

PRESS RELEASE

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Uponor and Belkin International partner to create Phyn — new intelligent water company

Revolutionary technology to protect property and conserve and enhance how we use water

Apple Valley, MN, May 25, 2016 — [Uponor Corporation \(Uponor\)](#) today announced the formation of [Phyn](#), a new partnership with [Belkin International](#). Phyn represents the next wave of the smart home and will create an intelligent water solution that protects family homes and businesses from leak damage, enables mindful conservation, and enhances household water usage with automated and anticipatory controls.

"Plumbing has essentially provided the same function for centuries," says [Bill Gray](#), president, Uponor North America. "And while it will continue to provide that essential function, we believe that real change is finally coming. We must find a better way to use our water more intelligently and with purpose."

And how do we do that? Data.

"You only improve what you measure," Gray says. "Measurement leads to insight, and insight to awareness, and awareness to optimization of this scarce resource." And that's what Phyn and its revolutionary technology is designed to do.



“Water is a precious and vital natural resource, but there has been a fundamental lack of technology dedicated to protecting and preserving it — especially for home users,” says Chet Pipkin, founder and CEO of Belkin. “With the creation of Phyn, we’re bringing water up to speed with the rest of the smart home, helping to not only protect consumers’ homes and wallets, but also do our part to solve the very real challenges facing our global water supply.”

The technology offered by Phyn will create an intelligent water system that will benefit an even broader audience beyond the homeowner. Builders can provide higher value as part of their smart-home offering; insurers can reduce their number one claim frequency and the number two paid-claims dollar amount — estimated at more than \$1 billion annually in the U.S. alone. Utility companies can avoid costly investment into infrastructure by eliminating water loss and waste. Engineers can gain water-use statistics across a broad customer base as units become installed in hundreds of thousands of locations. And plumbing professionals can increase services offered and monitor and mitigate leak concerns of their customers.

This is a partnership between two companies, leaders in their respective fields. Phyn will be a standalone company featuring Belkin’s proprietary water-sensing technologies, expertise in data science and the Internet of Things (IoT) and will also offer agile product design, consumer insights and a global retail channel. Uponor will bring its leading position in plumbing expertise, professional insights from the trades and a global wholesale distribution channel.

“With years of research, technological advancements and field trials under our belt, we’re excited to partner with Uponor to help accelerate the mass scale commercialization of this technology,” says Ryan Kim, former vice president of engineering at Belkin and CEO of Phyn. “With our rich background in consumer IoT, sensor and machine learning, coupled with Uponor’s expertise in water delivery infrastructure, our dedicated team is ideally positioned to scale and deploy an intelligent water solution that sets a new bar for reliability, accuracy and intuitive user experience right out of the gate.”



The joint venture is perfectly aligned with Uponor's strategy of growth in the emerging IoT market and represents a major step in digitalization for us, says Uponor Corporation President and CEO Jyri Luomakoski. "For Uponor, Belkin is a leading global partner in water-sensing technology, and our joint target is to develop unique new products for the intelligent water market, which is gradually emerging in step with the development of new, affordable and user-friendly digital technology."

He adds, "This investment and our partnership with a leading IoT company significantly accelerates our efforts to make plumbing systems more intelligent."

Uponor and Belkin have agreed to establish two joint venture companies. The first one will operate in the U.S. and the second one in Europe, at a later stage. Uponor will initially invest \$15 million in exchange of a 37.5% shareholding in the companies. The investment will impact Uponor's cash flow in the second quarter 2016, but it has no impact on Uponor's profit guidance for 2016. As a minority-owned business, the joint venture company will be consolidated into Uponor's financial accounts using the equity method. The parties have also agreed on a time frame within which Uponor has an option to invest an additional \$10 million and increase its shareholding in Phyn to 50%.

Belkin International will initially own 62.5% of the partnership. Belkin will transfer its related technology, intellectual property, staff, and other non-monetary assets to Phyn. The U.S. joint venture company will be headquartered in the Los Angeles area with a research and development lab in Seattle. A number of Belkin engineers will transition to the new Phyn team. No timetable has been set for the first product launch.

For the press page on this announcement, please visit

<http://uponor.media-resources-ordp.com/2016/phyn-press-release.shtml>

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About Uponor

[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 3,700 employees in 30 countries, mainly in Europe and North America. In 2015, Uponor's net sales totaled €1,050 million. Uponor is based in Finland and listed on Nasdaq Helsinki.

About Belkin International

At Belkin International, we make people-inspired products. Since 1983 it has been our mission to enhance the technology that connects us to the people and experiences we love. Our three brands, Belkin, Linksys and WeMo, lead the market in a vast array of categories including wireless networking, smart home technologies, charging and power



products, and accessories for smartphones and tablets. A pioneer in the Los Angeles tech scene, Belkin is headquartered in Playa Vista, California.

About Phyn

A joint venture between Belkin International and Uponor, Phyn aims to revolutionize the way consumers interact with water and help solve major challenges facing the global water supply. Built upon years of research and patented technological advancement, Phyn is focused on bringing an intelligent water solution to market that helps people protect their homes and businesses, conserve water and save money. Headquartered in Los Angeles, Phyn can be found online at www.Phyn.com and www.Twitter.com/Phyn.

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