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RESULTS RELEASE: Uponor achieves its targets for 2006

- Net sales: EUR 1,157.0m (2005: 1,031.4m), a change of +12.2%
- Operating profit: EUR 143.7m (123.0m), growth of +16.8%
- Profit before taxes: EUR 141.5m (120.5m)
- Cash flow before financing: EUR 118.5m (139,8m) and gearing of 6.3 (-6.4)
- Board's dividend proposal: a total of EUR 1.40 (0.90) per share
- Expectations for 2007: organic growth exceeding 6% and an increase in profit margin from 2006 levels

Uponor adopted the International Financial Reporting Standards (IFRS) as of 1 January 2005. Consequently, the accounts for 2006, with the relevant comparable figures, have been compiled in accordance with IFRS.

Comparable figures have been adjusted to take account of the impact of exchange rate fluctuations and divestments.

Last quarter of 2006

For the last quarter of 2006, net sales totalled EUR 285.9 (261.5) million, up 9.3% year on year. Operating profit came to EUR 29.9 (32.3) million.

The net sales of Uponor's European regional organisations continued to develop favourably in the last quarter of 2006, showing a growth of close to, or over, 20% on a year earlier. In addition to strong demand, the growth in net sales was supported by sales prices that were higher than in the previous year. In North America, net sales decreased by almost 30% due to a substantial decline in building activities toward the end of the year and the distribution channel reducing its inventory levels.

The last quarter's profit margin fell short of the 2005 figure. A significant factor affecting this comparison is the disposal gain of EUR 2.3 million reported in the Others segment in the last quarter of 2005 arising from the sale of the last investment property. Further, the negative development was attributable to the mathematical marginal erosion caused by price increases as well as the additional costs arising from the demand exceeding our capacity, requiring us to implement exceptional arrangements in the form of overtime work and subcontracting to external parties. Measures aimed at compensating for the fall in profitability caused by the substantially reduced demand in North America did not generate savings for the last quarter of 2006.

CEO Jan Lång commented on the 2006 financial statements as follows:

"We achieved our long-term financial targets, published in 2003, during the 2006 financial year and made good progress in implementing our strategic agenda. We were particularly delighted by the fact that we were able to take advantage of our strong market position as construction sector demand continued to be at a high level in our main markets. In the Europe - West, East, South region, we were able to generate strong organic growth, in addition to which the recovery of the German building market in the latter part of the year after several years' slump was a positive sign for the future.

The successful implementations of our new enterprise resource planning system in Germany provided concrete proof of our progress toward a unified Uponor that operates as an integrated whole across national and organisational boundaries.

For 2007, we expect overall construction activity to slow down slightly in our main markets from the 2006 levels. In order to meet our organic growth targets, we need to make successful use of our new market segments, in particular by achieving a strong position in our present regional markets' high-rise segment while strengthening our position in those markets in both Western and Eastern Europe, where our presence is not yet that prominent."

Dividend proposal

The Board proposes to the AGM that a dividend of EUR 1.40 (EUR 0.90) per share be paid for the 2006 financial year. The Board bases its proposal on the company's dividend distribution policy published in November, on the basis of which an ordinary dividend of EUR 1.15 per share is proposed. In order to achieve a capital structure meeting the company's long-term financial goals published in the same connection, the Board proposes an extra dividend of EUR 0.25.

Presentation material and teleconference

Following the release of this report, the presentation material for the interim report will be available at www.uponor.com/investors under IR material.

Uponor will hold a teleconference in English for equity analysts today, at 6:00pm Finnish time (London 4:00pm and New York 11:00am) and those who would like to participate should call (using a DTMF telephone) +44 20 7019 0812, participant code: Uponor. Presentation will be shown on the Internet. Instructions to join the web-meeting are available at www.uponor.com/investors.

Uponor Corporation
Board of Directors

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Financial statements for 1 Jan.- 31 Dec. 2006

Review by the Board of Directors

Overview

For Uponor, 2006 was one of the most successful years in the company's history. Uponor carried out restructuring measures according to plan, allowing the company to concentrate on its strategic priorities: growth, brand development and enhancing operational efficiency. Work on these priorities progressed as planned.

