



Bringing
comfort
to life

Interim results: Q3 / 2002

**Quarter 3/2002 results briefing
Vantaa, 22 October 2002**

Jyri Luomakoski, CFO

Interim January – September 2002

Net sales by segment

MEUR	1-9 2002	Change Y/Y	1-9 2001	1-12 2001
Pipe Systems	852,4	-5,3%	900,3	1.165,7
Real Estate	17,9	-6,8%	19,2	25,6
Others	0,5	-16,7%	0,6	1,1
Uponor Group	870,8	-5,4%	920,1	1.192,4

MEUR	7-9 2002	Change Y/Y	7-9 2001
Pipe Systems	296,5	-6,6%	317,5
Real Estate	5,7	-6,6%	6,1
Others	0,1	0,0%	0,1
Uponor Group	302,3	-6,6%	323,7

Bringing
comfort
to life

Interim January – September 2002

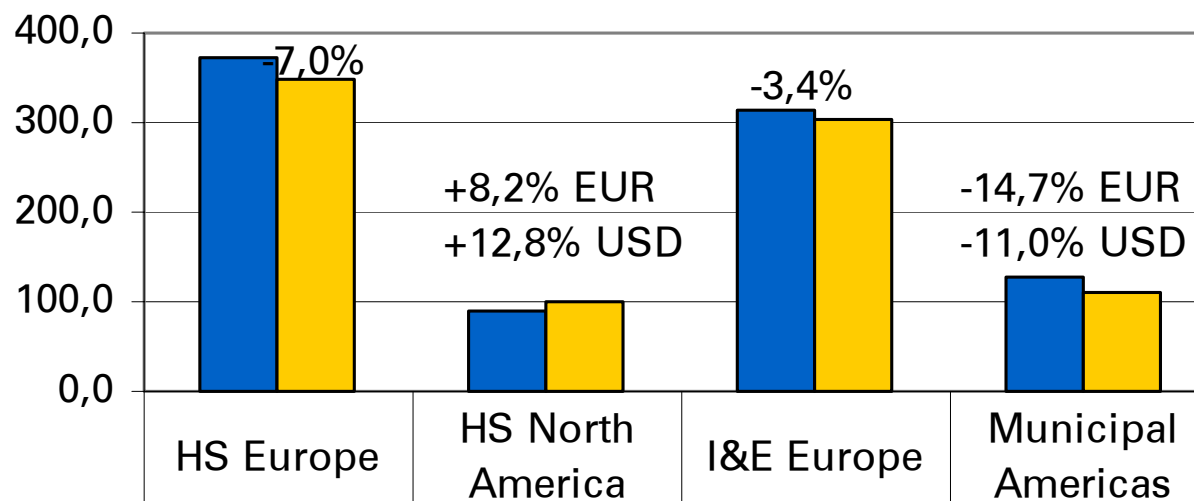
Income statement

MEUR	1-9 2002	Change Y/Y	1-9 2001	1-12 2001
Net sales	870,8	-5,4%	920,1	1.192,4
Other operating income	30,8	254,0%	8,7	12,3
Operating profit	103,7	39,0%	74,6	91,2
Financial expenses, net	10,3	-29,0%	14,5	16,2
Profit after financial items	93,4	55,4%	60,1	75,0
Extraordinary items	0,0	-100,0%	4,0	9,7
Profit before taxes	93,4	66,5%	56,1	65,3
Profit for the period	61,5	61,8%	38,0	36,6

Bringing
comfort
to life

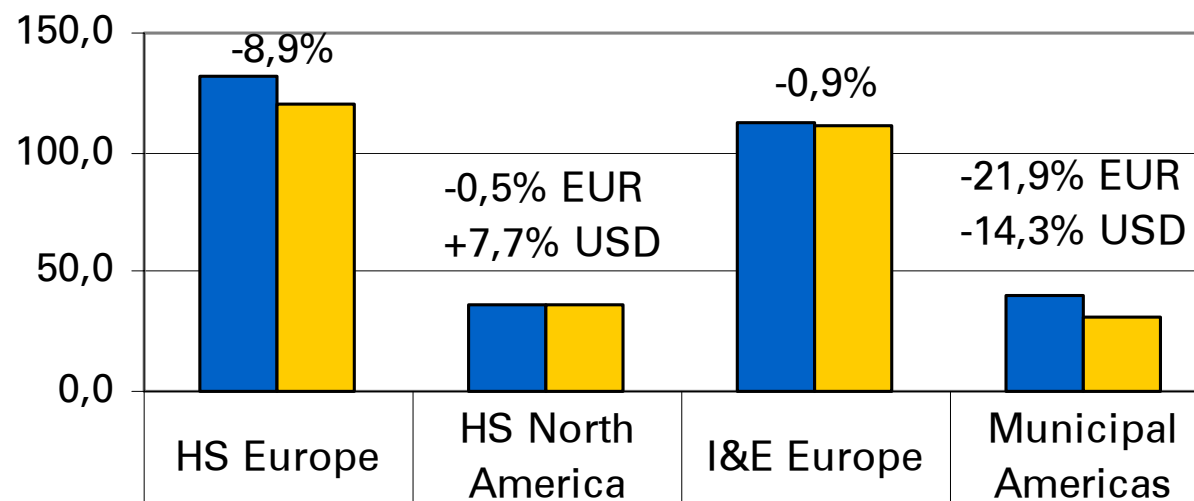
Interim January – September 2002 Pipe Systems net sales by division

