

Vaisala Corporation Half Year Financial Report

July 20, 2017 at 2.00 p.m. (EEST)

## Vaisala Corporation Half Year Financial Report 2017

**Second quarter orders received continued to grow and operating result improved despite slight decrease in net sales**

### Second quarter 2017 highlights

- Orders received EUR 81.3 (77.0) million, increase 6%
- Order book at the end of the period EUR 133.6 (123.5) million, increase 8%
- Net sales EUR 74.8 (75.6) million, decrease 1%
- Gross margin 52.4% (49.2%)
- Operating result (EBIT) EUR 5.1 (3.4) million, 6.8% (4.5%) of net sales
- Earnings per share EUR 0.18 (0.17)
- Cash flow from operating activities EUR 8.5 (7.7) million
- Business outlook for 2017 unchanged: Vaisala estimates its full-year 2017 net sales to be in the range of EUR 310–340 million and its operating result (EBIT) to be in the range of EUR 32–42 million.

### January–June 2017 highlights

- Orders received EUR 162.8 (141.7) million, increase 15%
- Net sales EUR 143.2 (144.3) million, decrease 1%
- Gross margin 51.9% (50.1%)
- Operating result (EBIT) EUR 7.7 (2.4) million, 5.3% (1.6%) of net sales. Comparison period included EUR 2.8 million restructuring expenses.
- Earnings per share EUR 0.27 (0.05)
- Cash flow from operating activities EUR 11.3 (7.2) million
- Cash and cash equivalents at the end of the period EUR 60.6 (43.2) million, increase 40%

### Vaisala's President and CEO Kjell Forsén comments on the second quarter 2017

“During the second quarter orders received continued to grow in both business areas achieving 6% growth on Vaisala level and order book increased by 8%. In Weather and Environment Business Area, orders from meteorology and renewable energy customers increased compared to previous year. In Industrial Measurements Business Area, orders grew in all product areas, and growth was strongest in APAC. It is noteworthy that Industrial Measurements Business Area's order book has increased by 40% year-on-year, as order flow was strong especially towards the end of the quarter.

Net sales development was a disappointment ending on slightly below previous year's level. Weather and Environment Business Area's net sales declined to EUR 49.3 million mainly due to lower project deliveries in Asia-Pacific, Middle East and Africa region as well as divestiture of Transportation business. Following an exceptionally strong first quarter, Industrial Measurements Business Area's net sales growth was weak at 2% totaling EUR 25.5 million. Sales growth came from continuous monitoring systems and service business.

Despite the slight decrease in net sales, Vaisala's operating result improved to EUR 5.1 million, or 6.8% of net sales. This was a result of gross margin improvement in both business areas.

In Industrial Measurements Business Area one strategic milestone was achieved with an expansion to a new area by launching a probe for vaporized hydrogen peroxide measurement. Hydrogen peroxide is used extensively e.g. in bio-decontamination and sterilization of rooms, facilities, and equipment. In power transmission, customers' interest in our transformer monitoring products has increased. We have several test customers whose feedback has been very positive, however testing periods are in many cases still ongoing and sales ramp-up is expected towards the end of the year. In Weather and Environment Business Area, we announced our participation in Helsinki Smart & Clean Foundation's project in which our new air quality instruments will measure air quality in the first dense city-wide network in the world. As people living in many cities around the world suffer from bad air quality this project will be a great showcase for the advantages of more detailed location based air quality monitoring.

We continue to estimate our full-year net sales to be in the range of EUR 310–340 million and the operating result (EBIT) in the range of EUR 32–42 million.”

## Key Figures

	4-6/ 2017	4-6/ 2016	1-6/ 2017	1-6/ 2016	1-12/ 2016
Orders received, EUR million	81.3	77.0	162.8	141.7	311.3
Order book, EUR million	133.6	123.5	133.6	123.5	118.0
Net sales, EUR million	74.8	75.6	143.2	144.3	319.1
Gross profit, EUR million	39.2	37.2	74.3	72.2	164.8
Gross margin, %	52.4	49.2	51.9	50.1	51.6
Operating expenses, EUR million	34.5	34.1	67.3	67.1	141.5
Operating result, EUR million	5.1	3.4	7.7	2.4	22.3
Operating result, %	6.8	4.5	5.3	1.6	7.0
Profit (loss) before taxes, EUR million	4.2	3.9	6.2	1.2	22.1
Profit (loss) for the period, EUR million	3.3	3.0	4.8	0.9	18.8
Earnings per share, EUR	0.18	0.17	0.27	0.05	1.05
Return on equity, %			5.7	1.1	10.5
Capital expenditure, EUR million	2.0	2.9	3.8	4.0	7.7
Depreciation, EUR million	2.4	3.5	5.3	7.2	24.1
Cash flow from operating activities, EUR million	8.5	7.7	11.3	7.2	41.8
Cash and cash equivalents, EUR million			60.6	43.2	72.4

## Market situation in the second quarter 2017

During the second quarter 2017, global economic growth remained solid and Vaisala's order intake continued to increase compared to previous year both in Weather and Environment and Industrial Measurements Business Areas.

Orders for weather observation solutions from Europe and Asia-Pacific, Middle East and Africa regions improved compared to previous year. In particular, orders from meteorology and renewable energy customers increased. Orders from transportation customers decreased.

Orders for industrial measurement solutions continued to increase compared to previous year followed by solid demand in all product areas. Growth in orders was strongest in APAC. Customers' interest towards power transmission products increased and there are several test users currently.

## Second quarter 2017 performance

### Orders received

EUR million	4-6/2017	4-6/2016	Change, %	2016
Weather and Environment	53.0	50.1	6	206.0
Industrial Measurements	28.2	26.8	5	105.3
Total	81.3	77.0	6	311.3

In the second quarter 2017, Vaisala's orders received were EUR 81.3 (77.0) million. Orders received increased by 6% compared to previous year. The increase came from EMEA and APAC.

In the second quarter 2017, Weather and Environment Business Area's orders received were EUR 53.0 (50.1) million and increased by 6% compared to previous year. The increase came from Asia-Pacific, Middle East and Africa as well as Europe regions.

In the second quarter 2017, Industrial Measurements Business Area's orders received were EUR 28.2 (26.8) million and increased by 5% compared to previous year. The increase came from all regions and was strongest in APAC and Americas.

