



# Interim Q2 / 2002 results

Quarter 2/2002 results briefing  
Helsinki, 6 August 2002

Jyri Luomakoski, CFO

## Interim January – June 2002

### Net sales by segment

MEUR	1-6 2002	Change Y/Y	1-6 2001	1-12 2001
Pipe Systems	555,9	-4,6%	582,8	1.165,7
Real Estate	12,2	-6,9%	13,1	25,6
Others	0,4	-20,0%	0,5	1,1
<b>Uponor Group</b>	<b>568,5</b>	<b>-4,7%</b>	<b>596,4</b>	<b>1.192,4</b>

MEUR	4-6 2002	Change Y/Y	4-6 2001
Pipe Systems	305,8	-1,3%	309,8
Real Estate	5,8	-9,4%	6,4
Others	0,2	-60,0%	0,5
<b>Uponor Group</b>	<b>311,8</b>	<b>-1,5%</b>	<b>316,7</b>

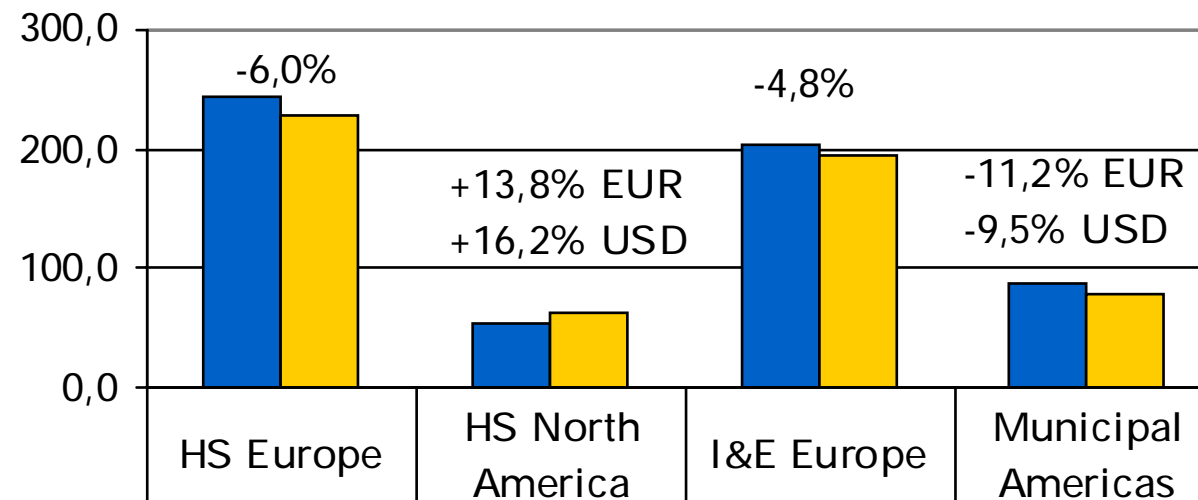
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## Interim January – June 2002 Income statement

MEUR	1-6 2002	Change Y/Y	1-6 2001	1-12 2001
Net sales	568,5	-4,7%	596,4	1.192,4
Other operating income	28,5	256,3%	8,0	12,3
Operating profit	67,9	70,6%	39,8	91,2
Financial expenses, net	7,5	-8,5%	8,2	16,2
Profit after financial items	60,4	91,1%	31,6	75,0
Extraordinary items	0,0	-100,0%	2,7	9,7
Profit before taxes	60,4	109,0%	28,9	65,3
Profit for the period	39,6	102,0%	19,6	36,6

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## Interim January – June 2002 Pipe Systems net sales by division



