

Result

January-December 2008

Vaisala Group

February 13, 2009

VAISALA

New strategy and organization in 2008

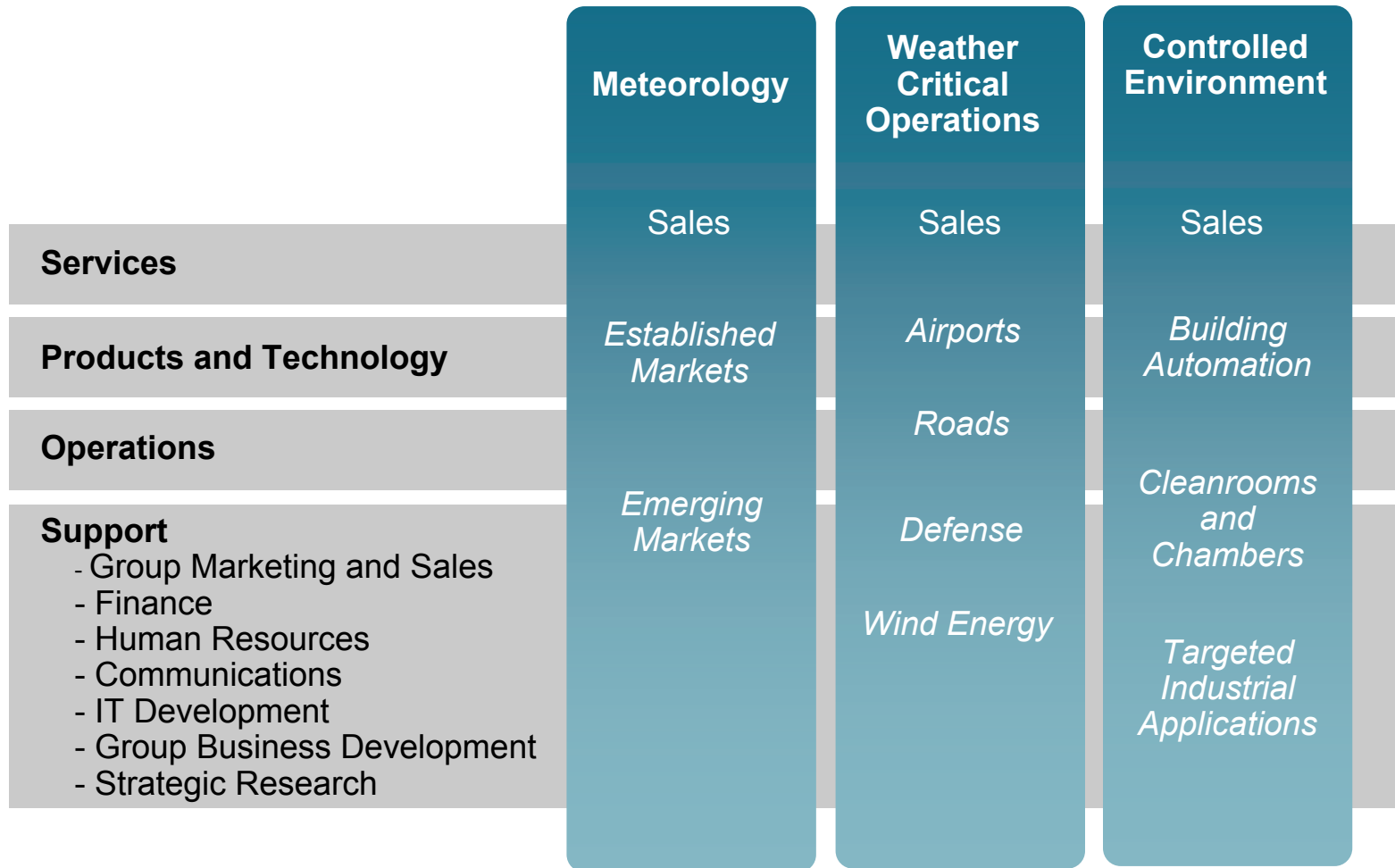
- Vaisala launched a new strategy, which marked a significant shift from product to market driven way of operating.
- Vaisala also announced entry to new areas like Cleanrooms and chambers and Wind energy.
- The market segment based organization became effective on January 1, 2009.
- Vaisala consists of three business areas and ten market segments.
 - The business areas have profit and loss responsibility for their respective businesses, and the sales personnel globally report directly to them.
- A group wide Products and Technology unit has been established, combining the product creation and product management activities.
- Vaisala strengthened its marketing capabilities by establishing a group wide Marketing function.
- Investments in growth initiatives continue in 2009.



