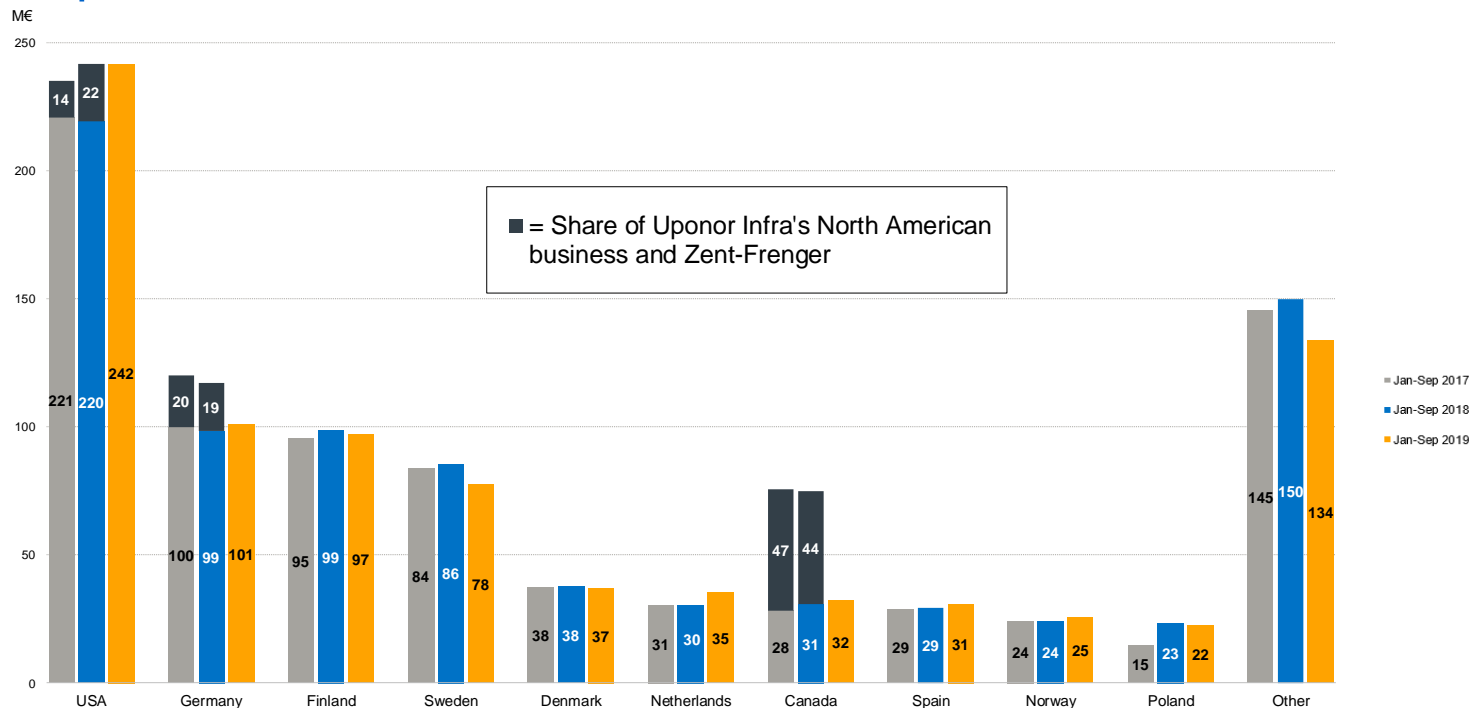
Group net sales and comparable operating profit



X% = change from the previous year without the divested Uponor Infra's North American business and Zent-Frenger

Net sales development by key markets

Jan-Sep 2019



Growth (%)

10%

2%

-2%

-9%

-2%

15%

3%

4%

6%

-4%

-11%

Note: change from previous year without the divested Uponor Infra's North American business and Zent-Frenger

