

Vaisala Corporation Interim Report January–March 2023

Year started with strong demand

First quarter 2023 highlights

- Orders received EUR 132.0 (118.8) million, increase 11%
- Order book at the end of the period EUR 163.7 (146.1) million, increase 12%
- Net sales EUR 131.8 (118.8) million, increase 11%
- Operating result (EBIT) EUR 13.3 (17.5) million, 10.1 (14.8) % of net sales
- Earnings per share EUR 0.27 (0.38)
- Cash flow from operating activities EUR 26.9 (9.6) million

Market development and business outlook for 2023

Markets for high-end industrial instruments, life science, power and energy, and liquid measurements are expected to grow.

Markets for renewable energy as well as roads and automotive are expected to grow. Market for aviation is expected to be stable or to grow. Market for meteorology is expected to be stable.

Uncertainty in the business environment is high due to weak economic outlook and high inflation. The war in Ukraine and sanctions against Russia are not expected to have direct material impact on Vaisala's operations, financial position or cash flow. The availability of components is expected to normalize during the first half of 2023.

Vaisala continues to estimate that its full-year 2023 net sales will be in the range of EUR 530–570 million and its operating result (EBIT) will be in the range of EUR 70–85 million.

Vaisala's President and CEO Kai Öistämö

"Vaisala's year 2023 started with strong demand. Market activity remained high despite the uncertainty in the business environment.

Our order intake grew by 11% and growth was strong in both business areas. This time meteorology was the strongest market segment followed by industrial instruments as well as roads and automotive. Orders for life science market segment decreased somewhat from previous year due to variation between quarters, while outlook for the market segment's growth remains strong.

Industrial Measurements business area's net sales growth was again strong 19% compared to previous year. Net sales grew in all market segments and especially industrial instruments continued its strong performance. Weather and Environment business area's net sales grew by 5%, growth coming mainly from roads and automotive market segment. Subscription sales, which is strategic growth area in Weather and Environment, increased by 27% following acquisition of AerisWeather and successful launch of Vaisala Xweather last year.

Our operating result was 10.1% of net sales. Operating result margin decreased from previous year due to higher operating expenses. The personnel investments made during last year, especially in R&D as well as in

sales and marketing, increased our operating expense level. I am confident that these investments will bring added value in the future despite the impact on first quarter's result.

The uncertainty in the business environment remains high. The availability of components is expected to normalize during the first half of 2023. We continue to estimate that our full-year 2023 net sales will be in the range of EUR 530–570 million and operating result (EBIT) to be in the range of EUR 70–85 million.”

Key figures				
MEUR	1-3/ 2023	1-3/ 2022	Change	1-12/ 2022
Orders received	132.0	118.8	11%	500.8
Order book	163.7	146.1	12%	154.6
Net sales	131.8	118.8	11%	514.2
Gross profit	73.9	66.8	11%	282.0
Gross margin, %	56.1	56.2		54.8
Operating expenses	60.7	49.4	23%	219.7
Operating result	13.3	17.5		62.5
Operating result, %	10.1	14.8		12.2
Result before taxes	12.5	17.4		59.6
Result for the period	9.6	13.8		45.1
Earnings per share	0.27	0.38	-29%	1.24
Return on equity, %	16.0	24.8		18.7
Research and development costs	17.9	14.6	22%	62.4
Capital expenditure	3.1	3.5	-12%	13.7
Depreciation, amortization, and impairment	5.9	5.6	5%	23.6
Cash flow from operating activities	26.9	9.6	179%	29.8
Cash and cash equivalents	75.4	70.5	7%	55.5
Interest-bearing liabilities	60.4	59.7	1%	63.4
Gearing, %	-6.5	-5.0		3.2

As of the beginning of 2023, Weather and Environment business area's subscription business has been excluded from orders received and order book. Comparison period has been reported accordingly.

Financial review Q1/2023

Orders received and order book

MEUR	1-3/ 2023	1-3/ 2022	Change	FX*	1-12/ 2022
Orders received	132.0	118.8	11%	11%	500.8
Order book, end of period	163.7	146.1	12%		154.6

* Change with comparable exchange rates

First quarter 2023 orders received increased by 11% compared to previous year and totaled EUR 132.0 (118.8) million. Orders received grew in both business areas. Orders received grew very strongly in meteorology, roads and automotive as well as in industrial instruments market segments.