### Order book

EUR million	Jun 30, 2017	Jun 30, 2016	Change,%	Dec 31, 2016
Weather and Environment	121.4	114.8	6	109.4
Industrial Measurements	12.2	8.7	40	8.6
Total	133.6	123.5	8	118.0

At the end of June 2017, Vaisala's order book was EUR 133.6 (123.5) million and increased by 8% compared to previous year. The order book increased in EMEA and APAC. Of the order book EUR 79.9 (77.3) million is scheduled to be delivered in 2017.

At the end of June 2017, Weather and Environment Business Area's order book was EUR 121.4 (114.8) million and increased by 6% compared to previous year. Order book increased in Europe, China as well as in Asia-Pacific, Middle East and Africa regions. Of the order book EUR 69.6 (69.6) million is scheduled to be delivered in 2017.

At the end of June 2017, Industrial Measurements Business Area's order book was EUR 12.2 (8.7) million and increased by 40% compared to previous year. The increase came from all regions and was strongest in APAC. Orders received were strong towards the end of the quarter and hence increased order book. Of the order book EUR 10.3 (7.7) million is scheduled to be delivered in 2017.

**Net sales by business area**

EUR million	4-6/2017	4-6/2016	Change, %	2016
Weather and Environment	49.3	50.6	-2	215.4
Products	27.4	25.0	10	115.5
Projects	13.5	17.0	-20	65.0
Services	8.4	8.6	-2	34.9
Industrial Measurements	25.5	25.0	2	103.7
Products	22.6	22.3	1	93.0
Services	2.9	2.7	8	10.7
<b>Total</b>	<b>74.8</b>	<b>75.6</b>	<b>-1</b>	<b>319.1</b>

**Net sales by geographical area**

EUR million	4-6/2017	4-6/2016	Change, %	2016
EMEA	23.8	23.0	3	92.0
Americas	30.6	29.9	3	140.9
APAC	20.4	22.7	-10	86.2
<b>Total</b>	<b>74.8</b>	<b>75.6</b>	<b>-1</b>	<b>319.1</b>

In the second quarter 2017, Vaisala's net sales decreased by 1% compared to previous year and totaled EUR 74.8 (75.6). Net sales in EMEA were EUR 23.8 (23.0) million and increased by 3%, in the Americas EUR 30.6 (29.9) million and increased by 3%. In APAC, net sales decreased by 10% and totaled EUR 20.4 (22.7) million. At comparable exchange rates, the net sales would have been EUR 74.2 (75.6) million and decrease would have been EUR 1.4 million or 2% from previous year. The positive exchange rate effect was EUR 0.7 million, which was mainly caused by USD exchange rate appreciation against EUR.

In the second quarter 2017, Weather and Environment Business Area's net sales were EUR 49.3 (50.6) million and decreased by 2% compared to previous year. The decrease came mainly from lower project deliveries in Asia-Pacific, Middle East and Africa region. At comparable exchange rates, the net sales would have been EUR 49.0 (50.6) million and decrease would have been EUR 1.6 million or 3% from previous year. The positive exchange rate effect was EUR 0.4 million, which was mainly caused by USD appreciation against EUR.

In the second quarter 2017, Industrial Measurements Business Area's net sales were EUR 25.5 (25.0) million and increased by 2% compared to previous year. The increase came from APAC. Net sales growth was lower than growth of orders received, as order flow was strong towards the end of the quarter. At comparable exchange rates, the net sales would have been EUR 25.2 (25.0) million and increase would have been EUR 0.2 million or 1% from previous year. The positive exchange rate effect was EUR 0.3 million, which was mainly caused by USD appreciation against EUR.

**Gross margin and operating result**

	4-6/2017	4-6/2016	2016
Gross margin, %	52.4	49.2	51.6
Weather and Environment	47.7	44.0	47.3
Industrial Measurements	61.4	60.0	60.8
Operating result, EUR million	5.1	3.4	22.3
Weather and Environment	1.1	-0.9	3.4
Industrial Measurements	3.7	4.3	21.6
Other	0.3	0.0	-2.7

In the second quarter 2017, Vaisala's operating result increased by EUR 1.7 million compared to previous year and was EUR 5.1 (3.4) million, 6.8% (4.5%) of net sales. Increased gross margin in Weather and Environment Business Area improved operating result. Gross margin was 52.4% (49.2%). Gross margin improved in product, project and service businesses in both business areas. Operating expenses were EUR 34.5 (34.1) million and increased by 1%.

In the second quarter 2017, Weather and Environment Business Area's operating result increased by EUR 2.0 million compared to previous year and was EUR 1.1 (-0.9) million, 2.2% (-1.8%) of net sales. Operating result increased mainly due to increased gross margin. Gross margin improved in product, project and service businesses and was 47.7% (44.0%). Sales mix improvement, mainly due to decreased share of project sales, and realized savings from divestiture in Transportation business improved gross margin. Operating expenses were EUR 22.6 (23.1) million and decreased by 2%. Divestiture in Transportation business decreased also sales expenses.

In the second quarter 2017, Industrial Measurements Business Area's operating result decreased by EUR 0.6 million compared to previous year and was EUR 3.7 (4.3) million, 14.6% (17.3%) of net sales. Decrease was due to increased operating expenses. Gross margin was 61.4% (60.0%). Gross margin improved both in product and service businesses. Operating expenses were EUR 11.9 (10.7) million and increased by 12%. The increase came mainly from R&D costs and sales expenses according to plan.

In the second quarter 2017, financial income and expenses were EUR -0.9 (0.5) million. This was a result of valuation of USD denominated receivables.

In the second quarter 2017, profit/loss before taxes was EUR 4.2 (3.9) million. Income taxes were EUR -0.9 (-0.9) million. Net result was EUR 3.3 (3.0) million.

In the second quarter 2017, earnings per share were EUR 0.18 (0.17).

**January–June 2017 performance****Orders received**

EUR million	1-6/2017	1-6/2016	Change, %	2016
Weather and Environment	105.1	91.1	15	206.0
Industrial Measurements	57.7	50.7	14	105.3
Total	162.8	141.7	15	311.3

In January–June 2017, Vaisala’s orders received were EUR 162.8 (141.7) million. Orders received increased by 15% compared to previous year. The increase came from all geographical areas.

