uponor

Q1

INTERIM REPORT 2010

INTERIM REPORT JANUARY-MARCH 2010

Severe winter affected building activity

- Construction markets recovering from the economic crisis were affected by the severe winter in Q1 – especially felt in the infrastructure business
- As a result of adjustments and streamlining, Uponor's profitability improved
- Net sales in January-March totalled EUR 157.4 (171.0) million; a change of -8.0%
- Operating profit for January-March totalled EUR 1.5 (-1.0) million; up +2.5 million
- Earnings per share were EUR -0.03 (-0.05)
- Return on investment was -1.1% (-3.0%), and gearing 60.4% (58.6%)
- Cash flow from business operations fell to EUR -28.0 (–14.0) million
- Full-year guidance remains unchanged

(Figures for continuing operations unless otherwise stated.)

President and CEO Jyri Luomakoski comments on the reporting period:

- Despite the additional challenges caused by the severe winter, Uponor's financial performance in the first quarter shows that last year's savings and streamlining measures have been successful. Despite the fall in net sales, we have been able to achieve a positive operating profit after last year's operating loss.
- We have strengthened our competitiveness in various ways, and are well positioned to respond to future challenges. The importance of building technology is becoming increasingly pronounced in green building and green living, and Uponor can offer ecological solutions which create cost savings over their life cycle.
- We are confident that a large part of the business lost during January and February will be recovered by the end of the year, provided the weather conditions are normal. This year, we expect the construction markets to develop steadily, although growth will remain slow.

Webcast and presentation material:

Following the release of this report, the presentation material for the interim report will be available at www.uponor.com > Investors > News & downloads.

The webcast from the release briefing will be broadcast in English today at 10:00 am. Access the webcast at www.uponor.com > Investors.

Questions for the webcast can be sent in advance to ir@uponor.com.

Markets

Construction markets slowly recovering from the international economic crisis have been hit hard by the severe winter in most of the northern hemisphere. As a result, development in housing construction and infrastructure solutions, in particular, has been weaker than expected. During January and February, construction site shutdowns and project delays caused industry demand to trail 3 to 6 weeks behind schedule, depending on the market. The onrush of spring in March clearly stimulated the markets, but it is unlikely that all of the missed demand will be recovered by the end of the year.

A gradual recovery from the recession in the construction industry, which began in the latter half of 2007, is finally underway. Excluding southwest Europe and some markets in Eastern Europe, the decline in overall demand in construction has mostly come to a halt and signs of upward trends are visible. In the Nordic countries, demand has increased rapidly, which is at least partly due to the timely public recovery measures. In North America, the budding growth seen in the latter half of last year levelled out during the reporting period.

With respect to our various market segments, renovation and modernisation projects together with 1&2 family housing starts have developed strongly whereas fewer commercial and public buildings are being designed and built than in 2009. In some markets, the limited availability of financing continues to slow down the launch of major construction projects.

Net sales

Uponor’s net sales in the first quarter of 2010 were EUR 157.4 (2009: 171.0) million, down by 8.0 per cent on a year earlier. Traditionally, fluctuations in the first quarter are large, primarily due to the impact of weather conditions on winter construction. This year the cold winter, with its generous snowfall, particularly hampered infrastructure projects in the Nordic countries, and housing construction in Germany as well as other parts of Central and Eastern Europe.

In Uponor's product segments, a slight increase due to the favourable development in the Nordic countries, in particular, was manifest in sales of indoor climate solutions. Demand was further stimulated by customers' desire to use energy-efficient heating and cooling solutions based on renewable energy sources – Uponor's new solutions provide the perfect answer to this need. Uponor's plumbing solutions progressed well in the Nordic countries, in new housing projects and especially in renovation and modernisation projects. In Central Europe, their performance was weaker.