At the end of March 2023, order book amounted EUR 163.7 (146.1) million and increased by 12% compared to previous year. Order book increased in both business areas. EUR 130.9 (115.0) million of the order book is scheduled to be delivered in 2023.

Financial performance

MEUR	1-3/ 2023	1-3/ 2022	Change	FX**	1-12/ 2022
Net sales	131.8	118.8	11%	11%	514.2
Product sales	99.1	88.1	12%		375.5
Project sales	14.8	15.8	-6%		73.5
Service sales	9.3	8.0	17%		35.0
Subscription sales	8.2	6.4	27%		28.4
Lease income	0.4	0.5	-19%		1.7
Gross margin, %	56.1	56.2			54.8
Operating result	13.3	17.5			62.5
% of net sales	10.1	14.8			12.2
R&D costs	17.9	14.6	22%		62.4
Amortization*	2.1	2.0			8.2

* Amortization of intangible assets related to the acquired businesses

** Change with comparable exchange rates

First quarter 2023 net sales increased by 11% compared to previous year and were EUR 131.8 (118.8) million. In constant currencies, net sales increased by 11%. Net sales grew in both business areas. Net sales increased strongly in industrial instruments, life science as well as in roads and automotive market segments.

Gross margin was at previous year's level 56.1 (56.2) %. Additional costs related to component spot purchases had a 1.3 (0.4) percentage point negative impact on gross margin.

First quarter 2023 operating result decreased compared to previous year and was EUR 13.3 (17.5) million, 10.1 (14.8) % of net sales. Operating expenses increased due to investments in sales and marketing as well as in R&D and IT system renewal.

First quarter 2023 financial income and expenses were EUR -0.8 (-0.2) million. This was mainly a result of valuation of foreign currency denominated receivables and currency hedging. Income taxes were EUR 2.9 (3.6) million and estimated effective tax rate for the whole year was 23.0 (20.6) %. Result before taxes was EUR 12.5 (17.4) million and result for the period EUR 9.6 (13.8) million. Earnings per share was EUR 0.27 (0.38).

Statement of financial position, cash flow and financing

Vaisala's financial position remained strong during January–March 2023. At the end of March, statement of financial position totaled EUR 443.2 (Dec 31, 2022: 439.2) million. Cash and cash equivalents totaled EUR 75.4 (Dec 31, 2022: 55.5) million. Dividend liability, decided by the Annual General Meeting on March 28, 2023, totaled EUR 26.1 million.

In January–March 2023, cash flow from operating activities increased to EUR 26.9 (9.6) million. This was mainly a result of decrease in trade receivables.

On March 31, 2023, Vaisala had interest-bearing borrowings totaling EUR 49.9 (Dec 31, 2022: 52.5) million. EUR 40.0 million of the interest-bearing borrowings related to a term loan, which has a financial covenant (gearing) tested semi-annually. For short term liquidity purposes, Vaisala had issued domestic commercial papers totaling EUR 9.9 (Dec 31, 2022: 12.5) million on March 31, 2023. Vaisala has also a EUR 50 million committed revolving credit facility, which was undrawn on March 31, 2023. In addition, interest-bearing lease liabilities totaled EUR 10.4 (Dec 31, 2022: 10.9) million.

Capital expenditure

In January–March 2023, capital expenditure in intangible assets and property, plant, and equipment totaled EUR 3.1 (3.5) million. Capital expenditure was mainly related to investments in machinery and equipment to develop and maintain Vaisala's production, R&D, and service operations as well as facilities.

Depreciation, amortization, and impairment were EUR 5.9 (5.6) million. This included EUR 2.1 (2.0) million of amortization of identified intangible assets related to the acquired businesses.

Personnel

The average number of personnel employed during January–March 2023 was 2,266 (2,021). At the end of March 2023, the number of employees was 2,287 (Dec 31, 2022: 2,235). 77 (77) % of employees were located in EMEA, 16 (16) % in Americas and 8 (8) % in APAC. 66 (66) % of employees were based in Finland.