Overall, there was a positive sentiment in Uponor's principal markets. The company's largest market, the United States, showed a markedly weaker demand towards the end of the financial year. The German market was flat in the first half until it picked up clearly during the second half. Spain showed favourable sales development while market demand elsewhere in Europe varied from satisfactory to brisk.

Net sales

In 2006, Uponor posted consolidated net sales of EUR 1,157.0 million (2005: EUR 1,031.4), up 12.2 per cent year on year.

Uponor Central Europe (18.6 per cent) and Uponor Europe - WES (19.0 per cent) reported the strongest growth in net sales, while Uponor Nordic's 13.6 per cent growth markedly exceeded the Group's growth targets. Uponor North America's net sales growth (1.8 per cent) remained modest due to a considerably weakening demand in housing construction during the second half, as a result of a contraction of 12.9 per cent in housing starts.

Net sales by segment for 1 Jan. -31 Dec. 2006:

	2006 1-12	2005 1-12	Reported change, %
Central Europe	345.1	291.1	+18.6
Nordic	377.8	332.6	+13.6
Europe - West, East, South	387.9	325.9	+19.0
North America, EUR	183.0	179.8	+1.8
(North America, USD	230.9	222.2	+3.9)
Others, EUR	-	3.9	
Eliminations	-136.8	-101.9	
Total	1,157.0	1,031.4	12.2

Demand in the largest Central European market, Germany, recovered during 2006 after several sluggish years, Uponor's housing solutions in Germany recording a net sales increase of 17.0 per cent. Demand for housing solutions in other Central European markets also showed favourable development. Moreover, growth in the plastic system's market share contributed to Uponor's growth, since price increases of competing raw materials, mainly copper, boosted the competitiveness of plastic pipe systems.

Demand for housing solutions in Uponor Nordic remained strong, reflected in net sales growth of 23.5 per cent, which was also partly supported by brisk demand in other Uponor regions. In Uponor Nordic, infrastructure solutions posted 4.9 per cent growth in net sales, a significant proportion of this growth being due to product price increases offsetting higher material costs.

The Uponor Europe - WES housing solutions business expanded rapidly, with annual organic growth at slightly over 32 per cent. In certain, large markets, such as Spain, Uponor's strong market position paved the way for growth, involving targeted measures to enhance customer loyalty. In geographical terms, Uponor expanded and strengthened its presence in a few markets, such as the U.K., France, Russia and the Baltic countries. In the U.K. in particular, the infrastructure business showed favourable development amidst difficult market conditions characterised by occasional challenges presented by higher raw material costs and the availability of raw materials. Extensive supply contracts concluded in late 2005 and during 2006 guaranteed high capacity utilisation rates and net sales growth of 25 per cent.

Secondary segment net sales for housing solutions rose to EUR 804.4 million (697.5), with organic growth at 15.3 per cent. Infrastructure solutions posted net sales of EUR 352.6 million (332.7), representing organic growth of 12.3 per cent, excluding divestments. This net sales growth by housing solutions stemmed from a combination of higher volumes and prices, while the growth in infrastructure solutions' net sales came mostly from higher sales prices resulting from higher raw material costs.

The largest geographical markets and their share of consolidated net sales in 2006 were as follows: USA 14.0% (15.4), Germany 13.9% (14.7), U.K. 11.2% (9.8), Finland 9.1% (9.7), Spain 8.1% (6.4), Sweden 7.4% (7.2) and Denmark 6.3% (6.2).

Results

Consolidated operating profit came to EUR 143.7 million (123.0), accounting for 12.4 per cent (11.9) of net sales. Like-for-like operating profit improved by 16.8 per cent on a year earlier. This improvement was mainly due to the leverage effect of increased sales, higher sales prices compensating for higher raw material costs and the improved production cost structure resulting from the restructuring programme. Operating profit was affected by major expenditure on the further development of the company's operations, such as the development of a common enterprise resource planning (ERP) system and the brand strategy.

