Interim report January – March 2018

3 May 2018

Strong net sales of North American businesses drive performance improvement in the first quarter

- Strong growth in net sales in North America, especially in infrastructure solutions, boosted Uponor Group's performance. The development of European businesses was flat in an environment of low demand growth
- Net sales in January – March totalled €276.9 (2017: 265.1) million, with organic growth at 4.5%, or 10.7%, excluding the adverse currency impact
- The operating profit came to €17.0 (14.6) million, a change of 16.1%, the currency-neutral improvement being 24.9%
- Comparable operating profit came to €17.0 (15.0) million, a change of 13.0%
- Earnings per share were €0.11 (0.11)
- Return on investment was 9.9% (9.9%), and gearing 66.3% (74.5%)
- Cash flow from business operations came to €-25.0 (-23.0) million
- Uponor repeats its full-year guidance announced on 15 February 2018: excluding the impact of currencies, Uponor expects its organic net sales and comparable operating profit to grow from 2017

President and CEO Jyri Luomakoski comments on developments during the reporting period:

- The first quarter of 2018 was rather uneventful overall. In contrast to 2017, the Easter started in the first quarter resulting in fewer shipping days, which impacted net sales, similar to the prolonged winter that turned out to be somewhat unfriendly to construction in most of our key markets.
- Generating growth in our Building Solutions - Europe segment continues to be a challenge. While the markets are in good shape, they are not growing in step with the prevailing positive sentiment. Our prefab initiatives continue to progress in line with expectations, as our solutions are genuinely helping customers to improve technical quality and offset labour shortages.
- Building Solutions - North America had a positive start for the year, recovering well from the supply bottlenecks witnessed last year as a consequence of a production outage in Q2/2017. Nevertheless, due to currency conversion, the consolidated numbers, reported in euro, do not show the positive progress made. Currency swings have not materially impacted on our competitiveness in North America, because operations there are local.
- We are delighted by Uponor Infra's overall growth. In 2016 - 2017, the segment carried out and invested in a transformation programme to streamline its Nordic operations. In the current quarter, however, the segment's growth came mostly from outside the Nordic markets, and hence the benefits of the Nordic transformation programme were not visible.

Key financial figures

Consolidated income statement (continuing operations), M€	1-3 2018	1-3 2017	2017	2016	2015	2014
Net sales	276.9	265.1	1,170.4	1,099.4	1,050.8	1,023.9
Operating expenses	250.5	241.5	1,038.4	991.0	942.7	926.4
Depreciation and impairments	9.5	9.3	39.2	41.6	39.1	36.5
Other operating income	0.1	0.3	3.1	4.2	2.4	2.4
Operating profit	17.0	14.6	95.9	71.0	71.4	63.4
Comparable operating profit	17.0	15.0	97.2	90.7	75.8	67.7
Financial income and expenses	-1.7	-2.8	-5.4	-10.0	-8.9	-7.4
Profit before taxes	13.2	11.3	88.2	60.4	62.8	56.3
Result from continuing operations	9.2	7.4	65.4	41.5	37.1	36.3
Profit for the period	9.2	7.4	65.4	41.9	36.9	36.0
Earnings per share	0.11	0.11	0.83	0.58	0.51	0.50

Uponor Corporation's long-term financial targets

(issued on 12 February 2013)

Annual targets and actuals	Last 12 mths	2017	2016	2015	2014	2013
Organic net sales growth to exceed GDP growth(1 by 3 ppts (2018E: 5.6%)	5.8	6.5	2.0	5.2	2.0	-1.5
Comparable(2 EBIT margin >10%	8.4	8.3	8.2	7.2	6.6	6.1
Return on investment, ROI (p.a.) >20%	14.8(3	16.3	14.1	15.5	14.2	12.5
Gearing (annual average for the four latest quarters) 30 – 70	56.4	58.4	56.7	40.4	45.8	57.9
Dividend payout > 50% of earnings	-	59.0	79.3	86.3	84.0	100.0

((1)GDP growth based on weighted average growth in the top 10 countries, measured by net sales. 2) The targets issued in February 2013 referred to reported EBIT margin. 3) Average of four quarters.)

Information on the January – March interim report bulletin
This interim report has been compiled in accordance with the IAS 34 reporting standards and is unaudited. The figures in brackets are the reference figures for the equivalent period in the previous year. Any change percentages are calculated from the exact figures and not the rounded figures published here.

Webcast and presentation
A webcast of the results briefing in English will be broadcast on 3 May at 16:30 EET. It can be viewed via our website investors.uponor.com or via the Uponor IR mobile app. The recorded webcast can be viewed via the website or the app shortly after the live presentation. All presentation materials will be available at investors.uponor.com > News & downloads.

Next interim results
Uponor Corporation will publish its half year financial report on 25 July 2018. During the silent period from 25 June to 25 July, Uponor will not comment on market prospects or factors affecting business and performance.

Markets

Construction activity in Uponor's key markets continued to benefit from tailwinds in the global economy, with consumers and businesses both driving growth. While construction spending in most markets made gains compared to the same period last year, builders on both sides of the Atlantic continue to report increasingly severe shortages of skilled labour that probably inhibited more vibrant growth. The prolonged winter also slowed building projects in both Europe and North America.

In Uponor's largest Central European market, Germany, residential permit levels have retreated from their 2016 highs, but new multi-family housing construction continued to increase compared to last year. Although builder confidence remained near its all-time-highs, order books grew, and new construction volumes continued their upward trend, there was no indication of improvement in activity levels in the significantly larger renovation segment. Construction activity in the Netherlands remained solid.

The markets in Southern Europe continued to show signs of improvement on the whole, but developments were uneven. The brisk increase in construction activity witnessed during previous quarters in Spain and France was sustained, while the markets in Italy and the UK were probably hampered by economic and political uncertainty.

In the Nordic region, building activity continued at a healthy pace across most segments. Builder confidence fell back slightly from last summer's multi-year highs, but remained clearly positive. However, labour shortages across the region continued to create challenges for builders, which is likely to delay or prolong some projects. In Sweden, the growth in residential projects has slowed, while in Finland demand for small flats in urban centres has spurred more projects.

The construction markets in North America remained largely healthy. In Uponor's largest market, the USA, construction activity rose again in the residential market while growth in the non-residential segments showed signs of slowing. Homebuilder sentiment remained strong, but retreated slightly from the 18-year high in December. Labour shortages and increasing material costs continue to hamper growth, posing a major challenge for builders. Some signs of softening could be seen in the Canadian residential segment.