Q1/2023 review by business area

Industrial Measurements business area

MEUR	1-3/ 2023	1-3/ 2022	Change	FX**	1-12/ 2022
Orders received	59.9	54.7	9%	10%	234.2
Order book, end of period	38.6	35.1	10%		41.8
Net sales	63.0	53.1	19%	19%	225.6
Product sales	58.2	49.0	19%		208.1
Service sales	4.8	4.1	18%		17.5
Gross margin, %	62.6	64.3			61.9
Operating result	15.0	14.6			51.5
of net sales, %	23.8	27.5			22.8
R&D costs	7.1	5.8	22%		25.3
Amortization*	0.4	0.4			1.7

* Amortization of intangible assets related to the acquired businesses

** Change with comparable exchange rates

Q1/2023 review

Industrial Measurements business area's first quarter 2023 orders received increased by 9% compared to previous year totaling EUR 59.9 (54.7) million. Orders received grew in industrial instruments, liquid measurements as well as in power and energy market segments, whereas orders received in life science market segment decreased somewhat from previous year. Growth of orders received was very strong in industrial instruments market segment.

At the end of March 2023, Industrial Measurements business area's order book amounted to EUR 38.6 (35.1) million and increased by 10% compared to previous year. EUR 34.7 (32.3) million of the order book is scheduled to be delivered in 2023. Order book increased in industrial instruments as well as in power and energy market segments, whereas order book decreased somewhat in life science and liquid measurements market segments.

First quarter 2023 net sales were EUR 63.0 (53.1) million and increased by 19% compared to previous year. In constant currencies, net sales increased by 19%. Net sales grew in all market segments and growth was very strong in industrial instruments, life science as well as in power and energy market segments.

Gross margin decreased compared to previous year and was 62.6 (64.3) %. Additional costs related to component spot purchases had a 1.7 (0.6) percentage point negative impact on gross margin.

Industrial Measurements business area's first quarter 2023 operating result increased compared to previous year following growth in net sales and totaled EUR 15.0 (14.6) million, 23.8 (27.5) % of net sales. Operating expenses increased due to investments in sales and marketing as well as in R&D and IT system renewal.

Weather and Environment business area

MEUR	1-3/ 2023	1-3/ 2022	Change	FX**	1-12/ 2022
Orders received	72.1	64.0	13%	12%	266.6
Order book, end of period	125.1	111.0	13%		112.8
Net sales	68.8	65.7	5%	4%	288.6
Product sales	40.9	39.1	5%		167.4
Project sales	14.8	15.8	-6%		73.5
Service sales	4.5	3.9	15%		17.5
Subscription sales	8.2	6.4	27%		28.4
Lease income	0.4	0.5	-19%		1.7
Gross margin, %	50.2	49.7			49.3
Operating result	-1.7	2.9			11.1
of net sales, %	-2.5	4.4			3.8
R&D costs	10.8	8.8	23%		37.2
Amortization*	1.7	1.6			6.6

* Amortization of intangible assets related to the acquired businesses

** Change with comparable exchange rates

Q1/2023 review

Weather and Environment business area's first quarter 2023 orders received increased by 13% compared to previous year and totaled EUR 72.1 (64.0) million. Orders received grew very strongly in meteorology as well as in road and automotive market segments, whereas orders received in renewable energy market segment decreased. Orders received for aviation market segment were at previous year's level.

At the end of March 2023, Weather and Environment business area's order book amounted to EUR 125.1 (111.0) million and increased by 13% compared to previous year. EUR 96.1 (82.7) million of the order book is scheduled to be delivered in 2023. Order book increased in all market segments.

First quarter 2023 net sales were EUR 68.8 (65.7) million and increased by 5% compared to previous year. In constant currencies, net sales increased by 4%. Net sales growth was very strong in roads and automotive market segment. Net sales grew in renewable energy market segment and decreased in meteorology and aviation market segments.

Gross margin improved compared to previous year and was 50.2 (49.7) %. Additional costs related to component spot purchases had a 0.9 (0.2) percentage point negative impact on gross margin. Underlying gross margin for product sales and subscription sales improved compared to previous year.

Weather and Environment business area's first quarter 2023 operating result decreased compared to previous year and totaled EUR -1.7 (2.9) million, -2.5 (4.4) % of net sales. Operating expenses increased due to investments in sales and marketing as well as in R&D and IT system renewal.

Annual General Meeting 2023

Vaisala Corporation's Annual General Meeting was held on March 28, 2023. 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, 2022.

