

Vaisala Corporation Interim Report

October 27, 2020 at 2.00 p.m. (EET)

Vaisala Corporation Interim Report January–September 2020

Strong profitability continued, third quarter orders received decreased

Third quarter 2020 highlights

- Orders received EUR 85.3 (105.1) million, decrease 19%
- Order book at the end of the period EUR 134.6 (154.4) million, decrease 13%
- Net sales EUR 94.0 (105.2) million, decrease 11%
- Operating result (EBIT) EUR 19.5 (16.3) million, 20.7 (15.5) % of net sales
- Earnings per share EUR 0.40 (0.37)
- Cash flow from operating activities EUR 12.5 (16.1) million

January–September 2020 highlights

- Orders received EUR 270.9 (316.1) million, decrease 14%
- Net sales EUR 272.6 (285.5) million, decrease 4%
- Operating result (EBIT) EUR 32.6 (23.5) million, 11.9 (8.2) % of net sales
- Earnings per share EUR 0.68 (0.52)
- Cash flow from operating activities EUR 16.7 (17.8) million
- Cash and cash equivalents at the end of the period EUR 39.1 (Dec 31, 2019: 56.4) million, decrease 31%

Business outlook for 2020

Vaisala reiterates the business outlook that was published on October 21, 2020.

Vaisala estimates that its full-year 2020 net sales will be in the range of EUR 370–390 million and its operating result (EBIT) will be in the range of EUR 40–48 million.

Key figures							
MEUR	7-9/ 2020	7-9/ 2019	Change	1-9/ 2020	1-9/ 2019	Change	1-12/ 2019
Orders received	85.3	105.1	-19%	270.9	316.1	-14%	419.4
Order book	134.6	154.4	-13%	134.6	154.4	-13%	139.0
Net sales	94.0	105.2	-11%	272.6	285.5	-4%	403.6
Gross profit	54.2	58.1	-7%	153.2	155.0	-1%	221.2
Gross margin, %	57.7	55.3		56.2	54.3		54.8
Operating expenses	36.7	40.7	-10%	121.3	128.4	-6%	177.3
Operating result	19.5	16.3		32.6	23.5		41.1
Operating result, %	20.7	15.5		11.9	8.2		10.2
Result before taxes	18.2	16.9		30.1	23.7		40.2
Result for the period	14.5	13.3		24.3	18.6		33.6
Earnings per share	0.40	0.37	9%	0.68	0.52	31%	0.94
Return on equity, %				16.4	13.6		17.7
Capital expenditure	6.7	6.1	9%	24.0	16.3	48%	26.8
Depreciation, amortization and impairment	5.2	5.4	-5%	15.7	17.5	-11%	23.5
Cash flow from operating activities	12.5	16.1	-22%	16.7	17.8	-6%	40.8
Cash and cash equivalents				39.1	52.6	-26%	56.4
Interest-bearing liabilities				67.7	50.4	34%	51.5
Gearing, %				14.5	-1.2		-2.4

Vaisala's President and CEO Kai Öistämö

“During the third quarter, Vaisala's strong profitability continued, while orders received especially for large projects was weak. The global economic downturn impacted especially airports and emerging markets. Overall, orders decreased by 19% year on year and the decline was most significant in MEA and Latin America in Weather and Environment business area. This negative trend was amplified by the scope and value reduction of the order for Argentina's airports. In Industrial Measurements business area, orders received increased by 2% following strong order intake in APAC region. Quarter on quarter growth was 10% after weak second quarter both in Americas and APAC regions.

Third quarter net sales decreased by 11% year on year. The decline in sales came mainly from project business in Weather and Environment business area following weak order intake during the year. In Europe, net sales grew slightly. In Industrial Measurements business area, net sales decreased slightly following weak order intake during the second quarter. However, Americas and EMEA regions reached previous year's level.

Operating result was excellent despite volume decrease thanks to Vaisala's resilient product and services businesses. In line with strategic objectives, Vaisala has continued to increase investments in R&D and other development projects as well as recruited new talent to build future capabilities. All teams have developed new ways of working to overcome exceptional obstacles or to adopt digitalization ahead of planned schedule. I want to thank all employees for their commitment, contribution and creativity in these challenging times.

During these nine months, Industrial Measurements business area's flagship markets, high-end humidity and high-end carbon dioxide, as well as liquid measurements were most hit by consequences of the COVID-19 pandemic and customers' delayed decision making. Continuous monitoring systems reached good growth and power industry applications' growth continued high during the third quarter.

In Weather and Environment business area, project deliveries proceeded well despite challenges caused by the COVID-19 pandemic. On-going large projects represented half of business area's project net sales during the first nine months of the year. Wind lidar business was growing but slower than anticipated. Refocus and reorganization of digital business have improved its profitability to expected level.

The global downturn has impacted especially airports customer segment and emerging markets. Weather and Environment business area has been missing larger project orders and Industrial Measurements business area has not met growth targets for industrial instruments and liquid measurements products due to volatile market situation. Visibility continues to be weak and therefore, the ranges in the business outlook remain still wide. Vaisala estimates that its full-year 2020 net sales will be in the range of EUR 370–390 million and its operating result (EBIT) will be in the range of EUR 40–48 million.”

A word from Kjell Forsén after 14 years as President and CEO for Vaisala:

“I want to thank Vaisala's professional, innovative and committed team for the great journey we did together. I would also like to thank all our customers, shareholders, and other parties with whom I had the pleasure to share this unforgettable experience. I wish Kai and Vaisala employees the best of luck in the challenges ahead.”

Impact of the COVID-19 pandemic

The global economic downturn has impacted especially airports customer segment and emerging markets. Weather and Environment business area has been missing larger project orders. Orders received have decreased the most in Latin America, APAC and MEA. Industrial Measurements business area has not met growth targets for industrial instruments and liquid measurements products due to volatile market situation. Orders received have decreased in EMEA region and been flat in Americas and APAC regions. Vaisala estimates that as a result of decline in orders received as well as delays in some project deliveries due to restrictions related to COVID-19 pandemic, lost orders received during January–September 2020 was in the range of EUR 25–35 million and lost net sales in the range of EUR 10–20 million. Related negative impact on operating result was offset by improved gross margin and low operating expenses.

Vaisala's production and logistics have been running smoothly as a result of successful mitigation activities. Vaisala has closely cooperated with its strategic suppliers to ensure availability of components. Inventory levels for most critical components were increased and at the end of September 2020 they were EUR 2 million higher than normally. Field service capabilities have been limited due to travel restrictions and lockdowns and thus limited access to customer sites.

