A winter landscape with snow-covered trees and a sunset sky. The scene is dominated by a thick layer of snow in the foreground, with snow-laden evergreen trees in the background. The sky is a mix of soft orange and blue, suggesting a sunset or sunrise. The overall mood is serene and cold.

Year of growth and excellent performance ended with strong net sales growth in Q4

Financial Statement Release
January–December 2021

Kai Öistämö, President and CEO

VAISALA

Year of growth and excellent performance ended with strong net sales growth in Q4

- Net sales growth strong in both business areas
- Operating result at comparison period's level despite additional material costs related to component spot purchases
- Board's dividend proposal EUR 0.68 (0.61)

Orders received

119.0 (111.9) MEUR
+6%

Net sales

125.0 (106.9) MEUR
+17%



Highlights of Q4/2021: driving product and technology leadership



Strong growth in both business areas

Net sales grew mostly in industrial instruments, life science, renewable energy and meteorology market segments.



Innovation and portfolio renewal

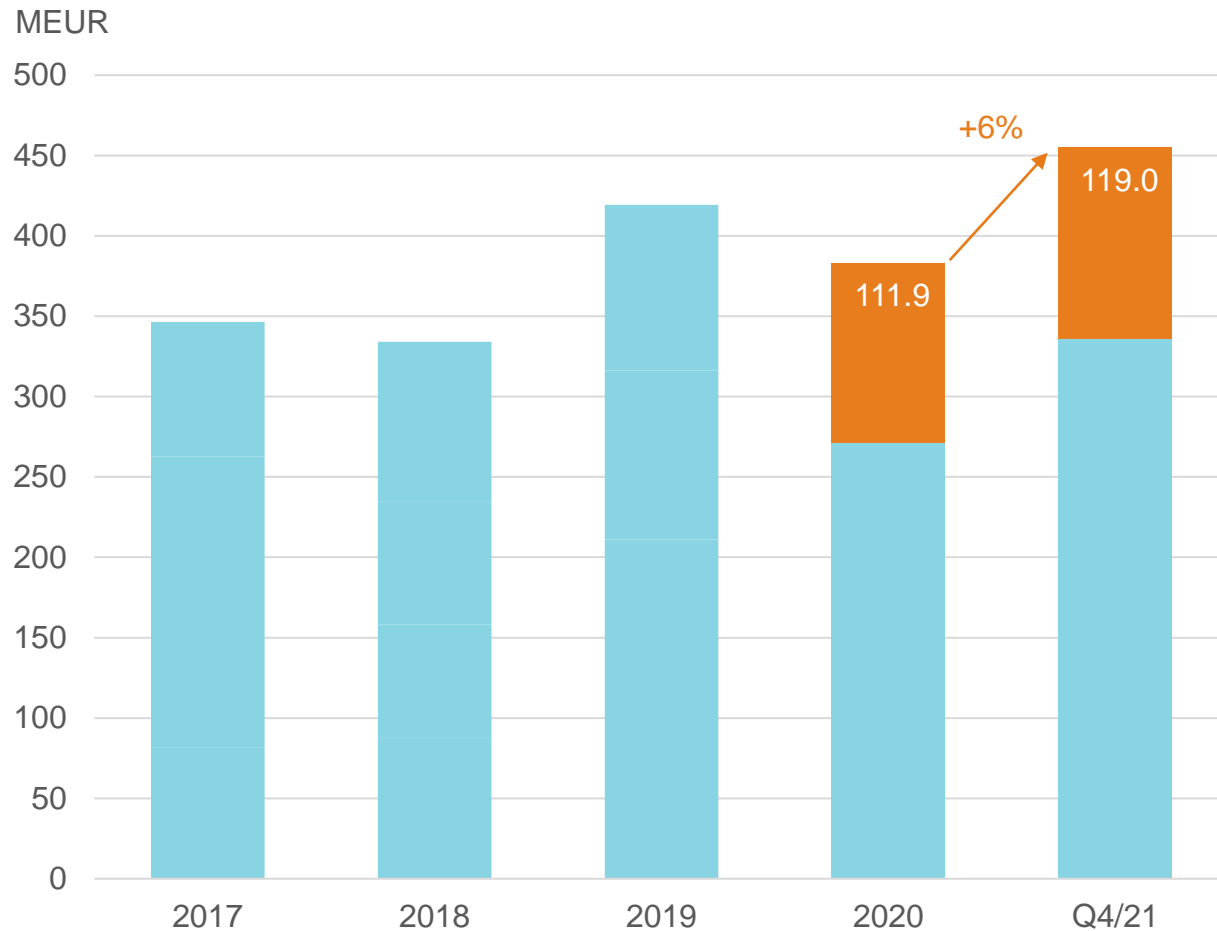
Product portfolio renewal continued to proceed well.