Dividend

The Annual General Meeting decided a dividend of EUR 0.72 per share. The record date for the dividend payment was March 30, 2023, and the payment date was April 12, 2023.

Board of Directors

The Annual General Meeting confirmed that the number of Board members is eight. Petri Castrén, Antti Jääskeläinen, Petra Lundström, Jukka Rinnevaara, Kaarina Ståhlberg, Tuomas Syrjänen, Raimo Voipio and Ville Voipio will continue as members 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 55,000 and each Board member EUR 40,000 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 People and Sustainability Committee, the Nomination Committee and any other committee established by the Board of Directors for a term until the close of the Annual General Meeting in 2024. The meeting fees are paid in cash. Possible travel expenses are reimbursed according to the travel policy of the company.

Auditor

The Annual General Meeting elected PricewaterhouseCoopers Oy as the auditor of the company and APA Niina Vilske will act as the auditor with the principal responsibility. The Auditors are reimbursed according to invoice presented to the company.

Proposal by the Board of Directors to amend the articles of association

The Annual General Meeting resolved to amend the articles of association so that the § 6 of Articles of Association stipulates that the term of Board members from now on terminates on the closing of the first Annual General Meeting, and the number of board members is 6–9, and § 13 of Articles of Association stipulates that a general meeting can be organized without a meeting venue as a so-called remote meeting.

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 800,000 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 September 28, 2024.

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 935,976 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 September 28, 2024. The authorization for the company's incentive program shall however be valid until March 28, 2027.

The organizing meeting of the Board of Directors

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

Kaarina Ståhlberg was elected as the Chair and Petri Castrén, Antti Jääskeläinen and Raimo Voipio as members of the Audit Committee. Ville Voipio was elected as the Chair and Petra Lundström, Jukka Rinnevaara and Tuomas Syrjänen as members of the People and Sustainability Committee. Ville Voipio was elected as the Chair and Petra Lundström, Kaarina Ståhlberg and Raimo Voipio as members of the Nomination Committee. The Chair and all members of the Audit Committee, People and Sustainability Committee as well as Nomination 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 March 31, 2023. Vaisala has 36,436,728 shares, of which 6,731,092 are series K shares and 29,705,636 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 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–March 2023, a total of 600,138 series A shares with a value totaling EUR 24.1 million were traded on the Nasdaq Helsinki Ltd. The closing price of the series A share on the Nasdaq Helsinki stock exchange was EUR 39.75. Shares registered a high of EUR 43.45 and a low of EUR 37.70. Volume-weighted average share price was EUR 40.12.

The market value of series A shares on March 31, 2023, was EUR 1,175.4 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 March, the total market value of all the series A and series K shares together was EUR 1,443.0 million, excluding company's treasury shares.

Treasury shares

In March 2023, a total of 72,511 of Vaisala Corporation's treasury shares were conveyed without consideration to the 43 key employees participating in the Performance Share Plan 2020–2022 under the terms and conditions of the plan. The directed share issue was based on an authorization given by the Annual General Meeting held on March 29, 2022.

Following this directed share issue, the number of series A treasury shares on March 31, 2023, was 135,976, which represents 0.5% of series A shares and 0.4% of total shares.

Shareholders

At the end of March 2023, Vaisala had 14,002 (13,194) registered shareholders. Ownership outside of Finland and nominee registrations represented 21.3 (20.7) % of the company's shares. Households owned 40.5 (40.4) %, private companies 12.8 (12.8) %, financial and insurance institutions 11.5 (12.2) %, non-profit organizations 10.1 (10.5) % and public sector organizations 3.9 (3.4) % of the shares.

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

Events after reporting period

On March 31, 2023, Vaisala signed a EUR 50 million unsecured term loan agreement with one of its core banks in order to refinance the term loan, EUR 40 million. On April 5, 2023, EUR 50 million loan was fully utilized, and EUR 40 million loan was repaid.

This new loan matures in three years from the signing date and has a financial covenant (gearing), which is tested semi-annually. This facility will be used for refinancing of existing indebtedness as well as for general corporate and working capital purposes.

Near-term risks and uncertainties

The war in Ukraine will affect economic situation especially in Europe and increase risk of achieving Vaisala's financial targets. Impact of COVID-19 on Vaisala's business is depending on development of possible new virus variants and regional outbreaks.