Despite the COVID-19 pandemic, Vaisala has uninterruptedly carried on R&D projects as well as core process and system development to ensure progress of strategic projects according to plans.

Vaisala's financial position and cash flow have remained strong despite EUR 24 million capital expenditure and EUR 22 million dividend payments during the year. Gearing was 14.5% at the end of September 2020. No material changes have been identified in customers' payment behavior and thus, credit loss allowance has not changed significantly.

Financial review Q3 2020

Orders received and order book

MEUR	7-9/ 2020	7-9/ 2019	Change	FX*	2019
Orders received	85.3	105.1	-19%	-16%	419.4
Order book, end of period	134.6	154.4	-13%		139.0

* Change with comparable exchange rates

Third quarter 2020 orders received were EUR 85.3 (105.1) million and decreased by 19% compared to previous year as orders received especially in Weather and Environment business area were impacted by the global economic downturn. Weather and Environment business area's orders received decreased mainly in MEA as well as in Latin America. Orders received in APAC region increased by 3%. In March 2019, Vaisala announced a EUR 15 million contract with Argentina for airport weather observations systems. Since the country has been facing an economic crisis, the scope and value of the contract was reduced by EUR 5.6 million decreasing orders received and order book. Orders received in Industrial Measurements business area increased by 2% following strong orders received in APAC region while orders received in EMEA and Americas regions decreased partially offsetting increase in APAC.

At the end of September 2020, order book amounted to EUR 134.6 (154.4) million and decreased by 13% compared to previous year. In Weather and Environment business area, order book decreased by 15% as a result of low orders received during the third quarter. One fourth of the decrease was a result of reduced scope and value of the Argentina contract. Weather and Environment business area's order book increased in Europe by 16%, was flat in North America, and decreased elsewhere. EUR 13 million weather infrastructure project order with the National Meteorology Agency in Ethiopia, announced in October 2019, is not included in order book, as the finance instrument related to the order is pending ratification by the Ethiopian Parliament. Order book for Industrial Measurements business area increased by 7% compared to previous year following strong orders received in APAC region during the third quarter. EUR 66.5 (74.8) million of the order book is scheduled to be delivered in 2020.

Financial performance

MEUR	7-9/ 2020	7-9/ 2019	Change	FX**	2019
Net sales	94.0	105.2	-11%	-9%	403.6
Products	70.2	71.5	-2%		278.5
Projects	11.3	21.7	-48%		73.2
Services	12.5	12.0	4%		51.9
Gross margin, %	57.7	55.3			54.8
Operating expenses	36.7	40.7	-10%		177.3
R&D expenditure	11.5	12.1	-4%		52.8
% of net sales	12.3	11.5			13.1
Amortization*	1.9	2.0			9.6
Operating result	19.5	16.3			41.1
% of net sales	20.7	15.5			10.2

* Amortization of intangible assets related to the acquired businesses

** Change with comparable exchange rates

Net sales by region

MEUR	7-9/ 2020	7-9/ 2019	Change	2019
Americas	33.0	39.2	-16%	149.7
APAC	29.5	32.5	-9%	119.6
EMEA	31.6	33.4	-6%	134.3
Total	94.0	105.2	-11%	403.6

Third quarter 2020 net sales decreased by 11% compared to previous year and were EUR 94.0 (105.2) million. Foreign currency translation impact on net sales was negative EUR 1.7 million, evenly distributed between business areas. In Weather and Environment business area, net sales decreased by 14%. Net sales decreased in project business following weak orders received during the year and some implementations were delayed due to restrictions related to COVID-19 pandemic. In Industrial Measurements business area, net sales decreased by 3%. Net sales in APAC region decreased following weak orders received during the second quarter, whereas in Americas and EMEA regions net sales were at previous year's level.

Third quarter 2020 gross margin improved to 57.7 (55.3) %. Gross margin of products remained at good level despite volume decrease. Lower share of project business and improved profitability of digital services in Weather and Environment business area as well as higher share of Industrial Measurements business improved gross margin. Operating result increased from previous year to EUR 19.5 (16.3) million, 20.7 (15.5) % of net sales. Operating expenses, such as travel expenses, decreased compared to previous year. The remaining half of the EUR 1.1 million credit loss allowance included in first quarter 2020 operating expenses was reversed based on customer payments received during the third quarter. Other operating income and expenses included EUR 1.8 million positive impact as valuation of contingent considerations related to acquired businesses decreased as a result of updated financial plans. Comparison period included EUR 1.0 million costs related to Vaisala Digital refocus and reorganization initiated in August 2019.

Third quarter 2020 financial income and expenses were EUR -1.3 (0.6) million. This was mainly a result of interest expenses and valuation of USD denominated receivables, which was partially offset by USD currency

hedged. Result before taxes was EUR 18.2 (16.9) million and result for the period EUR 14.5 (13.3) million. Earnings per share was EUR 0.40 (0.37).

Financial review January–September 2020

Orders received and order book

MEUR	1-9/ 2020	1-9/ 2019	Change	FX*	2019
Orders received	270.9	316.1	-14%	-14%	419.4
Order book, end of period	134.6	154.4	-13%		139.0

* Change with comparable exchange rates

January–September 2020 orders received, EUR 270.9 (316.1) million, were impacted by the global economic downturn and decreased by 14% compared to strong comparison period. In Weather and Environment business area, orders received decreased due to lack of large project orders. Orders received increased in North America. Orders received decreased by 1% in Industrial Measurements business area as orders received decreased in EMEA region whereas orders received were flat in Americas and APAC regions.

Financial performance

MEUR	1-9/ 2020	1-9/ 2019	Change	FX**	2019
Net sales	272.6	285.5	-4%	-4%	403.6
Products	190.1	198.5	-4%		278.5
Projects	43.7	50.0	-13%		73.2
Services	38.9	37.0	5%		51.9
Gross margin, %	56.2	54.3			54.8
Operating expenses	121.3	128.4	-6%		177.3
R&D expenditure	38.6	39.2	-2%		52.8
% of net sales	14.2	13.7			13.1
Amortization*	5.6	7.2			9.6
Operating result	32.6	23.5			41.1
% of net sales	11.9	8.2			10.2

* Amortization of intangible assets related to the acquired businesses

** Change with comparable exchange rates

Net sales by region

MEUR	1-9/ 2020	1-9/ 2019	Change	2019
Americas	97.1	106.1	-8%	149.7
APAC	78.4	85.6	-8%	119.6
EMEA	97.1	93.8	4%	134.3
Total	272.6	285.5	-4%	403.6

January–September 2020 net sales decreased by 4% compared to previous year and were EUR 272.6 (285.5) million. Foreign currency translation impact on net sales was slightly negative. Net sales in Weather and Environment business area decreased by 6% compared to previous year as result of decrease in net sales in

Americas and APAC regions. Net sales in EMEA region grew by 6%. Industrial Measurements business area's net sales decreased by 2% and the decline was global.