Vaisala acquired AerisWeather

The acquisition (Jan/2022) accelerates growth of Vaisala's weather and environmental data business.

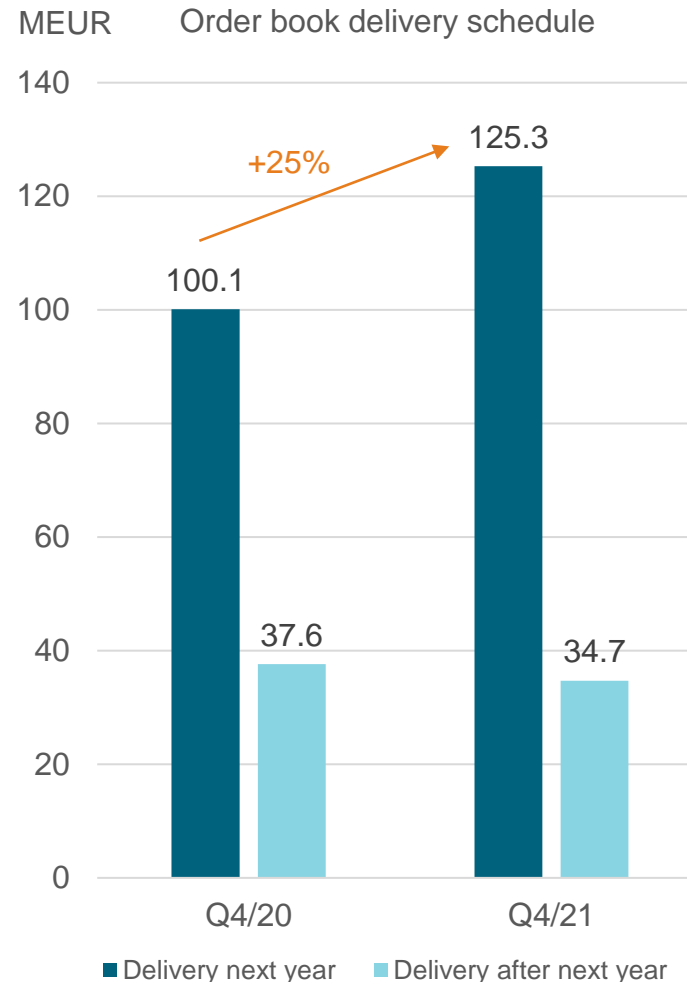
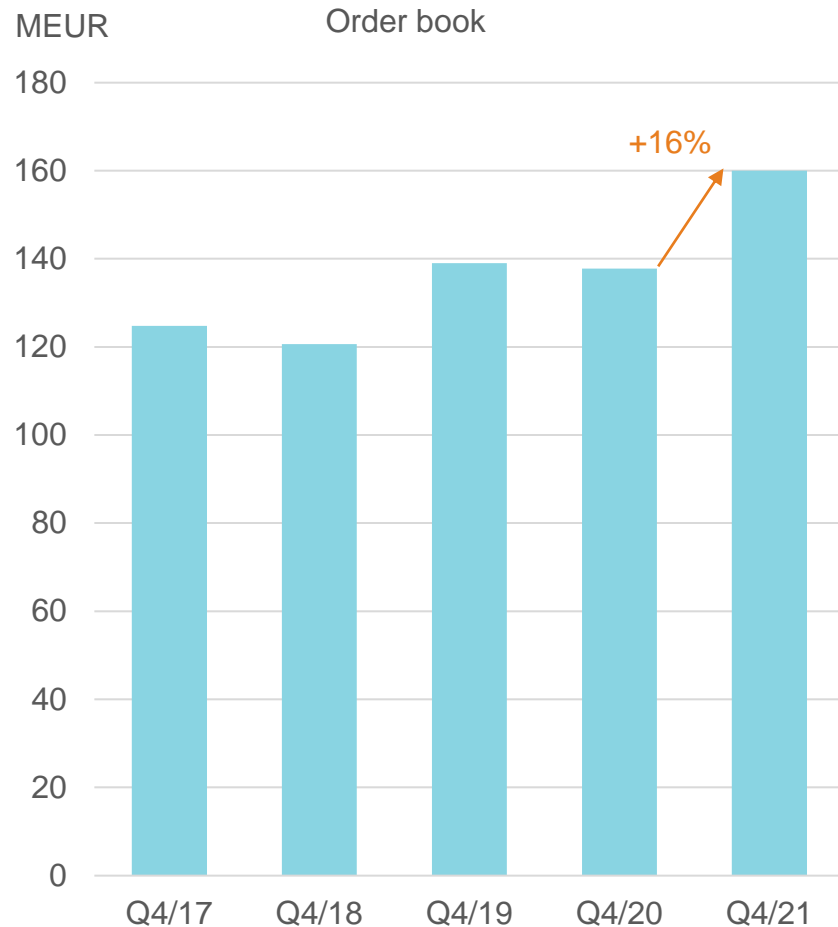
Q4/2021 orders received increased by 6% Y/Y



