



Strong demand and excellent performance continued during third quarter

Interim Report January–September 2021
Kai Öistämö, President and CEO

VAISALA

Strong demand and excellent performance continued

- Order growth strong in both business areas
- Strong profitability despite component availability restrictions
- Business outlook for 2021 net sales and operating result raised

Orders received

109.9 (85.3) MEUR
+29%

Net sales

111.5 (94.0) MEUR
+19%



Highlights of Q3/2021: sustainability recognitions and raised growth ambition



Strong performance across segments

Highlights include industrial instruments, life science, aviation, and renewable energy.



Component situation managed well

Solutions found to most availability issues, shortage expected to continue Q4/21 and H1/22.



Most responsible Finnish stock listed company

In top of Sustainalytics ESG scoring and ranked most responsible among private investors.



New strategy and long-term targets

Updated strategy drives higher growth and increased profitability targets.

Climate
changeRenewable
energyResource
efficiencyWell-being
and health*Observations for a better world*

SUCCESS DRIVERS



Product and
technology leadership
from sensors
to digital solutions



Deep customer
understanding
and application
knowhow

VAISALA

**We provide the world's
most reliable measurements
where it truly matters.**

We actively seek sustainable growth by
solving business-critical challenges,
aiming to be #1 in selected markets.



Scalability in
high-mix,
low-volume
businesses

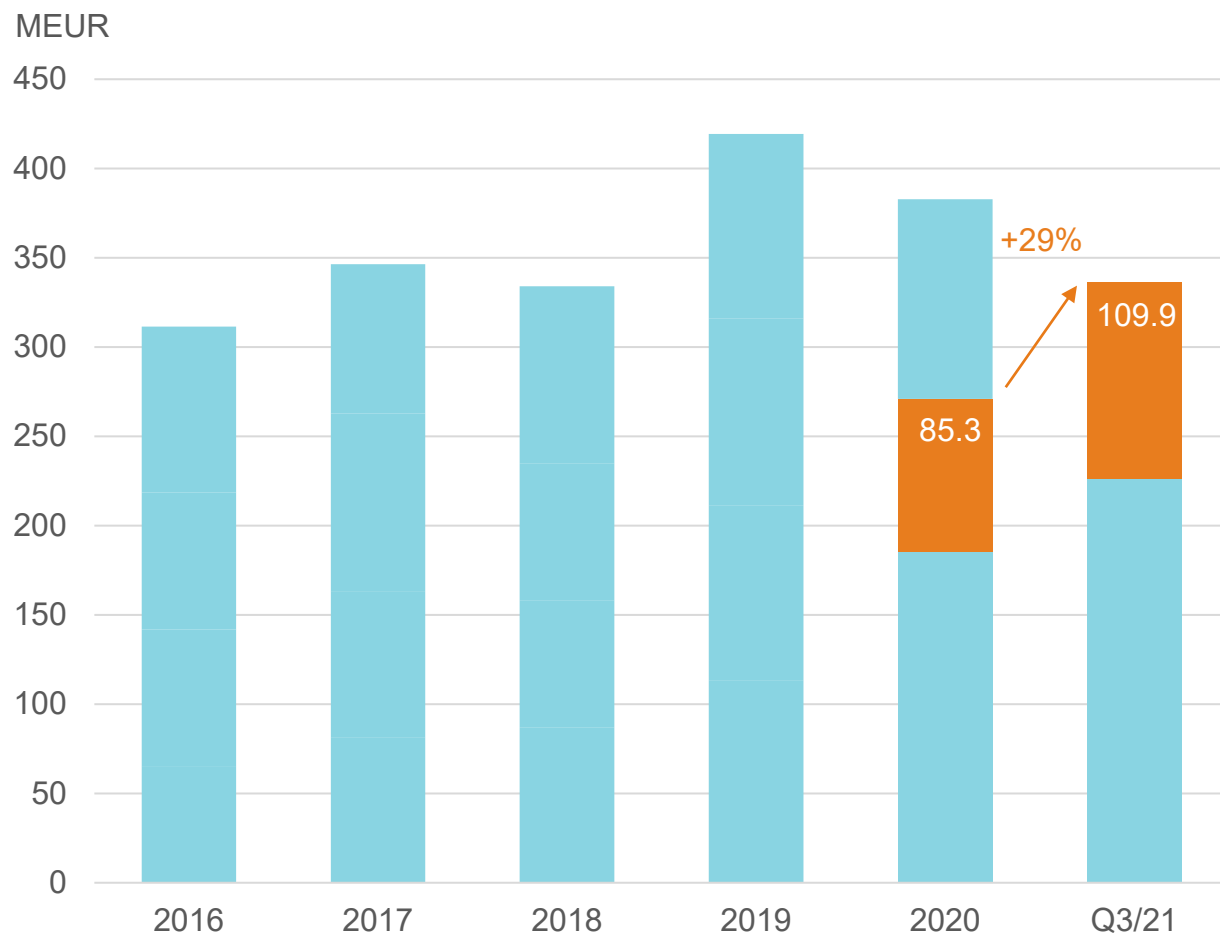


Engaged and
talented people

VALUES

Customer focus | Innovation & renewal | Strong together | Integrity

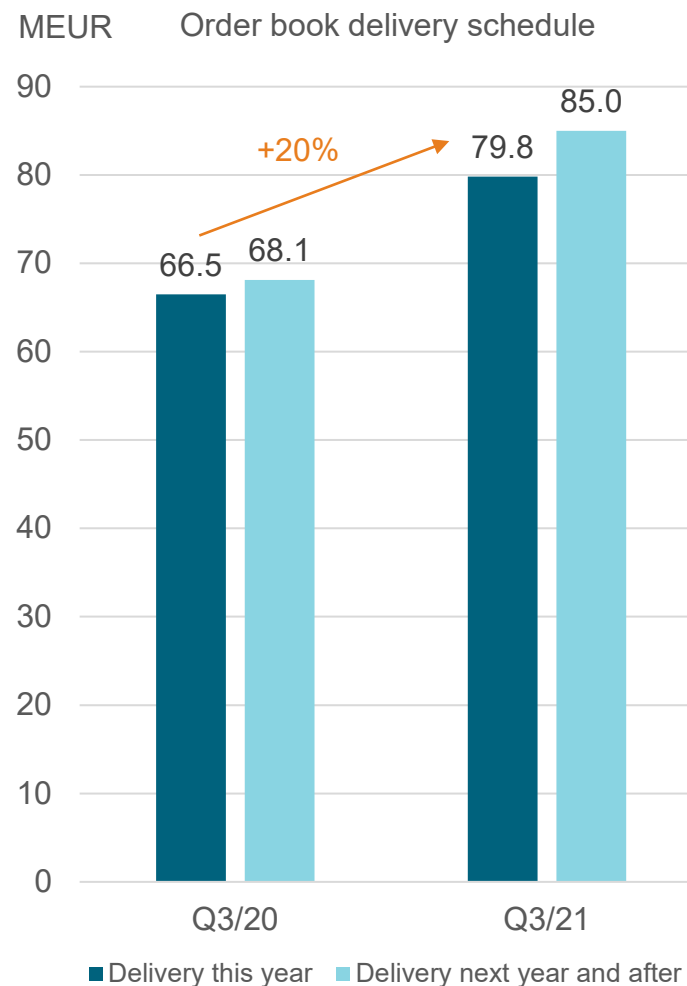
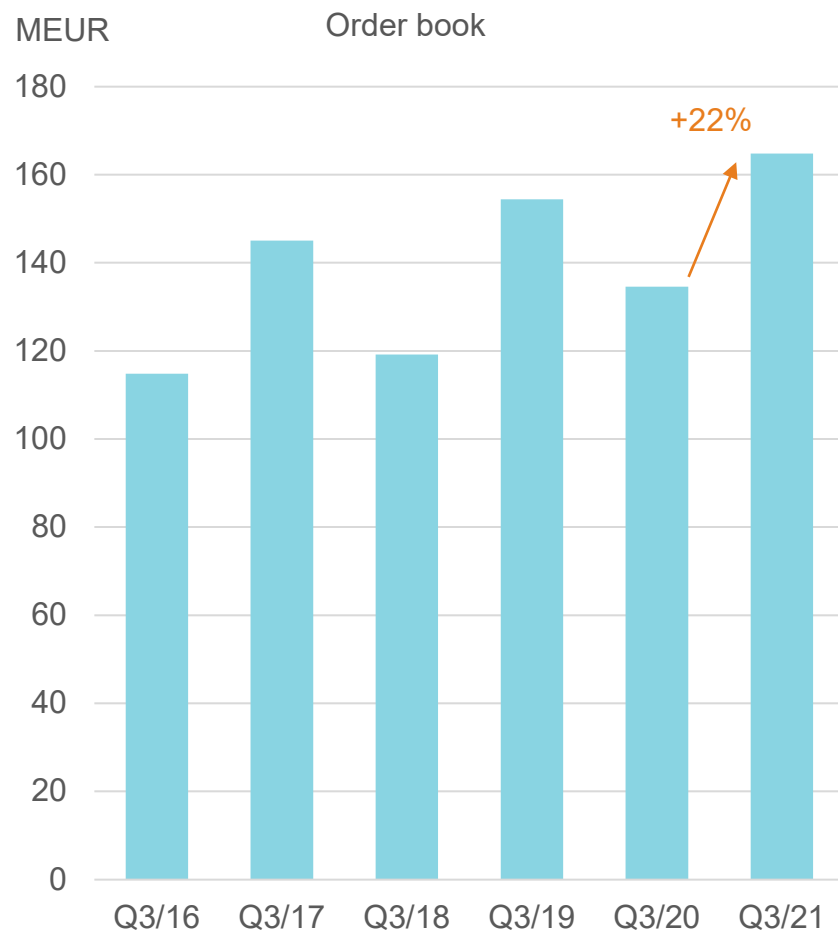
Q3/2021 orders received increased by 29% Y/Y