Competition in the markets remains keen. The combined effect of over capacity and a reduced number of projects has resulted in an emphasis on price when bidding for smaller projects. Uponor has systematically invested in R&D in new products and solutions. One result is the automatically adjusting heating and cooling control system introduced in 2009, which has been well received by installers and end users. The new composite riser system, together with its range of fittings and fixtures facilitating easy installation, was launched in Europe and has been a success, especially in the Spanish market. The new customer segmentation project initiated last year has also had a positive impact on sales development.

In North America, Uponor's building solution sales in local currency increased slightly from a year ago, mainly thanks to the pull of the Canadian market.

The sharp decline in infrastructure sales witnessed in the Nordic and Baltic countries was due to the severe winter. Net sales were further suppressed by the increase in competition caused by the reduction in the number of projects.

There was a positive impact of 2.8 million euros from currency fluctuations on net sales year-on-year.

Net sales by segment (January-March):

MEUR	1-3/ 2010	1-3/ 2009	Change
Building Solutions, Europe	112.0	115.6	-3.1%
Building Solutions, North America	24.5	25.0	-1.7%
(Building Solutions, North America, USD	33.6	32.3	4.0%)
Infrastructure Solutions	21.9	31.4	-30.4%
Eliminations	-1.0	-1.0	
Total	157.4	171.0	-8.0%

Results and profitability

Uponor's operating profit from continuing operations totalled EUR 1.5 (-1.0) million, which is up from the first quarter in 2009. Operating profit margin improved to 1.0 per cent from the -0.6 per cent reported a year ago.

The unsatisfactory level of operating profit is primarily due to the decrease in net sales resulting from the combined effect of the economic low and the severe winter weather, which caused a decline in construction in January and February. Factors contributing to the strengthening of the operating profit included savings measures initiated last year and the resulting lower level of costs than a year ago.

The improved performance of Uponor's supply chain together with the increase in profitability in all geographic areas resulted in a clear improvement in the operating profit of building solutions in Europe. In North America, operating loss decreased in euros as well as in U.S. dollars. Infrastructure solutions posted an operating loss due to severe winter conditions causing building sites to shut down, and the operating profit of the first quarter was further eroded by maintenance operations scheduled to be carried our during the low season.

The impact of currency fluctuations on operating profit was +0.2 million euros.

Operating profit by segment (January-March):

MEUR	1-3/ 2010	1-3/ 2009	Change
Building solutions, Europe	9.0	3.3	176.8%
Building solutions, North America	-1.8	-3.2	42.5%
(Building solutions, North America, USD	-2.5	-4.1	39.3%)
Infrastructure solutions	-4.0	0.5	-893.3%
Other	-1.9	-2.4	
Eliminations	0.2	0.8	

Total	1.5	-1.0	255.9%

The Group's expenses of EUR 0.4 million from discontinued operations are caused by the environmental decontamination measures associated with the factory property for sale.

Profit before taxes for January-March totalled EUR -2.6 (-5.2) million. Capital gains due to taxes were positive, at EUR +0.8 (+1.5) million. The tax rate rose to 30.0 (28.0) per cent. The reporting period's losses totalled EUR -1.8 (EUR -3.7) million. Earnings per share were EUR -0.03 (-0.05), both basic and diluted. Equity per share was EUR 3.07 (EUR 3.31), basic and diluted.

Investment and financing

Investments related to the transfer of Denmark's infrastructure production in the Nordic countries were completed during the reporting period. No significant new investment projects were initiated.

Gross investments in the first quarter came to EUR 1.8 (4.0) million, clearly less than depreciation which amounted to EUR 7.5 (7.8) million. Cash flow from business operations decreased to EUR -28.0 (-14.0) million.

Despite the fact that the markets have clearly started to stabilise in recent months, the safeguarding of liquidity remains one of the main goals of corporate financing. Follow-up of accounts receivable and actions to avoid possible credit risk realisations are being actively continued.

Since the end of last year, no major changes have occurred in the Group's financial position. At the end of the reporting period, EUR 64 million was left of the EUR 80 million of the company’s pension contribution borrowed back from a Finnish pension insurance company. Available bilateral credit limits amounted to EUR 190 million, none of which was in use at the end of the reporting period. At period end, EUR 53.9 million was in use of the EUR 150 million from the domestic commercial paper programme.