January–September 2020 gross margin improved to 56.2 (54.3) % as a result of profitability improvement in Weather and Environment business area's digital services and in Industrial Measurements business area's product and service businesses. Operating result increased from previous year to EUR 32.6 (23.5) million, 11.9 (8.2) % of net sales. Gross margin improvement and low operating expenses compared to previous year increased operating result. Operating expenses, such as travel expenses, decreased compared to previous year. Amortization of intangible assets, included in operating expenses, decreased by EUR 1.7 million compared to previous year. Third quarter other operating income and expenses included EUR 1.8 million positive impact as valuation of contingent considerations related to acquired businesses decreased as a result of updated financial plans. Second quarter other operating income and expenses included EUR 1.5 million cost related to discontinuation of assessment services provided to renewable energy segment. These costs included mainly severance and lease contract related expenses. Comparison period included EUR 1.0 million costs related to Vaisala Digital refocus and reorganization initiated in August 2019, as well as EUR 1.5 million one-off expense related to a lease contract termination.

January–September 2020 financial income and expenses were EUR -2.4 (0.2) million. This was mainly a result of interest expenses and valuation of USD denominated receivables, which was partially offset by USD currency hedges. Result before taxes was EUR 30.1 (23.7) million and result for the period EUR 24.3 (18.6) million. Earnings per share was EUR 0.68 (0.52).

Statement of financial position, cash flow and financing

Vaisala's financial position remained strong during January–September 2020. Cash and cash equivalents decreased to EUR 39.1 (Dec 31, 2019: 56.4) million at the end of September due to EUR 25 million repayment of revolving credit facility. At the end of September, statement of financial position totaled EUR 355.2 (Dec 31, 2019: 361.5) million.

In January–September 2020, cash flow from operating activities decreased to EUR 16.7 (17.8) million despite improved net result and was affected mainly by changes in working capital items.

On September 30, 2020, Vaisala had interest-bearing loans from financial institutions totaling EUR 55.2 (Dec 31, 2019: 40.2) million, of which EUR 40.0 million related to term loan and EUR 15.0 million related to utilized revolving credit facility. In addition, interest-bearing lease liabilities totaled to EUR 12.5 (Dec 31, 2019: 11.3) million.

Capital expenditure

In January–September 2020, capital expenditure in intangible assets and property, plant and equipment totaled EUR 24.0 (16.3) million. Capital expenditure was mainly related to building projects in Vantaa, Finland and Louisville, Colorado US, as well as to investments in machinery and equipment to develop and maintain Vaisala's production and service operations. Louisville office building was finalized during the third quarter. On September 30, 2020, commitments related to Vantaa building project totaled EUR 1 (Dec 31, 2019: 9) million.

Depreciation, amortization and impairment were EUR 15.7 (17.5) million. This included EUR 5.6 (7.2) million of amortization of identified intangible assets related to the acquired businesses.

Personnel

The average number of personnel employed during January–September 2020 was 1,908 (1,827). At the end of September 2020, the number of employees was 1,921 (Dec 31, 2019: 1,837). 76 (74) % of employees were located in EMEA, 15 (16) % in Americas and 9 (9) % in APAC. 64 (62) % of employees were based in Finland.

Q3 and January–September 2020 review by business area

Weather and Environment business area

MEUR	7-9/ 2020	7-9/ 2019	Change	FX**	1-9/ 2020	1-9/ 2019	Change	FX**	2019
Orders received	50.0	70.7	-29%	-27%	166.1	210.0	-21%	-21%	276.2
Order book, end of period	117.2	138.3	-15%		117.2	138.3	-15%		122.3
Net sales	59.2	69.1	-14%	-13%	168.5	179.4	-6%	-6%	261.3
Products	39.0	38.6	1%		96.5	102.0	-5%		149.0
Projects	11.3	21.7	-48%		43.7	50.0	-13%		73.2
Services	8.9	8.9	1%		28.4	27.4	4%		39.1
Gross margin, %	53.8	51.0			50.9	48.6			49.9
Operating expenses	22.7	26.0	-13%		76.6	81.9	-6%		113.0
R&D expenditure	7.3	7.9	-8%		24.7	25.6	-4%		34.0
of net sales, %	12.3	11.4			14.6	14.3			13.0
Amortization*	1.5	1.6			4.3	4.8			6.9
Operating result	11.1	9.3			9.4	5.6			17.7
of net sales, %	18.7	13.5			5.6	3.1			6.8

* Amortization of intangible assets related to the acquired businesses

** Change with comparable exchange rates

Q3 2020 review

Weather and Environment business area's third quarter 2020 orders received, EUR 50.0 (70.7) million, were impacted by the global economic downturn and decreased by 29% compared to previous year. Decrease in orders received came mainly from MEA and Latin America. Orders received in APAC region increased by 3%. In March 2019, Vaisala announced a EUR 15 million contract with Argentina for airport weather observations systems. Since the country has been facing an economic crisis, the scope and value of the contract was reduced by EUR 5.6 million decreasing orders received and order book.

At the end of September 2020, Weather and Environment business area's order book amounted to EUR 117.2 (138.3) million and decreased by 15% compared to previous year. One fourth of the decrease was a result of reduced scope and value of the Argentina contract. Order book decreased mainly due to lack of large project orders. EUR 13 million weather infrastructure project order with the National Meteorology Agency in Ethiopia, announced in October 2019, is not included in order book, as the finance instrument related to the order is pending ratification by the Ethiopian Parliament. EUR 52.5 (62.4) million of the order book is scheduled to be delivered in 2020.

Weather and Environment business area's third quarter 2020 net sales were EUR 59.2 (69.1) million and decreased by 14% compared to previous year as a result of decrease in project business following weak orders received during the year. Some project implementations were delayed due to restrictions related to COVID-19 pandemic. Net sales decreased globally except in Europe where net sales were flat. Despite volume decrease, gross margin improved to 53.8 (51.0) % as a result of profitability improvement in digital services and products as well as lower share of project business.