How are we prepared for a possible slow down

1

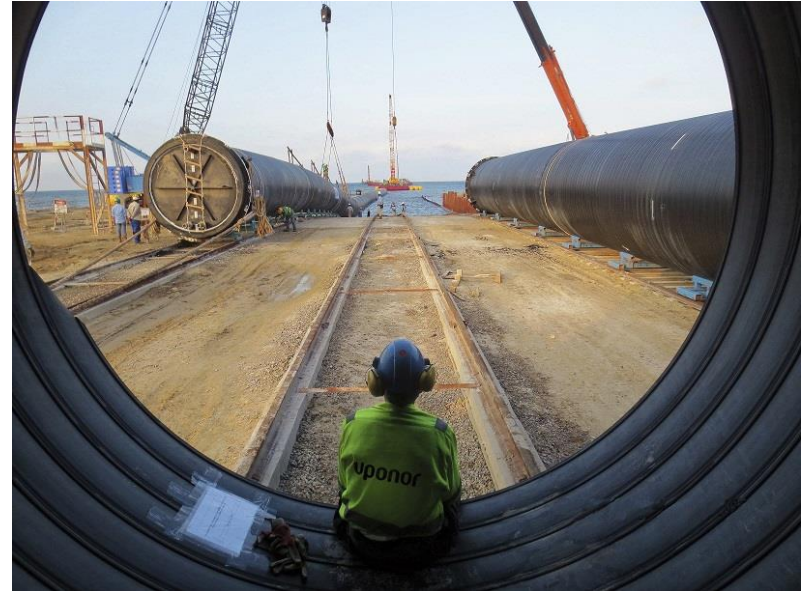
Renovation business is less cyclical than new construction

2

Geographies experience different phases in the economic cycle

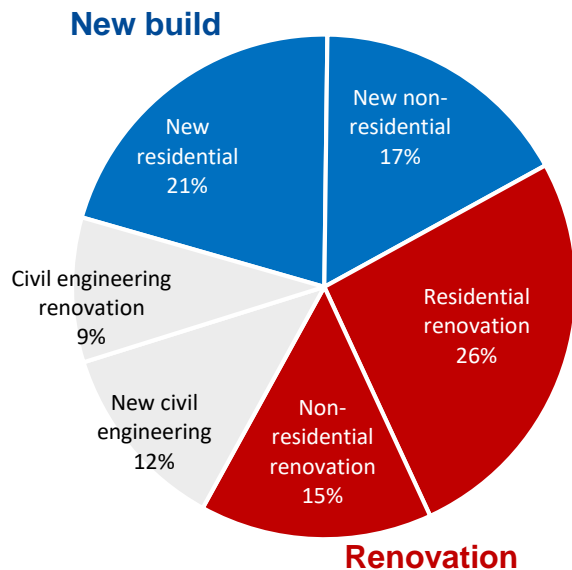
3

Uponor has launched an operational excellence programme

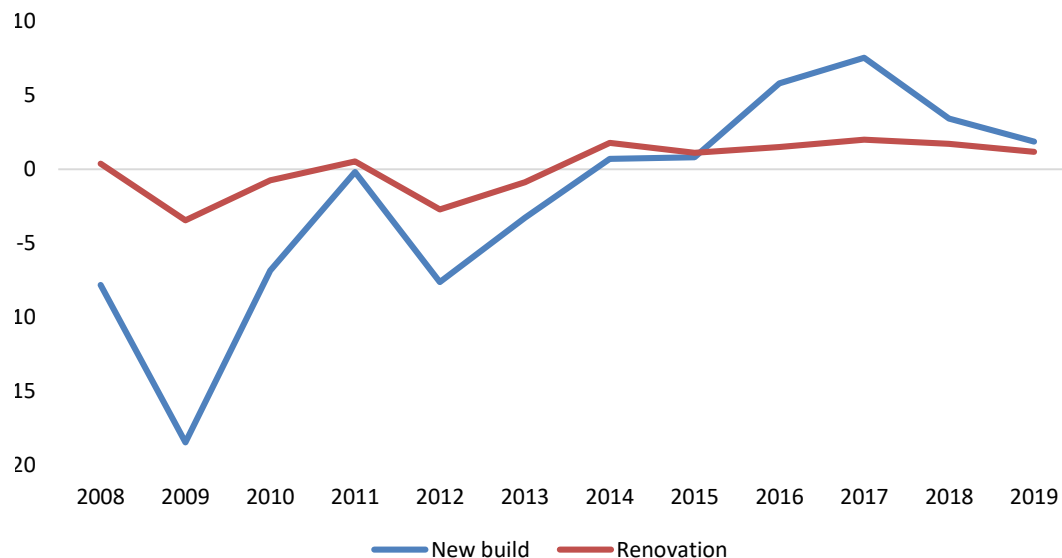


Renovation business is larger and less cyclical than the new build segment

Share of European construction spending (2019)