Operating profit by segment for 1 Jan. -31 Dec. 2006:

	2006 1-12	2005 1-12	Reported change, %
Central Europe	49.3	34.5	43.0
Nordic	56.6	45.4	24.5
Europe - West, East, South	38.2	30.0	27.3
North America, EUR	14.5	22.7	-36.2
(North America, USD	18.3	28.1	-34.8)
Others, EUR	-12.0	-8.3	
Eliminations	-2.9	-1.3	
Total	143.7	123.0	16.8

All of the European regional organisations posted improved results and profitability. Uponor Central Europe showed the greatest improvement in profitability, with EUR 4.5 million of restructuring expenses recorded in 2005 affecting year-on-year comparability. The leverage effect resulting from growth and streamlining measures also contributed to improved profitability in Uponor Central Europe and Uponor Nordic.

Although Uponor Europe - WES recorded the fastest net sales growth, it did not enjoy the same kind of leverage effect on profitability as Uponor Central Europe and Uponor Nordic, due to its business structure. A significant share of the region's growth came from sales units, which purchase their products from other regional organisations. Operating profit reported by Uponor Europe - WES was also affected by EUR 3.0 million in capital losses on the divestment of the German and Czech infrastructure operations in the spring of 2006.

Uponor North America's results and profitability fell significantly due to declining construction, resulting in the distribution channel lowering inventories. At the same time, price competition toughened in the housing solutions market. North America's results at the beginning of the year were also eroded by disproportionate increases in distribution costs.

Consolidated operating profit reported for 2006 was in line with the forecasts announced at the beginning of the financial year and updated in subsequent interim reports, according to which operating profit for 2006 would exceed that recorded for 2005 and profit margin would meet the long-term target of a minimum of 12 per cent of net sales.

Consolidated profit before taxes from continuing operations rose by 17.4 per cent, to EUR 141.5 (120.5) million. At a tax rate of 31.8 (31.4) per cent, income taxes totalled EUR 45.0 (37.8) million. Profit for the financial year totalled EUR 96.5 million (82.7).

Thanks to the stronger balance sheet, net financial expenses decreased to EUR 2.2 million (2.5), despite higher interest rates.

Return on equity stood at 25.3 (20.3) per cent and return on investment rose to 35.8 (28.1) per cent.

Earnings per share (diluted and undiluted) were EUR 1.32 (1.12). Equity per share (undiluted) was EUR 4.71 (5.72) and (diluted) EUR 4.70 (5.72).

Cash flow from operations was EUR 147.3 million, which is EUR 11.3 million below the 2005 level due mainly to taxes paid in 2006 that were EUR 21.1 million higher than the year before.

Investments, research and development, and financing

Investments in 2006 were mainly allocated to the development of an enterprise resource planning (ERP) system and common processes, as well as the enhancement of the production network. The largest single investment, EUR 13.8 million, was the pan-European ERP system. Gross investments totalled EUR 54.2 million (49.0), up EUR 5.2 million, while net investments came to EUR 47.4 million (20.7).

R&D expenditure showed a slight decrease, totalling EUR 16.5 million (17.4), accounting for 1.4 per cent (1.7) of net sales.

Uponor Group already achieved a very strong financial position in 2005 due to finalised divestments of non-core assets and strong cash flow from business operations. In 2006, cash flow from operations remained strong. Dividends paid out during the financial year, a total of EUR

166.0 million (ordinary dividends of EUR 65.8 million and extra dividends of EUR 100.2 million), returned the balance sheet to a net debt position. Net interest-bearing liabilities increased to EUR 21.7 (-26.9). The solvency ratio stood at 53.6 per cent (63.2) and gearing was 6.3 per cent (-6.4).

Key events

Uponor underwent a major change in its history in early 2006 when all of its various system brands assumed the Uponor brand and the company adopted a new visual identity. These measures also enabled the combination of four German sales organisations to form one of the market's strongest, unified Uponor organisation.

In February, Uponor announced that it would place a stronger focus on the high-rise segment, which, in addition to the single-family home segment, provides a firmer basis for organic growth in Uponor's housing solutions products. The financial year saw the launch of targeted measures for the new market segment.

Uponor's pan-European enterprise resource planning (ERP) system project is progressing as planned. In July, a sales office in Germany was the first to adopt the related limited functionality. In early December, the rest of the German system sales and production operations adopted the new ERP system successfully.