Weather and Environment business area's third quarter 2020 operating result improved compared to previous year and totaled EUR 11.1 (9.3) million, 18.7 (13.5) % of net sales. Operating expenses, such as travel expenses, decreased compared to previous year. The remaining half of the EUR 1.1 million credit loss allowance included in first quarter 2020 operating expenses was reversed based on customer payments received during the third quarter. Other operating income and expenses included EUR 1.8 million positive impact as valuation of contingent considerations related to acquired businesses decreased as a result of updated financial plans. Comparison period included EUR 1.0 million costs related to Vaisala Digital refocus and reorganization initiated in August 2019.

January–September 2020 review

Weather and Environment business area's January–September 2020 orders received were EUR 166.1 (210.0) million and decreased by 21% compared to strong comparison period and due to lack of large project orders in Latin America, APAC and MEA. In North America, orders received increased and in Europe orders received decreased somewhat compared to previous year.

Weather and Environment business area's January–September 2020 net sales decreased by 6% compared to previous year and were EUR 168.5 (179.4) million. Net sales decreased in Americas and APAC regions whereas net sales grew by 6% in EMEA. Net sales decreased both in project and product businesses but increased in service business by 4%. Gross margin improved to 50.9 (48.6) % as a result of profitability improvement in digital services. Despite decrease in product and project deliveries, their gross margin was stable.

Weather and Environment business area's January–September 2020 operating result improved compared to previous year and totaled EUR 9.4 (5.6) million, 5.6 (3.1) % of net sales. Gross margin improvement and low operating expenses compared to previous year increased operating result. Operating expenses, such as travel expenses, decreased compared to previous year. Other operating income and expenses included EUR 1.8 million positive impact as valuation of contingent considerations related to acquired businesses decreased as a result of updated financial plans. Second quarter other operating income and expenses included EUR 1.5 million cost related to discontinuation of assessment services provided to renewable energy segment. These costs included mainly severance and lease contract related expenses. Comparison period included EUR 1.0 million costs related to Vaisala Digital refocus and reorganization initiated in August 2019.

Industrial Measurements business area

MEUR	7-9/ 2020	7-9/ 2019	Change	FX**	1-9/ 2020	1-9/ 2019	Change	FX**	2019
Orders received	35.3	34.5	2%	6%	104.9	106.1	-1%	-1%	143.2
Order book, end of period	17.4	16.2	7%		17.4	16.2	7%		16.8
Net sales	34.8	36.1	-3%	-1%	104.1	106.0	-2%	-2%	142.3
Products	31.2	32.9	-5%		93.6	96.5	-3%		129.5
Services	3.6	3.2	13%		10.5	9.6	9%		12.8
Gross margin, %	64.2	63.6			64.9	64.0			63.9
Operating expenses	13.8	14.4	-4%		44.4	45.8	-3%		63.4
R&D expenditure	4.2	4.2	2%		14.0	13.6	3%		18.8
of net sales, %	12.2	11.6			13.4	12.9			13.2
Amortization*	0.4	0.4			1.2	2.4			2.8
Operating result	8.6	8.5			23.3	20.6			26.1
of net sales, %	24.7	23.6			22.4	19.5			18.4

* Amortization of intangible assets related to the acquired businesses

** Change with comparable exchange rates

Q3 2020 review

Industrial Measurements business area's third quarter 2020 orders received increased by 2% compared to previous year totaling to EUR 35.3 (34.5) million. Orders received grew by 19% in APAC region while orders received in EMEA and Americas regions decreased partially offsetting increase in APAC.

At the end of September 2020, Industrial Measurements business area's order book amounted to EUR 17.4 (16.2) million and increased by 7% compared to previous year following strong orders received in APAC region during the third quarter. EUR 14.0 (12.4) million of the order book is scheduled to be delivered in 2020.

Industrial Measurements business area's third quarter 2020 net sales decreased by 3% compared to previous year and were EUR 34.8 (36.1) million. Net sales in APAC region decreased, whereas in Americas and EMEA regions net sales were at previous year's level. Gross margin was on good level at 64.2 (63.6) % despite decreased volume.

Industrial Measurements business area's third quarter 2020 operating result was at previous year's level and totaled EUR 8.6 (8.5) million, 24.7 (23.6) % of net sales. Decrease in net sales declined operating result, however, lower operating expenses offset the impact. Operating expenses, such as travel expenses, decreased compared to previous year.

January–September 2020 review

Industrial Measurements business area's January–September 2020 orders received decreased by 1% compared to previous year and totaled EUR 104.9 (106.1) million. Orders received decreased in EMEA region by 4% whereas orders received were flat in Americas and APAC regions.

Industrial Measurements business area's January–September 2020 net sales decreased by 2% compared to previous year and were EUR 104.1 (106.0) million and the decline was global. Gross margin was on good level at 64.9 (64.0) % despite decreased volume.

Industrial Measurements business area's January–September 2020 operating result improved from previous year and totaled EUR 23.3 (20.6) million, 22.4 (19.5) % of net sales. Amortization of intangible assets, included in operating expenses, decreased by EUR 1.1 million compared to previous year and improved operating result. Comparison period included EUR 1.5 million one-off expense related to a lease contract termination.

Changes in Management Group

On June 3, 2020, Vaisala's Board of Directors appointed Kai Öistämö, b. 1964, as President and CEO. Öistämö started at Vaisala on October 1, 2020. Vaisala's previous President and CEO Kjell Forsén stepped down from his position and will retire by the end of 2020. Other positions in the Vaisala Management Group remained unchanged.

Vaisala Corporation's Annual General Meeting 2020

Vaisala Corporation's Annual General Meeting was held on June 3, 2020. The meeting approved the financial statements and discharged the members of the Board of Directors and the President and CEO from liability for the financial period January 1–December 31, 2019.

Dividend

The Annual General Meeting decided a dividend of EUR 0.61 per share. The record date for the dividend payment was June 5, 2020, and the payment date was June 12, 2020.

Board of Directors

The Annual General Meeting confirmed that the number of Board members is eight. Petri Castrén, Petra Lundström, Jukka Rinnevaara, Kaarina Ståhlberg, Tuomas Syrjänen, Raimo Voipio and Ville Voipio will continue as members of the Board of Directors. Antti Jääskeläinen was elected as a new member of the Board of Directors.