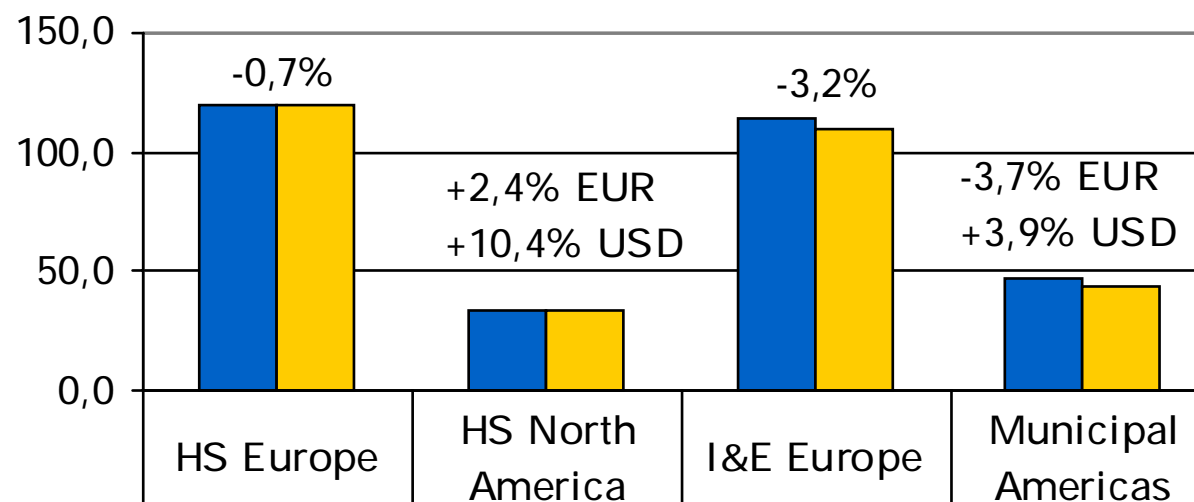
■ 2001	241,9	55,0	203,0	87,5
■ 2002	227,5	62,6	193,3	77,7
Currency effect	+0,4	-2,4	-1,3	-1,6

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# Interim April - June 2002

## Pipe Systems net sales by division

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■ 2001	120,9	33,1	113,8	46,1
■ 2002	120,0	33,9	110,2	44,4
Currency effect	+0,2	-4,7	-0,9	-3,2

## Interim January – June 2002 Operating profit by segment

MEUR	1-6 2002	%	Change Y/Y	1-6 2001	%	1-12 2001
Pipe Systems	38,6	6,9	26,1%	30,6	5,3	76,2
Real Estate	21,0		64,1%	12,8		20,3
Others	8,3		-330,6%	-3,6		-5,3
<b>Uponor Group</b>	<b>67,9</b>	<b>11,9</b>	<b>70,6%</b>	<b>39,8</b>	<b>6,7</b>	<b>91,2</b>

MEUR	4-6 2002		Change Y/Y	4-6 2001	
Pipe Systems	29,6	9,7	23,3%	24,0	7,7
Real Estate	15,1		112,7%	7,1	
Others	9,0		-742,9%	-1,4	
<b>Uponor Group</b>	<b>53,7</b>	<b>17,2</b>	<b>80,8%</b>	<b>29,7</b>	<b>9,4</b>

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## Interim January – June 2002

### Balance sheet

MEUR	30 June 2002	30 June 2001	31 Dec. 2001
Intangible assets	107,8	120,2	114,8
Tangible assets	448,8	500,3	486,5
Securities and long-term investments	11,5	31,3	34,9
Stocks	174,6	197,4	173,0
Cash in hand and banks	16,7	18,5	31,1
Other current assets	276,4	307,9	232,7
Shareholders' equity	522,3	522,6	525,6
Minority interest	7,9	8,0	8,4
Obligatory provisions	11,2	14,5	12,1
Long-term liabilities	167,4	250,1	231,7
Short-term liabilities	327,0	380,4	295,2
Balance Sheet total	1.035,8	1.175,6	1.073,0