Despite the dividend of EUR 36.5 million paid on 30 March, the company's gearing is at a healthy level. Interest-bearing liabilities amounted to EUR 135.4 (141.7) million, due to, among others, the smaller dividends paid out than a year earlier. The period-end cash balance totalled EUR 6.3 million (1 January 2010: EUR 13.2 million; 31 March 2009: EUR 33.7 million). Gearing increased to 60.4 per cent (58.6 per cent), and remains aligned with the set goals.

Key events

In the construction industry, events in the first quarter primarily involve presentations at trade fairs and exhibitions and the launch of new products. In addition to local events, Uponor participated in the biannually organised, major international trade fair, Expocomfort Mostra Convegno, held in Milan, Italy. Uponor's message emphasised comfortable living, energy-efficiency and sustainable building. Uponor also organised its 32nd Uponor Conference in Austria. Primarily intended for designers and architects, the conference programme focused on the developing building technology and energy issues. An important customer event was organised in Spain, with approximately 300 important partners participating.

Launched last year, the automatically adjusting heating and cooling control system was actively marketed to professionals and consumers. Other key focus areas include the introduction of the new composite riser system with its innovative fittings range, and the launch of sales of large diameter insulated PEX pipes.

To consolidate its market position in all key market areas, Uponor concluded new partnership agreements with leading enterprises in the construction industry. In co-operation with a prominent manufacturer of concrete elements, the Underfloor Heating Company acquired last year introduced a new thermo active precast slab on the UK market. This prefabricated cooling and heating element utilises Uponor's technology. In January, a renovated and extended Uponor Academy was opened in North America.

Expansion into new markets progressed according to the adopted growth strategy. During the reporting period, Uponor received the necessary approvals from the relevant authorities for conducting business under the name of its own subsidiaries in China and Switzerland.

Preparations to roll out the Oracle ERP system in the infrastructure solution business progressed, and the system installation was initiated in March. Once completed, the system will enable closer co-operation with the building solutions units. The integration of the sales units of smaller European countries into the system was continued.

The Baltic infrastructure business was operatively integrated into the infrastructure segment. The closure of the Hadsund infrastructure factory in Denmark and the transfer of its production to other factories were completed.

In February, the Board of Directors of Uponor decided to donate EUR 400,000 to the capital of Finland’s new Aalto University foundation to contribute to the development of Finnish know-how and competitiveness. The strategic focus areas of Aalto University, including service business, energy and the sustainable use of natural resources, and a people-oriented living environment, are firmly in line with Uponor's operating principles and objectives.

Human resources and administration

The number of Group full-time-equivalent employees in continuing operations averaged 3,173 (3,572) during the period under review, showing a reduction of 399 employees from the same period in 2009. At the end of the period, the Group had 3,181 (3,526) employees, a reduction of 345 from the end of the comparison period and 135 from the end of 2009.

After significant restructuring measures and reductions in the number of personnel in 2009, some projects have been carried further still in 2010. In some units, the number of personnel has been further reduced, but new employees have been hired elsewhere. Personnel reductions are greatest in Germany, where the closure of warehouses has been completed and OEM business operations have been adjusted to accommodate reduced demand.

In March, Uponor's Board nominated Sebastian Bondestam, Executive Vice President, Supply Chain, as deputy to the CEO of the parent company.

The company's corporate governance statement was published on the company's website in February.

Annual general meeting

Uponor's annual general meeting was held in Helsinki on 17 March. The AGM adopted Uponor's parent-company and consolidated financial statements for 2009 and discharged Board members and the CEO from liability. The AGM approved the proposed dividend of EUR 0.50 per share for 2009, and the dividend was paid out on 30 March 2010. Amendments to the provisions of the Articles of Association resolved by the AGM were registered with the Trade Register on 24 March 2010.