In January–June 2017, Weather and Environment Business Area’s orders received were EUR 105.1 (91.1) million and increased by 15% compared to previous year. The increase came from all regions and was strongest in Europe and Americas.

In January–June 2017, Industrial Measurements Business Area’s orders received were EUR 57.7 (50.7) million and increased by 14% compared to previous year. The increase came from all regions and was strongest in Americas and APAC.

### Order book

EUR million	Jun 30, 2017	Jun 30, 2016	Change, %	Dec 31, 2016
Weather and Environment	121.4	114.8	6	109.4
Industrial Measurements	12.2	8.7	40	8.6
Total	133.6	123.5	8	118.0

At the end of June 2017, Vaisala’s order book was EUR 133.6 (123.5) million and increased by 8% compared to previous year. The order book increased in EMEA and APAC. Of the order book EUR 79.9 (77.3) million is scheduled to be delivered in 2017.

At the end of June 2017, Weather and Environment Business Area’s order book was EUR 121.4 (114.8) million and increased by 6% compared to previous year. Order book increased in Europe, China as well as in Asia-Pacific, Middle East and Africa regions. Of the order book EUR 69.6 (69.6) million is scheduled to be delivered in 2017.

At the end of June 2017, Industrial Measurements Business Area’s order book was EUR 12.2 (8.7) million and increased by 40% compared to previous year. The increase came from all regions and was strongest in APAC. Orders received were strong towards the end of the quarter and hence increased order book. Of the order book EUR 10.3 (7.7) million is scheduled to be delivered in 2017.

### Net sales by business area

EUR million	1-6/2017	1-6/2016	Change, %	2016
Weather and Environment	89.6	95.3	-6	215.4
Products	50.4	50.8	-1	115.5
Projects	22.0	26.9	-18	65.0
Services	17.1	17.5	-2	34.9
Industrial Measurements	53.6	49.0	9	103.7
Products	47.9	43.6	10	93.0
Services	5.7	5.4	7	10.7
Total	143.2	144.3	-1	319.1

**Net sales by geographical area**

EUR million	1-6/2017	1-6/2016	Change, %	2016
EMEA	41.8	44.6	-6	92.0
Americas	59.4	59.4	0	140.9
APAC	42.0	40.2	4	86.2
Total	143.2	144.3	-1	319.1

In January–June 2017, Vaisala’s net sales decreased by 1 % compared to previous year and totaled EUR 143.2 (144.3). Net sales in EMEA were EUR 41.8 (44.6) million and decreased by 6%, and in the Americas net sales were flat at EUR 59.4 (59.4) million. In APAC, net sales increased by 4% and totaled EUR 42.0 (40.2) million. At comparable exchange rates, the net sales would have been EUR 141.9 (144.3) million and decrease would have been EUR 2.4 million or 2% from previous year. The positive exchange rate effect was EUR 1.3 million, which was mainly caused by USD exchange rate appreciation against EUR.

In January–June 2017, Weather and Environment Business Area’s net sales were EUR 89.6 (95.3) million and decreased by 6% compared to previous year. The decrease came from Asia-Pacific, Middle East and Africa as well as from Americas regions. Especially project deliveries in Asia-Pacific, Middle East and Africa region decreased. At comparable exchange rates, the net sales would have been EUR 89.0 (95.3) million and decrease would have been EUR 6.3 million or 7% from previous year. The positive exchange rate effect was EUR 0.6 million, which was mainly caused by USD appreciation against EUR.

In January–June 2017, Industrial Measurements Business Area’s net sales were EUR 53.6 (49.0) million and increased by 9% compared to previous year. The increase came from all regions and was strongest in APAC and Americas. At comparable exchange rates, the net sales would have been EUR 52.9 (49.0) million and increase would have been EUR 4.0 million or 8% from previous year. The positive exchange rate effect was EUR 0.7 million, which was mainly caused by USD and JPY appreciation against EUR.

**Gross margin and operating result**

	1-6/2017	1-6/2016	2016
Gross margin, %	51.9	50.1	51.6
Weather and Environment	46.0	44.8	47.3
Industrial Measurements	62.1	60.4	60.8
Operating result, EUR million	7.7	2.4	22.3
Weather and Environment	-2.9	-2.8	3.4
Industrial Measurements	10.1	9.3	21.6
Other	0.5	-4.1	-2.7

In January–June 2017, Vaisala’s operating result increased by EUR 5.3 million compared to previous year and totaled EUR 7.7 (2.4) million, 5.3% (1.6%) of net sales. Net sales growth in Industrial Measurements Business area and improved gross margin in both business areas increased operating result. In addition, previous year’s operating result included EUR 2.8 million expenses related to the restructuring of Transportation business unit in Weather and Environment Business Area. Gross margin was 51.9% (50.1%). The increase came mainly from improved sales mix as a result of decreased share of Weather and Environment Business Area’s project sales and increased share of Industrial Measurement Business Area’s sales. Realized savings from restructuring of Transportation business unit also improved gross margin. Operating expenses were at previous year’s level and totaled EUR 67.3 (67.1) million.



In January–June 2017, Weather and Environment Business Area's operating result decreased by EUR 0.1 million compared to previous year and was EUR -2.9 (-2.8) million, -3.3% (-2.9%) of net sales. Operating result decreased due to lower net sales. Gross margin was 46.0% (44.8%). The increase came mainly from sales mix improvement, mainly due to decreased share of project sales, and realized savings from divestiture in Transportation business. Operating expenses were EUR 44.3 (45.5) million and decreased by 3%. Divestiture in Transportation business decreased also sales expenses. In addition, sales expenses were lower due to decrease in bad debt provision.

In January–June 2017, Industrial Measurements Business Area's operating result increased by EUR 0.8 million compared to previous year and was EUR 10.1 (9.3) million, 18.9% (18.9%) of net sales. Gross margin was 62.1% (60.4%) and it improved both in product and service businesses. Operating expenses were EUR 23.2 (20.3) million and increased by 14%. The increase came mainly from sales expenses according to plan.

In January–June 2017, financial income and expenses were EUR -1.4 (-1.2) million. This was a result of valuation of USD denominated receivables.

In January–June 2017, profit/loss before taxes was EUR 6.2 (1.2) million. Income taxes were EUR -1.4 (-0.3) million. Net result was EUR 4.8 (0.9) million.

In January–June 2017, earnings per share were EUR 0.27 (0.05).