Vaisala's delivery capability may deteriorate due to disruptions in suppliers' operations, Vaisala's production or project delivery operation, or disruptions in incoming and/or outgoing logistics. Industrial actions in Finland may cause disruptions in Vaisala's operations and deteriorate Vaisala's delivery capability. Component shortage may cause delays or interruptions in deliveries or generate additional material costs. Cyber risk and downtime of IT systems may impact operations and delivery capability.

New and changing regulations impacting product acceptance, operation's capability to meet changing compliance requirements, and changes in international trade policies may cause delays or interruptions in supply chain. Customers' preference for local manufacturing may reduce demand for Vaisala's products and services. Customers' budgetary constraints, complex decision-making processes, and missing financing solutions may postpone closing of infrastructure contracts in Weather and Environment business area.

Further information about risk management and risks are available on Annual Report's Corporate Governance/Risk management section and on the company's website at vaisala.com.

Financial calendar 2023

Half Year Financial Report 2023, July 28, 2023

Interim Report January–September 2023, October 27, 2023

Vantaa, May 4, 2023

Vaisala Corporation
Board of Directors

The forward-looking statements in this report 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 2022. 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. The 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.

New and amended IFRS standards effective for the year 2023

Amendments to IAS 1, IAS 1 and IFRS Practice Statement 2 as well as IAS 8 have been adopted from January 1, 2023. The adoption of these amendments is not expected to have an impact on the group's consolidated financial statements in future periods.

Amendments to IAS 12 Income Taxes: Deferred Tax related to Assets and Liabilities arising from a Single Transaction

The amendments are effective for annual reporting periods beginning on or after January 1, 2023. Vaisala has applied the amendments in accordance with transition rule with the effect of initial application recognized as of January 1, 2022.

The amendments introduce a further exception from the initial recognition exemption. Under the amendments, an entity does not apply the initial recognition exemption for transactions that give rise to equal taxable and deductible temporary differences. Following the amendments to IAS 12, an entity is required to recognize the related deferred tax asset and liability, with the recognition of any deferred tax asset being subject to the recoverability criteria in IAS 12.

The amendments apply to transactions that occur on or after the beginning of the earliest comparative period presented. In addition, at the beginning of the earliest comparative period an entity recognizes:

- A deferred tax asset and a deferred tax liability for all deductible and taxable temporary differences associated with:
 - o Right-of-use assets and lease liabilities
 - o Decommissioning, restoration and similar liabilities and the corresponding amounts recognized as part of the cost of the related asset
- The cumulative effect of initially applying the amendments as an adjustment to the opening balance of retained earnings (or other component of equity, as appropriate) at that date

Table below presents year 2022 quarterly comparative figures after amendments described above:

	1-3/ 2022		4-6/ 2022		7-9/ 2022		10-12/ 2022		1-12/ 2022	
	Earlier reported	Restated	Earlier reported	Restated	Earlier reported	Restated	Earlier reported	Restated	Earlier reported	Restated
EUR million										
Income taxes	-3.6	-3.6	-3.1	-3.1	-4.7	-4.7	-3.2	-3.2	-14.5	-14.5
Result for the period	13.8	13.8	6.2	6.2	16.1	16.1	9.0	9.0	45.0	45.1
Attributable to										
Owners of the parent										
company	13.6	13.6	6.4	6.4	16.1	16.1	9.0	9.0	45.0	45.0
Non-controlling interests	0.2	0.2	-0.2	-0.2	0.0	0.0	0.0	0.0	0.0	0.0
Comprehensive income for the period	15.2	15.2	10.4	10.4	20.7	20.7	1.0	1.0	47.3	47.3
Attributable to										
Owners of the parent										
company	15.0	15.0	10.6	10.6	20.7	20.7	1.0	1.0	47.3	47.3
Non-controlling interests	0.2	0.2	-0.2	-0.2	0.0	0.0	0.0	0.0	0.0	0.0
Retained earnings	206.8	206.6	213.9	213.7	230.0	229.7	238.7	238.5	238.7	238.5
Total equity	215.6	215.4	226.8	226.6	248.6	248.4	250.7	250.5	250.7	250.5
Deferred tax liabilities	7.0	7.2	6.8	7.1	6.6	6.8	4.3	4.5	4.3	4.5
Total non-current liabilities	58.0	58.2	17.3	17.6	18.4	18.7	17.6	17.9	17.6	17.9
Total liabilities	214.3	214.5	191.2	191.4	189.1	189.3	188.5	188.7	188.5	188.7
Total equity and liabilities	429.9	429.9	418.0	418.0	437.7	437.7	439.2	439.2	439.2	439.2
Earnings per share, EUR	0.38	0.38	0.18	0.18	0.44	0.44	0.25	0.25	1.24	1.24
Diluted earnings per share, EUR	0.37	0.37	0.18	0.18	0.44	0.44	0.25	0.25	1.24	1.24
Equity per share, EUR									6.92	6.91
Return on equity, %									18.7	18.7
Solvency ratio, %									58.2	58.1
Gearing, %									3.2	3.2