Increase 28% in constant currencies

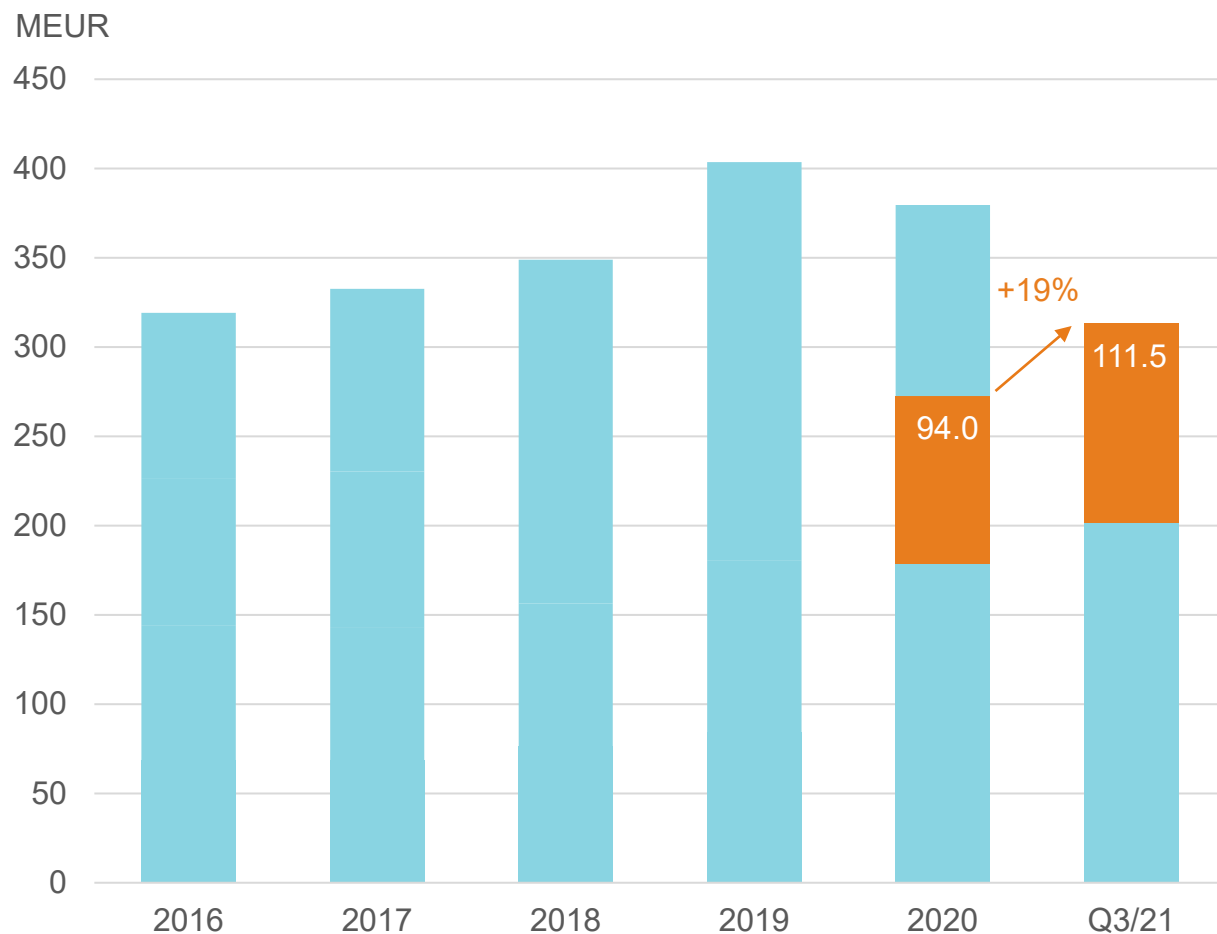
- Increase in both business areas
- Increase in industrial instruments, life science, aviation and renewable energy market segments