We focus on defined market segments



Vaisala organization



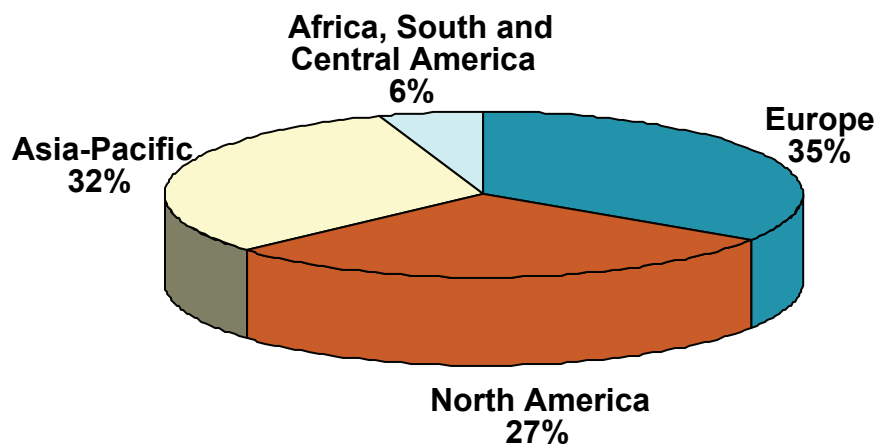
Overview 2008

Net sales: EUR 242,5 (224,1) million, +8,2%.

- Vaisala Instruments EUR 85,8 million, +12,1%.
- Vaisala Measurement Systems EUR 104,4 million, +9,4%.
- Vaisala Solutions EUR 43,1 million, +24,4%.
- Vaisala Services EUR 27,5 million, -16,8%.
- In comparable currencies, growth of net sales would have been 11,6%.
- Orders received: EUR 247,9 (228,5) million, +8,5%. In comparable currencies, growth would have been 11,5%.
- Operating profit: EUR 38,0 (35,3) million, +7,5%.
- Profit before taxes: EUR 38,9 (37,0) million, +5,1%.
- Net profit for the review period: EUR 28,4 (25,8) million, +10,0%.
- Earnings per share: 1,56 (1,42) EUR, +10,0%.



Net sales by geographic areas



EUR million	2007	2008	Change
Europe	80,7	84,8	+5,0%
North America	73,2	66,8	-8,6%
Asia-Pacific	60,2	76,9	+27.8%
Africa, South and Central America	10,0	13,9	+39.0%

Performance by Business Area

	VMS *)	Change	VIN *)	Change	VSO *)	Change	VSE *)	Change	Others and elimin.**)	Group	Change
1-12/2008											
Net sales	104,4	+9%	85,8	+12%	43,1	+24%	27,5	-17%	-18,3	242,5	+8,2%
Operating profit	17,4	+42%	24,3	+18%	-0,5	+21%	-0,2	-103%	-3,0	38,0	+7,5%
Operating profit-%	16,7%		28,3%		-1,1%		-0,7%			15,7%	
1-12/2007											
Net sales	95,4		76,6		34,6		33,0		-15,5	224,1	
Operating profit	12,3		20,5		-0,6		5,7		-2,6	35,3	
Net sales	12,9%		26,8%		-1,8%		17,3%			15,8%	

*) VMS=Vaisala Measurement Systems, VIN=Vaisala Instruments, VSO=Vaisala Solutions, VSE=Vaisala Services

**) Other operations and eliminations consists of New Business Development unit's costs and Group wide bonus plan provisions. Support unit costs have been allocated to segments

Vaisala Measurement Systems 2008

- Sales to external customers EUR 99,9 (90,2) million, +10,7%.
- Operating profit EUR 17,4 (12,3) million.
- Orders received EUR 109,3 million.
- Order book 41,7 million.
- In comparable currencies, net sales would have grown by 13,9%.

- Sales growth was accelerated by customer projects in the sounding and surface weather system businesses.
- Sales of wind profilers and lightning detection systems fell behind expectations, with market shares still unchanged.
- Several weather radar orders are in the books. Revenue is expected mostly in 2009.
- Annual fluctuation is typical of this business.

Vaisala Instruments 2008

- Sales to external customers EUR 72,0 (66,2) million, +8,8%.
 - Operating profit EUR 24,3 (20,5) million.
 - Orders received EUR 71,5 million.
 - Order book EUR 7,8 million.
 - In comparable currencies, net sales would have grown by 11,7%
- Growth in the Instruments business came particularly from the weather instruments and from sales to important industrial customers.

Vaisala Solutions 2008

- Sales to external customers EUR 43,1 (34,6) million, +24,4%.
- Operating profit EUR -0,5 (-0,6) million.
- Orders received EUR 41,8 million.
- Order book EUR 27,9 million.
- In comparable currencies, net sales would have grown by 27,3%.

- Growth good in the aviation and road weather businesses.
- In meteorological and hydrological systems (MHS), several projects are ongoing with revenue in the books later.

