



Strong demand and delivery performance continued

Half Year Financial Report
January–June 2022

Kai Öistämö, President and CEO

VAISALA

Strong demand and delivery performance continued in Q2

- Net sales growth continued strong in Industrial Measurements business
- Gross margin remained at 55.3%
- Operating result fell short from previous year
 - Investments in renewal of IT-systems, sales and marketing as well as R&D
- Order book at record of EUR 183 million

Orders received

131.9 (120.1) MEUR
+10%

Net sales

120.5 (109.5) MEUR
+10%



Highlights of Q2/2022: expanding the product offering and getting recognized for continuous sustainability work



New weather radar launch

New C-band weather radar for high-performance weather surveillance and smart early-warning decisions



Recognition for sustainability work

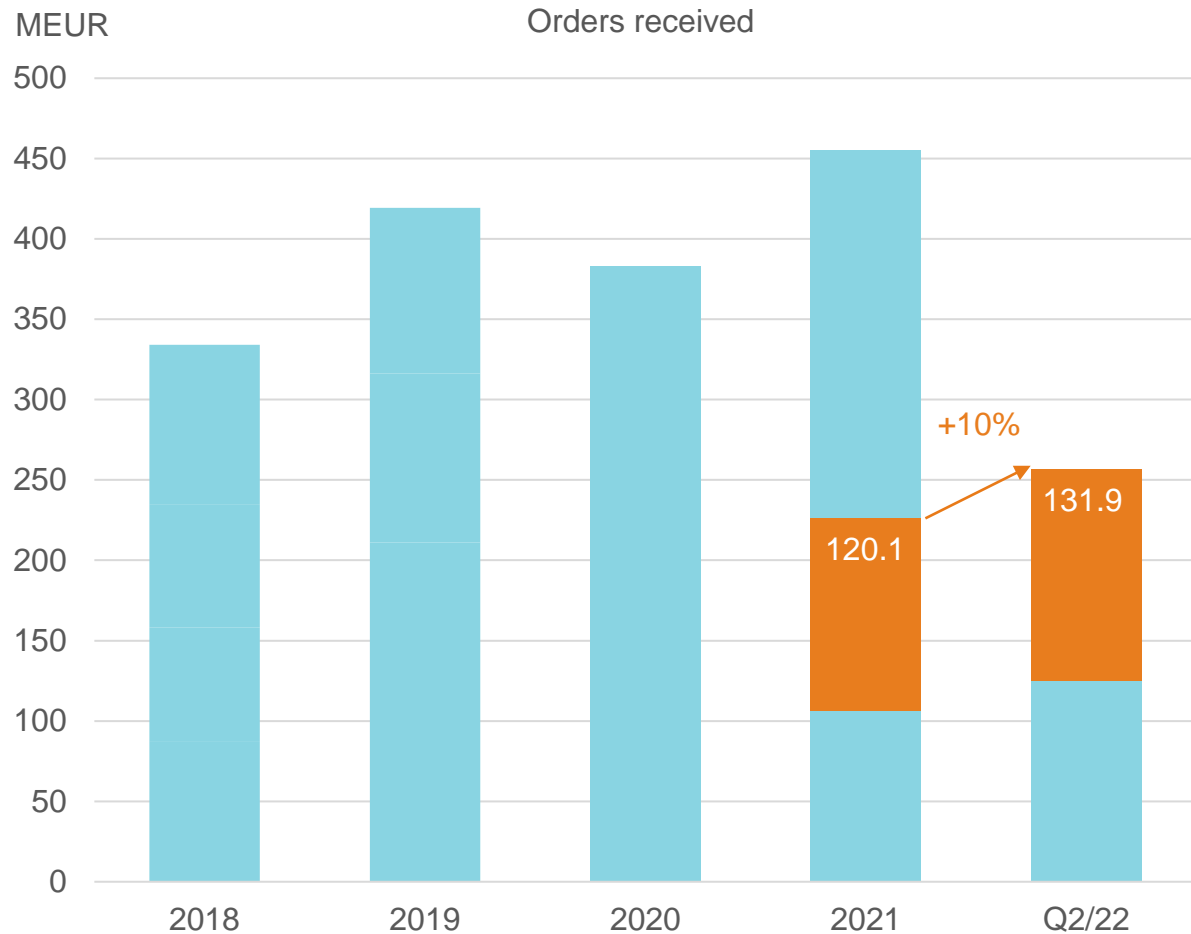
Vaisala received the Carnegie Sustainability Award 2022. Also, an excellent ESG Risk Rating by Sustainalytics



Acknowledgement in a design competition

An honorary award for the upcoming Indigo handheld instrument in the Fennia Prize 2022