Bringing
comfort
to life



■ 2001	373,5	91,2	315,4	128,0
■ 2002	347,4	98,6	304,7	109,3
Currency effect	+0,5	-8,5	-2,5	-5,3

Interim July – September 2002 Pipe Systems net sales by division



■ 2001	131,5	36,1	112,4	40,5
■ 2002	119,8	36,0	111,4	31,6
Currency effect	+0,1	-6,1	-1,2	-3,7

Bringing
comfort
to life

Interim January – September 2002 Operating profit by segment

MEUR	1-9		Change Y/Y	1-9		1-12 2001
	2002	%		2001	%	
Pipe Systems	74,7	8,8	16,0%	64,4	7,2	76,2
Real Estate	23,9		55,2%	15,4		20,3
Others	5,1		-198,1%	-5,2		-5,3
Uponor Group	103,7	11,9	39,0%	74,6	8,1	91,2

MEUR	7-9		Change Y/Y	7-9	
	2002			2001	
Pipe Systems	36,1	12,2	6,8%	33,8	10,6
Real Estate	2,9		11,5%	2,6	
Others	-3,2		100,0%	-1,6	
Uponor Group	35,8	11,8	2,9%	34,8	10,8

Bringing
comfort
to life

Interim January – September 2002

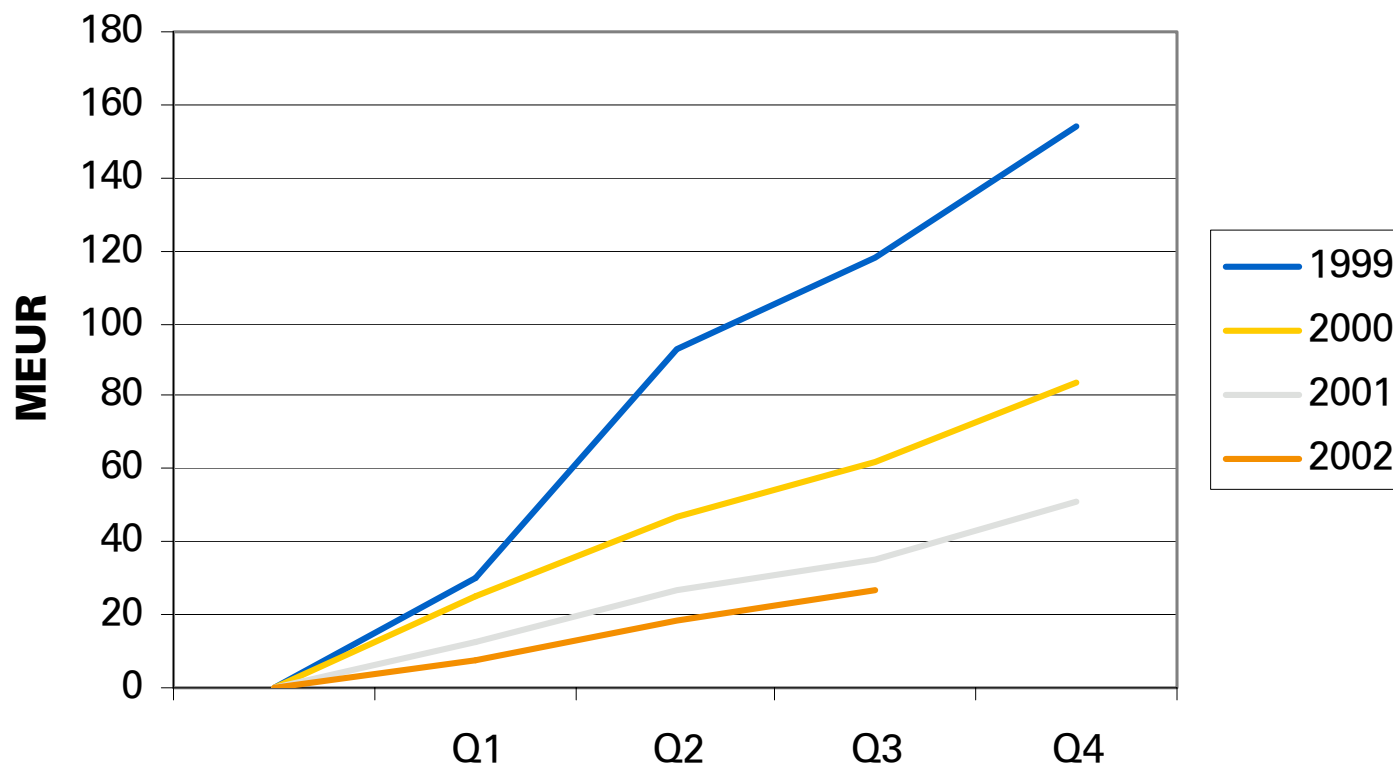
Balance sheet

MEUR	3o Sept 2002	3o Sept 2001	31 Dec 2001
Intangible assets	105,9	115,7	114,8
Tangible assets	443,1	481,0	486,5
Securities and long-term investments	11,2	31,0	34,9
Stocks	178,2	172,0	173,0
Cash in hand and banks	13,5	28,2	31,1
Other current assets	275,7	305,3	232,7
Shareholders' equity	542,6	530,0	525,6
Minority interest	7,9	7,6	8,4
Obligatory provisions	10,7	10,3	12,1
Long-term liabilities	154,0	236,1	231,7
Short-term liabilities	312,4	349,2	295,2
Balance Sheet total	1.027,6	1.133,2	1.073,0

Bringing
comfort
to life

Interim January – September 2002 Investment activity

Bringing
comfort
to life



January - September 2002

Gross investments	26,8
Disposals at book	22,7
Depreciation	46,8
Amortisation	8,3

Interim January – September 2002

Abridged cash flow

Cash flow from operations	
Profit for the period	+61,5
Sales gains	-30,8
Depreciation	+55,1
Change in net working capital	-6,7
	+79,1
Cash flow from investments	
Gross investments	-26,8
Disposal proceeds	+53,5
	+26,7
Cash flow from financing	
Dividends	-29,9
Buy back	-4,0
Others	-89,5
	-123,4
Change in cash	-17,6
Cash 31 December 2001	31,1
Cash 30 September 2002	13,5
	-17,6

Bringing
comfort
to life

Interim January – September 2002 Financial indicators

	1-9 2002	1-9 2001	1-12 2001
Earnings per share, EUR	1,65	1,07	1,15
Return on equity, %	15,2	10,4	8,2