Increase 4% in constant currencies

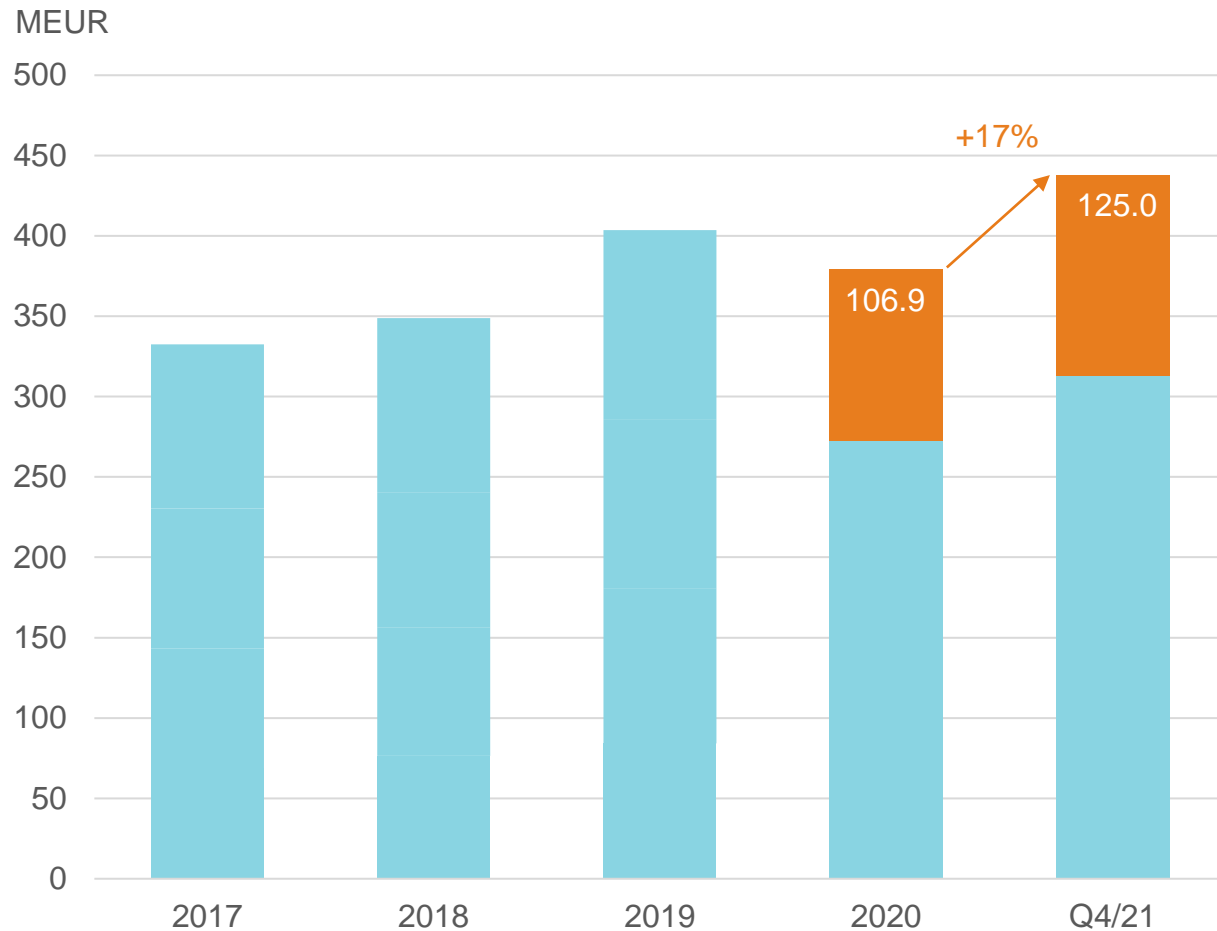
- Orders increased in Industrial Measurements business area but decreased in Weather and Environment business area
- Increase strongest in industrial instruments, life science, and ground transportation market segments