Jorma Eloranta, Jari Paasikivi, Aimo Rajahalme, Anne-Christine Silfverstolpe Nordin and Rainer S. Simon were re-elected to the Board.

In agreement with the Board's proposal, the AGM appointed Deloitte & Touche Oy, Authorised Public Accountants, as the company's new auditor, with Mikael Paul, Authorised Public Accountant, acting as the principal auditor.

The Board's annual remuneration and remuneration paid to members of the Board committees per committee meeting remained unchanged.

The Board was authorised to resolve, within one year from the date of the meeting, to buy back a maximum of 3.5 million of the company's own shares using distributable earnings from unrestricted equity, amounting in total to 4.8 per cent of the total number of company shares.

The Board of Directors did not exercise this authorisation during the reporting period and reported in the AGM that it had no immediate plans to do so. The Board of Directors has no other authorisations from the AGM.

Share capital and shares

Uponor Corporation's share capital amounts to EUR 146,446,888 and the number of shares totals 73,206,944. There were no changes in the share capital and shares in the first quarter.

The number of Uponor shares traded on the NASDAQ OMX Exchange in Helsinki fell in the first quarter to 10.2 (13.0) million shares, totalling EUR 141.8 (102.1) million. The market value of the share capital at the end of the period was EUR 1.0 (0.5) billion, and the number of shareholders was 21,579 (19,844).

The company held 160,000 of its own shares, acquired in the final quarter of 2008 for use in the company's share-based incentive programme.

Events after the period under review

In its meeting of 27 April 2010, the Board discussed its own charter and the charters of the Board Committees. As a result, the tasks of the Board and the Audit Committee were reviewed. The updated charters of the Board and its committees can be accessed online on the company's website.

In April, Uponor organised the traditional Uponor Convention and Engineering Conference in Las Vegas, Nevada. The event attracted a record audience – more than 700 building industry professionals. An important new partnership agreement with a tool manufacturer and new loyalty programme services for customers were announced at the event.

Short-term outlook

An increased confidence in the steady development of housing construction has emerged, compared to the attitudes prevailing at the end of 2009. A favourable development of key indicators of market trends, such as the number of building permits granted, together with the brisk increase in demand in some markets have contributed to this change. In Spain and other countries in southwest Europe, some signs of renewed confidence in the recovery of markets have become evident and are supported by the most recent housing data, for example. In North America, the recovery in demand witnessed in Canada is expected to continue and the development of U.S. demand is, in the minimum, expected to remain at its current level.

The demand in the public and commercial building sector is expected to remain weak, especially if the financing opportunities continue tight. Various stimulation packages designed to encourage private consumption and accelerate and move forward public projects are providing some light in the tunnel. These measures are expected to have a positive impact on housing renovation and infrastructure projects, in particular. The overall business environment is, nevertheless, expected to remain challenging this year.

During the last two years, Uponor has implemented an extensive efficiency programme, which has streamlined the company's cost structure on a good level. Product and service offerings have been updated and given a better focus, and customer segmentation has been enhanced to gain a competitive edge in customer relationships. The company’s objective now is to focus on generating growth through various methods, and no plans exist to launch new restructuring programmes this year, provided there are no major changes in demand from current levels. However, Uponor’s financial performance may be affected by several strategic, operational, financial and hazard risks. A more detailed risk analysis is provided in the company’s Annual Report.

Although demand in the first quarter of the current year was weaker than expected due to the severe winter, some of this loss may be compensated by the end of the year provided that weather conditions remain normal. National economies are expected to advance steadily, supporting the slow recovery of the economic situation.

Under these circumstances, Uponor maintains its full-year guidance:
- Uponor's net sales in 2010 are expected to remain level with 2009, and operating profit is expected to improve from last year's reported operating profit. The Group’s fixed-asset investments are not expected to exceed depreciation, and efficient net working capital management measures will help retain the Group’s cash flow at a reasonable level.

Uponor Corporation
Board of Directors

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Information on the interim report

The figures in brackets in this interim report are the refer figures for the equivalent period in 2009. The change percentages reported in the interim report have been calculated from exact figures not from rounded figures published in the interim report.