Return on investment, %	16,3	11,8	11,3
Solvency ratio, %	53,6	47,4	49,8
Gearing	36	58	53
Equity per share, EUR	14,59	14,12	14,06

Bringing
comfort
to life

Bringing
comfort
to life



©
Uponor



Bringing
comfort
to life

Business update

**Quarter 3/2002 results briefing
Vantaa, 22 October 2002**

Jarmo Rytilahti, CEO

Notes on Uponor's development: Housing Solutions Europe & North America

- Net sales declined from last year due to
 - Machine building
 - German construction in recession— slowdown of new construction has impacted our underfloor heating sales
 - Plumbing sales have grown thanks to renovation activity
- Other main markets (Nordics, Iberia, Italy) developed satisfactorily
 - Russia/Baltics growing fast but from a low base
- Due to conflicts with the Uponor Brand Strategy some non-strategic OEM accounts were given up
- Plumbing sales continued strong
- Underfloor heating system sales stagnant due to lower number of high-end homes built

Bringing
comfort
to life

Notes on Uponor's development: Infrastructure & Environment Europe and Municipal Americas

- Growth in the UK, Iberia and Russia outweighed the poor telecom sales
- Lower net sales due to
 - De-stocking in the distribution chain
 - Closing of some poor profitability product lines
 - Low demand in Argentina and neighbouring countries

Bringing
comfort
to life

Profitability and cash flow

- Despite lower net sales, operating profit exceeded the Q3/2001 profits thanks to the internal efficiency programme launched in Q1/2001
- Cash flow remained strong as a result of improved net profits and low investment levels, combined with successful disposals of real estate properties



Bringing
comfort
to life

Targets and outlook

- Growth in profits achieved
- Next on the agenda is to increase net sales by
 - Penetrating new geographies within Europe and North America:
 - The UK and Ireland for Housing Solutions
 - Russia
 - Emerging opportunities from the expansion of the EU
 - Extension of offering with systems and solutions available elsewhere in the Group

- Uponor expects its profitability and profit after financial items for the year as a whole, to exceed those of the previous year

Bringing
comfort
to life