In the U.K., Uponor won several multi-year contracts for the supply of municipal pipe systems with local utilities. At a total value of around EUR 25 million per year, the largest single contract has a duration of seven years with a one-year extension option.

The summer saw the completion in North America of the extension of the office and production facilities, initiated in the preceding year, making it again possible to combine the functions previously housed in several buildings in the area under the same roof.

In early September, Uponor confirmed a new organisation aimed at further unifying Uponor by rotating and redistributing top management duties. At the same time, Europe - WES underwent changes in its management system, supporting the further development of this most vigorously growing regional organisation.

In early November, Uponor's Board of Directors set new long-term Group targets for 2007-09. For example, the profit margin target increased from the previous minimum of 12 per cent to the current minimum of 15 per cent. On the Capital Markets Day held at the same time, Uponor presented its cooling application, which is expected to become a product line of long-term significance similar to the radiant floor heating business.

Personnel

The Group had a staff of 4,325 (4,126) at the end of the year, while the reported number of employees in 2006 averaged 4,260 (2005: 4,169 and 2004: 4,684). The increase in staff numbers largely reflects organic growth in business. Wages and salaries for the financial year totalled EUR 181.3 million (2005: 164.4 and 2004: 182.5).

The geographical breakdown of personnel was as follows: Germany 1,207 (27.9%), Sweden 681 (15.7%), U.K. 502 (11.6%), Finland 478 (11.1%), USA 392 (9.1%), Spain 281 (6.5%) and other countries 784 (18.1%).

Risks associated with business

Strategic risks

Uponor's business is concentrated in Europe and North America, where exposure to political risks is perceived as low. Since Uponor's net sales are divided among a large number of customers, the majority of which are distributors (wholesalers), demand for the company's products are evenly spread among end users. The largest single customer generates less than 10 per cent of Uponor's net sales.

With respect to suppliers, Uponor aims to use supplies and raw materials provided by a large number of suppliers. In the event of a sole supplier, it must have at least two production plants manufacturing goods used by Uponor.

Operational risks

The prices of raw materials used in the manufacture of plastic pipe systems are susceptible to other petrochemical product price fluctuations. In recent years, Uponor has been capable of passing the effects of such fluctuations onto its selling prices with a reasonable delay in such a way that this has not resulted in any major income losses. Demand for Uponor's end products depends on business cycles in the construction sector. These business cycles are somewhat offset by demand for renovation projects, which is not always based on discretion to the same extent as new housing projects.

Financial risks

Since Uponor has strengthened its balance sheet in the last few years, financial risks plays a considerably smaller role in the company's risk management. A substantial share of Uponor's net sales are created in currencies other than the euro, but for the most part expenses allocated to these net sales are also denominated in the local currencies in question. Consequently, the translation risk is the most significant currency risk, reflected in translating non-euro area results into the euro.

Hazard risks

Uponor runs 17 production plants in 11 countries and products manufactured in these plants generate a major proportion of the company's net sales. Uponor co-ordinates indemnity and business interruption insurance at Group-level on a centralised basis, in order to achieve an extensive insurance coverage neutralising financial damage caused by any risks associated with machine breakdowns, fire etc. Another major hazard risk is associated with product liability related to products manufactured and sold by Uponor. Product liability is also insured at Group level.

The year 2006 saw no materialised risks, pending litigations or other legal proceedings or measures by the authorities that could have had a material significance to the Group.

Administration and audit

The Annual General Meeting (AGM) of 16 March 2006 re-elected the following Board members for a term of one year: Anne-Christine Silfverstolpe Nordin, Jorma Eloranta, Pekka Paasikivi, Aimo Rajahalme and Rainer S. Simon. The Board re-elected Pekka Paasikivi Chairman of the Board and Aimo Rajahalme Deputy Chairman. The AGM elected KPMG Oy Ab, Authorised Public Accountants, the company's auditor, with Sixten Nyman, Authorised Public Accountant, acting as the principal auditor.

Share capital and shares

At the beginning of 2006, Uponor Corporation's share capital totalled EUR 148,766,888 and the number of shares 74,383,444, while the year-end share capital was worth EUR 146,446,888 with the number of shares totalling 73,233,444. This decrease resulted from the invalidation of 1,160,000 shares as decided by the Annual General Meeting of 16 March. At a nominal value of EUR 2, each share entitles its holder to one vote at the shareholders' meeting.