Building construction spending in Europe (% change from previous year)



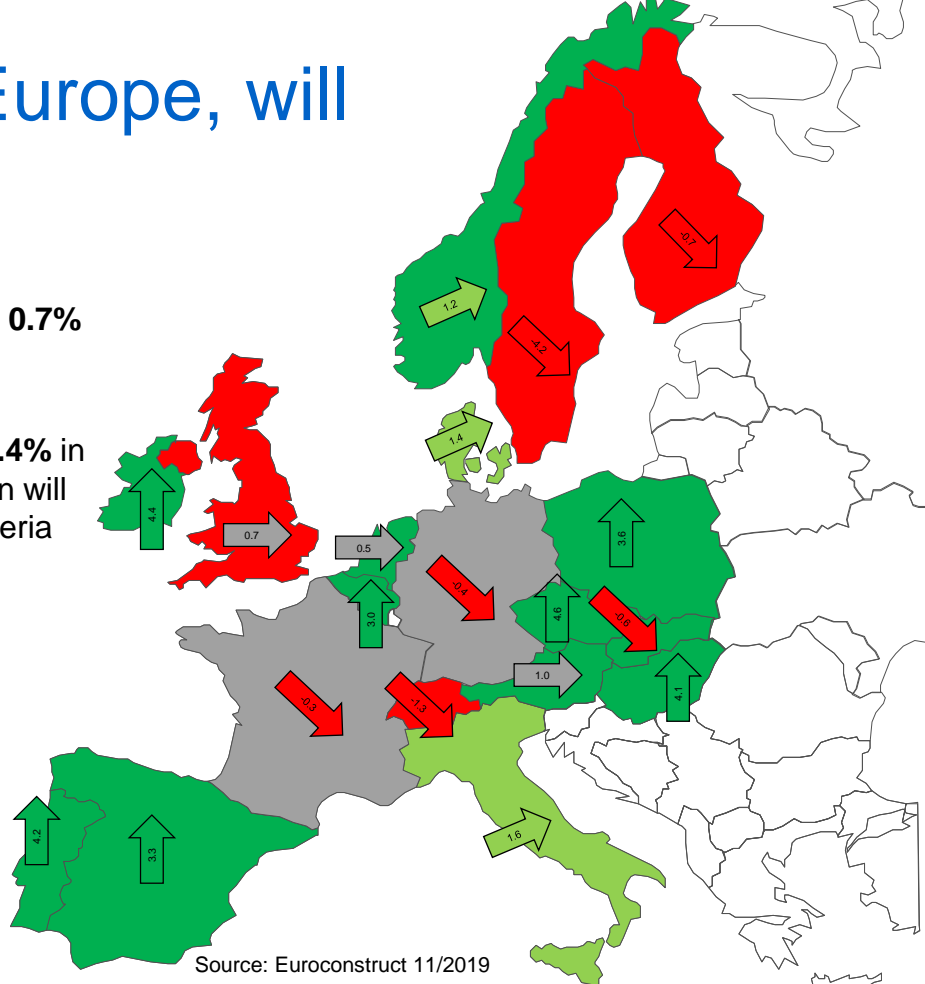
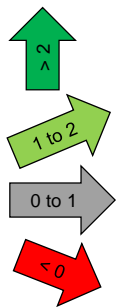
Source: Euroconstruct

Uponor's largest market, Europe, will contract in 2020

2019: Weighted by sales in Uponor's eight largest European countries, building construction growth in Europe will be about **0.7%** in 2019

2020: Sales-weighted construction growth will slow to about **0.4%** in 2020. Germany and Finland will contract slightly, while Sweden will contract more significantly. Meanwhile, Eastern Europe and Iberia will continue to expand

2019 building construction growth forecast (%) **2020 building construction growth forecasts (%)**