With regard to Uponor's infrastructure solutions, the first quarter is typically a slower season. Civil engineering expenditure in the Nordic countries remained modest and influenced by the cold weather, with the exception of Sweden, where the market continued to grow despite this. In Poland, there was a brisk upturn of the market supported by EU-funded demand. In Canada, the significant fall in industrial investments witnessed during 2015-2016 has bottomed out.

Net sales

Uponor's consolidated net sales reached €276.9 (265.1) million, up 4.5%. In comparable currency terms, net sales growth was 10.7%. The large negative currency impact of €-16.5 million on net sales was mainly caused by the USD, CAD, and SEK.

Growth of net sales, in local currency, continued to be strong in Building Solutions – North America, driven by sustained healthy market demand, which Uponor was able to benefit from thanks to increased manufacturing output. In euro terms, the strongest growth was reported by Uponor Infra, thanks to very lively sales in North America, but also in Sweden, in contrast to the generally unsatisfactory net sales development in most of Europe. Reported net sales of Building Solutions – Europe grew slightly, despite slower project activity due to cold weather, especially in March, and the bottleneck caused by persistent lack of planning and installation capacity in much of Europe.

Breakdown of net sales by segment (January – March):

M€	1–3/ 2018	1–3/ 2017	Change
Building Solutions – Europe	125.2	124.3	0.8%
Building Solutions – North America	77.6	78.2	-0.7%
(Building Solutions – North America (M$)	95.7	83.5	14.6%)
Uponor Infra	75.3	63.1	19.3%
Eliminations	-1.2	-0.5	
Total	276.9	265.1	4.5%

Results and profitability

Uponor's consolidated gross profit came to €93.2 (91.4) million, a change of €1.8 million. The gross profit margin was 33.7% (34.5%). Comparable gross profit, i.e. excluding items affecting comparability (IAC), came to €93.2 (91.6) million, with the comparable gross profit margin declining slightly to 33.7% (34.6%). Offsetting the favourable trend in Uponor Infra, the main negative factor was the weakening of gross profit margin in Building Solutions – North America, mainly due to increased costs in the supply chain and the ramp up costs related to the second manufacturing unit.

Operating profit in the first quarter of 2018 came to €17.0 (14.6) million, a change of 16.1% year-over-year. Profitability, as measured by the operating profit margin, came to 6.1% (5.5%). Comparable operating profit came to €17.0 (15.0) million, up 13.0%, with comparable operating profit margin reaching 6.1% (5.7%). The main business driver of the favourable development in operating profit was operational leverage resulting from higher net sales in Uponor Infra and Building Solutions – North America. There was a negative impact on consolidated operating profit due to initiatives taken to secure future competitiveness, including manufacturing expansion in the U.S. and the continued high level of R&D and technology investment. In early 2018, there were no items affecting comparability related to the transformation programmes, as the programmes were brought to completion in 2017. In the first quarter of 2017, a total of €0.4 million in IAC was recorded in Building Solutions – Europe.

Building Solutions – Europe's operating profit was negatively affected by the ongoing entry into the Asian markets, which is reported through this segment, as well as by weak net sales, partly weather-driven, in some of the segment's largest European markets, offsetting the savings from the transformation programme completed in 2017. In Building Solutions – North America, profits were diminished by costs related to manufacturing expansion projects, higher freight costs and the upward trend in material costs. Uponor Infra's strong progress was driven by operational leverage from booming sales in North America, while development in Europe remained unsatisfactory.

Operating profit by segment (January – March):

M€	1–3/ 2018	1–3/ 2017	Change
Building Solutions – Europe	6.0	6.3	-4.2%
Building Solutions – North America	10.2	10.6	-4.5%
(Building Solutions – North America (M$)	12.5	11.4	10.2%)
Uponor Infra	3.3	-1.9	271.7%
Others	-1.0	-0.9	
Eliminations	-1.5	0.5	
Total	17.0	14.6	16.1%

Comparable operating profit by segment (January – March):

M€	1–3/ 2018	1–3/ 2017	Change
Building Solutions – Europe	6.0	6.7	-10.3%
Building Solutions – North America	10.2	10.6	-4.5%
(Building Solutions – North America (M$)	12.5	11.4	10.2%)
Uponor Infra	3.3	-1.9	269.5%
Others	-1.0	-0.9	
Eliminations	-1.5	0.5	
Total	17.0	15.0	13.0%

At €1.7 (2.8) million, financial expenses were €1.1 million lower than in the comparison period.

At €-2.1 million, the share of the result in associated companies is related to the minority share in the joint venture company Phyn, in which Uponor increased its ownership from 37.5% to 50.0% in February 2018. The company introduced its first products in the U.S. market in January 2018, sales of which will begin in the second quarter of 2018.

Profit before taxes for January – March totalled €13.2 (11.3) million. The effect of taxes on profits was €4.0 million, compared to €3.9 million in the first quarter of 2017. The estimated tax rate for the full year 2018 is 29.9%, compared to 25.8% in 2017, which included the one-time impact of the Supreme Administrative Court tax resolution in Uponor's favour in Finland and the one time impact of the U.S. tax reform.

The profit for the first quarter of 2018 amounted to €9.2 (7.4) million.

Investment and financing

Uponor's gross investments in fixed assets in the first quarter came to €9.9 (7.8) million. Depreciation came to €9.5 (9.3) million. Investments in the first quarter were mainly related to building up new manufacturing capacity in the U.S. as well as increasing the capacity of seamless aluminium composite pipe and pre-fabricated solutions in Europe, each addressing growth in demand. In addition, funds were channelled into new product and technology development. Uponor invested a further USD 10 million (€8.1 million) in Phyn in February 2018, which brings Uponor's total investment to USD25 million. Uponor now has 50.0 percent ownership of the smart water technology company, with the other half being owned by Belkin International, Inc.

Cash flow from business operations came to €-25.0 (-23.0) million, largely from higher inventories aimed at reducing the number of back orders in Building Solutions – North America in particular. Cash flow from financing and thus cash flow for the period in the first quarter 2018 included the first of two instalments of the dividend payment, €0.24 per share, totalling €17.6 million. The second of the two instalments, €0.25, will be paid in the third quarter. The total dividend payment for 2018 will amount to €35.8 (€33.6) million.