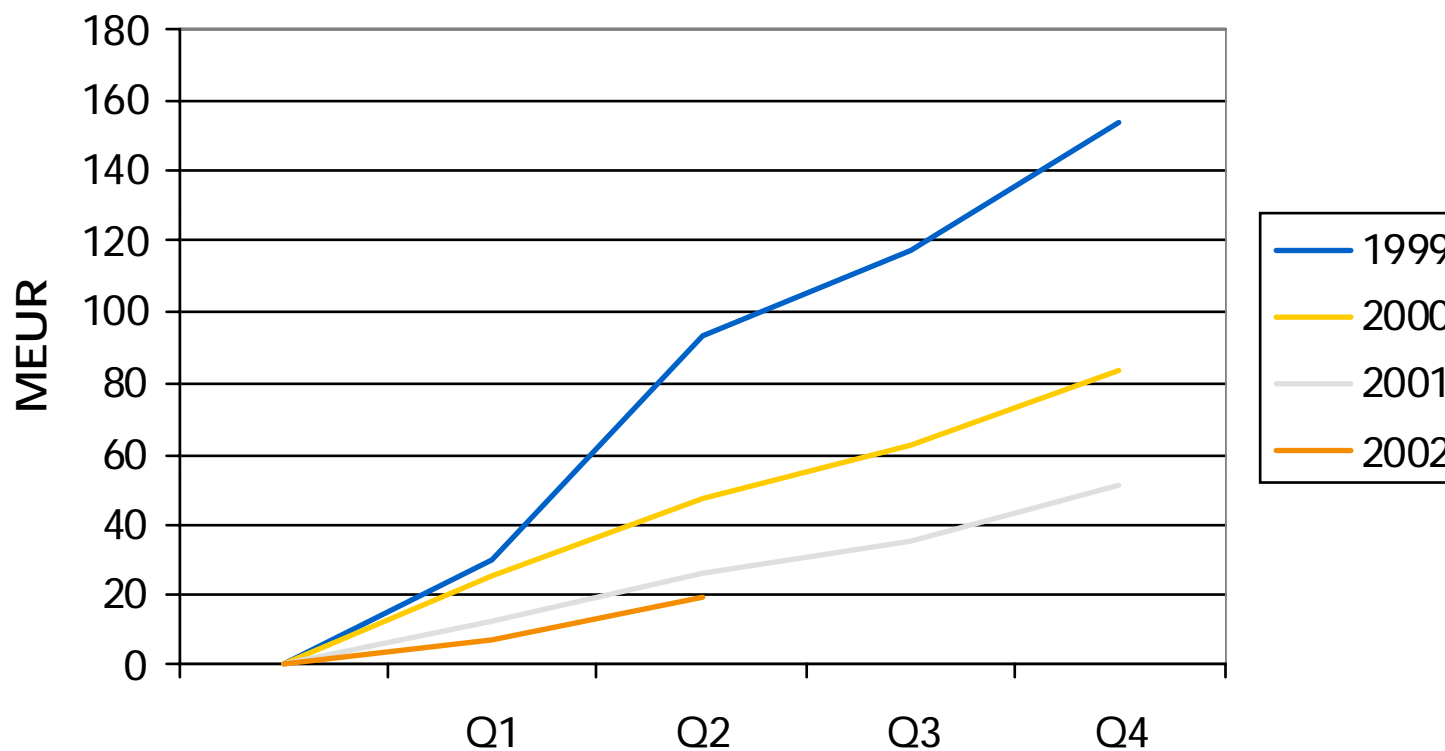
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# Interim January - June 2002

## Investment activity



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### January - June 2002

Gross investments	18,8
Disposals at book	22,6
Depreciation	37,3



## Interim January – June 2002

### Abridged cash flow

<b>Cash flow from operations</b>	
Profit for the period	+39,6
Sales gains	-29,7
Depreciation	+37,3
Change in net working capital	-13,3
	+33,9
<b>Cash flow from investments</b>	
Gross investments	-18,8
Disposal proceeds	+52,3
	+33,5
<b>Cash flow from financing</b>	
Dividends	-29,9
Buy back	-0,8
Others	-51,1
	-81,8
<b>Change in cash</b>	<b>-14,4</b>
Cash 31 December 2001	31,1
Cash 30 June 2002	16,7
	-14,4

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## Interim January – June 2002 Financial indicators

	1-6 2002	1-6 2001	1-12 2001
Earnings per share, EUR	1,06	0,56	1,15
Return on equity, %	15,0	8,3	8,2
Return on investment, %	16,7	9,5	11,3
Solvency ratio, %	51,2	45,1	49,8
Gearing	44,0	66,9	53,0
Equity per share, EUR	13,97	13,71	14,06

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# Business update

Quarter 2/2002 results briefing  
Helsinki, 6 August 2002

Jarmo Rytilahti, CEO

## Markets

- Housing Solutions Europe:
  - Machinery and Technology Systems (MTS) account for the decline in net sales
  - growth in other markets compensated for the decline in Germany and Austria
  - multilayer composite pipe systems launch successful in the Nordic region
- Housing Solutions North America:
  - strengthened euro had an adverse translation effect in Q2
  - market situation favourable
  - slower net sales growth in Q2 is a short term consequence of the brand consolidation