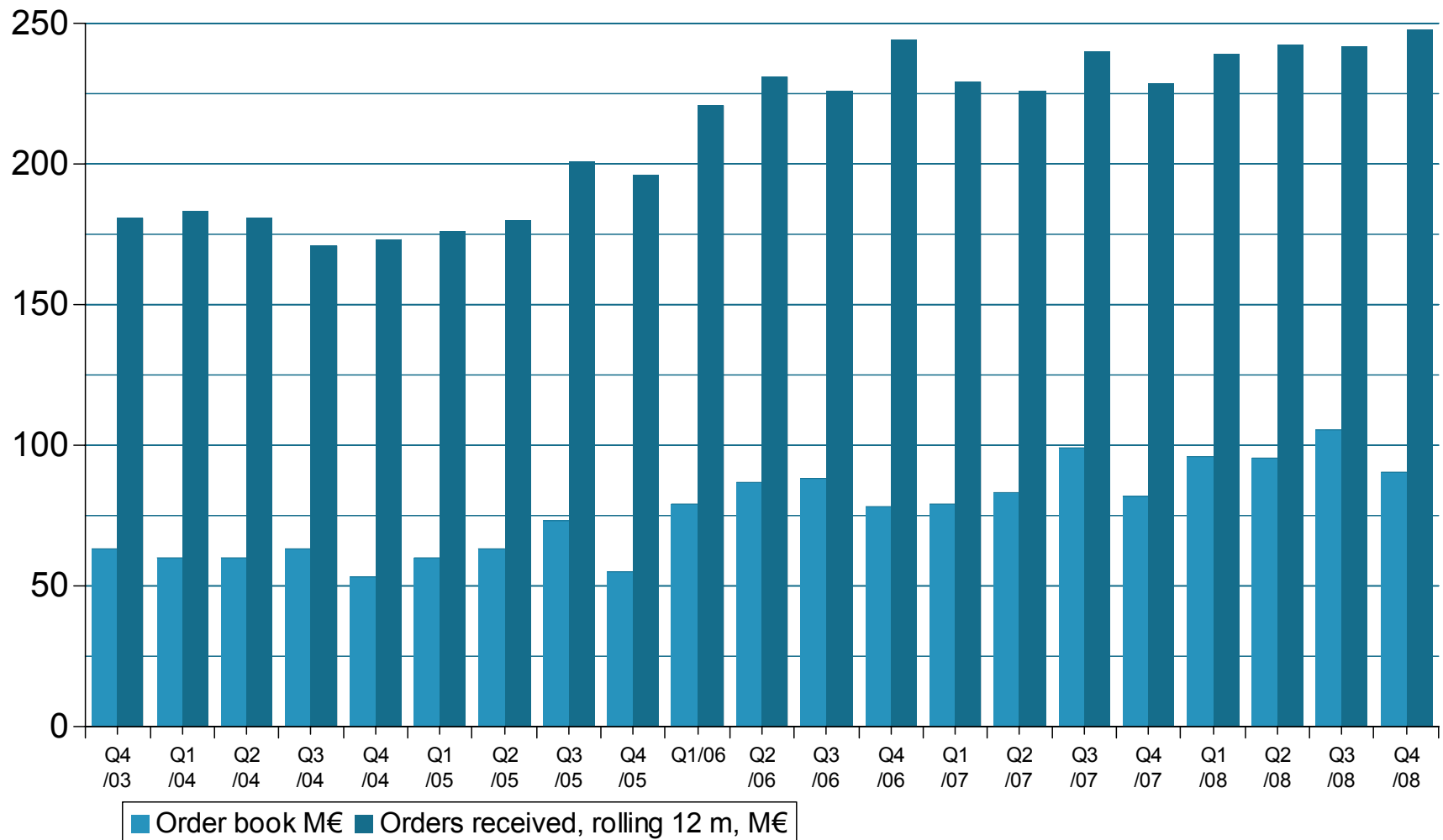
Vaisala Services 2008

- Sales to external customers EUR 27,5 (33,0) million, -16,8%.
 - Operating profit EUR -0,2 (5,7) million.
 - Orders received EUR 25,3 million.
 - Order book EUR 12,9 million.
 - In comparable currencies, net sales would have decreased by 11,0%.
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- Vaisala Services is a new business area and in a strong development phase.
 - Competition in services has tightened during the year.
 - The global development initiatives to improve efficiency and enable growth increased fixed costs.
 - Additionally, the weakening of exchange rates had a negative impact. Over 70% of the net sales of Vaisala Services are in USD or GBP.