Uponor has successfully managed to maintain a high level of liquidity. The company continues its cautious policy with regard to credit risk, for instance by actively following up on accounts receivable, most of which are secured by credit insurance. Due to volatility in the commodity markets in recent years, Uponor is maintaining a sharp focus on group-wide business continuity management and risk management within the supply chain, in particular, in order to secure the availability and supply of Uponor's critical raw materials.

The main existing long-term funding programme on 31 March 2018 was the 5-year bilateral loan agreement of €100 million, signed in 2017, which will mature in July 2022. The new loan replaced the earlier €80 million bond maturing in June 2018, now booked as current liabilities.

In addition to the above-mentioned funding arrangements, Uponor has outstanding, bilateral long-term loans of €50 million and €20 million, both of which will mature in the summer of 2021. As back-up funding arrangements, Uponor has four committed bilateral revolving credit facilities in force, totalling €200 million. These back-up facilities will mature in 2019-2021; none of them were used during the reporting period.

For short-term funding needs, Uponor's main source of funding is its domestic commercial paper programme, totalling €150 million, none of which was outstanding at the period end. Available cash-pool limits granted by Uponor's key banks amounted to €34.8 million, none of which were in use. At the end of the period, Uponor had €46.9 (18.0) million in cash and cash equivalents.

At 37.6% (37.2%), the Group's solvency has remained at a good level. Net interest-bearing liabilities were €211.9 (224.0) million. Gearing came to 66.3% (74.5%), with the four-quarter rolling gearing being 56.4% (59.6%).

Key events

The year 2018 marks Uponor's 100-year anniversary, which will be publicised at all major Uponor events throughout 2018.

In January 2018, in the tenth expansion since operations began in Apple Valley, Minnesota in 1990, Uponor, Inc., which is part of Building Solutions – North America, completed its €16.3 million ($17.4 million) manufacturing expansion, adding 5,440 square metres (58,000 square feet) in manufacturing operations space for crosslinked polyethylene (PEX) pipe production. Furthermore, the company's expansion and opening of a second factory in Hutchinson, Minnesota, which was announced on 20 July 2017, is progressing according to plan. Production there is expected to begin in the summer of 2018.

Also in January, Phyn, Uponor's joint venture with Belkin International, Inc., launched its first product, the Phyn Plus smart water monitoring and shut-off device, at the International Builders' Show (IBS) in Florida and the Consumer Electronics Show (CES) in Las Vegas, where the product received two awards. Uponor simultaneously announced the establishment of Uponor Pro Squad, an exclusive network of expertly trained plumbers and water specialists, to market and install Phyn Plus in North America. Phyn Plus will be available in the USA in the spring, whereas its introduction on the European markets is planned for 2019.

In February, Uponor invested an additional USD10 million in Phyn, bringing its total investment to USD25 million. With this second round of funding, Uponor established 50 percent ownership in Phyn, the other 50 percent being owned by Belkin.

Annual General Meeting

Uponor's Annual General Meeting, held in Helsinki, Finland, on 13 March 2018, adopted Uponor's parent-company and consolidated financial statements for 2017, and released the Board members and the managing director from liability. The AGM approved the proposed dividend of €0.49 per share for 2017, the seventh year in succession in which the same or a higher dividend has been paid. This year, the dividend will be paid in two instalments. The first instalment of €0.24 per share was paid on 22 March 2018. The second instalment of €0.25 per share will be paid in September 2018.

Existing Board members Pia Aaltonen-Forsell, Markus Lengauer, Eva Nygren and Annika Paasikivi were re-elected. Swedish citizen Johan Falk and Finnish citizen Casimir Lindholm were elected as new members, since Jorma Eloranta and Jari Rosendal were unavailable for re-election. The AGM elected Annika Paasikivi as Chair of the Board.

Audit firm Deloitte Oy was elected as the auditor of the corporation for the 9th consecutive year. Jukka Vattulainen, Authorised Public Accountant, assumed the role of principal auditor for his third term.

Using distributable earnings from unrestricted equity, the Board of Directors was authorised to buy back a maximum of 3.5 million of the company's own shares, which equals 4.8 per cent of the total number of shares of the company. The authorisation is valid until the end of the next Annual General Meeting, and for no longer than 18 months.

The Board was also authorised to resolve on issuing a maximum of 7.2 million new shares or transferring the company's own shares, amounting to approximately 9.8 per cent of the total number of shares of the company. The Board of Directors is authorised to decide on all conditions relating to the issuance of shares. This authorisation is valid until the end of the next Annual General Meeting.

The AGM approved the Nomination Board's proposal to increase the Board's annual remuneration. The annual remuneration of the Board is as follows: €90,000 (88,000) for the Chair of the Board, €51,000 (49,000) for the Deputy Chair of the Board, €51,000 (49,000) for the Chair of the Audit Committee, and €46,000 (44,000) for ordinary members. Approximately 40% will be paid in Uponor Corporation shares, bought through public trading, and the rest in cash. In addition, there are separate fees per each Board and Committee meeting.

Further details regarding the Annual General Meeting are available at https://investors.uponor.com/governance/annual-general-meeting/annual-general-meeting-2018.

Human resources and administration

The number of Group full-time-equivalent employees averaged 4,076 (3,843) in January – March 2018, an increase of 233 persons from the first quarter 2017. At the end of the period, the Group had 4,189 (3,866) employees, showing an increase of 323 employees. The growth mainly comes from Building Solutions – North America, but the other segments grew as well.

In its meeting subsequent to the AGM, the Board of Directors elected Markus Lengauer as the Deputy Chair of the Board. The Board also decided to re-establish the Audit Committee and the Personnel and Remuneration Committee. The members of the Audit Committee are Pia Aaltonen-Forsell (chair), Markus Lengauer and Annika Paasikivi. The members of the Personnel and Remuneration Committee are Annika Paasikivi (Chair) and Casimir Lindholm. With regard to the Personnel and Remuneration Committee, Uponor does not comply with the Finnish Corporate Governance Code 2015, which recommends that a Board Committee consist of at least three members. Further details are available at https://investors.uponor.com.

Uponor Corporation's corporate governance statement for 2017 and remuneration statement for 2017 were published on 15 February 2018, and are available at https://investors.uponor.com.

Share capital and shares

Uponor Corporation's share capital amounts to €146,446,888 and the number of shares totals 73,206,944. There were no changes in the share capital and the number of shares during the reporting period.