Q3/2021 order book increased by 22% Y/Y



- Increase in all market segments in Industrial Measurements
- Increase in renewable energy and meteorology market segments in Weather and Environment
- Order book with delivery this year increased by 20% Y/Y

Q3/2021 net sales grew by 19% Y/Y



Increase 18% in constant currencies

- Growth in both business areas
- Growth in industrial instruments, life science, renewable energy and aviation market segments

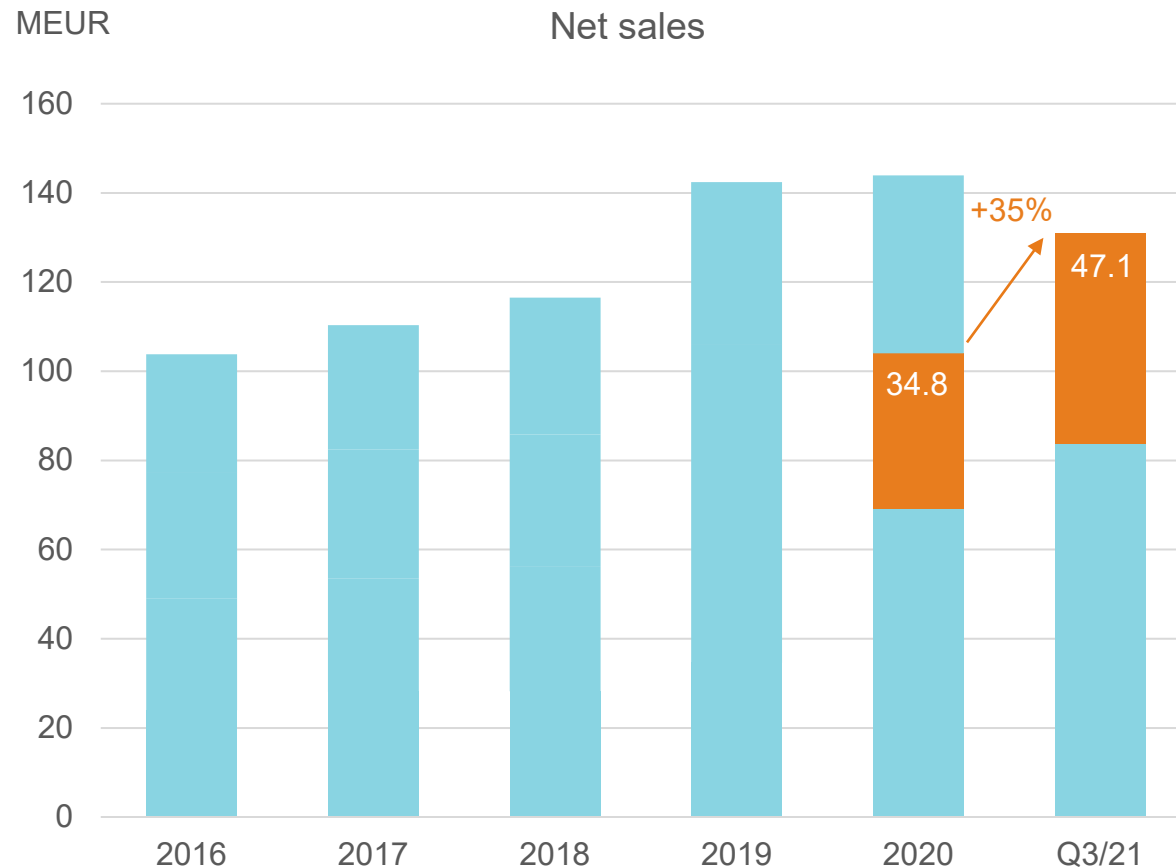
Excellent performance continued

- Orders received increased in all market segments
- Strong demand for industrial instruments and life science continued
- Good progress in power and liquid measurements



Increase 27% in constant currencies

Net sales growth of 35% increased operating result



Increase 35% in constant currencies

- Operating result EUR 14.2 (8.6) million, 30.2 (24.7) % of net sales
 - Operating result included additional material costs from spot purchases
- Net sales growth strong in industrial instruments and life science market segments and good in power industry market segment
- R&D expenditure 10.6% of net sales