Consolidated statement of income			
EUR million	1-3/ 2023	1-3/ 2022	1-12/ 2022
Net sales	131.8	118.8	514.2
Cost of goods sold	-57.9	-52.0	-232.2
Gross profit	73.9	66.8	282.0
Sales, marketing, and administrative costs	-42.8	-34.8	-157.3
Research and development costs	-17.9	-14.6	-62.4
Other operating income and expenses	0.0	0.2	0.3
Operating result	13.3	17.5	62.5
Share of result in associated company	-	-	0.2
Financial income and expenses	-0.8	-0.2	-3.1
Result before taxes	12.5	17.4	59.6
Income taxes	-2.9	-3.6	-14.5
Result for the period	9.6	13.8	45.1
Attributable to			
Owners of the parent company	9.6	13.6	45.0
Non-controlling interests	-	0.2	0.0
Result for the period	9.6	13.8	45.1
Earnings per share for result attributable to the equity holders of the parent company			
Earnings per share, EUR	0.27	0.38	1.24
Diluted earnings per share, EUR	0.26	0.37	1.24

Consolidated statement of comprehensive income			
EUR million	1-3/ 2023	1-3/ 2022	1-12/ 2022
Items that will not be reclassified to profit or loss (net of taxes)			
Actuarial profit (loss) on post-employment benefits	0.0	0.0	-0.2
Total	0.0	0.0	-0.2
Items that may be reclassified subsequently to profit or loss			
Translation differences	-1.7	1.4	2.4
Total	-1.7	1.4	2.4
Total other comprehensive income	-1.7	1.4	2.2
Comprehensive income for the period	7.9	15.2	47.3
Attributable to			
Owners of the parent company	7.9	15.0	47.3
Non-controlling interests	-	0.2	0.0
Comprehensive income for the period	7.9	15.2	47.3

Consolidated statement of financial position

EUR million

Assets	Mar 31, 2023	Mar 31, 2022	Dec 31, 2022
Non-current assets			
Intangible assets	68.8	79.6	71.3
Property, plant, and equipment	95.4	94.7	96.0
Right-of-use assets	11.4	10.6	11.9
Investments in shares	0.1	0.1	0.1
Investment in associated company	1.4	1.3	1.4
Non-current receivables	0.9	0.9	1.0
Deferred tax assets	8.3	7.7	9.5
Total non-current assets	186.3	194.9	191.1
Current assets			
Inventories	65.6	55.7	61.6
Trade and other receivables	88.5	80.1	101.7
Contract assets and other accrued revenue	24.1	26.1	26.2
Income tax receivables	3.3	2.6	3.1
Cash and cash equivalents	75.4	70.5	55.5
Total current assets	257.0	234.9	248.1
Total assets	443.2	429.9	439.2