The number of Uponor shares traded on Nasdaq Helsinki in the reporting period was 10.1 (5.2) million shares, totalling €152.4 (86.1) million. The market value of share capital at the end of the period was €1.0 (1.2) billion and the number of shareholders 19,603 (16,957).

On 15 February 2018, based on the authorisation granted by the Annual General Meeting on 20 March 2017, Uponor's Board of Directors decided on a directed issue of 14,365 shares to the company's management as part of the long-term share-based incentive plan 2015-2017. No new shares were issued in connection with the plan and it therefore had no diluting effect. Prior to this directed issue, Uponor held a total of 59,121 of its own shares, of which 44,756 remain.

On 2 January 2018, Uponor Corporation changed from the Mid Cap to Large Cap segment on the Nasdaq Helsinki exchange.

Events after the period under review

On 4-5 April, Building Solutions – North America held its Uponor Convention 2018 in Las Vegas, an event designed for professionals who install, design and specify PEX plumbing, radiant heating and cooling, hydronic piping and pre-insulated piping systems. With close to 1,200 professionals participating, the convention was also the site of the first official training on the Phyn Plus smart water monitoring and shut-off device, and 100 professional plumbing installers became qualified to join the Uponor Pro Squad.

On 13 April 2018, Uponor announced a change in its Executive Committee, when Fernando Roses, Executive Vice President, Group Technology and Corporate Development, left Uponor.

Short-term outlook

In the first quarter of 2018, construction activity and demand in Uponor's key building markets remained steady, overall, following the trends witnessed in the second half of 2017. If economic development continues to be stable and undisrupted, these trends are expected to continue in the near-term, supported by a variety of factors including rising employment, urbanisation and demographic needs, the adoption of new technologies, and the quest for more sustainable living environments. The main risks to this scenario are increased political tensions globally, and uncertainties related to the strength of the financial markets.

Uponor's business segments are streamlined, efficient and have a competitive supply chain and manufacturing network. Our sales and marketing functions have been refocussed to align with customer segment needs and our strategic growth ambitions. In North America, capacity is being built up to meet growing customer demand, thus alleviating earlier capacity restraints. On the application side, Uponor continues to work hard to be at the forefront of the building industry's digitalisation trends, and has already launched unique offerings in the niche sector of smart water technology.

Assuming that economic and political developments in Uponor's key geographies otherwise continue undisturbed, Uponor repeats its earlier, full-year guidance for 2018:
Excluding the impact of currencies, Uponor expects its organic net sales and comparable operating profit to grow from 2017.

Uponor estimates that the Group's capital expenditure, excluding any investment in shares, will remain at roughly the same level as in 2017, mainly driven by the capacity expansion programme in North America.

Uponor's financial performance may be affected by a range of strategic, operational, financial, legal, political and hazard risks. A more detailed risk analysis is provided in the section 'Key risks associated with business' in the Annual Report 2017.

Uponor Corporation
Board of Directors

For further information, please contact:
Jyri Luomakoski, President and CEO, tel. +358 20 129 2824
Maija Strandberg, CFO, tel. +358 20 129 2830

Tarmo Anttila
Vice President, Communications, Tel. +358 20 129 2852

Distribution:
Nasdaq Helsinki
Media
www.uponor.com
investors.uponor.com

Uponor in brief

The year 2018 marks Uponor's 100-year anniversary. Our success is built on strong partnerships with our customers and stakeholders in the past, present and future.

Uponor is a leading international systems and solutions provider for safe drinking water delivery, energy-efficient radiant heating and cooling and reliable infrastructure. The company serves a variety of building markets including residential, commercial, industrial and civil engineering. Uponor employs about 4,000 employees in 30 countries, mainly in Europe and North America. In 2017, Uponor's net sales totalled nearly €1.2 billion. Uponor is based in Finland and listed on Nasdaq Helsinki.
Uponor builds on you - www.uponor.com

Table part

This interim report has been compiled in accordance with the IAS 34 reporting standard and it is unaudited. The figures in brackets are the reference figures for the equivalent period in 2017. The change percentages reported have been calculated from the exact figures and not from the rounded figures published in the interim report.

Uponor provides comparable operating profit and comparable gross profit in order to provide useful and comparable information of its operative business performance. Comparable operating or gross profit excludes items affecting comparability (IAC). Items affecting comparability are exceptional transactions that are unrelated to normal business operations. Such items often include issues such as capital gains and losses, additional costs arising from site closures and other restructuring, additional write-downs, or reversals of write-downs, expenses due to accidents and disasters, environmental matters, legal proceedings and changes in regulation.

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

M€	1-3/2018	1-3/2017	1-12/2017
Net sales	276.9	265.1	1,170.4
Cost of goods sold	183.7	173.7	776.3
Gross profit	93.2	91.4	394.1
Other operating income	0.1	0.3	3.1
Dispatching and warehousing expenses	8.2	8.7	33.2
Sales and marketing expenses	47.8	49.4	190.3
Administration expenses	14.9	13.3	53.4
Other operating expenses	5.4	5.7	24.4
Operating profit	17.0	14.6	95.9
Financial expenses, net	1.7	2.8	5.4
Share of results in associated companies and joint ventures	-2.1	-0.5	-2.3
Profit before taxes	13.2	11.3	88.2
Income taxes	4.0	3.9	22.8
Profit for period	9.2	7.4	65.4
Other comprehensive income			
Items that will not be reclassified subsequently to profit or loss			
Re-measurements on defined benefit pensions, net of taxes	-	-	-0.4
Items that may be reclassified subsequently to profit or loss			
Translation differences	-4.4	-0.1	-13.2
Cash flow hedges, net of taxes	0.5	-0.1	1.2
Net investment hedges	0.3	0.2	1.7
Other comprehensive income for the period, net of taxes	-3.6	0.0	-10.7
Total comprehensive income for the period	5.6	7.4	54.7
Profit/loss for the period attributable to			
- Equity holders of parent company	8.4	8.3	60.5
- Non-controlling interest	0.8	-0.9	4.9
Comprehensive income for the period attributable to			
- Equity holders of parent company	5.5	8.1	50.1
- Non-controlling interest	0.1	-0.7	4.6
Earnings per share, €	0.11	0.11	0.83
Diluted earnings per share, €	0.11	0.11	0.83