INTERIM REPORT JANUARY-MARCH 2010

The figures in this interim report are unaudited.

CONDENCED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

MEUR	1-3/2010	1-3/2009	1-12/2009
Continuing operations			
Net sales	157.4	171.0	734.1
Cost of goods sold	98.6	111.1	463.0
Gross profit	58.8	59.9	271.1
Other operating income	0.6	0.0	4.2
Dispatching and warehousing expenses	7.5	7.8	32.4
Sales and marketing expenses	35.5	37.8	140.1
Administration expenses	11.3	11.3	45.0
Other operating expenses	3.6	4.0	16.6
Operating profit	1.5	-1.0	41.2
Financial expenses, net	4.1	4.2	12.7
Profit before taxes	-2.6	-5.2	28.5
Income taxes	-0.8	-1.5	11.3
Profit for the period from continuing operations	-1.8	-3.7	17.2
Discontinued operations			
Profit for the period from discontinued operations	-0.4	-	-5.7
Profit for the period	-2.2	-3.7	11.5
Other comprehensive income			
Translation differences	8.4	2.6	2.4
Cash flow hedges	-0.4	-0.4	0.5
Net investment hedges	-3.2	-	-
Other comprehensive income for the period	4.8	2.2	2.9
Total comprehensive income for the period	2.6	-1.5	14.4
Earnings per share, EUR	-0.03	-0.05	0.16
- Continuing operations	-0.03	-0.05	0.24
- Discontinued operations	0.00	-	-0.08
Diluted earnings per share, EUR	-0.03	-0.05	0.16
- Continuing operations	-0.03	-0.05	0.24
- Discontinued operations	0.00	-	-0.08

CONDENCED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

MEUR	31.3.2010	31.3.2009	31.12.2009
Assets			
Non-current assets			
Property, plant and equipment	173.5	182.4	175.1
Intangible assets	100.4	100.5	101.5
Securities and long-term investments	7.3	6.6	7.5
Deferred tax assets	13.6	17.5	12.0
Total non-current assets	294.8	307.0	296.1
Current assets			
Inventories	83.4	100.7	74.3
Accounts receivable	116.7	122.6	88.2
Other receivables	23.5	26.0	26.8
Cash and cash equivalents	6.3	33.7	13.2
Total current assets	229.9	283.0	202.5
Total assets	524.7	590.0	498.6
Shareholders’ equity and liabilities			
Shareholders’ equity	224.1	242.0	258.0
Non-current liabilities			
Interest-bearing liabilities	67.3	80.0	60.2
Deferred tax liability	9.8	9.4	9.7
Provisions	5.7	6.9	5.7
Employee benefits and other liabilities	15.4	19.6	22.1
Total non-current liabilities	98.2	115.9	97.7
Current liabilities			
Interest-bearing liabilities	74.4	95.4	17.6
Provisions	9.0	20.9	12.7
Accounts payable	45.6	45.0	45.0
Other liabilities	73.4	70.8	67.6
Total current liabilities	202.4	232.1	142.9
Total shareholders’ equity and liabilities	524.7	590.0	498.6

CONDENCED CONSOLIDATED STATEMENT OF CASH FLOW

MEUR	1-3/2010	1-3/2009	1-12/2009
Cash flow from operations			
Net cash from operations	4.9	3.7	65.7
Change in net working capital	-28.8	-7.7	25.9
Income taxes paid	-3.7	-9.4	-8.5
Interest paid	-0.4	-0.9	-5.2
Interest received	0.0	0.3	0.9
Cash flow from operations	-28.0	-14.0	78.8
Cash flow from investments			
Acquisition of subsidiary shares	-	-	-1.9
Purchase of fixed assets	-1.8	-4.0	-24.0
Proceeds from sales of fixed assets	2.7	1.1	7.3
Received dividends	-	-	0.2
Loan repayments	0.0	0.0	0.2
Cash flow from investments	0.9	-2.9	-18.2
Cash flow from financing			
Borrowings and repayments of debt	57.2	59.9	-36.4
Dividends paid	-36.5	-62.1	-62.1
Payment of finance lease liabilities	-0.5	-0.5	-2.0
Cash flow from financing	20.2	-2.7	-100.5
Conversion differences for cash and cash equivalents	0.0	0.1	-0.1
Change in cash and cash equivalents	-6.9	-19.5	-40.0
Cash and cash equivalents at 1 January	13.2	53.2	53.2
Cash and cash equivalents at end of period	6.3	33.7	13.2
Changes according to balance sheet	-6.9	-19.5	-40.0