Board authorisations

The AGM of 16 March 2006 authorised the Board of Directors to decide, by 16 March 2007, on the buyback of the company's own shares using distributable earnings from unrestricted equity. The combined par value of the shares to be bought back, together with the par value of own shares already held by the corporation, may not exceed five per cent of the company' share capital and voting rights held at the time of the buyback.

The Extraordinary General Meeting of 27 October 2006 authorised the Board of Directors to decide on transferring, without payment, a maximum of 88,000 of treasury shares at a per-share par value of two (2) euros to the company's Executive Committee members, under the terms of the 2004 share-based incentive scheme, and on other issues related to the transfer.

Treasury shares

During the financial year, Uponor Oyj's Board of Directors did not exercise the AGM's authorisation to buy back own shares.

Management shareholding

The members of the Board of Directors, CEO and his deputy, as well as corporations known to the company, in which they exercise control, held a total of 458,515 Uponor shares on 31 December 2006. These shares accounted for 0.6 per cent of all company shares and total votes.

Share-based incentive programme

In April 2004, Uponor Corporation's Board of Directors decided to launch a new incentive programme aimed at Executive Committee members, who would have the opportunity to receive a share-based reward in 2007, based on the attainment of a pre-determined cumulative EBITA target set for the period of three years from 2004 to 2006, corresponding to a maximum net value of 80,000 Uponor shares. The CEO and CFO are not entitled to dispose of the shares earned under this programme during their term of employment, without the consent of the Board of Directors. For other Executive Committee members, half of the shares earned are subject to the same restriction. The Board of Directors has the possibility to raise or reduce the number of shares by ten per cent, depending on whether the company's other long-term objectives are achieved.

Events after the financial year

At its meeting on 8 February 2007, the Board of Directors decided on granting bonuses based on the 2004-2006 incentive programme. Cumulative EBITA for the financial year achieved the maximum target under the programme and the Board of Directors decided to transfer 71,500 shares to seven Executive Committee members. In addition, the company will pay a cash bonus equalling taxes and similar charges resulting from the share transfer.

Outlook for 2007

Construction in Europe is expected to remain active although the growth rate is anticipated to slow down from the previous year's level. In Germany, construction is expected to continue to recover. In Eastern Europe, construction is projected to grow, but this market does not yet account for a substantial share of Uponor's net sales.

In North America, especially the U.S.A, general market expectations look unfavourable. However, there are wide variations between these expectations, which is why anticipating demand proves challenging. On average, housing starts are expected to decline by around 15 per cent.

The expected increase in the market share of plastic plumbing systems and investments in the high-rise segment will support Uponor's growth. In addition, growth will be supported by those European market areas where Uponor has not yet achieved a satisfactory position. For these reasons, organic growth in net sales is expected to reach the long-term target of minimum 6 per cent.

Supported by organic growth and as a result of recent years' development efforts, the profit margin is expected to improve from the 2006 level. Operating profit in euro is also projected to exceed the level recorded in 2006.

TABLES

FINAL QUARTER 2006

CONSOLIDATED INCOME STATEMENT

	10-12 2006	10-12 2005
Net sales	285.9	261.5
Cost of goods sold	186.3	168.6
Gross profit	99.6	92.9
Other operating income	1.6	2.2
Dispatching and warehousing expenses	7.0	6.1
Sales and marketing expenses	46.4	40.3
Administration expenses	13.4	12.9
Other operating expenses	4.5	3.5
Operating profit	29.9	32.3
Financial expenses, net	0.9	1.3
Profit before taxes	29.0	31.0
Income taxes	9.6	9.2
Profit for the period	19.4	21.8
Earnings per share	0.27	0.30
Diluted earnings per share	0.27	0.30

SEGMENT INFORMATION

	10-12 2006	10-12 2005
Primary segments		
Segment revenue		
Central Europe	88.7	70.2
Nordic	98.0	80.3
Europe - West, East, South	93.9	80.6

North America	38.8	54.9
Others	-	0.1
Eliminations	-33.5	-24.6
Uponor Group	285.9	261.5