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

M€	31.3.2018	31.3.2017	31.12.2017
Assets			
Non-current assets			
Property, plant and equipment	248.3	239.3	252.2
Intangible assets	114.7	118.5	116.0
Investments in associates and joint ventures	15.2	12.6	9.5
Other securities and non-current receivables	10.5	21.1	10.7
Deferred tax assets	10.2	11.7	10.4
Total non-current assets	398.9	403.2	398.8
Current assets			
Inventories	151.3	152.4	132.7
Accounts receivable	209.8	211.9	171.8
Other receivables	48.6	27.4	55.5
Cash and cash equivalents	46.9	18.0	107.0
Total current assets	456.6	409.7	467.0
Total assets	855.5	812.9	865.8
Equity and liabilities			
Equity			
Equity attributable to the owners of the parent company	251.1	237.8	280.2
Non-controlling interest	68.3	62.9	68.2
Total equity	319.4	300.7	348.4
Non-current liabilities			
Interest-bearing liabilities	174.7	157.7	176.6
Deferred tax liability	7.6	11.4	7.9
Provisions	7.1	8.9	7.1
Employee benefits and other liabilities	23.6	25.5	24.4
Total non-current liabilities	213.0	203.5	216.0
Current liabilities			
Interest-bearing liabilities	84.0	84.3	81.9
Provisions	20.2	18.3	21.8
Accounts payable	91.2	87.3	77.0
Other liabilities	127.7	118.8	120.7
Total current liabilities	323.1	308.7	301.4
Total equity and liabilities	855.5	812.9	865.8

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOW

M€	1-3/2018	1-3/2017	1-12/2017
Cash flow from operations			
Net cash from operations	30.5	22.5	141.8
Change in net working capital	-46.4	-40.6	-7.2
Income taxes paid	-8.7	-4.6	-29.5
Interest paid	-0.4	-0.5	-3.8
Interest received	0.0	0.2	0.2
Cash flow from operations	-25.0	-23.0	101.5
Cash flow from investments			
Acquisition of joint venture	-8.1	-	-
Purchase of fixed assets	-9.9	-7.8	-63.4
Proceeds from sale of fixed assets	0.4	0.0	3.7
Dividends received	0.0	0.0	0.2
Loan repayments	0.0	0.0	0.0
Cash flow from investments	-17.6	-7.8	-59.5
Cash flow from financing			
Borrowings of debt	0.1	49.9	159.5
Repayment of debt	0.0	-0.5	-59.6
Change in other short-term loan	0.4	17.0	-16.2
Dividends paid	-17.6	-33.6	-33.6
Payment of finance lease liabilities	-0.2	-0.3	-1.1
Cash flow from financing	-17.3	32.5	49.0
Conversion differences for cash and cash equivalents	-0.2	0.0	-0.3
Change in cash and cash equivalents	-60.1	1.7	90.7
Cash and cash equivalents at 1 January	107.0	16.3	16.3
Cash and cash equivalents at end of period	46.9	18.0	107.0
Changes according to balance sheet	-60.1	1.7	90.7

STATEMENT OF CHANGES IN EQUITY

M€	A	B	C	D*	E	F	G	H	I
Balance at 1 Jan 2018	146.4	50.2	1.6	-10.4	-0.4	92.8	280.2	68.2	348.4
Effect of IFRS 2 amendment						1.0	1.0		1.0
Revised balance at 1 Jan 2018	146.4	50.2	1.6	-10.4	-0.4	93.8	281.2	68.2	349.4
Total comprehensive income for the period			0.5	-3.4		8.4	5.5	0.1	5.6
Dividend (€0.49 per share)						-35.8	-35.8		-35.8
Share-based incentive plan					0.1	0.1	0.2		0.2
Balance at 31 March 2018	146.4	50.2	2.1	-13.8	-0.3	66.5	251.1	68.3	319.4
Balance at 1 Jan 2017	146.4	50.2	0.4	0.9	-0.5	65.9	263.3	63.6	326.9
Total comprehensive income for the period			-0.1	-0.1		8.3	8.1	-0.7	7.4
Dividend (€0.46 per share)						-33.6	-33.6		-33.6
Share-based incentive plan					0.1	-0.1	0.0		0.0
Balance at 31 March 2017	146.4	50.2	0.3	0.8	-0.4	40.5	237.8	62.9	300.7

*) Includes a €-13.2 (-15.0) million effective part of net investment hedging at the end of period.

A – Share capital
B – Share premium
C – Other reserves
D* – Translation reserve
E – Treasury shares
F – Retained earnings
G – Equity attributable to owners of the parent company
H – Non-controlling interest
I – Total equity

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 the EU and IAS 34 Interim Financial Reporting. In its interim reports, Uponor Group follows the same principles as in the annual financial statements for 2017, except for the adoption of new standards effective as of January 1, 2018. The Group has not early adopted any other standard, interpretation or amendment that has been issued but is not yet effective.

New standards, interpretations and amendments adopted by the Group

<u>Amendments to IFRS 2 Classification and Measurement of Share-based Payment Transactions</u>

The Group adopted the amendments to IFRS 2 as of January 1, 2018. The amendments concern share-based payment arrangements with a 'net settlement feature' where tax law or regulation requires an entity to withhold a specified number of equity instruments, equal to the monetary value of the employee's tax obligation, to meet the employee's tax liability, which is then remitted to the tax authority. Such an arrangements are classified and recognised as equity-settled in its entirety, provided that the share-based payment would have been classified as equity-settled had it not included the net settlement feature.

<u>IFRS 9 Financial Instruments</u>

The Group adopted the IFRS 9 standard as of January 1, 2018. The main impact of IFRS 9 concerns impairment requirements for financial assets and the classification and measurement of financial assets and liabilities. The adoption did not have any material impact on the valuation of financial assets and liabilities in the balance sheet. IFRS 9 has not been applied retrospectively.

<u>IFRS 15 Revenue from Contracts with Customers</u>

IFRS 15 establishes a single comprehensive model for entities to use in accounting for revenue arising from contracts with customers. IFRS 15 has superseded the current revenue recognition guidance including IAS 18 Revenue, IAS 11 Construction Contracts and the related interpretations when it becomes effective. The core principle of IFRS 15 is that an entity should recognise revenue to depict the transfer of promised goods or services to customers an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. Under IFRS 15, an entity recognises revenue when (or as) a performance obligation is satisfied, i.e. when 'control' of the good or service underlying the particular performance obligation is transferred to the customer. The principles in IFRS 15 are applied using the following five steps:

1. Identify the contract(s) with a customer
2. Identify the performance obligations in the contract
3. Determine the transaction price
4. Allocate the transaction price to the performance obligations in the contract
5. Recognise revenue

The standard requires entities to exercise judgement, taking into consideration all of the relevant facts and circumstances when applying each step of the model to contracts with their customers. The standard also specifies the accounting for the incremental costs of obtaining a contract and the costs directly related to fulfilling a contract.