## **Statement of financial position and cash flow**

Vaisala's financial position remained strong at the end of June 2017. Cash and cash equivalents increased to EUR 60.6 (43.2) million. Vaisala did not have any material interest bearing liabilities.

Despite increased cash balance, the statement of financial position total was at previous year's level EUR 239.2 (239.3) million. Increased cash balance was offset by EUR 10.5 million write-down of intangible assets, booked in the third quarter of 2016. Inventories, receivables and liabilities were at previous year level.

In January–June 2017, Vaisala's cash flow from operating activities increased to EUR 11.3 (7.2) million mainly because of increased EBITDA (earnings before interest, taxes, depreciation and amortization).

During January–June, Vaisala repurchased 23,173 Company's series A shares with EUR 0.8 million. Purchases were completed on February 24, 2017. In the second quarter, Vaisala paid dividend EUR 17.9 million.

## **Capital expenditure and divestments**

In January–June 2017, gross capital expenditure totaled EUR 3.8 (4.0) million. Capital expenditure was mainly related to investments in machinery and equipment to develop and maintain Vaisala's production and service operations.

Depreciation, amortization and write-downs were EUR 5.3 (7.2) million. The decrease in depreciation was mainly due to EUR 10.5 million write-down of intangible assets, booked in the third quarter of 2016.



## Research and development

### R&D by business area

EUR million	1-6/2017	1-6/2016	Change, %	2016
Weather and Environment	14.3	13.7	4	26.5
Industrial Measurements	6.3	5.7	11	11.5
Total	20.6	19.4	6	38.0

Industrial Measurements Business Area's R&D activity continued increasing according to plan.

### R&D expenditure % of net sales

	1-6/2017	1-6/2016	2016
Weather and Environment	16.0	14.4	12.3
Industrial Measurements	11.8	11.6	11.1
Total	14.4	13.5	11.9

Weather and Environment Business Area's R&D expenditure % of net sales increased by 1.6 percentage points mainly due to lower net sales.

## Personnel

The average number of personnel employed in Vaisala during January–June 2017 was 1,582 (1,597). At the end of June, the number of employees was 1,630 (1,634) and it included 93 (82) summer trainees. 70% (68%) of employees were located EMEA, 22% (24%) in the Americas and 8% (8%) in APAC. 64% (61%) of employees were based in Finland.

## Strategy and business area names

In May, Vaisala's Board of Directors confirmed strategy for 2017–2021. Vaisala continues to drive profitable growth through implementation of strategic priorities. Consequently, Vaisala decided to rename its business areas to better describe their current and future business focus. Controlled Environment Business Area was renamed to Industrial Measurements Business Area and Weather Business Area was renamed to Weather and Environment Business Area.

Industrial Measurements Business Area continues to further accelerate growth through product leadership strategy. Business Area's strategic priorities are to achieve strong foothold in power transmission and life science markets, to continuously create new winning products by discovering customers' needs, and to seek new business opportunities in industrial applications.

Weather and Environment Business Area drives profitability and growth through expansion of industry-leading products and digital solutions. Business Area's strategic priorities are: to systematically improve competitiveness by renewal of product offering; to grow through meteorological infrastructure improvement projects in developing countries; to expand digital solutions, which support decision-making in weather critical operations; as well as to build new business in environmental measurements with air quality as a spearhead.

Vaisala Operations continues to develop excellence in high mix low volume supply chain through further development of Vaisala Production System. Foundation of the Production System is creation of a culture, which engages everyone to systematic improvement. Operations has also strategic development priorities to

increase productivity, to develop core production technologies, as well as sourcing and product life cycle management processes.

### Long-term financial targets

Vaisala's objective is profitable growth with an average annual growth of 5%, and to achieve 15% operating profit margin (EBIT). In selected growth businesses, such as digital solutions, life science and power transmission, the target is to exceed 10% annual growth.

Vaisala does not consider the long-term financial targets as market guidance for any given year.

### Management Group

Vaisala's Management Group members are

- Kjell Forsén, President and CEO, Chairman of the Management Group
- Marja Happonen, Executive Vice President, Human Resources
- Sampsa Lahtinen, Executive Vice President, Industrial Measurements Business Area
- Kaarina Muurinen, Chief Financial Officer
- Vesa Pylvänäinen, Executive Vice President, Operations
- Jarkko Sairanen, Executive Vice President, Weather and Environment Business Area
- Katriina Vainio, Executive Vice President, Group General Counsel

### Decisions by Vaisala Corporation's Annual General Meeting

Vaisala Corporation's Annual General Meeting was held on March 28, 2017. 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, 2016.

#### Dividend

The Annual General Meeting decided a dividend of EUR 1.00 per share, corresponding to the total of EUR 17.9 million. The record date for the dividend payment was March 30, 2017 and the payment date was April 6, 2017.

#### Board of Directors

The Annual General Meeting confirmed that the number of Board members is eight. Petra Lundström, Yrjö Neuvo, Mikko Niinivaara, Kaarina Ståhlberg, Pertti Torstila, Raimo Voipio and Ville Voipio will continue as members of the Board of Directors. Petri Castrén was elected as a new member of the Board of Directors.

The Annual General Meeting confirmed that the annual fee payable to the Chairman of the Board of Directors is EUR 45,000 and each Board member EUR 35,000 per year. Approximately 40 percent of the annual remuneration will be paid in Vaisala Corporation's A shares acquired from the market and the rest in cash. In addition, the Annual General Meeting confirmed that the compensation 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 2018. The meeting compensation fees are paid in cash.

**Auditor**

The Annual General Meeting re-elected Deloitte & Touche Oy as the auditor of the Company and APA Merja Itäniemi 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 A shares**

The Annual General Meeting authorized the Board of Directors to decide on the directed repurchase of a maximum of 200,000 of the Company's own A shares in one or more instalments with funds belonging to the Company's unrestricted equity. This authorization is valid until the closing of the next Annual General Meeting, however, no longer than September 28, 2018, and it replaced the previous authorization for directed repurchase of own A shares.

**Authorization on the issuance of the Company's own A shares**

The Annual General Meeting authorized the Board of Directors to decide on the issuance of a maximum of 568,344 Company's own A shares. The issuance of own shares may be carried out in deviation from the shareholders' pre-emptive rights (directed issue). The subscription price of the shares can instead of cash also be paid in full or in part as contribution in kind. This authorization is valid until March 28, 2022, and it replaced the previous authorization for issuance of own A shares.