The Annual General Meeting confirmed that the annual remuneration payable to the Chairman of the Board of Directors is EUR 45,000 and each Board member EUR 35,000 per year. Approximately 40% of the annual remuneration will be paid in Vaisala Corporation's series A shares acquired from the market and the rest in cash. In addition, the Annual General Meeting confirmed that the meeting fee for the Chairman of the Audit Committee would be EUR 1,500 per attended meeting and EUR 1,000 for each member of the Audit Committee and Chairman and each member of the Remuneration and HR Committee and any other committee established by the Board of Directors for a term until the close of the Annual General Meeting in 2021. The meeting fees are paid in cash. Possible travel expenses are proposed to be reimbursed according to the travel policy of the company.

Auditor

The Annual General Meeting re-elected Deloitte Oy as the auditor of the company and APA Reeta Virolainen will act as the auditor with the principal responsibility. The auditors are reimbursed according to invoice presented to the company.

Authorization for the directed repurchase of own series A shares

The Annual General Meeting authorized the Board of Directors to resolve on the directed repurchase of a maximum of 500,000 of the company's own series A shares in one or more instalments by using company's unrestricted equity. The authorization is valid until the closing of the next Annual General Meeting, however, no longer than December 3, 2021.

Authorization on the issuance of the company's own series A shares

The Annual General Meeting authorized the Board of Directors to resolve on the issuance of a maximum of 937,039 company's own series A shares. The issuance of own shares may be carried out in deviation from the shareholders' pre-emptive rights (directed issue). The authorization entitles the issuance of treasury series A

shares as a directed issue without payment as part of the company's share-based incentive plan. The subscription price of the shares can instead of cash also be paid in full or in part as contribution in kind. The authorization is valid until December 3, 2021. The authorization for the company's incentive program shall however be valid until June 3, 2024.

The organizing meeting of the Board of Directors

At its organizing meeting held after the Annual General Meeting the Board elected Raimo Voipio to continue as the Chairman of the Board of Directors and Ville Voipio as the Vice Chairman.

Kaarina Ståhlberg was elected as the Chairman and Petri Castrén, Antti Jääskeläinen and Ville Voipio as members of the Audit Committee. Ville Voipio was elected as the Chairman and Petra Lundström and Jukka Rinnevaara as members of the Remuneration and HR Committee. The Chairman and all members of the Audit Committee as well as the Remuneration and HR Committee are independent both of the company and of significant shareholders.

Shares and shareholders

Share capital and shares

Vaisala's share capital totaled EUR 7,660,808 on September 30, 2020. Vaisala has 36,436,728 shares, of which 6,731,092 are series K shares and 29,705,636 series A shares. During the third quarter, number of series K shares decreased by 20,306 and number of series A shares increased by 20,306 as the Board of Directors decided that 20,306 series K shares were converted to series A shares. This conversion was registered into the Trade Register on July 31, 2020. The series K shares and series A shares are differentiated by the fact that each series K share entitles its owner to 20 votes at a General Meeting of Shareholders while each series A share entitles its owner to 1 vote. The series A shares represented 81.5% of the total number of shares and 18.1% of the total votes. The series K shares represented 18.5% of the total number of shares and 81.9% of the total votes.

Trading and share price development

In January–September 2020, a total of 2,933,507 series A shares with a value totaling EUR 91.0 million were traded on the Nasdaq Helsinki Ltd. The closing price of the series A share on the Nasdaq Helsinki stock exchange was EUR 36.95. Shares registered a high of EUR 37.55 and a low of EUR 21.65. Volume-weighted average share price was EUR 31.01. The market value of series A shares on September 30, 2020 was EUR 1,081.5 million, excluding company's treasury shares. Valuing the series K shares – which are not traded on the stock market – at the rate of the series A share's closing price on the last trading day of September, the total market value of all the series A and series K shares together was EUR 1,330.2 million, excluding company's treasury shares.

Treasury shares

In March 2020, a total of 118,950 of treasury shares were conveyed without consideration to the 33 key employees participating in the Share-based incentive plan 2017 under the terms and conditions of the plan. This directed share issue was based on an authorization given by the Annual General Meeting held on March 26, 2019.

Following this directed share issue, the number of series A treasury shares on September 30, 2020 was 437,039, which represents 1.5% of series A shares and 1.2% of total shares.

Shareholders

At the end of September 2020, Vaisala had 10,399 (9,198) registered shareholders. Ownership outside of Finland and nominee registrations represented 18.3 (15.7) % of the company's shares. Households owned 40.4 (40.7) %, private companies 13.3 (13.5) %, financial and insurance institutions 13.5 (14.5) %, non-profit organizations 10.8 (11.0) % and public sector organizations 3.7 (4.6) % of the shares.

More information about Vaisala's shares and shareholders are presented on the company's website at vaisala.com/investors.

Near-term risks and uncertainties

COVID-19 pandemic affects people and operations worldwide. Pandemic's impact on Vaisala's business is depending on the duration and severity of this exceptional situation. Vaisala's delivery capability may deteriorate due to disruptions in suppliers' operations, absence of own production employees or disruptions in incoming and/or outgoing logistics. Demand may fluctuate materially by country or customer segment and customers' recovery from the exceptional situation varies a lot. Effects of the pandemic on customers' cash flow can be significant and lead to credit losses. Exceptional situation may also cause delays or interruptions in Vaisala's operations, e.g. in project deliveries and R&D.

Uncertainties in international trade policies, political situation and governmental customers' budgetary constraints or changes in their sourcing criteria may reduce or delay demand for Vaisala's products and services.

Increasing competition or customers' preference for local manufacturing may reduce demand for Vaisala's products and services. Prolonged ramp-up, market acceptance, sales channel development, or regulatory certification of new products and services may postpone realization of Vaisala's growth and profitability plans. Customers' budgetary constraints, complex decision-making processes, changes in scope, and financing arrangements may postpone closing of infrastructure contracts in Weather and Environment business area.

Long interruption in production or disruption in suppliers' and subcontractors' delivery capability or product quality may impact significantly Vaisala's net sales and profitability. Cyber risk and downtime of IT systems may impact operations and delivery of digital solutions.

Vaisala's capability to successfully complete investments, acquisitions, divestments and restructurings on a timely basis and to achieve related financial and operational targets includes uncertainties and risks, which may negatively impact net sales and profitability.