The Group adopted IFRS 15 using the full retrospective method of adoption. There are no changes impacting the comparative information and therefore, no restatements have been made in the Group's financial statements.

The Group is in the business of providing of systems and solutions for safe drinking water delivery, energy-efficient radiant heating and cooling, and reliable infrastructure. The revenue streams can be divided into two groups: sale of goods and rendering of services including project business. The Group is acting as a principal in all of the customer contracts as the Group provides the good and services itself to a customer and controls the specified goods and services before they are transferred to a customer.

Sale of goods
The Group's contracts with customers for the sale of goods generally include one performance obligation. The Group has concluded that revenue from sale of goods should be recognised at the point in time when control of the asset is transferred to the customer, generally on delivery of the goods. The exact timing of the control transfer is analysed contract by contract taking into account the delivery terms, customer acceptance clauses and customer's ability to benefit from the goods delivered. Therefore, the adoption of IFRS 15 did not have an impact on the timing of revenue recognition.

Rendering of services including project business
Typically the promised goods and services in the contract are not distinct from each other and therefore, in most of the cases the Group accounts for the goods and services as a single performance obligation. The Group has concluded that the rendered services including project business are satisfied over time given that the Group's performance does not create an asset with an alternative use to the Group, the Group has an enforceable right to payment for performance completed to date or the Group's performance creates or enhances an asset that the customer controls as the asset is created or enhanced. Therefore, the Group has not identified any significant impacts in terms of the revenue recognition.

Combining contracts; In rendering of services including project business segment, the Group has entered into two contracts near the same with the same customer. The contracts have been negotiated as a package with a single commercial objective and shall be combined. However, the Group concluded that these agreements do not create a single performance obligation and does not have an impact on the amount of revenue recognition.

Warranty obligations; The Group generally provides warranties for general repairs of defects that existed at the time of sale, as required by law. As such, most warranties are assurance-type warranties under IFRS 15, which the Group accounts for under IAS 37 Provisions, Contingent Liabilities and Contingent Assets, consistent with its practice prior to the adoption of IFRS 15. However, if any other warranties are provided, they are immaterial.

Revenue from contract with customers
The Group disaggregates revenue recognised from contracts with customers into categories that depict how the nature, amount, timing and uncertainty of revenue and cash flows are affected by economic factors. Set out below is the disaggregation of the Group's revenue from contract with customers, including reconciliation of the revenue:

		1-3/2018			1-3/2017	
M€	Sale of goods	Rendering of services	Total	Sale of goods	Rendering of services	Total
Revenue from contract with customers by segment						
Building Solutions - Europe	117.0	7.7	124.7	116.4	7.8	124.1
Building Solutions - North America	77.6	0.0	77.6	78.2	0.0	78.2
Uponor Infra	72.0	2.6	74.6	61.5	1.3	62.8
External customer, total	266.6	10.3	276.9	256.0	9.1	265.1
Internal	1.2	-	1.2	0.5	-	0.5
Total	267.8	10.3	278.1	256.5	9.1	265.6
Eliminations	-1.2	-	-1.2	-0.5	-	-0.5
Total revenue from contracts with customer	266.6	10.3	276.9	256.0	9.1	265.1

The Group booked a € 0.2 (0.0) million impairment losses on accounts receivables as expenses during the period. The Group did not recognise impairment losses on contract assets arising from contracts with customers.

PROPERTY, PLANT AND EQUIPMENT AND INTANGIBLE ASSETS

M€	31.3.2018	31.3.2017	31.12.2017
Gross investment	9.9	7.8	63.4
- % of net sales	3.6	2.9	5.4
Depreciation and impairments	9.5	9.3	39.2
Book value of disposed fixed assets	0.3	0.0	1.6

PERSONNEL

Converted to full time employees	1-3/2018	1-3/2017	1-12/2017
Average	4,076	3,843	3,990
At the end of the period	4,189	3,866	4,075

OWN SHARES

	31.3.2018	31.3.2017	31.12.2017
Own shares held by the company, pcs	44,756	57,818	59,121
- of share capital, %	0.1	0.1	0.1
- of voting rights, %	0.1	0.1	0.1
Accounted par value of own shares held by the company, M€	0.1	0.1	0.1

SEGMENT INFORMATION

		1-3/2018			1-3/2017	
M€	External	Internal	Total	External	Internal	Total
Net sales by segment						
Building Solutions - Europe	124.7	0.5	125.2	124.1	0.2	124.3
Building Solutions - North America	77.6	0.0	77.6	78.2	0.0	78.2
Uponor Infra	74.6	0.7	75.3	62.8	0.3	63.1
Eliminations	-	-1.2	-1.2	-	-0.5	-0.5
Total	276.9	-	276.9	265.1	-	265.1

M€	External	1-12/2017 Internal	Total
Net sales by segment			
Building Solutions - Europe	520.6	1.1	521.7
Building Solutions - North America	328.2	0.0	328.2
Uponor Infra	321.6	1.8	323.4
Eliminations	-	-2.9	-2.9
Total	1,170.4	-	1,170.4

M€	1-3/2018	1-3/2017	1-12/2017
Operating result by segment			
Building Solutions - Europe	6.0	6.3	40.0
Building Solutions - North America	10.2	10.6	49.7
Uponor Infra	3.3	-1.9	12.0
Others	-1.0	-0.9	-4.2
Eliminations	-1.5	0.5	-1.6
Total	17.0	14.6	95.9

M€	1-3/2018	1-3/2017	1-12/2017
Segment depreciation and impairments			
Building Solutions - Europe	3.4	3.4	14.0
Building Solutions - North America	3.1	2.8	12.4
Uponor Infra	2.7	2.6	11.0
Others	0.3	0.5	1.8
Eliminations	0.0	0.0	0.0
Total	9.5	9.3	39.2
Segment investments			
Building Solutions - Europe	2.9	1.9	13.5
Building Solutions - North America	5.4	3.9	39.7
Uponor Infra	1.6	1.9	9.7
Others	0.0	0.1	0.5
Total	9.9	7.8	63.4

