



Vaisala Corporation Stock exchange release August 4, 2011 at 9:00 a.m.

Vaisala Group financial statement bulletin Q2/2011

Net sales at good level. Orders received decreased, order book remains strong. Outlook unchanged.

January - June 2011

Second quarter highlights

- Orders received: EUR 54.8 (63.7) million, decrease 14%.
- Net sales EUR 61.9 (54.7) million, increase 13%.
- Operating result EUR 3.2 (-4.9) million.
- Earnings per share EUR 0.10 (-0.08).

Review period highlights

- Orders received: EUR 111.8 (131.8) million, decrease 15%.
- Net sales EUR 120.8 (104.0) million, increase 16%. Net sales increase 15% compared to proforma* H1/2010 net sales.
- Operating result EUR 2.3 (-11.1) million.
- Earnings per share EUR -0.03 (-0.26).
- Cash flow from business operations EUR 12.7 (9.9) million.
- Cash and cash equivalents EUR 29.8 (34.6) million.

Comments on the Second Quarter

Net sales reached a normalized, good level when compared to the second quarter 2010 which was affected by shipment delays. The operating result improved year on year.

Political instability in some markets and cuts in government spending in many markets had a negative impact on the order intake especially in the weather-related businesses compared to the second quarter of 2010. The order book remained strong.

In the second quarter of 2010, the net sales and result were affected by shipment delays and one-off costs from personnel reductions. The combined one-off impact of these on the net sales was approximately EUR 11 million, and on the operating profit approximately EUR 8 million.

The Controlled Environment and Weather Critical Operations business areas improved their net sales and operating result. The Meteorology business area's net sales decreased but the operating result improved.

Key figures

	1-6 2011 (MEUR)	1-6 2010 (MEUR)	Chang e (%)	4-6 2011 (MEUR)	4-6 2010 (MEUR)	Chang e (%)	1-12 2010 (MEUR)
Group net sales	120.8	104.0	16.1	61.9	54.7	13.1	253.2
Group net sales (proforma*)	120.8	105.4	14.6				254.6
• Meteorology	31.1	31.1	-0.2	16.1	19.1	-15.7	75.2
• Controlled Environment	35.5	26.9	31.7	16.9	13.3	27.4	63.4
• Controlled Environment (proforma*)	35.5	28.3	25.2	16.9	13.3	27.4	64.9
• Weather Critical Operations	54.2	45.9	18.1	28.8	22.3	29.1	114.6
Operating result, Group	2.3	-11.1		3.2	-4.9		11.8
• Meteorology	-3.3	-3.9		0.5	-0.5		2.8
• Controlled Environment	6.0	2.1		2.0	0.6		8.9
• Weather Critical Operations	0.7	-7.3		1.7	-4.1		1.0
Eliminations and other	-1.2	-2.0		-1.1	-1.0		-0.9
Result before taxes	0.0	-7.1		2.6	-2.6		14.0
Net result for review period	-0.5	-4.8		1.8	-1.4		10.2
Orders received	111.8	131.8	-15.2	54.8	63.7	-14.0	286.7
Order book	120.0	123.3		120.0	123.3		129.0
Earnings per share	-0.03	-0.26		0.10	-0.08		0.56
Return on equity (%)	-0.6	-5.4					5.6

* Vaisala acquired Veriteq as part of its Controlled Environment business area on April 1, 2010. The proforma figures for the first half of 2010 and the full year 2010 presented in this release for comparison purposes include the first quarter 2010 figures of Veriteq. For example, references to organic growth are based on comparisons with Vaisala 2010 proforma figures.

President and CEO Kjell Forsén on the second quarter result

“During the first half of the year Vaisala enjoyed growth in both net sales and profitability. Sales growth in our weather business was limited by cuts in governmental spending in many of our markets, and by the political instability of some markets.

Strong growth in the Controlled Environment business area continued, organically 25 percent compared to last year, and the profitability was at a high level. The industrial market remains active and the roll-out of our Life Science portfolio is progressing as planned.

The Weather Critical Operations business area increased their net sales by 18 percent, and this also shows in the improved result. The order intake was slower than expected due to the budget cuts of government customers in many of our markets.

The Meteorology business area suffered from low order intake, for the same reason.

Despite the slower than expected order intake and the increased uncertainty in the markets, the order book remains strong and our guidance for the full year is unchanged.”

Market outlook

Current increased uncertainty in the global economy and shifts in exchange rates are expected to affect especially Vaisala's weather related business. However, based on Vaisala's technology and the structure of Vaisala's customer base, the company's competitive position is expected to remain mostly unchanged in 2011.

The markets of the Controlled Environment business area continue to provide growth opportunities.

Financial guidance

Vaisala expects its net sales in 2011 to grow moderately from the preceding year's proforma net sales. Also the operating profit is expected to improve moderately. Proforma net sales in 2010 were EUR 254.6 million.

Vaisala's long-term business outlook remains unchanged.

New disclosure procedure

Vaisala is now adopting the new disclosure procedure enabled by the Standard 5.2b published by the Finnish Financial Supervision Authority. This is a summary of Vaisala's Q2/2011 Interim Report. The complete report is attached as pdf file to this release and is also available at Vaisala website at www.vaisala.com/investors.

Briefing and webcast

Briefing for analysts and media will be arranged in Hotel Kämp, Paavo Nurmi meeting room, Pohjoisesplanadi 29, Helsinki, starting at 12:00 a.m. Please register to the briefing by email to liisa.ahtiluoto@vaisala.com.

A live audiocast of the presentation of Kjell Forsén, President and CEO of Vaisala, will be sent starting at 12:00 a.m. (GMT +3). The audiocast will be available at www.vaisala.com/investors. It will be recorded and published at 2:00 p.m. (GMT +3) at the same address on the same day.

Further information:

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Vaisala is a global leader in environmental and industrial measurement. Building on 75 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 meteorology, weather critical operations and controlled environments. Headquartered in Finland, Vaisala employs over 1300 professionals worldwide and is listed on the NASDAQ OMX Helsinki. www.vaisala.com

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Key media