Q4/2021 order book increased by 16% Y/Y



- Increase in all market segments in Industrial Measurements
- Increase in ground transportation and meteorology market segments in Weather and Environment
- Order book with delivery next year (=2022) increased by 25% Y/Y

Q4/2021 net sales grew by 17% Y/Y

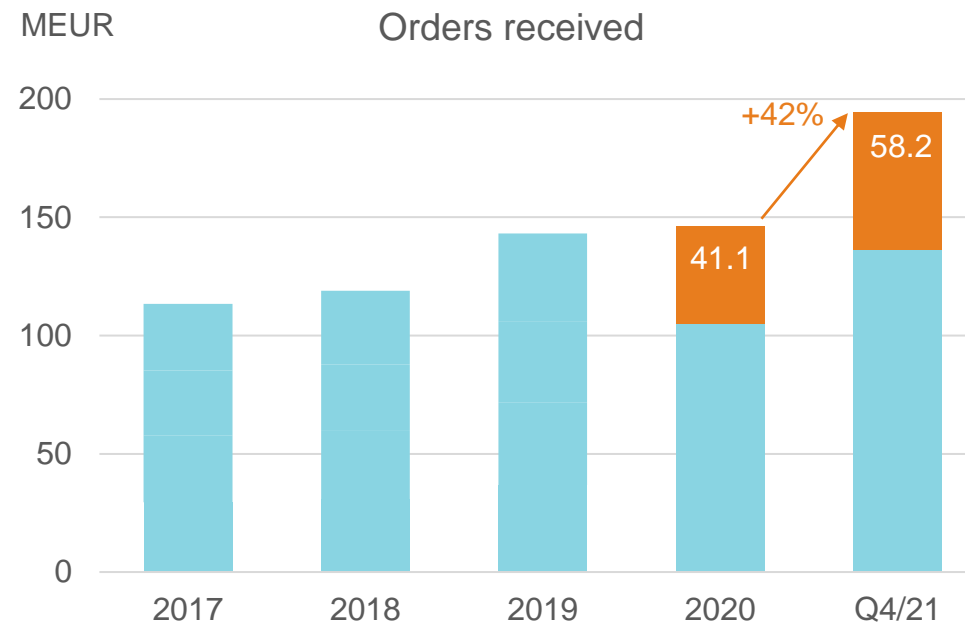


Increase 15% in constant currencies

- Strong growth in both business areas
- Net sales grew mostly in industrial instruments, life science, renewable energy and meteorology market segments