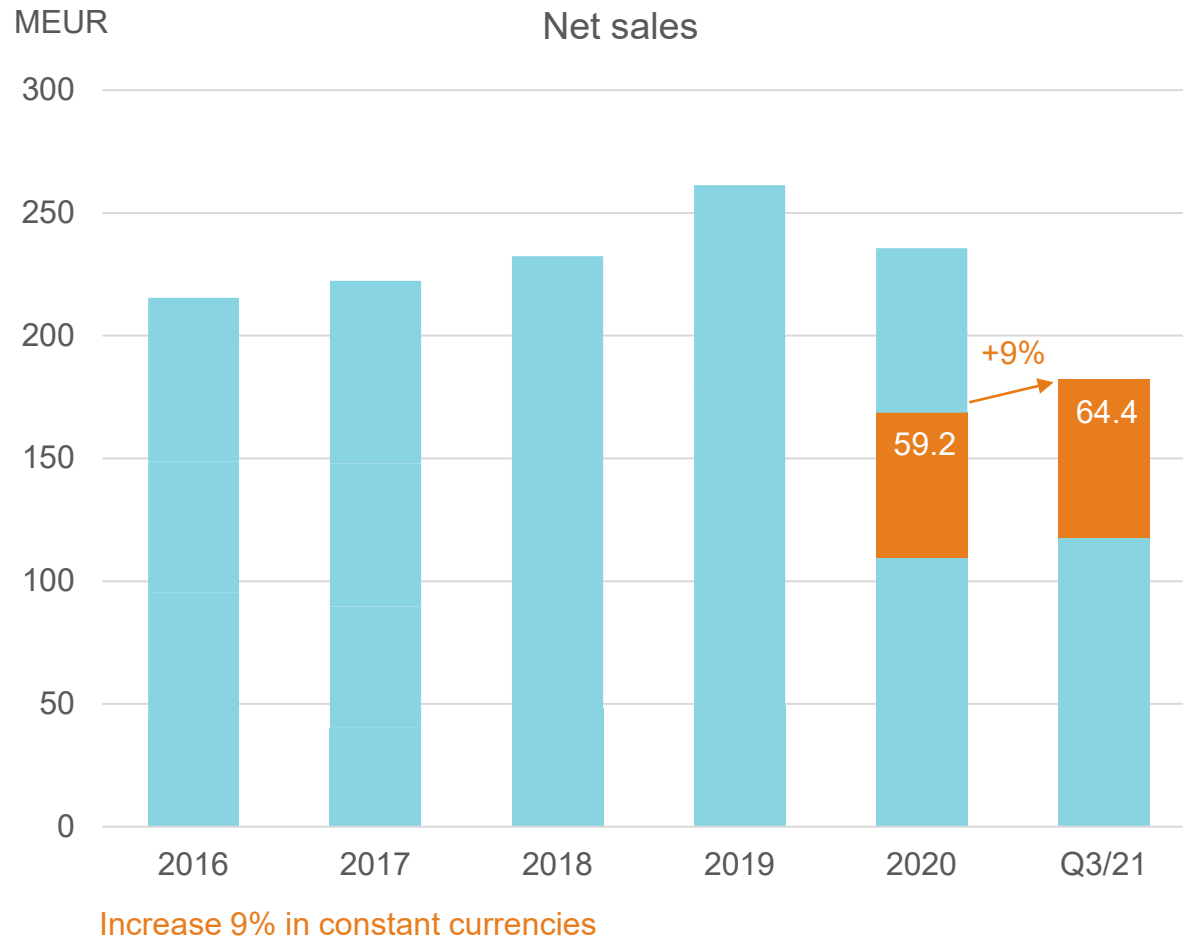
Strong order intake

- Orders received increased strongly in aviation and renewable energy market segments
- Strong increase in project orders



Increase 29% in constant currencies

Operating result burdened by exceptional costs



- Operating result EUR 5.3 (11.1) million, 8.2 (18.7) % of net sales
 - Operating result included EUR 2.3 million exceptional costs
- Net sales grew in renewable energy and aviation market segments
 - Project business net sales increased
- R&D expenditure 11.7% of net sales