**Resolution on the forfeiture of shares entered in the Vaisala Corporation joint book-entry account and of the rights attached to such shares**

The Annual General Meeting decided in accordance with the proposal by the Board of Directors that, regarding the shares entered in the Vaisala joint book-entry account, the right to shares incorporated in the book-entry system and the rights such shares carry are forfeited, and authorized the Board of Directors to take all actions required by said decision.

The forfeiture of shareholder rights concerns shares that are in the joint book-entry account, i.e. 4,820 shares of which 4,800 are series A-shares and 20 series K-shares. The shares, whose registration of shareholder rights to the shareholder's book-entry account were requested prior to the commencement of the Annual General Meeting, and which will be entered in the shareholder's book-entry account by June 30, 2017, will not be subject to the forfeiture of rights referred to above.

**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 Yrjö Neuvo to continue as the Vice Chairman.

**The composition of the Board committees was decided to be as follows:**

Kaarina Ståhlberg was elected as the Chairman and Petri Castrén and Mikko Niinivaara as members of the Audit Committee. The Chairman and all members of the Audit Committee are independent both of the Company and of significant shareholders.

Raimo Voipio was elected as the Chairman and Yrjö Neuvo, Mikko Niinivaara and Pertti Torstila as members of the Remuneration and HR Committee. The Chairman and all members of the Remuneration and HR Committee are independent both of the Company and of significant shareholders.

## Vaisala's shares and shareholders

Vaisala's share capital totaled EUR 7,660,808 on June 30, 2017. Vaisala had 18,218,364 shares, of which 3,389,351 were series K shares and 14,829,013 were series A shares. 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 represent 81.4% of the total number of shares and 17.9% of the total votes. The series K shares represent 18.6% of the total number of shares and 82.1% of the total votes.

### Trading in shares on the Nasdaq Helsinki Ltd

In January–June 2017, a total of 1,128,870 (1,172,127) Vaisala series A shares with a value totaling EUR 43.0 (30.1) million were traded on the Nasdaq Helsinki Ltd. The closing price of the series A share on the Nasdaq Helsinki Ltd stock exchange was EUR 43.66 (28.35). Shares registered a high of EUR 48.55 (29.83) and a low of EUR 31.88 (21.81). The volume-weighted average share price was EUR 38.12 (25.69).

The market value of Vaisala's series A shares on June 30, 2017 was EUR 631.4 (412.7) million, excluding the 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 June, the total market value of all the series A and series K shares together was EUR 779.4 (508.8) million, excluding the Company's treasury shares.

At the end of June, 2017 Vaisala Corporation had 7,620 (7,454) registered shareholders. Ownership outside of Finland and nominee registrations represented 16.4% (14.3%) of the company's shares. Households owned 40.2% (40.9%), private companies 14.2% (14.2%), financial and insurance institutions 13.0% (12.8%), non-profit organizations 11.2% (11.8%) and public sector organizations owned 5.0% (6.0%).

### Treasury shares and their authorizations

The Annual General Meeting held on April 5, 2016 authorized the Board of Directors to decide on the directed repurchase of a maximum of 200,000 of the Company's series A shares. This authorization was valid until the closing of the Annual General Meeting held on March 28, 2017.

In April 2016, the Board of Directors resolved to commence repurchases of shares under this authorization. During May 2–December 30, 2016 Vaisala acquired a total of 176,827 Company's series A shares at an average price of EUR 29.96 and the total cost of the acquired shares was EUR 5,297,463.80. During January 2–February 24, 2017 Vaisala acquired a total of 23,173 Company's series A shares at an average price of EUR 34.03 and the total cost of the acquired share was EUR 788,522.13.

The Annual General Meeting held on April 5, 2016, authorized the Board of Directors to decide on the issuance of a maximum of 391,550 Company's series A shares. This authorization was valid until the closing of the Annual General Meeting held on March 28, 2017.

In March 2017, the Board of Directors decided to transfer shares under this authorization. A total of 22,506 Company's series A shares were transferred to the 22 key employees participating on the Share-based incentive plan 2014 and Restricted share-based incentive plan 2016 under the terms and conditions of the plans.

At the end of June 2017, Vaisala held a total of 367,544 (270,333) Company's series A shares, which represented 2.5% (1.8%) of all series A shares and 2.0% (1.5 %) of all shares.

More information about Vaisala's shares and shareholders are presented on the website, [www.vaisala.com/investors](http://www.vaisala.com/investors).

### **Near-term risks and uncertainties**

Uncertainties in political situation and governmental customers' budgetary constraints may reduce demand for Vaisala's products and services or slow down customer projects.

Delay in developing applications for digital solutions as well as acquiring and in building related competences for sales and business operations may slow down growth in Weather and Environment Business Area. Closing of infrastructure projects in Weather and Environment Business Area may be postponed by budgetary constraints, complex customer decision making processes, changes in scope, and financing. Thus, Vaisala's financial performance may vary significantly over time.

Prolonged new product ramp-ups and market acceptance of new offering, such as power transformer monitoring products, supplementary air quality network sensors, and continuous monitoring systems, may postpone the realization of Vaisala's growth plans. Weakness in introducing new technologies and applications may result in erosion of price premium or loss of cost competitiveness and market position.

Long interruption in production or test equipment 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, delivery of information services or internet-based services, or cause financial loss.

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

Further information about risk management and risks are available on the company website at [www.vaisala.com/investors](http://www.vaisala.com/investors), Corporate Governance and [www.vaisala.com/investors](http://www.vaisala.com/investors), Vaisala as an Investment.

### **Market outlook 2017**

Vaisala is expecting moderate improvement for weather observation market compared to previous year, and as typical, customer activity is expected to improve seasonally towards the end of the year. While the budgetary constraints restrict order activity in many countries, the importance of improvements in weather observation and forecasting capabilities continue to drive demand. Growth in deliveries is expected in particular in Europe following a very weak 2016. Large project in Bahamas supports growth in Americas. Market activity for weather observation solutions is expected to increase especially among meteorology customer segment. Market development with transportation customer industries looks overall stable, whereas order intake is expected to be slightly lower than in the strong 2016 due to variations with large projects and weak short-term visibility into Chinese aviation market development. Demand for renewable energy solutions is expected to grow modestly.