M€	31.3.2018	31.3.2017	31.12.2017
Segment assets			
Building Solutions - Europe	389.6	425.9	365.6
Building Solutions - North America	244.9	223.0	233.9
Uponor Infra	220.5	205.3	210.4
Others	376.8	317.9	400.3
Eliminations	-376.3	-359.2	-344.1
Total	855.5	812.9	866.1
Segment liabilities			
Building Solutions - Europe	333.0	353.5	293.6
Building Solutions - North America	184.9	151.9	176.3
Uponor Infra	79.6	75.4	69.6
Others	340.8	316.0	345.8
Eliminations	-402.1	-384.5	-367.9
Total	536.2	512.3	517.4

	1-3/2018	1-3/2017	1-12/2017
Segment personnel, average			
Building Solutions - Europe	2,075	2,009	2,065
Building Solutions - North America	887	755	808
Uponor Infra	1,037	1,001	1,041
Others	77	78	76
Total	4,076	3,843	3,990

Reconciliation

M€	1-3/2018	1-3/2017	1-12/2017
Operating result by segment			
Total result for reportable segments	19.5	15.0	101.7
Others	-1.0	-0.9	-4.2
Eliminations	-1.5	0.5	-1.6
Operating profit	17.0	14.6	95.9
Financial expenses, net	1.7	2.8	5.4
Share of results in associated companies and joint ventures	-2.1	-0.5	-2.3
Profit before taxes	13.2	11.3	88.2

CONTINGENT LIABILITIES AND ASSETS

M€	31.3.2018	31.3.2017	31.12.2017
Commitments of purchase PPE (Property, plant, equipment)	20.9	17.4	12.4
Other commitments	0.6	0.6	0.8
- on own behalf			
Pledges at book value	0.1	0.1	0.1
Mortgages issued	2.1	2.2	2.1
Guarantees issued	6.3	5.0	5.6
- on behalf of a subsidiary			
Guarantees issued	26.3	32.5	29.4
Letter of Comfort commitments undertaken on behalf of subsidiaries			
are not included in the above figures			
Pledges at book value	0.1	0.1	0.1
Mortgages issued	2.1	2.2	2.1
Guarantees issued	32.6	37.5	35.0
Total	34.8	39.8	37.2

On 13 September 2017, the Supreme Administrative Court in Finland resolved the taxation adjustment decisions concerning Uponor Business Solutions Oy. The taxation adjustment decisions concerning the tax year 2005 was overruled. The Finnish Tax Administration reassessed the changes in taxation caused by this decision and adjusted the payment. With regard to the tax years 2006 – 2009, the clarification of arm's length amounts of service fees charged by the company was returned to the Finnish Tax Administration for review. The paid taxes at €9.6 million are booked as current receivables.

M€	31.3.2018	31.3.2017	31.12.2017
OPERATING LEASE COMMITMENTS	39.6	44.9	44.0

DERIVATIVE CONTRACTS

M€	Nominal value 31.3.2018	Fair value 31.3.2018	Nominal value 31.3.2017	Fair value 31.3.2017	Nominal value 31.12.2017	Fair value 31.12.2017
Currency derivatives						
- Forward agreements	216.3	0.6	202.3	-0.9	212.4	1.1
Interest rate derivatives						
- Interest rate swaps	100.0	-0.5	50.0	-1.5	100.0	-0.5
- Interest rate options	70.0	0.0	20.0	0.1	70.0	0.0
Commodity derivatives						
- Electricity derivatives	4.9	0.8	5.1	-0.7	4.7	0.4

FINANCIAL ASSETS AND LIABILITIES BY MEASUREMENT CATEGORY

M€	IFRS 7 Fair value hierarchy level	31.3.2018	31.3.2017	31.12.2017
Non-current financial assets				
Fair value through other comprehensive income				
Electricity derivatives	1	0.4	0.0	0.4
Fair value through the statement of income				
Other shares and holdings		0.2	0.3	0.2
Amortised cost				
Other non-current receivables		9.9	20.8	10.1
Current financial assets				
Fair value through other comprehensive income				
Electricity derivatives	1	0.4	0.0	0.1
Other derivative contracts	2	0.0	0.1	0.2
Fair value through the statement of income				
Other derivative contracts	2	1.6	0.9	1.7
Cash and cash equivalents		46.9	18.0	107.0
Amortised cost				
Accounts receivable and other receivables		233.7	228.4	202.4
Financial assets total		293.1	268.5	322.1
Non-current liabilities				
Fair value through other comprehensive income				
Electricity derivatives	1	0.0	0.2	0.0
Amortised cost				
Interest bearing liabilities		174.7	157.7	176.6
Current financial liabilities				
Fair value through other comprehensive income				
Electricity derivatives	1	0.0	0.5	0.1
Other derivative contracts	2	0.5	1.5	0.5
Fair value through the statement of income				
Other derivative contracts	2	1.0	1.8	0.8
Amortised cost				
Interest bearing liabilities		84.0	84.3	81.9
Accounts payable and other liabilities		137.9	135.9	105.4
Financial liabilities total		398.1	381.9	365.3

The carrying value of financial assets and liabilities is considered to correspond to their fair value. The Group's financial instruments are classified according to IFRS 7 fair value hierarchies. Uponor applies the hierarchy as follows:

- The fair value of electricity derivatives is measured based on stock exchange prices. (Hierarchy 1)
- The fair value of currency forward agreements is measured based on price information from common markets and commonly used valuation methods. (Hierarchy 2)

RELATED-PARTY TRANSACTIONS

M€	1-3/2018	1-3/2017	1-12/2017
Purchases from associated companies	0.6	0.4	2.4
Balances at the end of the period			
Accounts payables and other liabilities	0.3	0.1	0.2

KEY FIGURES

	1-3/2018	1-3/2017	1-12/2017
Earnings per share, €	0.11	0.11	0.83
Operating profit, %	6.1	5.5	8.2
Return on equity, % (p.a.)	11.1	9.4	19.4
Return on investment, % (p.a.)	9.9	9.9	16.3
Solvency ratio, %	37.6	37.2	40.5
Gearing, %	66.3	74.5	43.5
Gearing, % rolling 4 quarters	56.4	59.6	58.4
Net interest-bearing liabilities	211.9	224.0	151.5
Equity per share, €	3.43	3.25	3.83
- diluted	3.43	3.25	3.83
Trading price of shares			
- low, €	13.32	15.53	13.30
- high, €	17.62	17.30	17.79
- average, €	15.11	16.47	15.55
Shares traded			
- 1,000 pcs	10,087	5,225	35,077
- M€	152	86	546