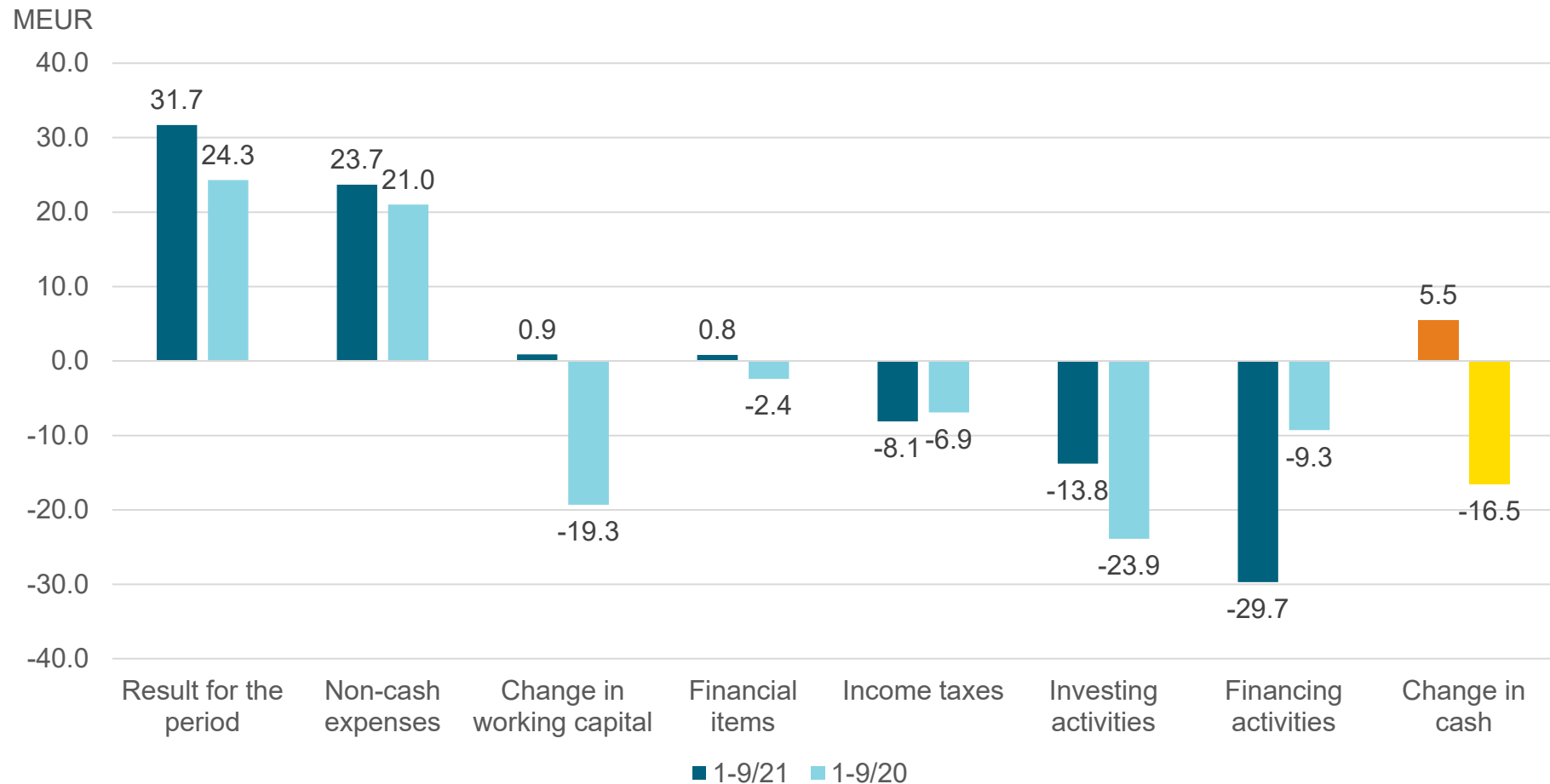
1-9/2021 financials

1-9/2021 operating result 12.2% of net sales

MEUR	1-9/ 2021	1-9/ 2020	2020
Net sales	312.9	272.6	379.5
Cost of goods sold	-137.6	-119.4	-166.6
Gross profit	175.3	153.2	212.9
Operating expenses	-132.7	-121.3	-169.2
Other operating income and expenses	-4.3	0.6	1.1
Operating result	38.3	32.6	44.8
Share of result in associated company	-	-	0.2
Financial income and expenses	-1.5	-2.4	-3.6
Result before taxes	36.8	30.1	41.3
Income taxes	-5.1	-5.8	-8.5
Result for the period	31.7	24.3	32.8

- 1-9/2021 net sales growth 15%
 - Growth in constant currencies 17%
- Operating result increased following growth in net sales
 - Operating result included EUR 5.8 million exceptional costs
- Gross margin at previous year's level 56.0 (56.2) %
- EPS 0.87 (0.68) EUR

1-9/2021 cash flow from operating activities 48.9 MEUR



Cash flow improvement driven by:

- ✓ Higher result for the period
- ✓ Positive impact of net working capital
- ✓ Lower capex level

Cash and cash equivalents:

- End Q3/2021: 51.9 MEUR
- End Q4/2020: 45.4 MEUR
- End Q3/2020: 39.1 MEUR



Strong financial position

MEUR	1-9/ 2021	1-9/ 2020	2020
Equity per share	6.04	5.47	5.70
Return on equity %	19.9	16.4	16.3
Solvency ratio %	58.2	56.3	59.0
Capital expenditure	13.9	24.0	31.0
Cash and cash equivalents	51.9	39.1	45.4
Interest-bearing liabilities	50.7	67.7	57.0
Gearing %	-0.6	14.5	5.7



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Market development and business outlook



Market development

Global economy is expected to continue to recover, however, component shortage is expected to continue during the fourth quarter and the first half of next year.

Growth

High-end industrial instruments

Life science

Power industry

Renewable energy

Recovery

Liquid measurements

Meteorology, developing countries

Aviation

Stable

Meteorology, developed countries

Ground transportation

Business outlook for 2021

Raised October 19, 2021

Net sales

Vaisala estimates that its full-year 2021 net sales will be in the range of **EUR 425–440 million**

Operating result (EBIT)

Vaisala estimates that its full-year 2021 operating result (EBIT) will be in the range of **EUR 48–58 million**



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