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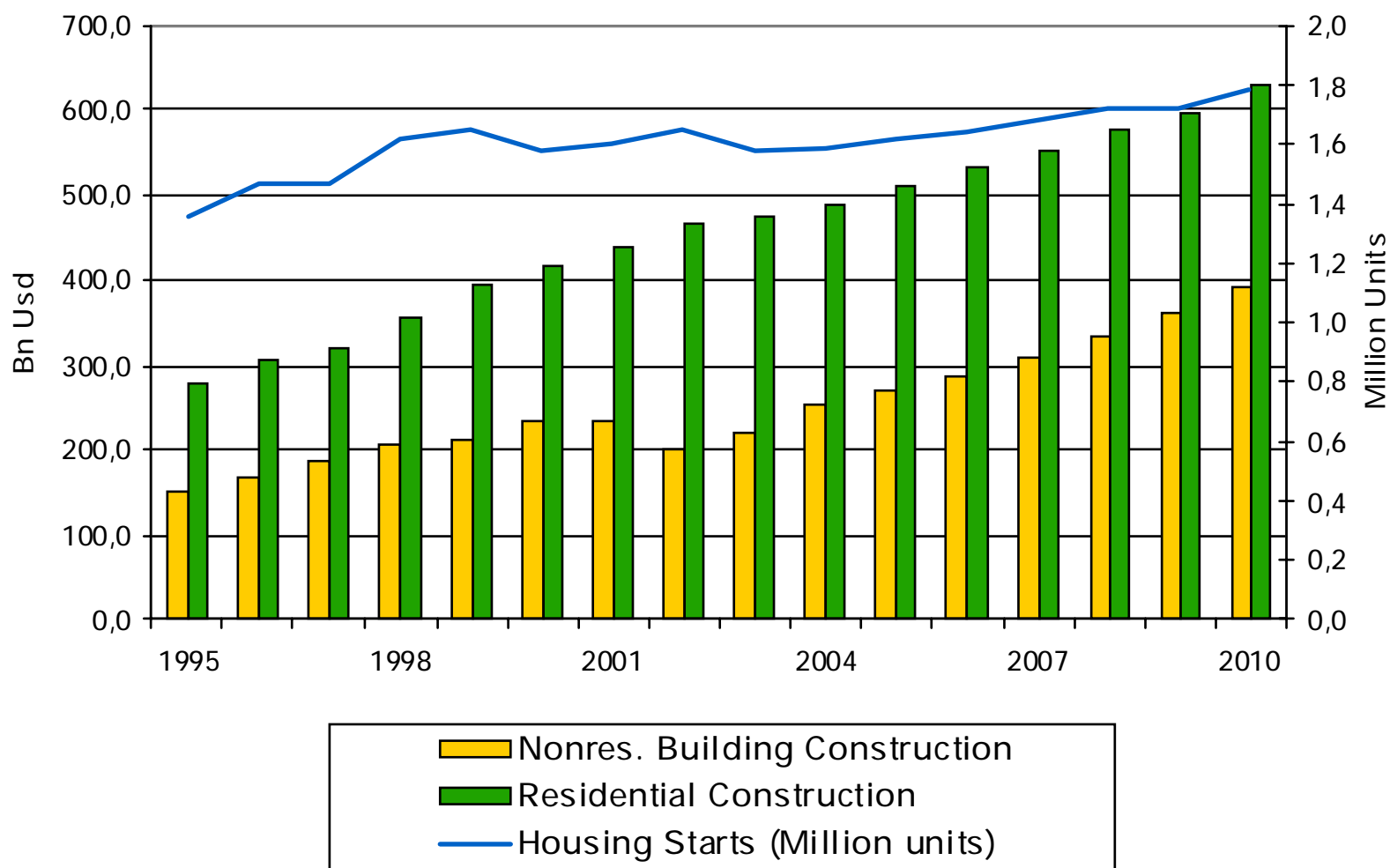
## Markets (contd.)