STATEMENT OF CHANGES IN EQUITY

MEUR	Share capital	Share premium	Other reserves*	Trans-lation reserve	Treasury shares	Retained earnings	Total
Balance at 31 Dec 2009	146.4	50.2	1.3	-14.0	-1.2	75.3	258.0
Total comprehensive income for the period			-3.6	8.4		-2.2	2.6
Dividend paid (EUR 0.50 per share)						-36.5	-36.5
Other adjustments			0.0			0.0	0.0
Balance at 31 Mar 2010	146.4	50.2	-2.3	-5.6	-1.2	36.6	224.1
Balance at 31 Dec 2008	146.4	50.2	0.8	-16.4	-1.2	125.8	305.6
Total comprehensive income for the period			-0.4	2.6		-3.7	-1.5
Dividend paid (EUR 0.85 per share)						-62.1	-62.1
Other adjustments			0.0			0.0	0.0
Balance at 31 Mar 2009	146.4	50.2	0.4	-13.8	-1.2	60.0	242.0

*) Includes –3.2 MEUR effective portion of net investment hedge.

NOTES TO THE CONSOLIDATED INTERIM FINANCIAL STATEMENTS

ACCOUNTING PRINCIPLES

The interim report has been prepared in compliance with International Financial Reporting Standards (IFRS) as adopted by EU and IAS 34 Interim Financial Reporting. In interim reports Uponor Group follows the same principles as in the annual financial statements for 2009, with the exception of the changes listed below.

Hedge accounting

Hedges of net investments in foreign operations are accounted for from the beginning of 2010 for certain designated internal loans as defined by Group Treasury Committee. Any gain or loss on the hedging instrument relating to the effective portion of the hedge is recognised in other comprehensive income and accumulated in other reserves. The gain or loss relating to the ineffective portion is recognised immediately in profit or loss. The application of net investment hedges did not result in any one-time effects.

Operating segments

Since 1 January 2009, Uponor has applied three segments in its financial reporting. These have been defined based on geographic regions and businesses, in accordance with the Group organisation structure effective from 1 October 2008, as follows:
Building Solutions - Europe
Building Solutions - North America
Infrastructure Solutions - Nordic.

The structure will, for the most part, remain as it is today, but as of 1 Jan 2010 the following redefinitions have been implemented: the reporting of the Estonian and Latvian businesses will be split between Building Solutions and Infrastructure Solutions, in contrast to the earlier practice of including everything within Building Solutions - Europe. In addition, the ventilation and ground energy product groups that formed part of Infrastructure Solutions are now classified as belonging to Building Solutions - Europe.

The impact of these redefinitions on segment sizes will be small.

The new names of the reporting segments are thus:
Building Solutions - Europe
Building Solutions - North America
Infrastructure Solutions.

In the future, small sales volumes related to infrastructure products in north-eastern Europe will also be included in the segment Building Solutions - Europe. The size of this business is marginal.

Comparative data for 2009 has been changed to comply with the new structure.