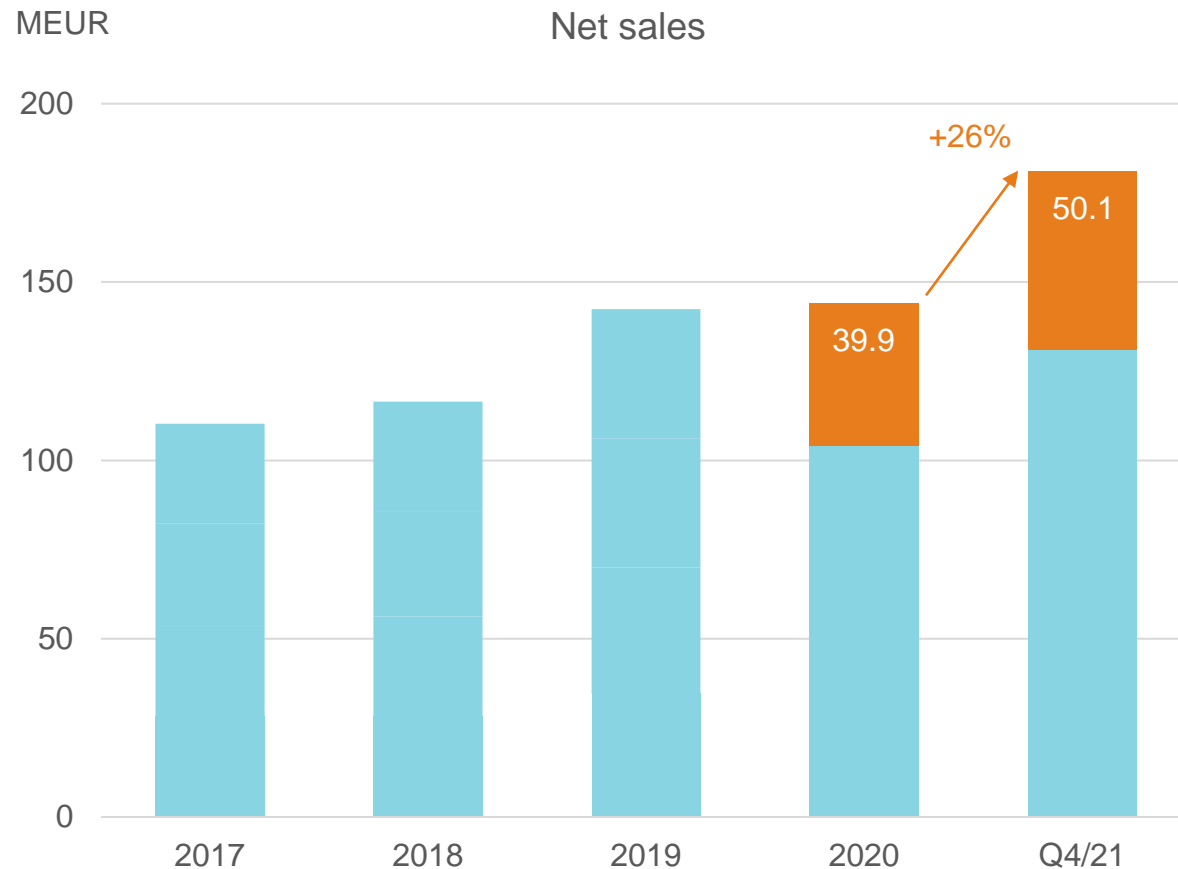
Excellent performance continued

- Orders received increased strongly in all market segments
- Order book EUR 32.9 (18.0) million, +83%



Increase 38% in constant currencies

Net sales growth of 26% increased operating result



Increase 24% in constant currencies

- Operating result EUR 9.8 (8.3) million, 19.6 (20.8) % of net sales
 - Additional material costs related to component spot purchases had a four percentage point negative impact on gross margin
- Net sales growth strong in all market segments
- R&D expenditure 11.9% of net sales