- Infrastructure and Environment Europe:
  - growth in gas pipe system sales could not fully compensate for the plummeting telecoms market and the effects of the closing of German utility facility in spring 2001
- Municipal Americas:
  - internal measures to restructure and the industry cycle have helped to turn the division's EBIT into "black"
  - efforts to divest continue with full force
- Real Estate:
  - new management 1 August 2002
  - all properties have a town plan, either approved or in the approval process
  - divestment work continues

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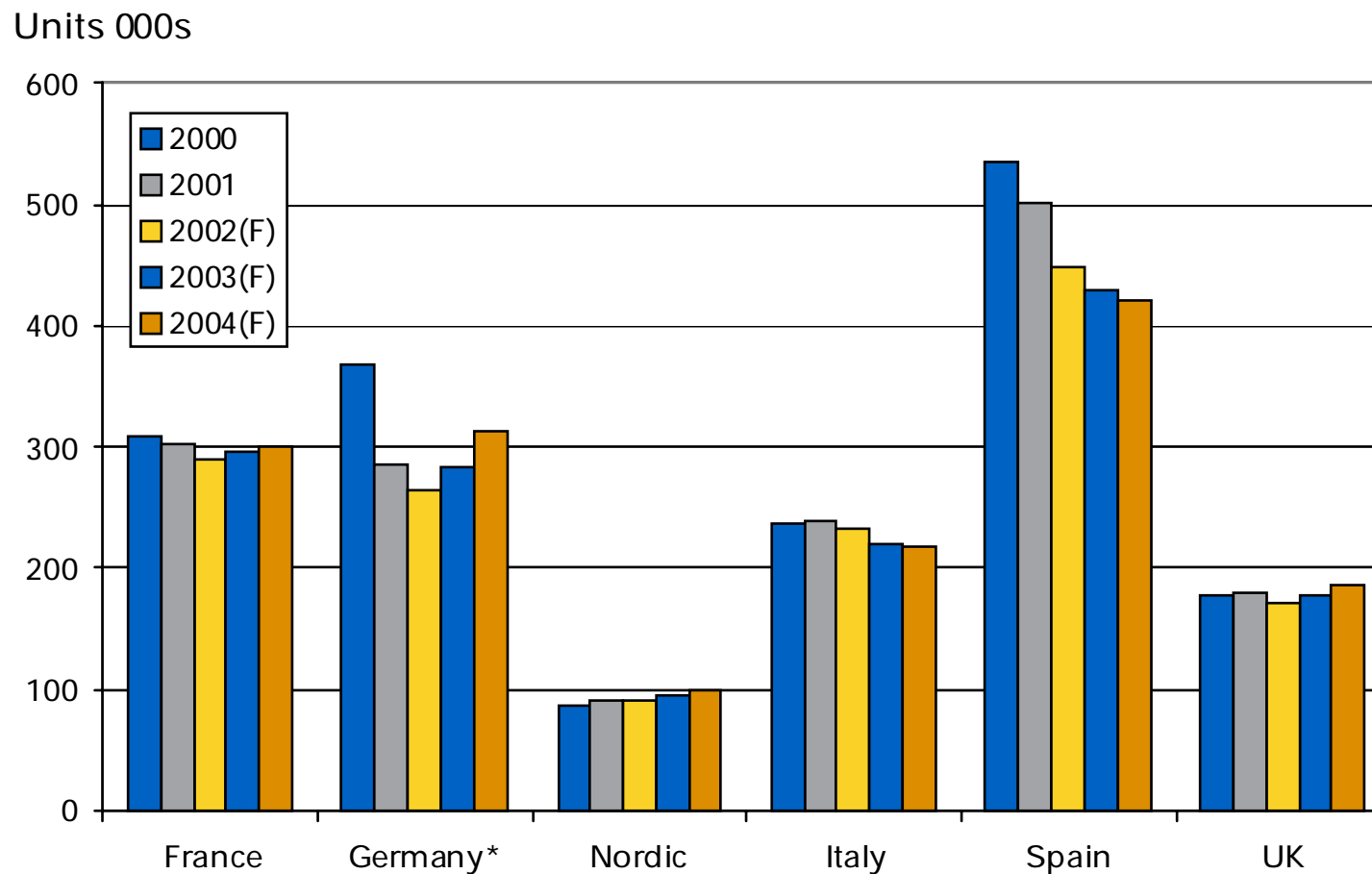