QUARTERLY DATA

	1-3/ 2018	10-12/ 2017	7-9/ 2017	4-6/ 2017	1-3/ 2017
Net sales, M€	276.9	279.4	317.5	308.4	265.1
- Building Solutions – Europe	125.2	125.5	136.3	135.6	124.3
- Building Solutions – North America	77.6	79.5	91.2	79.3	78.2
Building Solutions – North America, $	95.7	94.2	106.8	88.7	83.5
- Uponor Infra	75.3	75.4	90.6	94.3	63.1
Gross profit, M€	93.2	95.0	109.3	98.4	91.4
- Gross profit, %	33.7	34.0	34.4	31.9	34.5
Operating profit, M€	17.0	18.0	40.4	22.9	14.6
- Building Solutions – Europe	6.0	10.2	14.4	9.1	6.3
- Building Solutions – North America	10.2	9.6	19.0	10.5	10.6
Building Solutions – North America, $	12.5	11.5	21.9	11.7	11.4
- Uponor Infra	3.3	1.8	7.4	4.7	-1.9
- Others	-1.0	-2.5	0.2	-1.0	-0.9
Operating profit, % of net sales	6.1	6.4	12.7	7.4	5.5
- Building Solutions – Europe	6.0	8.1	10.5	6.8	5.0
- Building Solutions – North America	13.1	12.2	20.8	13.2	13.6
- Uponor Infra	4.4	2.5	8.1	5.0	-3.0
Profit for the period, M€	9.2	15.1	28.6	14.3	7.4
Balance sheet total, M€	855.5	865.8	820.2	825.9	812.9
Earnings per share, €	0.11	0.19	0.35	0.18	0.11
Equity per share, €	3.43	3.83	3.68	3.35	3.25
Market value of share capital, M€	993.4	1,228.4	1,073.2	1,164.7	1,216,0
Return on investment, % (p.a.)	9.9	16.3	19.4	13.6	9.9
Net interest-bearing liabilities at the end of the period, M€	211.9	151.5	161.8	208.9	224.0
Gearing, %	66.3	43.5	48.2	67.6	74.5
Gearing, % rolling 4 quarters	56.4	58.4	59.8	61.9	59.6
Gross investment, M€	9.9	26.0	18.1	11.5	7.8
- % of net sales	3.6	9.3	5.7	3.7	2.9

ITEMS AFFECTING COMPARABILITY AND RECONCILIATIONS TO IFRS

	1-3/ 2018	10-12/ 2017	7-9/ 2017	4-6/ 2017	1-3/ 2017
Items affecting comparability					
Restructuring charges	-	-	-	-2.8	-0.6
Capital gains and losses on sale of non-current assets	-	-	-	1.9	0.2
Total items affecting comparability in operating profit	-	-	-	-0.9	-0.4
Items affecting comparability, total	**-**	**-**	**-**	**-0.9**	**-0.4**
Comparable gross profit					
Gross profit	93.2	95.0	109.3	98.4	91.4
Less: Items affecting comparability in gross profit	-	-	-	-0.8	-0.2
Comparable gross profit	**93.2**	**95.0**	**109.3**	**99.2**	**91.6**
% of sales	33.7	34.0	34.4	32.1	34.6
Comparable operating profit					
Operating profit	17.0	18.0	40.4	22.9	14.6
Less: Items affecting comparability in operating profit	-	-	-	-0.9	-0.4
Comparable operating profit	**17.0**	**18.0**	**40.4**	**23.8**	**15.0**
% of sales	6.1	6.4	12.7	7.7	5.7
Comparable operating profit by segment					
Building Solutions - Europe					
Operating profit	6.0	10.2	14.4	9.1	6.3
Less: Items affecting comparability in operating profit	-	-	-	-2.4	-0.4
Comparable operating profit	6.0	10.2	14.4	11.5	6.7
% of sales	4.8	8.1	10.5	8.5	5.4
Building Solutions - North America					
Operating profit	10.2	9.6	19.0	10.5	10.6
Comparable operating profit	10.2	9.6	19.0	10.5	10.6
% of sales	13.1	12.2	20.8	13.2	13.6
Uponor Infra					
Operating profit	3.3	1.8	7.4	4.7	-1.9
Less: Items affecting comparability in operating profit	-	-	-	1.5	0.0
Comparable operating profit	3.3	1.8	7.4	3.2	-1.9
% of sales	4.4	2.5	8.1	3.5	-3.1
Others					
Operating profit	-1.0	-2.5	0.2	-1.0	-0.9
Less: Items affecting comparability in operating profit	-	-	-	-	-
Comparable operating profit	-1.0	-2.5	0.2	-1.0	-0.9
% of sales	na	na	na	na	na

DEFINITIONS OF KEY RATIOS

Return on Equity (ROE), %

$$= \frac{\text{Profit before taxes – taxes}}{\text{Total equity, average}} \times 100$$

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, %

$$= \frac{\text{Total equity}}{\text{Balance sheet total – advance payments received}} \times 100$$

Gearing, %

$$= \frac{\text{Net interest-bearing liabilities}}{\text{Total equity}} \times 100$$

Net interest-bearing liabilities

= Interest-bearing liabilities – cash and cash equivalents excluding restricted cash

Earnings per share (EPS)

$$= \frac{\text{Profit for the period attributable to equity holders of the parent company}}{\text{Average number of shares adjusted for share issue in financial period excluding treasury shares}}$$

Equity per share ratio

$$= \frac{\text{Equity attributable to the owners of the parent company}}{\text{Number of shares adjusted for share issue at end of year}}$$

Average share price

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

Gross profit margin

$$= \frac{\text{Gross profit}}{\text{Net sales}} \times 100$$

Operating profit margin

$$= \frac{\text{Operating profit}}{\text{Net sales}} \times 100$$

Comparable gross profit margin

$$= \frac{\text{Gross profit – items affecting comparability}}{\text{Net sales}} \times 100$$

Comparable operating profit margin

$$= \frac{\text{Operating profit – items affecting comparability}}{\text{Net sales}} \times 100$$