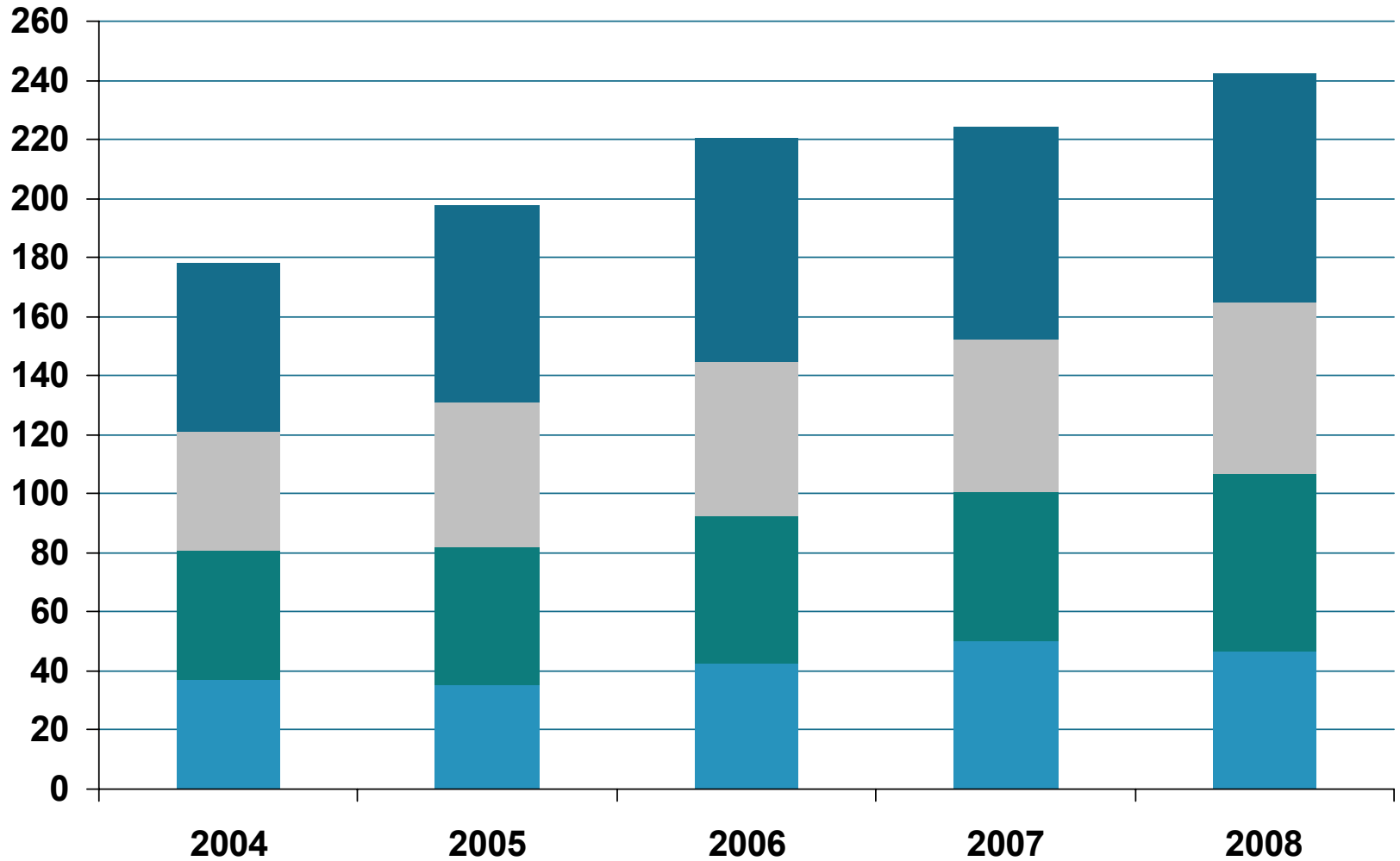
Key figures 1-12/2008

	1-12/2008	1-12/2007	Change
Net sales	242,5 M€	224,1 M€	+8,2%
Operating profit	38,0 M€	35,3 M€	+7,5%
Profit before taxes	38,9 M€	37,0 M€	+5,1%
Net profit	28,4 M€	25,8 M€	+10,0%
Capital expenditure	12,2 M€	7,3 M€	+67,6%
R&D expenditure (of net sales)	10,1%	10,5%	
Orders received	247,9 M€	228,5 M€	+8,5%
Order book	90,3 M€	82,3 M€	
Personnel (average)	1177	1113	+5,7%
Earnings/share	1,56 €	1,42 €	+10,0%
Solvency ratio	82%	83%	
Cash flow from operations/share	1,77 €	1,92 €	