Measures taken to mitigate impacts of the COVID-19 pandemic

Employees

Ensuring employees' wellbeing and their health and safety has been the most important focus area during the COVID-19 pandemic. To enforce containment actions and safe work environment for production workers, access to factories was limited. Remote working practices were introduced in all offices and office environments were adapted to meet local recommendations and regulations.

Customers

Effective delivery of products and services has been crucial while customer organizations have dealt with staff shortages, closures of offices and factories and health protection measures. Remote customer meetings, electronic signatures, re-routing of shipments, remote acceptance testing and cooperation with local field

service companies and their remote support are examples of measures, which were taken to fulfill customer expectations.

Supplier relationships and cooperation

Vaisala has hundreds of suppliers, technology providers and outsourcing partners. Strategic suppliers, which are critical to ongoing business operations, have been assessed for their business continuity and information reliability. Purchase orders, delivery schedules and changes in lead times have been assessed to ensure timely receipt of components. Inventory levels for most critical components were increased by two-three months availability.

Communications

Vaisala has communicated regularly with multiple stakeholders: employees, customers, suppliers and authorities. Objective has been to ensure clear and transparent communication how Vaisala manages possible impacts of the COVID-19 pandemic, and to ensure continuity of core operations, including support and services for customers without endangering employees, customers and other stakeholders. Digital marketing efforts have been intensified to compensate for absence of conventional marketing events.

Liquidity

Vaisala's financial position and liquidity have been assessed. New term loan agreement has been negotiated in order to provide more flexibility.

Scenario planning

Vaisala has done scenario planning and contingency planning in order to make sound decisions in a highly volatile operating environment. Vaisala has identified risks related to delivery capability and demand outlook as well as diverse challenges emerging in the operating environment. Scenario plans and related assumptions have been continuously updated and followed up.

Further information about risk management and risks are available on Annual Report and on the company website at vaisala.com/investors.

Market outlook for 2020

Market outlook is impacted by the COVID-19 pandemic and related economic downturn. For weather observation solutions, market in developed countries is expected to remain relatively stable while in developing countries the negative impact of the COVID-19 pandemic will be more significant. The restrictions imposed by governments and authorities on people and businesses as well as travel, will cause delays or interruptions globally in project and service deliveries.

Climate change and severe weather events drive need for continued replacement and enhancement of weather observation and forecasting capabilities. However, due to the economic impact and constraints caused by COVID-19 pandemic, decisions on larger meteorology infrastructure projects may be postponed.

In aviation, market for weather observation solutions is expected to suffer due to the steep decline in air traffic and consequent fall in aviation revenues. Ground transportation and road surface state modeling markets are expected to be more stable.

The renewable energy market is generally expected to continue to grow, but short-term investments in wind and solar energy capacity may suffer from increased market uncertainty and financing constraints.

In industrial measurements, increasing focus on energy and operations efficiency as well as increasing regulations and requirements for high-quality and security drive the need for high-end industrial instruments and systems. Industrial instruments and liquid measurements markets are expected to suffer from implications of the COVID-19 pandemic. Continuous monitoring systems and power industry markets' growth is expected to continue.

Business outlook for 2020

Vaisala reiterates the business outlook that was published on October 21, 2020.

Vaisala estimates that its full-year 2020 net sales will be in the range of EUR 370–390 million and its operating result (EBIT) will be in the range of EUR 40–48 million.

Financial calendar 2021

Financial Statement Release 2020, February 19, 2021

Annual Report 2020, week 9

Interim Report January–March 2021, April 29, 2021

Half Year Financial Report 2021, July 23, 2021

Interim Report January–September 2021, October 28, 2021

Vantaa, October 27, 2020

Vaisala Corporation
Board of Directors

The forward-looking statements in this release are based on the current expectations, known factors, decisions and plans of Vaisala's management. Although the management believes that the expectations reflected in these forward-looking statements are reasonable, there is no assurance that these expectations would prove to be correct. Therefore, the results could differ materially from those implied in the forward-looking statements, due to for example changes in the economic, market and competitive environments, regulatory or other government-related changes, or shifts in exchange rates.

Financial information and changes in accounting policies

This Interim Report has been prepared in accordance with IAS 34 Interim Financial Reporting, following the same accounting policies and principles as in the annual financial statements for 2019. All figures in this Interim Report are group figures. All presented figures have been rounded and consequently the sum of individual figures may deviate from the sum presented. This Interim Report is unaudited.

Preparation of Interim Report in accordance with IFRS requires Vaisala's management to make estimates and assumptions that affect the valuation of the reported assets and liabilities and the recognition of income and expenses in statement of income. Although estimates are based on management's best knowledge at the date of Interim report, actual results may differ from those estimates.

The reporting of cash flows from operating activities in the consolidated cash flow statement has been changed from the direct method to the indirect method as of January 1, 2020. The comparative information has been reported accordingly.

Weather and Environment business area's renewable energy digital solutions business is no longer meeting the criteria of non-current assets held for sale and classification of those assets as non-current assets held for sale was ceased accordingly as of September 30, 2019.

New and amended IFRS standards effective for the year 2020

The following new or revised IFRSs have been adopted from January 1, 2020:

- Amendments to IFRS 3 Definition of a business
- Amendments to IAS 1 and IAS 8 Definition of material
- Amendments to IFRS 9, IAS 39 and IFRS 7: Interest Rate Benchmark Reform

The adoption of the amendment to IFRS 3 may have an impact on the group's consolidated financial statements in future periods should such transactions arise. The adoption of the amendments to IAS 1 and IAS 8 as well as to IFRS 9, IAS 39 and IFRS 7 is not expected to have a material impact on the financial statements of the group in future periods.