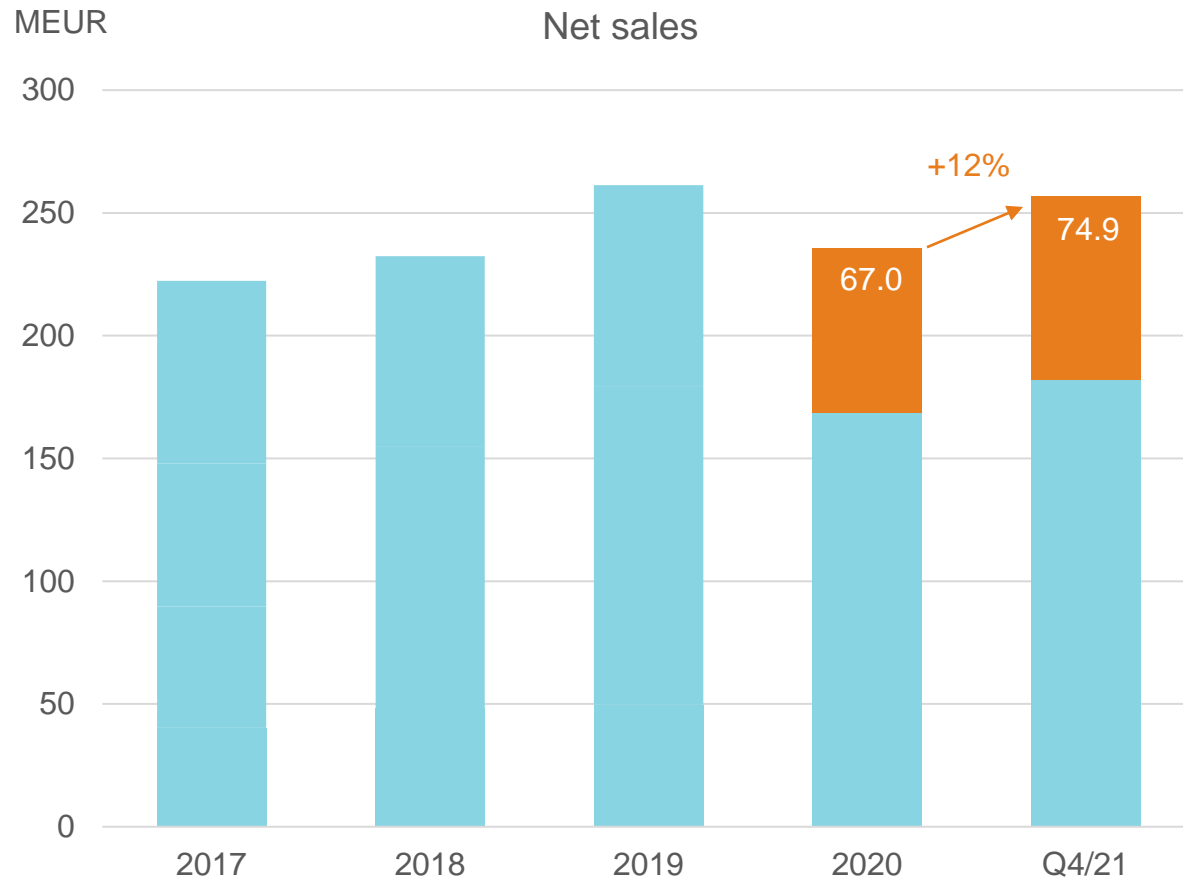
Orders received decreased by 14% Y/Y

- Orders received decreased in meteorology market segment partly due to strong comparison period and increased in ground transportation market segment



Decrease 15% in constant currencies

Operating result burdened by additional material costs and exceptional costs



Increase 10% in constant currencies

- Operating result EUR 2.3 (5.2) million, 3.1 (7.8) % of net sales
- Additional material costs related to component spot purchases had a two percentage point negative impact on gross margin
- Operating result included EUR 0.9 million exceptional costs
- Net sales grew in renewable energy and meteorology market segments
- R&D expenditure 12.9% of net sales