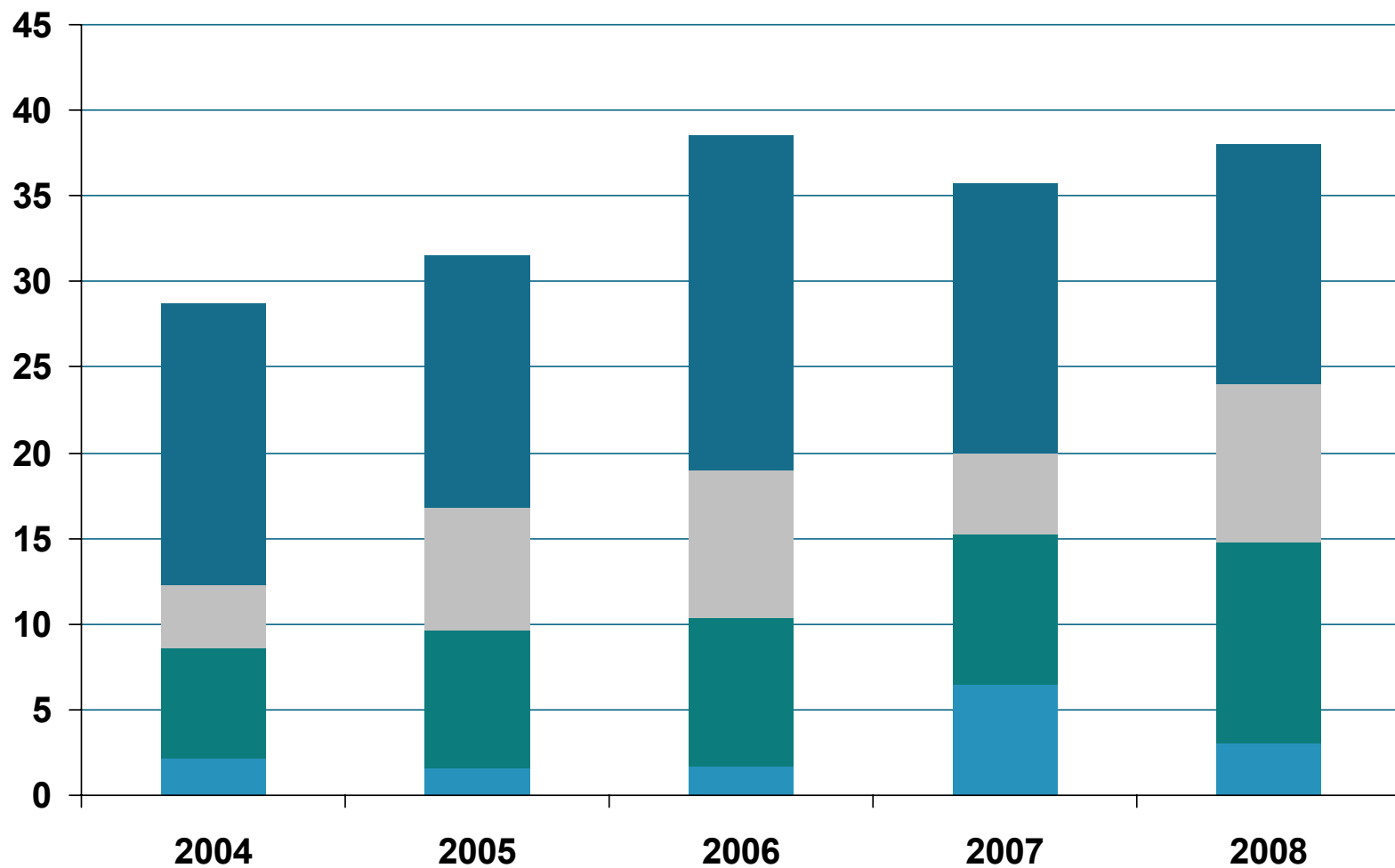
Orders received and order backlog