Consolidated statement of income					
EUR million	7-9/ 2020	7-9/ 2019	1-9/ 2020	1-9/ 2019	1-12/ 2019
Net sales	94.0	105.2	272.6	285.5	403.6
Cost of goods sold	-39.8	-47.0	-119.4	-130.5	-182.4
Gross profit	54.2	58.1	153.2	155.0	221.2
Sales, marketing and administrative costs	-25.1	-28.6	-82.6	-89.2	-124.5
Research and development costs	-11.5	-12.1	-38.6	-39.2	-52.8
Other operating income and expenses	1.9	-1.1	0.6	-3.1	-2.7
Operating result	19.5	16.3	32.6	23.5	41.1
Share of result in associated company	-	-	-	-	0.1
Financial income and expenses	-1.3	0.6	-2.4	0.2	-1.1
Result before taxes	18.2	16.9	30.1	23.7	40.2
Income taxes	-3.6	-3.6	-5.8	-5.1	-6.6
Result for the period	14.5	13.3	24.3	18.6	33.6
Attributable to					
Owners of the parent company	14.5	13.3	24.3	18.6	33.5
Non-controlling interests	0.1	-	-0.0	-	0.1
Result for the period	14.5	13.3	24.3	18.6	33.6
Earnings per share for result attributable to the equity holders of the parent company					
Earnings per share, EUR	0.40	0.37	0.68	0.52	0.94
Diluted earnings per share, EUR	0.40	0.37	0.67	0.51	0.93

Consolidated statement of comprehensive income					
EUR million	7-9/ 2020	7-9/ 2019	1-9/ 2020	1-9/ 2019	1-12/ 2019
Items that will not be reclassified to profit or loss (net of taxes)					
Actuarial profit (loss) on post-employment benefits	0.0	0.0	0.0	0.0	0.2
Total	0.0	0.0	0.0	0.0	0.2
Items that may be reclassified subsequently to profit or loss					
Translation differences	-1.7	1.3	-2.2	1.4	0.5
Total	-1.7	1.3	-2.2	1.4	0.5
Total other comprehensive income	-1.7	1.3	-2.2	1.4	0.7
Comprehensive income for the period	12.8	14.6	22.1	20.0	34.3
Attributable to					
Owners of the parent company	12.8	14.6	22.1	20.0	34.2
Non-controlling interests	0.1	-	-0.0	-	0.1
Comprehensive income for the period	12.8	14.6	22.1	20.0	34.3

Consolidated statement of financial position

EUR million

Assets	Sep 30, 2020	Sep 30, 2019	Dec 31, 2019
Non-current assets			
Intangible assets	66.3	67.9	72.7
Property, plant and equipment	79.6	56.4	63.4
Right-of-use assets	13.5	11.1	12.3
Investments in shares	0.1	0.1	0.1
Investment in associated company	1.1	1.0	1.1
Non-current receivables	0.8	1.0	0.9
Deferred tax assets	8.3	10.4	9.8
Total non-current assets	169.7	147.9	160.3
Current assets			
Inventories	49.7	40.2	39.6
Trade and other receivables	61.1	69.2	77.3
Contract assets	29.7	24.6	25.0
Income tax receivables	5.9	4.1	2.8
Cash and cash equivalents	39.1	52.6	56.4
Total current assets	185.5	190.7	201.1
Total assets	355.2	338.6	361.5

Equity and liabilities	Sep 30, 2020	Sep 30, 2019	Dec 31, 2019
Equity			
Share capital	7.7	7.7	7.7
Other reserves	4.7	5.8	7.0
Translation differences	-1.0	2.1	1.3
Treasury shares	-6.3	-7.9	-7.9
Retained earnings	192.0	175.1	190.0
Total equity attributable to owners of parent company	197.0	182.8	198.0
Non-controlling interests	0.3	-	0.3
Total equity	197.3	182.8	198.3
Non-current liabilities			
Interest-bearing loans from financial institutions	40.0	0.0	-
Interest-bearing lease liabilities	9.7	7.0	8.3
Post-employment benefits	2.3	2.9	2.4
Deferred tax liabilities	7.0	7.7	8.1
Provisions	0.2	0.2	0.1
Other non-current liabilities	2.3	6.1	4.3
Total non-current liabilities	61.6	23.9	23.3
Current liabilities			
Interest-bearing loans from financial institutions	15.2	40.2	40.2
Interest-bearing lease liabilities	2.7	3.1	3.0
Trade and other payables	48.9	57.2	64.5
Contract liabilities	24.5	25.1	27.3
Income tax liabilities	3.0	2.7	1.7
Provisions	1.8	3.7	3.2
Total current liabilities	96.2	131.9	139.8
Total liabilities	157.7	155.8	163.1
Total equity and liabilities	355.2	338.6	361.5

Consolidated cash flow statement

EUR million	1-9/ 2020	1-9/ 2019	1-12/ 2019
Result for the period	24.3	18.6	33.6
Depreciation, amortization and impairment	15.7	17.5	23.5
Financial income and expenses	2.4	-0.2	1.1
Gains and losses on sale of intangible assets and property, plant and equipment	0.0	-0.3	-0.3
Share of result in associated company	0.0	0.0	-0.1
Income taxes	5.8	5.1	6.6
Other adjustments*	-2.9	1.2	1.6
Inventories, increase (-) / decrease (+)	-9.8	-8.4	-7.5
Non-interest-bearing receivables, increase (-) / decrease (+)	9.8	0.9	-7.8
Non-interest-bearing liabilities, increase (+) / decrease (-)	-19.3	-7.4	1.5
Changes in working capital	-19.3	-15.0	-13.9
Financial items paid	-2.4	-1.2	-2.3
Income taxes paid	-6.9	-7.9	-9.0
Cash flow from operating activities	16.7	17.8	40.8
Acquisition of subsidiaries, net of cash acquired	-	-	-7.3
Capital expenditure on intangible assets and property, plant and equipment	-24.0	-16.3	-26.8
Proceeds from sale of intangible assets and property, plant and equipment	0.1	0.3	0.5
Proceeds from sale of shares	0.1	-	-
Cash flow from investing activities	-23.9	-15.9	-33.6
Dividends paid	-22.0	-20.8	-20.8
Change in loan receivables	0.1	0.1	0.1
Proceeds from borrowings	80.0	40.0	80.0
Repayment of borrowings	-64.9	-40.3	-80.5
Principal payments of lease liabilities	-2.5	-3.1	-4.1
Cash flow from financing activities	-9.3	-24.0	-25.4
Change in cash and cash equivalents increase (+) / decrease (-)	-16.5	-22.2	-18.1
Cash and cash equivalents at the beginning of period	56.4	72.7	72.7
Change in cash and cash equivalents	-16.5	-22.2	-18.1
Transfer of cash and cash equivalents classified as assets held for sale to continuing operations	-	1.1	1.1
Effect from changes in exchange rates	-0.8	1.0	0.7
Cash and cash equivalents at the end of period	39.1	52.6	56.4

* Previously other non-cash adjustments

Consolidated statement of changes in equity

	Share capital	Other reserves	Translation differences	Treasury shares	Retained earnings	Equity attributable to owners of the parent company	Non-controlling interests	Total
EUR million								
Equity at Dec 31, 2018	7.7	6.1	0.8	-9.0	177.3	182.9		182.9
Result for the period					18.6	18.6		18.6
Other comprehensive income		0.0	1.4			1.4		1.4
Dividend distribution					-20.8	-20.8		-20.8
Share-based payments		-0.3		1.1		0.7		0.7
Equity at Sep 30, 2019	7.7	5.8	2.1	-7.9	175.1	182.8		182.8