Industrial measurement market outlook continues to be favorable. Especially, OEM business and continuous monitoring systems drive demand growth for industrial measurement solutions.

### **Business outlook for 2017**

Vaisala continues to estimate its full-year 2017 net sales to be in the range of EUR 310–340 million and its operating result (EBIT) to be in the range of EUR 32–42 million.

### **Financial Calendar 2017**

Interim Report for January–September 2017, October 23, 2017

Vantaa, July 20, 2017

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 financial 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 2016. All figures in the interim report are Group figures. All presented figures have been rounded and consequently the sum of individual figures may deviate from the sum presented.

The preparation of the financial statements 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 the statement of income. Although the estimates are based on the management's best knowledge at the date of the interim report, actual results may differ from the estimates. This interim financial report is unaudited.

### New and amended IFRS standards not yet adopted

#### Revenue from Contracts with Customers

IFRS 15 *Revenue from contracts with customers* establishes a single comprehensive model for entities to use in accounting for revenue arising from contracts with customers. IFRS 15 will supersede the current revenue recognition guidance including IAS 18 *Revenue*, IAS 11 *Construction Contracts* and the related interpretations when it becomes effective. The core principle of IFRS 15 is that an entity should recognize revenue to depict the transfer of promised goods or services to customers with an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. Under IFRS 15, an entity recognizes revenue when (or as) a performance obligation is satisfied, i.e. when control of the good or service underlying the particular performance obligation is transferred to the customer. These principles are applied using the following five steps:

1. Identify the contract(s) with a customer
2. Identify the performance obligations in the contract
3. Determine the transaction price
4. Allocate the transaction price to the performance obligations in the contract
5. Recognize revenue

Furthermore, IFRS 15 requires extensive disclosures.

Vaisala will adopt IFRS 15 *Revenue from contracts with customers* as of January 1, 2018. Management estimates that IFRS 15 affects mainly Weather and Environment Business Area's project business, while effects on product and services businesses in Weather and Environment as well as Industrial Measurements Business Areas are limited.

#### Project business

Net sales of Weather and Environment Business Area's project business totaled EUR 22 million during the first six months of 2017 and EUR 65 million during financial year 2016. Management estimates, that major changes in project revenue recognition will take place in above mentioned steps two, four and five, whereas changes are limited in step one and step three.

Vaisala's delivery projects are typically integrated projects. In integrated projects, Vaisala delivers observation solutions consisting of products, services and software to a customer. These solutions are



integrated/connected to customer systems according to customer specifications. Therefore, one delivery project is typically one performance obligation under IFRS 15. Vaisala will recognize revenue for integrated projects using percentage of completion method. Based on contract analysis performed, the conclusion is that Vaisala's projects typically meet the over-time revenue recognition criteria, either by creating an asset without an alternative use and Vaisala having an enforceable right to payment for performance completed to date and/or by creating an asset under customer control.

Revenue of projects, which do not meet the over-time revenue recognition criteria, is recognized at a point in time when control has been transferred to a customer. These projects are typically standard shipments or collections of several individual deliveries, which Vaisala manages as projects because of their size.

Prior to 2018, Vaisala has rarely used percentage of completion method, and only in projects with very long delivery times. Generally, Vaisala has recognized project revenue separately for hardware and field service in accordance with their pro rata selling prices. Hence, adoption of over-time revenue recognition will have an impact on timing of revenue recognition in Vaisala's project business since control over assets transfers to customers over time. Consequently, recognition of project revenue and profit will be advanced.

### **Product and service businesses**

As currently, Vaisala will recognize revenue of product deliveries based on delivery terms, and revenue of services when benefits are rendered to customers. Vaisala continues to recognize revenue of such fixed-time service contracts, which are negotiated in connection with delivery projects and commence after completion of the delivery projects, as separate performance obligations with over time revenue recognition method.

### **Implementation and transition**

During 2017, Vaisala has been reviewing contracts, creating revenue recognition policy, developing accounting systems and preparing disclosure information to the notes of the financial statements.

Vaisala will use cumulative method in transition, which means that open contracts will be recognized according to IFRS 15 as of January 1, 2018, but revenue or profit of completed projects will not be adjusted retrospectively. According to management's preliminary estimate for January–June 2017, net sales would have been approximately EUR 7 million higher and order book would have cumulatively been approximately EUR 14 million lower under IFRS 15 compared to current accounting policies. This estimated effect is due to earlier timing of revenue recognition. Current revenue recognition method results in seasonality where revenue for second half of a year has been typically higher while concrete project completion takes place more evenly throughout a year. In the above management estimate, there are significant accounting judgements involved especially as the percentage of completion method requires accurate estimates in project revenue and costs.

The management continues to analyze and prepare estimates throughout 2017. Due to seasonality in project business, impact of IFRS 15 in second half of the year may materially differ from the first half. Also, project profitability may vary over reporting periods. Transition effect depends on the size and scope of projects at the time of transition January 1, 2018.

### Consolidated Statement of Income

EUR million	4-6/2017	4-6/2016	1-6/2017	1-6/2016	1-12/2016
Net sales	74.8	75.6	143.2	144.3	319.1
Cost of sales	-35.6	-38.3	-68.9	-72.0	-154.3
<b>Gross profit</b>	<b>39.2</b>	<b>37.2</b>	<b>74.3</b>	<b>72.2</b>	<b>164.8</b>
Sales, marketing and administrative costs	-23.9	-24.2	-46.7	-47.7	-103.4
Research and development costs	-10.6	-9.9	-20.6	-19.4	-38.0
Other operating income and expense	0.3	0.3	0.6	-2.7	-1.0
<b>Operating profit (loss)</b>	<b>5.1</b>	<b>3.4</b>	<b>7.7</b>	<b>2.4</b>	<b>22.3</b>
Share of result in associated company	-	-	-	-	0.1
Financial income and expenses, net	-0.9	0.5	-1.4	-1.2	-0.3
<b>Profit (loss) before taxes</b>	<b>4.2</b>	<b>3.9</b>	<b>6.2</b>	<b>1.2</b>	<b>22.1</b>
Income taxes	-0.9	-0.9	-1.4	-0.3	-3.3
<b>Profit (loss) for the period</b>	<b>3.3</b>	<b>3.0</b>	<b>4.8</b>	<b>0.9</b>	<b>18.8</b>
Earnings per share, EUR	0.18	0.17	0.27	0.05	1.05
Diluted earnings per share, EUR	0.18	0.17	0.27	0.05	1.03