# U.S. housing investment forecast



Source: DRI-WEFA U.S. Outlook July 2002

# Total housing starts / completions



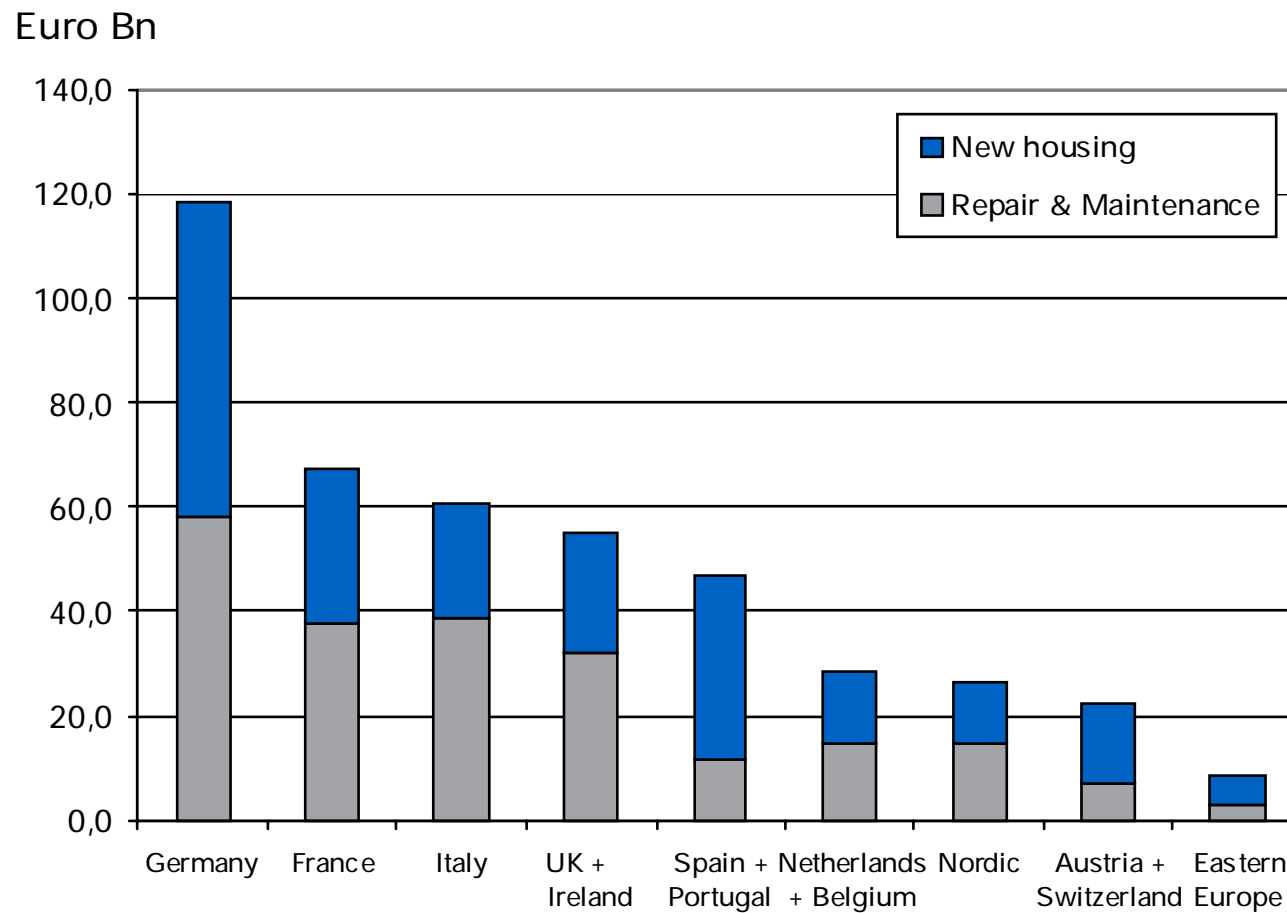
\* Completions

Source: Euroconstruct July 2002

# The European housing market picture



Total European housing market: 435 bn euros (2001)



Source: Euroconstruct July 2002



## Outlook

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- Profitability and profit after financial items for 2002 will exceed those of 2001
- No major demand changes are expected during H2 in the markets served by Uponor
- Focus for the rest of the year will be
  - maintain profitability
  - continue to implement the new strategy to increase customer value and to create new growth sources



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