Equity and liabilities	Mar 31, 2023	Mar 31, 2022	Dec 31, 2022
Equity			
Share capital	7.7	7.7	7.7
Other reserves	-0.1	0.5	3.5
Translation differences	2.4	3.1	4.1
Treasury shares	-2.1	-3.3	-3.3
Retained earnings	222.0	206.6	238.5
Total equity attributable to owners of parent company	229.8	214.5	250.5
Non-controlling interests	-	0.9	0.0
Total equity	229.8	215.4	250.5
Non-current liabilities			
Interest-bearing borrowings	0.0	40.0	0.0
Interest-bearing lease liabilities	8.0	7.4	8.3
Post-employment benefits	2.7	2.5	2.7
Deferred tax liabilities	4.0	7.2	4.5
Provisions	0.3	0.3	0.3
Other non-current liabilities	5.8	0.8	2.1
Total non-current liabilities	20.8	58.2	17.9
Current liabilities			
Interest-bearing borrowings	50.0	10.1	52.5
Interest-bearing lease liabilities	2.5	2.3	2.7
Trade and other payables	99.8	108.4	74.0
Contract liabilities and other deferred revenue	36.6	31.8	37.1
Income tax liabilities	1.3	1.3	1.8
Provisions	2.5	2.5	2.8
Total current liabilities	192.6	156.3	170.8
Total liabilities	213.4	214.5	188.7
Total equity and liabilities	443.2	429.9	439.2

Consolidated cash flow statement			
EUR million	1-3/ 2023	1-3/ 2022	1-12/ 2022
Result for the period	9.6	13.8	45.1
Depreciation, amortization, and impairment	5.9	5.6	23.6
Financial income and expenses	0.8	0.2	3.1
Gains and losses on sale of intangible assets and property, plant, and equipment	-	-	0.0
Share of result in associated company	-	-	-0.2
Income taxes	2.9	3.6	14.5
Other adjustments	-2.3	-2.7	0.3
Inventories, increase (-) / decrease (+)	-4.1	-6.3	-11.2
Non-interest-bearing receivables, increase (-) / decrease (+)	14.8	-3.7	-26.0
Non-interest-bearing liabilities, increase (+) / decrease (-)	4.1	1.3	-0.8
Changes in working capital	14.8	-8.8	-38.0
Financial items paid/received	-1.1	-0.7	-4.9
Income taxes paid	-3.6	-1.4	-13.6
Cash flow from operating activities	26.9	9.6	29.8
Acquisition of subsidiaries, net of cash acquired	-	-23.1	-23.1
Capital expenditure on intangible assets and property, plant, and equipment	-3.1	-3.5	-13.7
Proceeds from sale of intangible assets and property, plant, and equipment	-	0.0	0.0
Cash flow from investing activities	-3.1	-26.6	-36.8
Dividends paid	-	-	-24.6
Change in loan receivables	0.0	0.0	-0.1
Proceeds from borrowings	17.4	10.0	114.9
Repayment of borrowings	-20.0	0.0	-102.4
Principal payments of lease liabilities	-0.7	-0.7	-2.9
Cash flow from financing activities	-3.3	9.3	-15.1
Change in cash and cash equivalents increase (+) / decrease (-)	20.5	-7.6	-22.1
Cash and cash equivalents at the beginning of period	55.5	77.9	77.9
Change in cash and cash equivalents	20.5	-7.6	-22.1
Effect from changes in exchange rates	-0.6	0.3	-0.3
Cash and cash equivalents at the end of period	75.4	70.5	55.5

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, 2021	7.7	7.0	1.7	-4.6	218.0	229.6	0.7	230.3
Adjustment to opening balance								
IAS 12 amendment					-0.2	-0.2		-0.2
Equity at Jan 1, 2022	7.7	7.0	1.7	-4.6	217.8	229.4	0.7	230.1
Result for the period					13.6	13.6	0.2	13.8
Other comprehensive income		0.0	1.4			1.4		1.4
Dividend distribution					-24.6	-24.6		-24.6
Share-based payments		-6.5		1.4		-5.1		-5.1
Equity at Mar 31, 2022	7.7	0.5	3.1	-3.3	206.6	214.5	0.9	215.4

	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, 2022	7.7	3.5	4.1	-3.3	238.5	250.5	0.0	250.5
Result for the period					9.6	9.6		9.6
Other comprehensive income		-0.0	-1.7			-1.7		-1.7
Dividend distribution					-26.1	-26.1		-26.1
Share-based payments		-3.6		1.2		-2.5		-2.5
Changes in non-controlling interests that did not result in changes in control					0.0	0.0	-0.0	
Equity at Mar 31, 2023	7.7	-0.1	2.4	-2.1	222.0	229.8	-	229.8

Notes to the report

Orders received by business area

EUR million	1-3/ 2023	1-3/ 2022	1-12/ 2022
Industrial Measurements	59.9	54.7	234.2
Weather and Environment	72.1	64.0	266.6
Total	132.0	118.8	500.8