### Consolidated Statement of Comprehensive Income

EUR million	4-6/2017	4-6/2016	1-6/2017	1-6/2016	1-12/2016
<b>Items that will not be reclassified to profit or loss</b>					
Actuarial profit (loss) on post-employment benefits	0.0	0.0	0.0	0.0	-0.0
<b>Total</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>-0.0</b>
<b>Items that may be reclassified subsequently to profit or loss</b>					
Currency translation differences	-1.8	0.6	-2.0	-0.8	0.0
<b>Total</b>	<b>-1.8</b>	<b>0.6</b>	<b>-2.0</b>	<b>-0.8</b>	<b>0.0</b>
<b>Total other comprehensive income</b>	<b>-1.8</b>	<b>0.6</b>	<b>-2.0</b>	<b>-0.8</b>	<b>0.0</b>
<b>Total comprehensive income</b>	<b>1.5</b>	<b>3.6</b>	<b>2.8</b>	<b>0.2</b>	<b>18.8</b>

## Consolidated Statement of Financial Position

EUR million

Assets	Jun 30, 2017	Jun 30, 2016	Dec 31, 2016
<b>Non-current assets</b>			
Intangible assets	17.6	30.6	20.0
Property, plant and equipment	40.1	42.2	41.4
Investments	0.1	0.1	0.1
Investment in associated companies	0.8	0.8	0.8
Long-term receivables	0.7	0.8	0.7
Deferred tax assets	10.6	12.3	10.8
<b>Total non-current assets</b>	<b>69.9</b>	<b>86.9</b>	<b>73.8</b>
<b>Current assets</b>			
Inventories	39.2	39.1	32.1
Trade and other receivables	65.6	65.9	75.4
Income tax receivables	3.9	2.5	1.4
Cash and cash equivalents	60.6	43.2	72.4
<b>Total current assets</b>	<b>169.3</b>	<b>150.8</b>	<b>181.2</b>
<b>Assets classified as held for sale</b>	<b>-</b>	<b>1.7</b>	<b>-</b>
<b>Total assets</b>	<b>239.2</b>	<b>239.3</b>	<b>255.0</b>

<b>Shareholders' equity and liabilities</b>	<b>Jun 30, 2017</b>	<b>Jun 30, 2016</b>	<b>Dec 31, 2016</b>
<b>Shareholders' equity</b>			
Share capital	7.7	7.7	7.7
Other reserves	2.1	1.5	2.0
Cumulative translation adjustment	0.9	2.1	2.9
Treasury shares	-10.1	-6.5	-9.6
Retained earnings	162.7	157.7	175.6
<b>Total shareholders' equity</b>	<b>163.3</b>	<b>162.5</b>	<b>178.5</b>
<b>Non-current liabilities</b>			
Interest-bearing liabilities	0.0	0.0	0.0
Post-employment benefit obligations	2.4	2.4	2.4
Deferred tax liabilities	0.0	4.4	0.0
Provisions for other liabilities and charges	0.0	0.2	0.0
Other long-term liabilities	1.3	0.6	1.3
<b>Total non-current liabilities</b>	<b>3.7</b>	<b>7.6</b>	<b>3.7</b>
<b>Current liabilities</b>			
Interest-bearing liabilities	0.0	0.0	0.0
Advances received	3.8	3.6	4.0
Income tax liabilities	0.4	0.1	0.4
Provisions for other liabilities and charges	0.9	3.3	1.8
Trade and other payables	67.0	61.4	66.6
<b>Total current liabilities</b>	<b>72.2</b>	<b>68.4</b>	<b>72.8</b>
<b>Liabilities directly associated with assets classified as held for sale</b>	<b>-</b>	<b>0.8</b>	<b>-</b>
<b>Total shareholders' equity and liabilities</b>	<b>239.2</b>	<b>239.3</b>	<b>255.0</b>

### Consolidated Statement of Changes in Shareholders' Equity

EUR million	Share capital	Other reserves	Treasury shares	Translation adjustment	Retained earnings	Total
<b>Balance at Jan 1, 2016</b>	7.7	1.1	-4.3	2.9	173.9	181.3
Profit (loss) for the period					0.9	0.9
Other comprehensive income		-0.0		-0.8		-0.8
Dividend paid					-17.1	-17.1
Purchase of treasury shares			-2.2			-2.2
Share-based payment		0.3	0.0			0.4
<b>Balance at Jun 30, 2016</b>	<b>7.7</b>	<b>1.5</b>	<b>-6.5</b>	<b>2.1</b>	<b>157.7</b>	<b>162.5</b>

EUR million	Share capital	Other reserves	Treasury shares	Translation adjustment	Retained earnings	Total
<b>Balance at Jan 1, 2017</b>	7.7	2.0	-9.6	2.9	175.6	178.5
Profit (loss) for the period					4.8	4.8
Other comprehensive income		-0.0		-2.0		-2.0
Dividend paid					-17.8	-17.8
Return of unpaid dividends to shareholders' equity					0.1	0.1
Purchase of treasury shares			-0.8			-0.8
Share-based payment		0.2	0.3			0.5
<b>Balance at Jun 30, 2017</b>	<b>7.7</b>	<b>2.1</b>	<b>-10.1</b>	<b>0.9</b>	<b>162.7</b>	<b>163.3</b>

## Consolidated Cash Flow Statement

EUR million	1-6/2017	1-6/2016	1-12/2016
<b>Cash flows from operating activities</b>			
Cash receipts from customers	163.1	159.8	320.1
Other income from business operations	0.0	0.0	0.0
Cash paid to suppliers and employees	-144.8	-146.2	-268.3
Financials paid, net	-2.5	-1.1	-0.7
Income taxes paid, net	-4.5	-5.3	-9.4
<b>Cash flow from operating activities</b>	<b>11.3</b>	<b>7.2</b>	<b>41.8</b>
<b>Cash flows from investing activities</b>			
Capital expenditure on fixed assets	-3.8	-4.0	-7.7
Divestments	0.2	0.0	1.4
<b>Cash flow from investing activities</b>	<b>-3.6</b>	<b>-3.9</b>	<b>-6.4</b>
<b>Cash flows from financing activities</b>			
Dividends paid	-17.8	-17.1	-17.1
Purchase of treasury shares	-0.8	-1.9	-5.3
Change in loan receivables	0.0	0.0	0.0
Change in leasing liabilities	0.0	0.0	0.0
<b>Cash flow from financing activities</b>	<b>-18.6</b>	<b>-19.1</b>	<b>-22.4</b>
Cash and cash equivalents at the beginning of period	72.4	59.2	59.2
Net increase (+) / decrease (-) in cash and cash equivalents	-10.9	-15.9	13.0
Effect from changes in exchange rates	-0.9	-0.1	0.2
<b>Cash and cash equivalents at the end of period</b>	<b>60.6</b>	<b>43.2</b>	<b>72.4</b>