PROPERTY, PLANT AND EQUIPMENT AND INTANGIBLE ASSETS

MEUR	1-3/2010	1-3/2009	1-12/2009
Gross investment	1.8	4.0	27.4
- % of net sales	1.1	2.3	3.7
Depreciation	7.5	7.8	32.0
Write downs	-	-	0.5
Book value of disposed fixed assets	2.1	1.1	4.6

PERSONNEL

Converted to full time employees	1-3/2010	1-3/2009	1-12/2009
Average	3,173	3,572	3,426
At the end of the period	3,181	3,526	3,316

OWN SHARES

	31.3.2010	31.3.2009	31.12.2009
Own shares held by the company, pcs	160,000	160,000	160,000
- of share capital, %	0.2%	0.2%	0.2%
- of voting rights, %	0.2%	0.2%	0.2%
Accounted par value of own shares held by the company, MEUR	0.3	0.3	0.3

SEGMENT INFORMATION

MEUR	1-3/2010 External	1-3/2010 Internal	1-3/2010 Total	1-3/2009 External	1-3/2009 Internal	1-3/2009 Total
Segment revenue, continuing operations						
Building Solutions - Europe	111.9	0.1	112.0	115.3	0.3	115.6
Building Solutions - North America	24.5	-	24.5	25.0	-	25.0
Infrastructure Solutions	21.0	0.9	21.9	30.7	0.7	31.4
Eliminations	-	-1.0	-1.0	-	-1.0	-1.0
Total	157.4	-	157.4	171.0	-	171.0

MEUR	1-12/2009 External	1-12/2009 Internal	1-12/2009 Total
Segment revenue, continuing operations			
Building Solutions - Europe	481.1	1.1	482.2
Building Solutions - North America	109.0	-	109.0
Infrastructure Solutions	144.0	4.1	148.1
Eliminations	-	-5.2	-5.2
Total	734.1	-	734.1

MEUR	1-3/2010	1-3/2009	1-12/2009
Segment result, continuing operations			
Building Solutions - Europe	9.0	3.3	32.6
Building Solutions - North America	-1.8	-3.2	3.9
Infrastructure Solutions	-4.0	0.5	14.2
Others	-1.9	-2.4	-9.3
Eliminations	0.2	0.8	-0.2
Total	1.5	-1.0	41.2
Segment depreciation and impairments, continuing operations			
Building Solutions - Europe	3.3	3.7	16.2
Building Solutions - North America	1.6	1.6	6.1
Infrastructure Solutions	1.4	1.4	5.5
Others	1.1	1.0	4.1
Eliminations	0.1	0.1	0.6
Total	7.5	7.8	32.5
Segment investments, continuing operations			
Building Solutions - Europe	0.7	1.9	0.5
Building Solutions - North America	0.7	1.7	5.1
Infrastructure Solutions	0.4	0.1	20.1
Others	0.0	0.3	1.7
Total	1.8	4.0	27.4

MEUR	31.3.2010	31.3.2009	31.12.2009
Segment assets			
Building Solutions - Europe	391.9	410.1	393.0
Building Solutions - North America	127.6	133.5	118.1
Infrastructure Solutions	79.5	75.3	80.4
Others	486.0	558.2	509.9
Eliminations	-560.3	-587.1	-602.8
Total	524.7	590.0	498.6
Segment liabilities			
Building Solutions - Europe	279.7	284.4	281.3
Building Solutions - North America	76.7	87.1	69.7
Infrastructure Solutions	58.2	65.6	60.0
Others	467.5	520.3	451.2
Eliminations	-581.5	-609.4	-621.6
Total	300.6	348.0	240.6

	1-3/2010	1-3/2009	1-12/2009
Segment personnel, continuing operations, average			
Building Solutions - Europe	2,220	2,536	2,416
Building Solutions - North America	423	442	422
Infrastructure Solutions	471	533	527
Others	59	61	61
Total	3,173	3,572	3,426

Reconciliation

MEUR	1-3/2010	1-3/2009	1-12/2009
Segment result, continuing operations			
Segment results total	1.5	-1.0	41.2
Financial expenses, net	-4.1	4.2	12.7
Group’s profit before taxes	-2.6	-5.2	28.5