Segment result

Central Europe	10.6	7.2
Nordic	12.9	10.5
Europe - West, East, South	9.8	10.2
North America	3.4	6.3
Others	-4.9	-2.2
Eliminations	-1.9	0.3
Uponor Group	29.9	32.3

ANNUAL ACCOUNTS

CONSOLIDATED INCOME STATEMENT

	2006	2005
Net sales	1,157.0	1,031.4
Cost of goods sold	743.8	667.6
Gross profit	413.2	363.8
Other operating income	3.7	6.2
Dispatching and warehousing expenses	25.7	23.6
Sales and marketing expenses	176.6	158.2
Administration expenses	51.0	47.7
Other operating expenses	19.9	17.5
Operating profit	143.7	123.0
Financial expenses, net	2.2	2.5
Profit before taxes	141.5	120.5
Income taxes	45.0	37.8
Profit for the period	96.5	82.7
Earnings per share	1.32	1.12
Diluted earnings per share	1.32	1.12

CONSOLIDATED BALANCE SHEET

	31 Dec 2006	31 Dec 2005
Assets		
Intangible assets	97.6	85.1
Tangible assets	211.8	214.9
Securities and long-term investments	3.6	19.4
Deferred tax assets	20.9	18.3
Total fixed assets	333.9	337.7
Inventories	128.1	111.4
Current receivables	169.5	165.3
Cash and cash equivalent	12.4	48.9
Total current assets	310.0	325.6
Total Assets	643.9	663.3
Shareholders' equity and liabilities		
Shareholders' equity	344.4	418.4
Non-current interest bearing liabilities	17.2	19.4
Provisions	15.5	14.8

Current interest-bearing liabilities	16.9	2.6
Non-interest-bearing liabilities	249.9	208.1
Total liabilities	299.5	244.9
Total shareholders' equity and liabilities	643.9	663.3

CONSOLIDATED CASH FLOW

	1 Jan - 31 Dec 2006	1 Jan - 31 Dec 2005
Net cash from operations		
Profit for the period	96.5	82.7
Adjustment for non-cash items	84.2	70.8
Net cash from operations	180.7	153.5
Change in net working capital	5.2	22.8
Paid income taxes	-37.9	-16.8
Paid interest	-3.9	-4.2
Received interest	3.2	3.3
Cash flow from operations	147.3	158.6
Cash flow from investments		
Proceeds from share divestments	-	0.5
Proceeds from disposal of subsidiaries	0.3	19.4
Purchase of fixed assets	-54.2	-49.0
Proceeds from sale of fixed assets	6.5	8.4
Granted loans	-	-
Loan repayments	18.6	1.9
Cash flow from investments	-28.8	-18.8
Cash flow before financing	118.5	139.8
Cash flow from financing		
Borrowings of debt	14.7	-
Repayments of debt	-1.7	-46.1
Share issue	-	-
Dividends paid	-166.0	-52.0
Purchase of own shares	-	-20.0
Payment of finance lease liabilities	-2.0	-2.2
Cash flow from financing	-155.0	-120.3
Conversion differences for cash and cash equivalents	-	-0.1
Change in cash and cash equivalents	-36.5	19.4
Cash and cash equivalents at 1 January	48.9	29.5
Cash and cash equivalents at 31 December	12.4	48.9
Changes according to balance sheet	-36.5	19.4

STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY

	Share capital	Share premium	Other reserves	Treasury shares
Balance at 1 January 2005	149.6	33.0	7.7	-6.7
Translation adjustments	-	-	-	-
Net profit for the period	-	-	-	-
Total recognised income and expense for the period	-	-	-	-
Cancelling of shares	-0.8	0.8	-	5.5
Purchase of own shares	-	-	-	-20.0
Dividend paid	-	-	-	-
Other adjustments	-	6.3	-4.4	-
Share based incentive plan	-	-	-	-
Balance at 31 December 2005	148.8	40.1	3.3	-21.2
Balance at 1 January 2006	148.8	40.1	3.3	-21.2
Translation adjustments	-	-	-	-
Net profit for the period	-	-	-	-
Total recognised income and expense for the period	-	-	-	-
Cancelling of shares	-2.3	2.3	-	19.6
Dividend paid	-	-	-	-
Other adjustments	-0.1	0.1	3.4	-
Share based incentive plan	-	-	-	-
Balance at 31 December 2006	146.4	42.5	6.7	-1.6