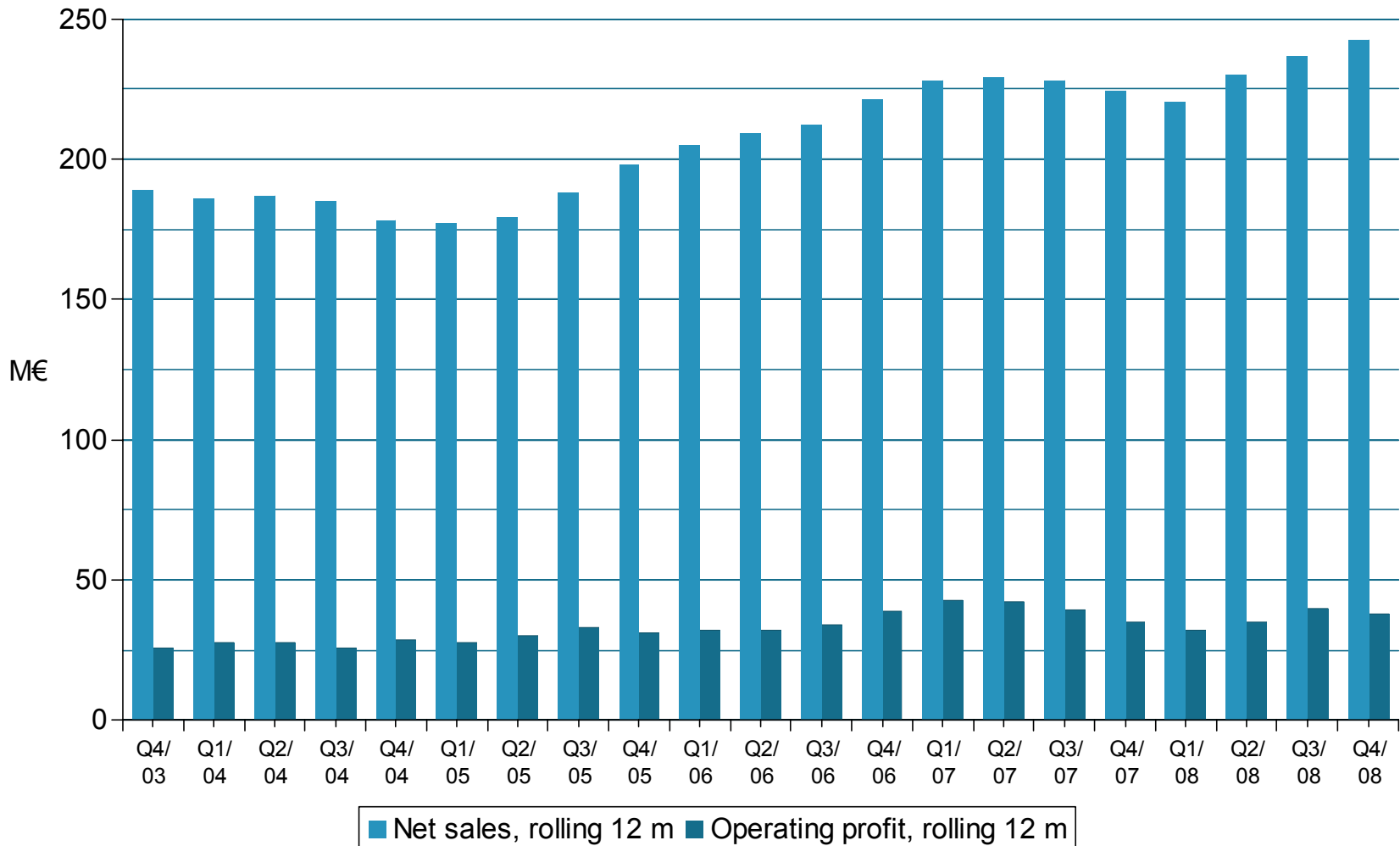
Net sales



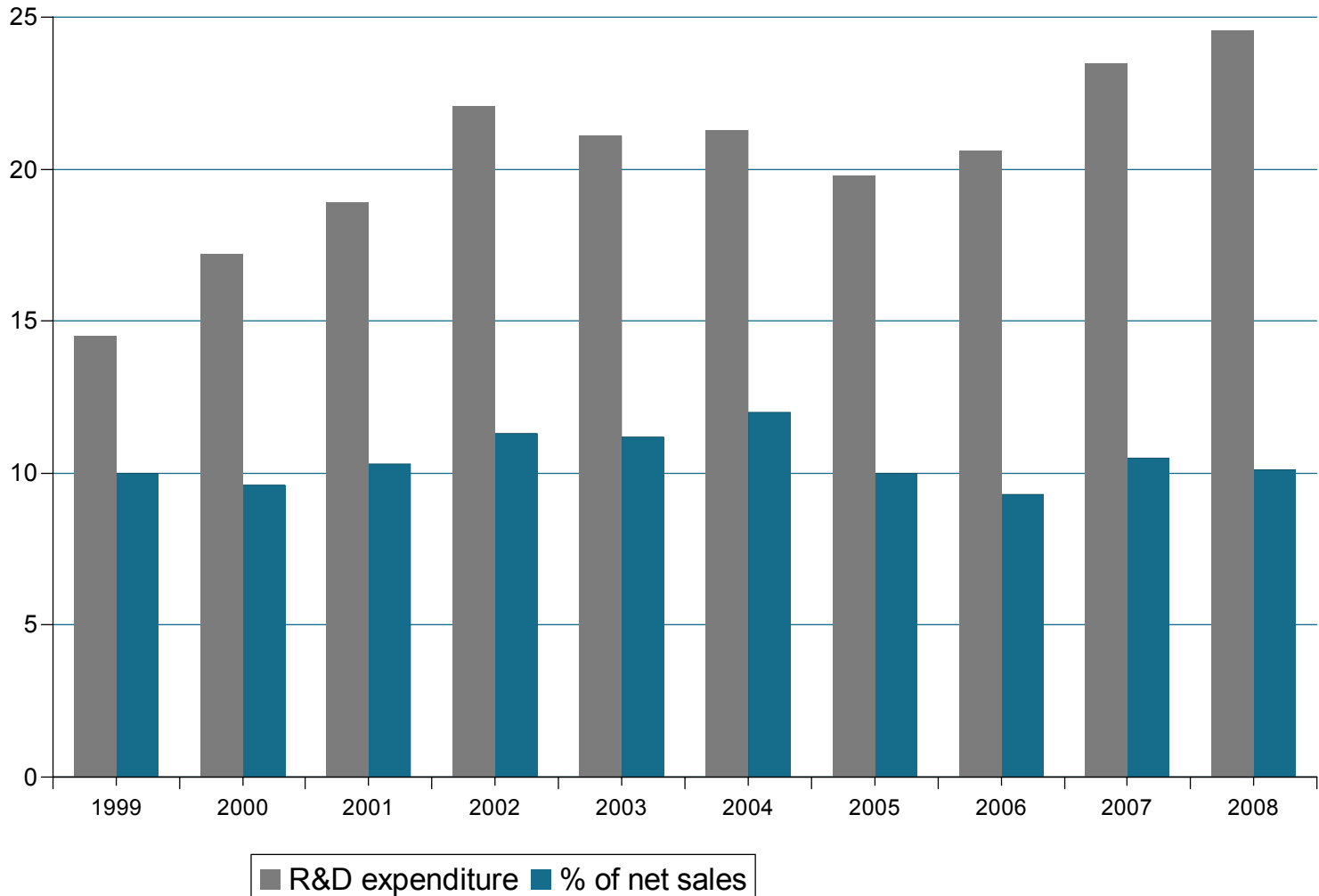
Operating profit