Order book by business area

EUR million	1-3/ 2023	1-3/ 2022	1-12/ 2022
Industrial Measurements	38.6	35.1	41.8
Weather and Environment	125.1	111.0	112.8
Total	163.7	146.1	154.6

Net sales by business area

EUR million	1-3/ 2023	1-3/ 2022	1-12/ 2022
Industrial Measurements			
Product sales	58.2	49.0	208.1
Service sales	4.8	4.1	17.5
Total	63.0	53.1	225.6
Weather and Environment			
Product sales	40.9	39.1	167.4
Project sales	14.8	15.8	73.5
Service sales	4.5	3.9	17.5
Subscription sales	8.2	6.4	28.4
Lease income	0.4	0.5	1.7
Total	68.8	65.7	288.6
Total net sales	131.8	118.8	514.2

Operating result by business area

EUR million	1-3/ 2023	1-3/ 2022	1-12/ 2022
Industrial Measurements	15.0	14.6	51.5
Weather and Environment	-1.7	2.9	11.1
Other	0.0	0.1	-0.1
Total	13.3	17.5	62.5

Net sales by region

EUR million	1-3/ 2023	1-3/ 2022	1-12/ 2022
Americas	45.8	37.4	191.2
APAC	44.1	41.7	160.3
EMEA	41.9	39.8	162.7
Total	131.8	118.8	514.2

Timing of revenue recognition			
EUR million	1-3/ 2023	1-3/ 2022	1-12/ 2022
Performance obligations satisfied at a point in time	107.9	95.3	408.1
Performance obligations satisfied over time	23.5	23.0	104.4
Lease income recognized on a straight-line basis	0.4	0.5	1.7
Total	131.8	118.8	514.2

Personnel			
	1-3/ 2023	1-3/ 2022	1-12/ 2022
Average personnel	2,266	2,021	2,141
Personnel at the end of period	2,287	2,037	2,235

Derivative financial instruments			
EUR million	Mar 31, 2023	Mar 31, 2022	Dec 31, 2022
Nominal value of derivative financial contracts	42.8	38.3	38.3
Fair values of derivative financial contracts, assets	1.3	0.2	1.0
Fair values of derivative financial contracts, liabilities	0.1	0.9	0.5

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 financial contracts are executed only with counterparties that have high credit ratings.

Share information			
EUR/thousand	1-3/ 2023	1-3/ 2022	1-12/ 2022
Number of shares outstanding	36,301	36,228	36,228
Number of treasury shares	136	208	208
Number of shares, weighted average, diluted	36,349	36,285	36,367
Number of shares, weighted average	36,251	36,141	36,207
Number of shares traded	600	1,017	2,385
Share price, highest	43.45	54.40	54.40
Share price, lowest	37.70	38.35	36.15

Key ratios			
EUR	1-3/ 2023	1-3/ 2022	1-12/ 2022
Earnings per share	0.27	0.38	1.24
Diluted earnings per share	0.26	0.37	1.24
Equity per share	6.33	5.92	6.91
Return on equity, %	16.0	24.8	18.7
Cash flow from operating activities per share	0.74	0.27	0.82
Solvency ratio, %	52.7	50.8	58.1
Gearing, %	-6.5	-5.0	3.2

Key exchange rates					
	Average rates		Period end rates		
	1-3/ 2023	1-3/ 2022	Mar 31, 2023	Mar 31, 2022	Dec 31, 2022
USD	1.0706	1.1227	1.0875	1.1101	1.0666
CNY	7.3481	7.1193	7.4763	7.0403	7.3582
JPY	142.39	129.49	144.83	135.17	140.66
GBP	0.8816	0.8358	0.8792	0.8460	0.8869

Further information

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Vaisala Corporation

Audiocast and conference call

An audiocast and a conference call for analysts, investors and media will be held in English on May 5, 2023, starting at 2:00 p.m. (Finnish time). Numbers for conference call, during which questions may be presented, are:

Finland: +358 9 2319 5437

UK: +44 33 0551 0200

Sweden: +46 8 5052 0424

US: +1 786 697 3501

Password: Vaisala Q1

A link to the live audiocast will be available at vaisala.com/investors. A recording will be available on the website later the same day.

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