## Notes for Report

### Orders Received by Business Area

EUR million	4-6/2017	4-6/2016	1-6/2017	1-6/2016	1-12/2016
Weather and Environment	53.0	50.1	105.1	91.1	206.0
Industrial Measurements	28.2	26.8	57.7	50.7	105.3
<b>Total</b>	<b>81.3</b>	<b>77.0</b>	<b>162.8</b>	<b>141.7</b>	<b>311.3</b>

### Net Sales by Business Area

EUR million	4-6/2017	4-6/2016	1-6/2017	1-6/2016	1-12/2016
Weather and Environment					
Products	27.4	25.0	50.4	50.8	115.5
Projects	13.5	17.0	22.0	26.9	65.0
Services	8.4	8.6	17.1	17.5	34.9
<b>Total</b>	<b>49.3</b>	<b>50.6</b>	<b>89.6</b>	<b>95.3</b>	<b>215.4</b>
Industrial Measurements					
Products	22.6	22.3	47.9	43.6	93.0
Services	2.9	2.7	5.7	5.4	10.7
<b>Total</b>	<b>25.5</b>	<b>25.0</b>	<b>53.6</b>	<b>49.0</b>	<b>103.7</b>
Sales, Other	0.0	0.0	0.0	0.0	0.0
<b>Total Sales</b>	<b>74.8</b>	<b>75.6</b>	<b>143.2</b>	<b>144.3</b>	<b>319.1</b>

### Operating Result by Business Area

EUR million	4-6/2017	4-6/2016	1-6/2017	1-6/2016	1-12/2016
Weather and Environment	1.1	-0.9	-2.9	-2.8	3.4
Industrial Measurements	3.7	4.3	10.1	9.3	21.6
Other	0.3	0.0	0.5	-4.1	-2.7
<b>Total</b>	<b>5.1</b>	<b>3.4</b>	<b>7.7</b>	<b>2.4</b>	<b>22.3</b>

### Net Sales by Geographical Area

EUR million	4-6/2017	4-6/2016	1-6/2017	1-6/2016	1-12/2016
EMEA	23.8	23.0	41.8	44.6	92.0
Americas	30.6	29.9	59.4	59.4	140.9
APAC	20.4	22.7	42.0	40.2	86.2
<b>Total</b>	<b>74.8</b>	<b>75.6</b>	<b>143.2</b>	<b>144.3</b>	<b>319.1</b>



<b>Personnel</b>					
	<b>4-6/2017</b>	<b>4-6/2016</b>	<b>1-6/2017</b>	<b>1-6/2016</b>	<b>1-12/2016</b>
Average personnel	1,601	1,613	1,582	1,597	1,590
Personnel at the end of period	1,630	1,634	1,630	1,634	1,569

<b>Financial Instruments</b>					
			<b>Jun 30, 2017</b>	<b>Jun 30, 2016</b>	<b>Dec 31, 2016</b>
Nominal value of financial derivatives, EUR million			41.3	25.4	50.2
Fair values of financial derivatives, assets, EUR million			2.3	0.1	0.3
Fair values of financial derivatives, liabilities, EUR million			0.3	0.5	1.5

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

<b>Share Information</b>					
	<b>4-6/2017</b>	<b>4-6/2016</b>	<b>1-6/2017</b>	<b>1-6/2016</b>	<b>1-12/2016</b>
Number of shares outstanding, thousand	17,851	17,948	17,851	17,948	17,851
Number of treasury shares, thousand	368	270	368	270	367
Number of shares, weighted average, diluted, thousand	18,137	18,257	18,133	18,016	18,203
Number of shares, weighted average, thousand	17,851	18,005	17,847	18,016	17,955
Number of shares traded, thousand	630	626	1,129	1,172	2,031
Share price, highest, EUR	48.55	29.83	48.55	29.83	36.96
Share price, lowest, EUR	34.36	23.00	31.88	21.81	21.81

<b>Key Ratios</b>					
	<b>4-6/2017</b>	<b>4-6/2016</b>	<b>1-6/2017</b>	<b>1-6/2016</b>	<b>1-12/2016</b>
Earnings per share, EUR	0.18	0.17	0.27	0.05	1.05
Earnings per share, diluted, EUR	0.18	0.17	0.27	0.05	1.03
Equity per share, EUR			9.15	9.05	10.00
Return on equity, %			5.7	1.1	10.5
Cash flow from operating activities per share, EUR	0.47	0.43	0.63	0.40	2.34
Solvency ratio, %			69.4	68.9	71.1

**Further information**

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Mobile +358 40 577 5066  
Vaisala Corporation

**Telephone Conference**

An English-language conference call for analysts, investors and media will be held today, July 20, 2017 at 4:00 p.m. (Finnish time). Numbers for conference call, during which questions may be presented, are:

Finland: +358 9 8171 0495  
UK: +44 20 3194 0552  
Sweden: +46 8 5664 2702  
US: +1 85 5716 1597

**Audiocast**

The presentation by Kjell Forsén, President and CEO, can also be followed through a live audiocast at [www.vaisala.com/investors](http://www.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  
[www.vaisala.com](http://www.vaisala.com)

Vaisala is a global leader in environmental and industrial measurement. Building on 80 years of experience, Vaisala contributes to a better quality of life by providing a comprehensive range of innovative observation and measurement products and services for chosen weather-related and industrial markets. Headquartered in Finland, Vaisala employs approximately 1,600 professionals worldwide and is listed on the Nasdaq Helsinki stock exchange. [www.vaisala.com](http://www.vaisala.com) [www.twitter.com/VaisalaGroup](https://www.twitter.com/VaisalaGroup)