Source: Euroconstruct 11/2019

North American markets are expected to expand slightly

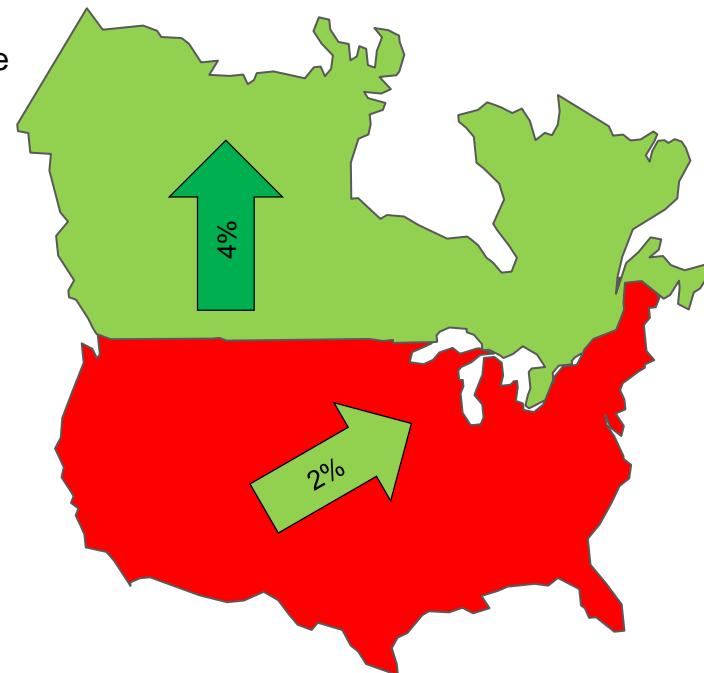
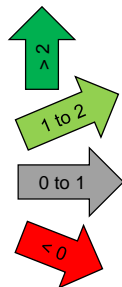
2019: Although the US residential market has stabilised during H2, the weak start to the year will keep total construction in negative territory for the year as a whole, while Canada will register a slight gain overall

2020: Low single-digit growth is expected, with residential segments growing marginally while non-residential segments expand at a slightly faster rate

2019 building construction growth forecast (%)

2020 building construction growth forecast (%)

- Less than 0
- Between 0 and 1
- Between 1 and 2
- Greater than 2



Source: FMI (Q3 2019)

Thank you!



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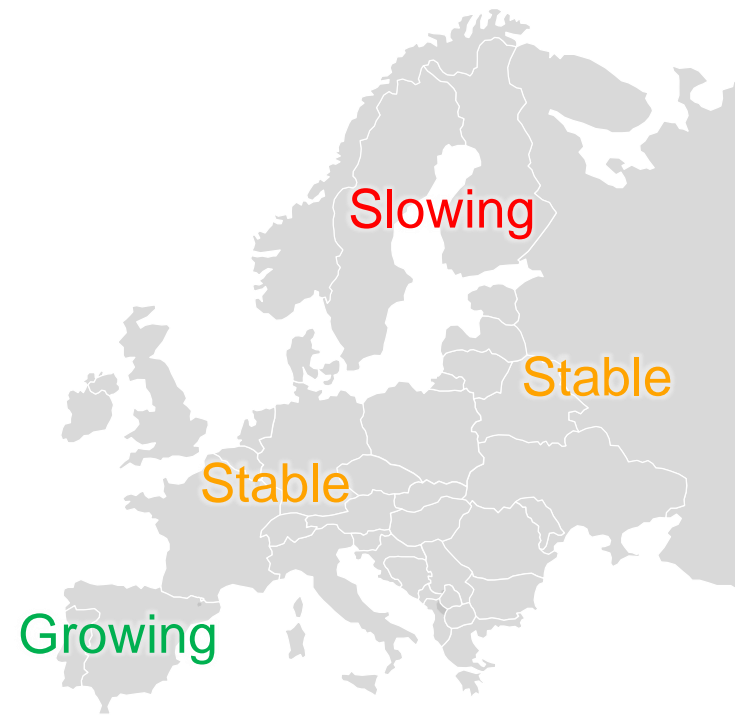
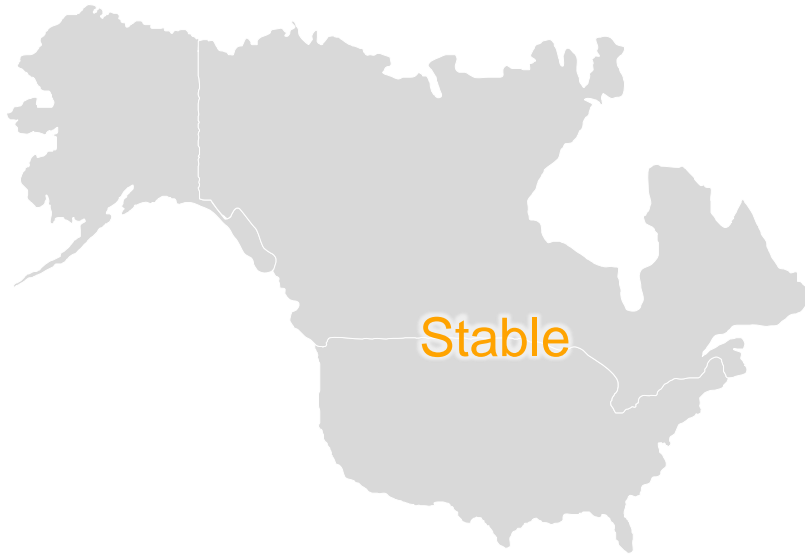
communications@uponor.com