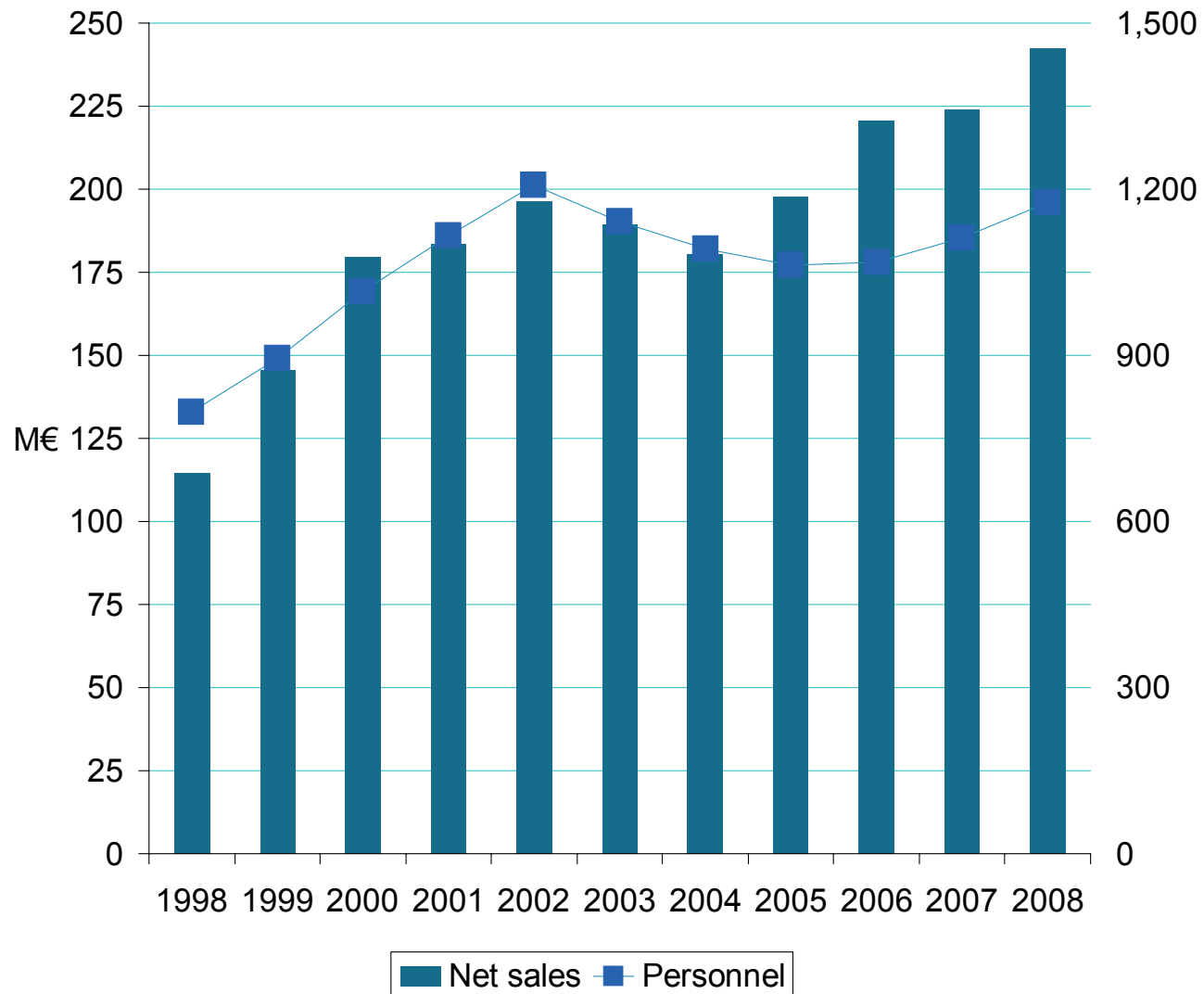
Net sales and operating profit, rolling 12 months