	Share capital	Other reserves	Translation differences	Treasury shares	Retained earnings	Equity attributable to owners of the parent company	Non-controlling interests	Total
EUR million								
Equity at Dec 31, 2019	7.7	7.0	1.3	-7.9	190.0	198.0	0.3	198.3
Result for the period					24.3	24.3	-0.0	24.3
Other comprehensive income		-0.0	-2.2			-2.2		-2.2
Dividend distribution					-22.0	-22.0		-22.0
Share-based payments		-2.7		1.6		-1.1		-1.1
Transfer between items		0.4			-0.4	0.0		0.0
Equity at Sep 30, 2020	7.7	4.7	-1.0	-6.3	192.0	197.0	0.3	197.3

Notes to the report

Orders received by business area

EUR million	7-9/ 2020	7-9/ 2019	1-9/ 2020	1-9/ 2019	1-12/ 2019
Weather and Environment	50.0	70.7	166.1	210.0	276.2
Industrial Measurements	35.3	34.5	104.9	106.1	143.2
Total	85.3	105.1	270.9	316.1	419.4

Net sales by business area

EUR million	7-9/ 2020	7-9/ 2019	1-9/ 2020	1-9/ 2019	1-12/ 2019
Weather and Environment					
Products	39.0	38.6	96.5	102.0	149.0
Projects	11.3	21.7	43.7	50.0	73.2
Services	8.9	8.9	28.4	27.4	39.1
Total	59.2	69.1	168.5	179.4	261.3
Industrial Measurements					
Products	31.2	32.9	93.6	96.5	129.5
Services	3.6	3.2	10.5	9.6	12.8
Total	34.8	36.1	104.1	106.0	142.3
Total net sales	94.0	105.2	272.6	285.5	403.6

Operating result by business area

EUR million	7-9/ 2020	7-9/ 2019	1-9/ 2020	1-9/ 2019	1-12/ 2019
Weather and Environment	11.1	9.3	9.4	5.6	17.7
Industrial Measurements	8.6	8.5	23.3	20.6	26.1
Other	-0.2	-1.5	-0.1	-2.8	-2.7
Total	19.5	16.3	32.6	23.5	41.1

Net sales by region

EUR million	7-9/ 2020	7-9/ 2019	1-9/ 2020	1-9/ 2019	1-12/ 2019
Americas	33.0	39.2	97.1	106.1	149.7
APAC	29.5	32.5	78.4	85.6	119.6
EMEA	31.6	33.4	97.1	93.8	134.3
Total	94.0	105.2	272.6	285.5	403.6

Timing of revenue recognition

EUR million	7-9/ 2020	7-9/ 2019	1-9/ 2020	1-9/ 2019	1-12/ 2019
Performance obligations satisfied at a point in time	76.9	78.4	211.1	220.1	308.6
Performance obligations satisfied over time	17.1	26.8	61.5	65.3	95.0
Total	94.0	105.2	272.6	285.5	403.6

Personnel					
	7-9/ 2020	7-9/ 2019	1-9/ 2020	1-9/ 2019	1-12/ 2019
Average personnel	1,936	1,840	1,908	1,827	1,829
Personnel at the end of period	1,921	1,810	1,921	1,810	1,837

Derivative financial instruments			
EUR million	Sep 30, 2020	Sep 30, 2019	Dec 31, 2019
Nominal value of derivative contracts	30.8	28.4	33.8
Fair values of derivative contracts, assets	0.7	-	0.3
Fair values of derivative contracts, liabilities	0.1	0.8	0.4

Derivative financial instruments consist solely of foreign exchange forward contracts and they are measured based on price information derived from active markets and commonly used valuation methods (Fair value hierarchy 2). Derivative contracts are executed only with counterparties that have high credit ratings.

Share information					
EUR/thousand	7-9/ 2020	7-9/ 2019	1-9/ 2020	1-9/ 2019	1-12/ 2019
Number of shares outstanding	36,000	35,881	36,000	35,881	35,881
Number of treasury shares	437	556	437	556	556
Number of shares, weighted average, diluted	36,205	36,152	36,202	36,106	36,133
Number of shares, weighted average	36,000	35,881	35,972	35,859	35,864
Number of shares traded	661	308	2,934	1,882	3,442
Share price, highest	37.55	26.10	37.55	26.10	32.80
Share price, lowest	30.90	19.12	21.65	15.95	15.95

Key ratios					
EUR	7-9/ 2020	7-9/ 2019	1-9/ 2020	1-9/ 2019	1-12/ 2019
Earnings per share	0.40	0.37	0.68	0.52	0.94
Diluted earnings per share	0.40	0.37	0.67	0.51	0.93
Equity per share			5.47	5.10	5.52
Return on equity, %			16.4	13.6	17.7
Cash flow from operating activities per share	0.35	0.45	0.46	0.49	1.14
Solvency ratio, %			56.3	54.8	55.7
Gearing, %			14.5	-1.2	-2.4

Key exchange rates					
	Average rates		Period end rates		
	1-9/ 2020	1-9/ 2019	Sep 30, 2020	Sep 30, 2019	Dec 31, 2019
USD	1.1246	1.1281	1.1708	1.0889	1.1234
CNY	7.8778	7.7099	7.9720	7.7784	7.8205
JPY	120.79	123.19	123.76	117.59	121.94
GBP	0.8790	0.8839	0.9124	0.8857	0.8508

Further information

Kaarina Muurinen, CFO

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Vaisala Corporation

Briefing and conference call

Briefing for analysts, investors and media, combined with an English-language conference call, will be held today on October 27, 2020, in Hotel Klaus K, Studio K, Bulevardi 2–4, Helsinki, starting at 4:00 p.m. (Finnish time).

Numbers for conference call, during which questions may be presented, are:

Finland: +358 9 8171 0310

UK: +44 33 3300 0804

Sweden: +46 8 5664 2651

US: +1 63 1913 1422

PIN: 43268672#

Audiocast

The presentation by Kai Öistämö, President and CEO, can also be followed through a live audiocast at vaisala.com/investors starting at 4:00 p.m. A recording will be published at the same address by 6:00 p.m.

Distribution

Nasdaq Helsinki

Key media

vaisala.com

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