Uponor IR site: investors.uponor.com

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Appendix

Market outlook



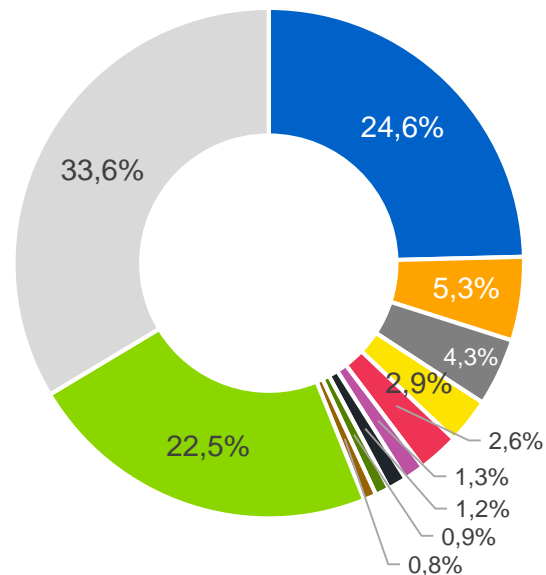
Uponor repeats its full-year guidance announced on 13 February 2019:

Excluding the impact of currencies, Uponor expects its net sales to reach the level of the year 2018 net sales excluding the divested Uponor Infra's North American business and Zent-Frenger (€1,107.7 million), and comparable operating profit to improve from the year 2018 comparable operating profit excluding the divested Uponor Infra's North American business and Zent-Frenger (€83.5 million).

Major shareholders

30 September 2019

- Oras Invest Ltd 24.6%
- Varma Mutual Pension Insurance Company 5.3%
- Nordea Nordic Small Cap Fund 4.3%
- Mandatum Life Insurance Company Ltd 2.9%
- Ilmarinen Mutual Pension Insurance Company 2.6%
- Nordea Bank Ltd 1.9%
- Pekka Paasikivi 1.2%
- The State Pension Fund 0.9%
- Nordea Pro Finland Fund 0.8%
- Nominee registrations 22.5%
- Others 33.6%



- 19,776 shareholders at the end of September 2019
- Foreign shareholding was 22.5% at the end of September 2019 vs 23.5% at the end of December 2018

Long-term financial targets

Since 13 February 2019

Organic net sales growth to exceed annual GDP growth* by
3 ppts

EBIT margin to exceed
10%

ROI to exceed
20%

Gearing to stay within
40 to 80
as an annual average of the quarters

Dividend pay-out to be at least
50%
of annual earnings (considering the gearing target)

Achievement in 2018

4.9%
(target 5.4%*)

8.3%
(comparable EBIT 8.3%)

17.2%

53.0

70.8%

* GDP growth based on a weighted average growth in the top 10 countries

Why invest in Uponor

The business: sustainable building and infrastructure solutions

- Safe drinking water delivery and energy-efficient heating and cooling continue to be essential needs in built environments
- Uponor mitigates the cyclical nature of construction industry by operating in European and North American markets and serving both new construction and renovation projects

The company: An industry innovator building on a century of experience

- A leading supplier for residential and commercial construction for drinking water delivery and radiant heating and cooling systems; and a strong position in infrastructure piping systems in northern Europe.
- Established brand with a broad and loyal customer base
- Well maintained manufacturing network with capacity to grow
- Continuous material and production technology development to support operational efficiency
- Committed long-term key ownership with a clear understanding of the industry's dynamics