VAISALA

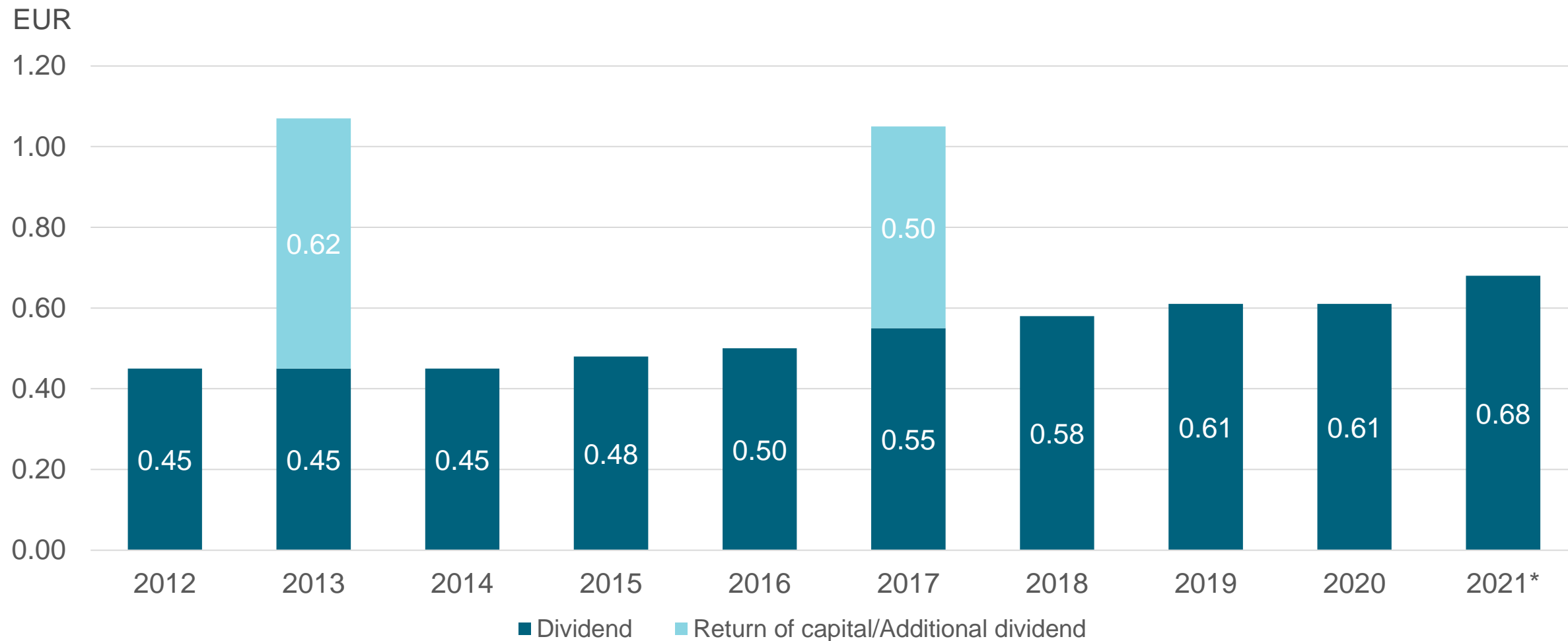
1-12/2021 financials

1-12/2021 operating result 11.5% of net sales

MEUR	1-12/ 2021	1-12/ 2020
Net sales	437.9	379.5
Cost of goods sold	-196.0	-166.6
Gross profit	241.8	212.9
Operating expenses	-186.5	-169.2
Other operating income and expenses	-5.2	1.1
Operating result	50.1	44.8
Share of result in associated company	0.2	0.2
Financial income and expenses	-2.1	-3.6
Result before taxes	48.3	41.3
Income taxes	-8.9	-8.5
Result for the period	39.5	32.8

- 1-12/2021 net sales growth 15%
 - Growth in constant currencies 17%
- Operating result increased following growth in net sales
 - Operating result included EUR 6.9 million exceptional costs
- Gross margin at previous year's level 55.2 (56.1) %
 - Additional material costs related to component spot purchases had a one percentage point negative impact on gross margin
- EPS 1.08 (0.91) EUR
- Board's dividend proposal EUR 0.68 (0.61)