Research and Development

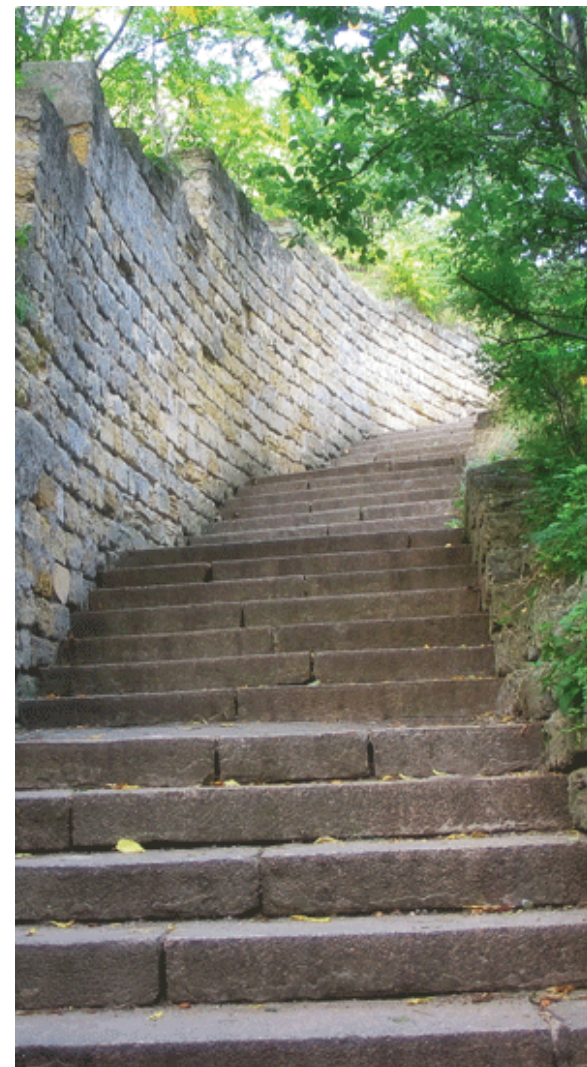


Net sales and average personnel



Outlook

- Instability in the world economy and currency exchange rate changes are expected to continue to affect the result.
- Due to the structure of Vaisala's customer base, the company's market situation is mostly expected to remain unchanged in 2009.
- Vaisala's growth is expected to continue in 2009, but uncertainty towards the end of the year has increased.
- Large seasonal variations are typical of Vaisala's business. Therefore the first quarter will probably be weaker than the subsequent ones.



Income statement and balance sheet

Consolidated income statement (MEUR)

CONSOLIDATED INCOME STATEMENT (IFRS, EUR Million)

	1-12 2008	1-12 2007	Change %	10-12 2008	10-12 2007	Change %
Net sales	242.5	224.1	8.2	77.6	71.9	8.0
Cost of production and procurement	-105.1	-99.6	5.5	-33.6	-32.6	2.8
Gross profit	137.4	124.5	10.3	44.0	39.2	12.3
Other operating income	0.1	0.0	7 000.0	0.0	0.0	
Cost of sales and marketing	-51.5	-46.2	11.4	-15.8	-12.7	24.4
Development costs	-24.6	-23.5	4.8	-7.0	-6.6	5.7
Other administrative costs	-23.4	-19.5	19.9	-7.2	-4.1	73.1
Other operating cost	0.0	0.0		0.0	0.0	-105.0
Operating profit	38.0	35.3	7.5	14.0	15.7	-10.7
Financial income and expenses	0.9	1.6	-46.8	-1.1	0.4	-399.7
Share of results of associated companies	0.0	0.0	3.3	0.0	0.0	1 550.0
Profit before tax	38.9	37.0	5.1	13.0	16.0	-19.1
Income taxes	-10.5	-11.2	-6.0	-2.6	-5.0	-48.3
Profit after tax	28.4	25.8	10.0	10.4	11.0	-5.6
Attributable to Equity holders of the parent	28.4	25.8	10.0	10.4	11.0	-5.6

Consolidated balance sheet / assets

(MEUR)

CONSOLIDATED BALANCE SHEET (EUR million)	31.12.2008	31.12.2007	Change %
ASSETS			
NON-CURRENT ASSETS			
Intangible assets	17.3	17.8	-2.8
Tangible assets	39.1	33.1	17.8
Investments in associates	0.6	0.5	20.2
Other financial assets	0.1	0.0	440.0
Long-term receivables	0.1	0.1	27.1
Deferred tax assets	5.8	4.7	21.8
CURRENT ASSETS			
Inventories	22.8	16.1	41.1
Trade and other receivables	51.7	53.4	-3.0
Accrued income tax receivables	0.8	0.5	58.6
Financial assets recognised at fair value through profit and loss	25.3	42.6	-40.6
Cash and cash equivalents	78.1	56.6	37.8
TOTAL ASSETS	241.7	225.6	7.2

Consolidated balance sheet / equity and liabilities (MEUR)

CONSOLIDATED BALANCE SHEET (EUR million)	31.12.2008	31.12.2007	Change %
SHAREHOLDERS' EQUITY AND LIABILITIES			
Equity attributable to equity holders of the parent			
Share capital	7.7	7.7	0.0
Share issue	0.0	0.0	
Share premium reserve	16.6	16.6	0.0
Reserve fund	0.2	0.1	62.3
Translation differences	-4.1	-5.4	-24.3
Profit from previous years	142.1	131.8	7.8
Own shares	-0.3	-0.3	0.0
Profit for the financial year	28.4	25.8	10.0
Total equity	190.6	176.3	8.1
Long-term liabilities			
Retirement benefit obligations	0.3	0.3	2.9
Interest-bearing liabilities	0.0	0.2	-100.0
Provisions	0.7	0.2	255.2
Deferred tax liabilities	0.4	0.4	-4.6
Current liabilities			
Current portion of long-term borrowings	0.0	0.1	-100.0
Current interest-bearing liabilities	0.2	0.7	-65.9
Advances received	10.3	12.0	-13.6
Accrued income tax payables	1.8	2.5	-27.7
Trade and other payables	37.3	32.9	13.6
TOTAL LIABILITIES	241.7	225.6	7.2