	Accumulated conversion differences	Retained earnings	Total
Balance at 1 January 2005	-15.5	228.9	397.0
Translation adjustments	10.1	-	10.1
Net profit for the period	-	82.7	82.7
Total recognised income and expense for the period	10.1	82.7	92.8
Cancelling of shares	-	-5.5	-
Purchase of own shares	-	-	-20.0
Dividend paid	-	-52.0	-52.0
Other adjustments	-	-1.8	0.1
Share based incentive plan	-	0.5	0.5
Balance at 31 December 2005	-5.4	252.8	418.4
Balance at 1 January 2006	-5.4	252.8	418.4
Translation adjustments	-4.8	-	-4.8
Net profit for the period	-	96.5	96.5
Total recognised income and expense for the period	-4.8	96.5	91.7
Cancelling of shares	-	-19.6	-
Dividend paid	-	-166.0	-166.0
Other adjustments	-	-3.4	-
Share based incentive plan	-	0.3	0.3
Balance at 31 December 2006	-10.2	160.6	344.4

	2006	2005
KEY FIGURES		
Earnings per share, EUR	1.32	1.12
- fully diluted	1.32	1.12
Return on Equity (ROE),%	25.3	20.3
Return on Investment (ROI),%	35.8	28.1
Solvency, %	53.6	63.2
Gearing, %	6.3	-6.4
Equity per share, EUR	4.71	5.72

- fully diluted	4.70	5.72
Issue-adjusted share prices, EUR		
- highest	29.35	19.78
- lowest	18.00	13.72
- average	22.73	16.39
Share trading, MEUR	964.0	477.7
Share trading, in thousands	42,417	29,090

INVESTMENTS, MEUR		
Gross investments	54.2	49.0
- % of net sales	4.7	4.8
Depreciation	35.6	31.8

PERSONNEL		
Average	4,260	4,169
At the end of period	4,325	4,126

OWN SHARES		
Own shares held by the company	88,000	1,248,000
- combined nominal value, EUR	176,000	2,496,000
- of share capital, %	0.1	1.7

SEGMENT INFORMATION

Primary segments

Segment revenue

Central Europe	345.1	291.1
Nordic	377.8	332.6
Europe - West, East,South	387.9	325.9
North America	183.0	179.8
Others	-	3.9
Eliminations	-136.8	-101.9
Uponor Group	1,157.0	1,031.4

Segment result

Central Europe	49.3	34.5
Nordic	56.6	45.4
Europe - West, East,South	38.2	30.0
North America	14.5	22.7
Others	-12.0	-8.3
Eliminations	-2.9	-1.3
Uponor Group	143.7	123.0

Secondary segments

	2006			
Segment external revenue	Housing solutions	Infra structure solutions	Others	Total
Central Europe	283.5	-	-	283.5
Nordic	127.7	177.5	-	305.2
Europe - West, East,South	210.2	175.1	-	385.3
North America	183.0	-	-	183.0
Others	-	-	-	-

Total	804.4	352.6	-	1157.0

Segment external revenue	2005 Housing solutions	Infra structure solutions	Others	Total
Central Europe	248.0	-	-	248
Nordic	110.7	166.7	-	277.4
Europe - West, East,South	159.0	163.3	-	322.3
North America	179.8	-	-	179.8
Others	-	2.7	1.2	3.9
Total	697.5	332.7	1.2	1031.4

CONTINGENT LIABILITIES	2006	2005
Group:		
- on own behalf		
Mortgages issued	0.0	2.6
- on behalf of others		
Guarantees issued	12.6	13.0
Operating lease commitments	24.4	22.2
Parent company:		
Guarantees issued		
- on behalf of a subsidiary	11.4	10.1
- on behalf of others	9.7	10.2

DERIVATIVE CONTRACTS		
Foreign currency derivatives		
Forward agreements	6.4	26.9
Currency swaps	6.6	-
Commodity derivatives		
Forward agreements	5.6	3.2

uponor