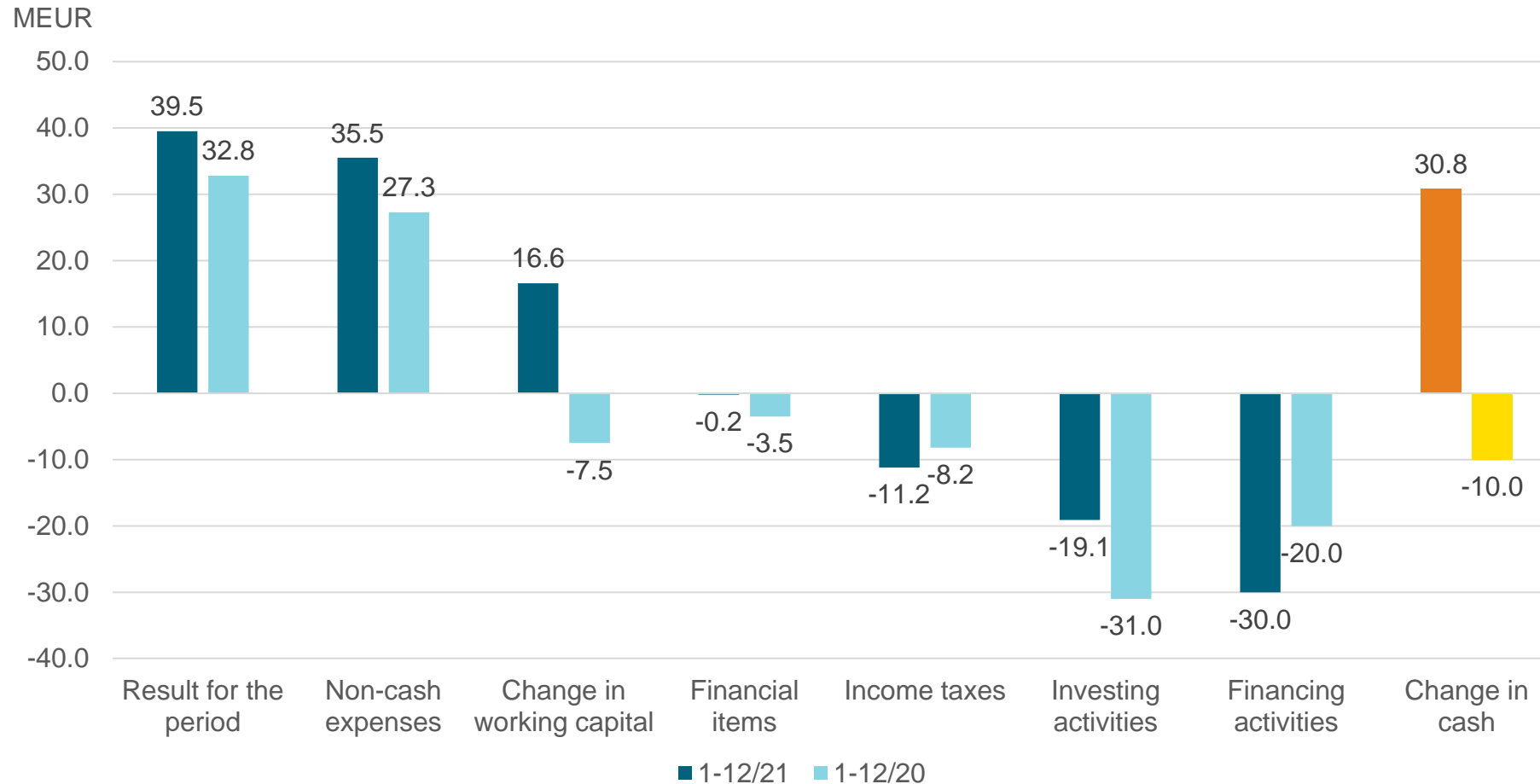
Dividend development 2012–2021



* Boards' proposal

All dividends have been adjusted to reflect increased number of shares after the share issue without payment in April 2018.

1-12/2021 cash flow from operating activities 80.0 MEUR



Cash flow from operating activities doubled from 2020

- Cash flow improvement driven by:
- ✓ Higher result for the period
 - ✓ Positive impact of net working capital
 - ✓ Lower capex level

- Cash and cash equivalents:
- End Q4/2021: 77.9 MEUR
 - End Q4/2020: 45.4 MEUR



Strong financial position

MEUR	1-12/ 2021	1-12/ 2020
Equity per share	6.36	5.70
Return on equity %	18.1	16.3
Solvency ratio %	57.2	59.0
Capital expenditure	19.2	31.0
Cash and cash equivalents	77.9	45.4
Interest-bearing liabilities	50.2	57.0
Gearing %	-12.0	5.7



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Market development and business outlook



Market development

Component availability remains weak and component supply constrains are expected to continue throughout 2022. Additional material costs related to spot purchases are expected to remain at high level during 2022.

Growth

High-end industrial instruments

Life science

Power industry

Liquid measurements

Renewable energy

Recovery

Aviation

Stable

Meteorology

Ground transportation

Business outlook for 2022

Net sales

Vaisala estimates that its full-year 2022 net sales will be in the range of **EUR 465–495 million**

Operating result (EBIT)

Vaisala estimates that its full-year 2022 operating result (EBIT) will be in the range of **EUR 55–70 million**



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