CONTINGENT LIABILITIES

MEUR	31.3.2010	31.3.2009	31.12.2009
Group:			
Pledges			
- on own behalf	0.0	-	0.0
Mortgages			
- on own behalf	0.0	0.0	0.0
Guarantees			
- on own behalf	0.1	-	0.1
- on behalf of others	7.1	7.4	7.4
Parent company:			
Guarantees			
- on behalf of a subsidiary	10.6	8.5	10.0
- on behalf of others	6.9	6.9	6.9

OPERATING LEASE COMMITMENTS	30.4	36.0	30.1

DERIVATIVE CONTRACTS

MEUR	Nominal value 31.3.2010	Fair value 31.3.2010	Nominal value 31.3.2009	Fair value 31.3.2009	Nominal value 31.12.2009	Fair value 31.12.2009
Currency derivatives						
- Forward agreements	132.6	-4.4	112.0	0.9	115.1	-0.6
Commodity derivatives						
- Forward agreements	7.2	-0.8	7.0	-2.1	7.2	-0.7

DISCONTINUED OPERATIONS

In 2010 and 2009, the discontinued operations include costs related to the Irish infrastructure business sold in 2008. These costs stem from soil cleaning operations started in 2008.

MEUR	1-3/2010	1-3/2009	1-12/2009
Expenses	0.4	-	5.7
Profit before taxes	-0.4	-	-5.7
Income taxes	-	-	0.0
Profit after taxes	-0.4	-	-5.7
Profit for the period from discontinued operations	-0.4	-	-5.7
Cash flow from discontinued operations			
Cash flow from operations	-0.2	-	-5.2

RELATED-PARTY TRANSACTIONS

MEUR	1-3/2010	1-3/2009	1-12/2009
Continuing operations			
Purchases from associated companies	0.3	0.4	1.7
Balances at the end of the period			
Accounts payables and other liabilities	0.1	0.0	0.0

KEY FIGURES

	1-3/2010	1-3/2009	1-12/2009
Earnings per share, EUR	-0.03	-0.05	0.16
- continuing operations	-0.03	-0.05	0.24
- discontinued operations	0.00	-	-0.08
Operating profit (continuing operations), %	1.0	-0.6	5.6
Return on equity, % (p.a.)	-3.7	-5.5	4.1
Return on investment, % (p.a.)	-1.1	-3.0	8.1
Solvency ratio, %	42.7	41.0	51.8
Gearing, %	60.4	58.6	25.0
Net interest-bearing liabilities	135.4	141.7	64.6
Equity per share, EUR	3.07	3.31	3.53
- diluted	3.07	3.31	3.53
Trading price of shares			
- low, EUR	12.40	6.80	6.80
- high, EUR	15.66	9.20	15.10
- average, EUR	13.95	7.88	9.95
Shares traded			
- 1,000 pcs	10,165	12,960	45,815
- MEUR	142	102	456

DEFINITIONS OF KEY RATIOS

Return on Equity (ROE), %

$$= \frac{\text{Profit before taxes – taxes}}{\text{Shareholders' equity + minority interest, average}} \times 100$$

Return on Investment (ROI), %

$$= \frac{\text{Profit before taxes + interest and other financing costs}}{\text{Balance sheet total – non-interest-bearing liabilities, average}} \times 100$$

Solvency, %

$$= \frac{\text{Shareholders' equity} \pm \text{minority interest}}{\text{Balance sheet total – advance payments received}} \times 100$$

Gearing, %

$$= \frac{\text{Net interest-bearing liabilities}}{\text{Shareholders' equity + minority interest}} \times 100$$

Net interest-bearing liabilities

= Interest-bearing liabilities – cash, bank receivables and financial assets

Earnings per share (EPS)

$$= \frac{\text{Profit for the period}}{\text{Number of shares adjusted for share issue in financial period excluding treasury shares}}$$

Equity per share ratio

$$= \frac{\text{Shareholders' equity}}{\text{Average number of shares adjusted for share issue at end of year}}$$

Average share price

$$= \frac{\text{Total value of shares traded (EUR)}}{\text{Total number of shares traded}}$$