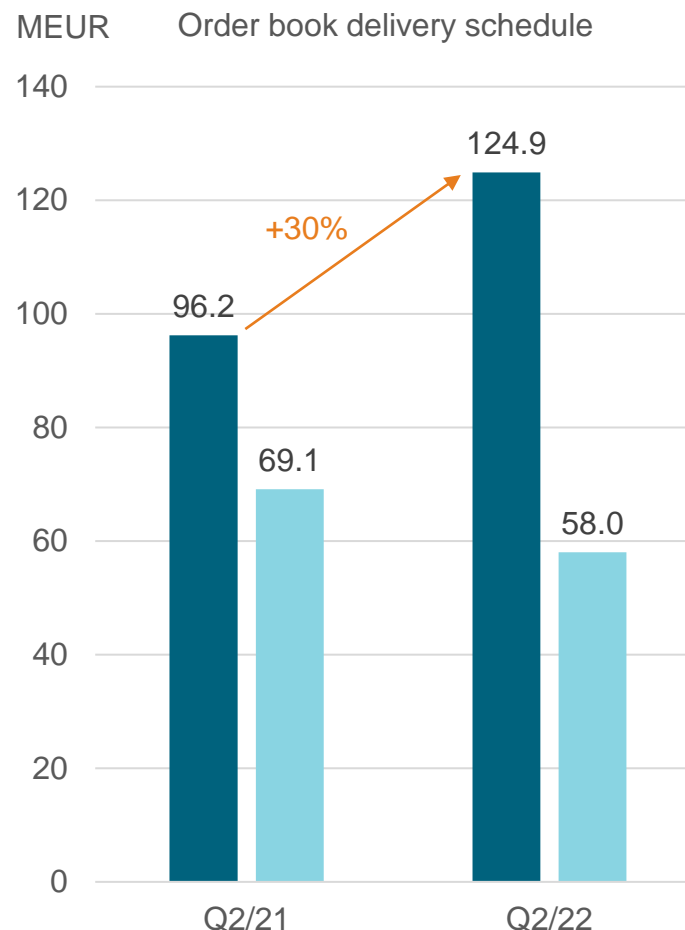
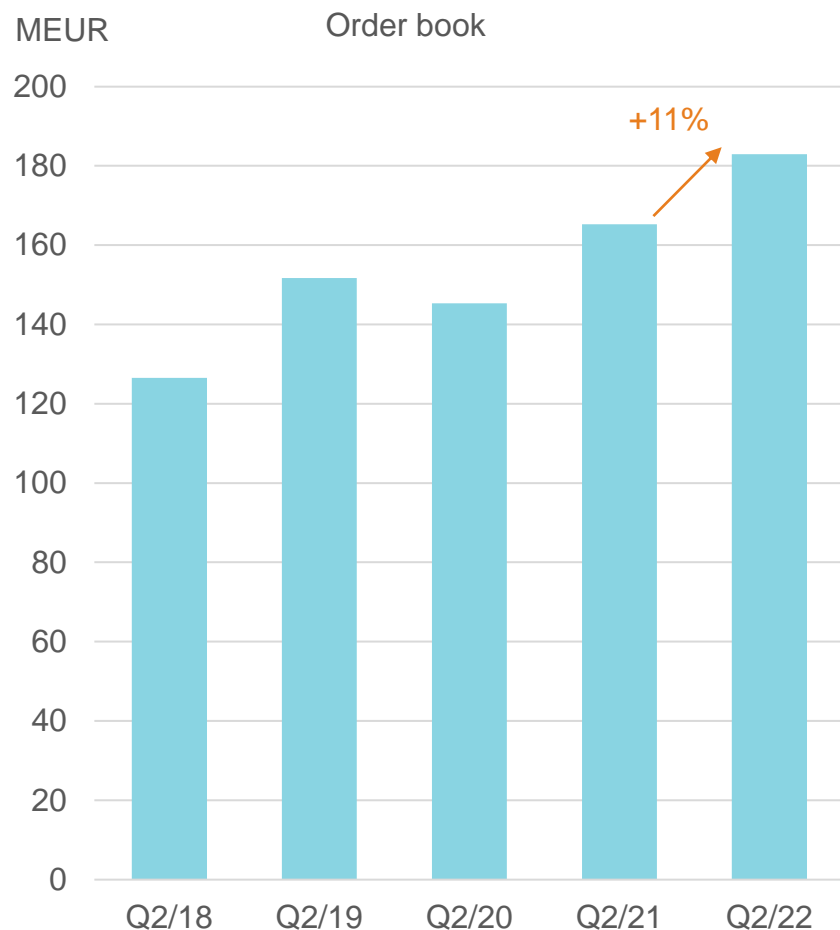
Q2/2022 orders received grew by 10%



Increase 5% in constant currencies

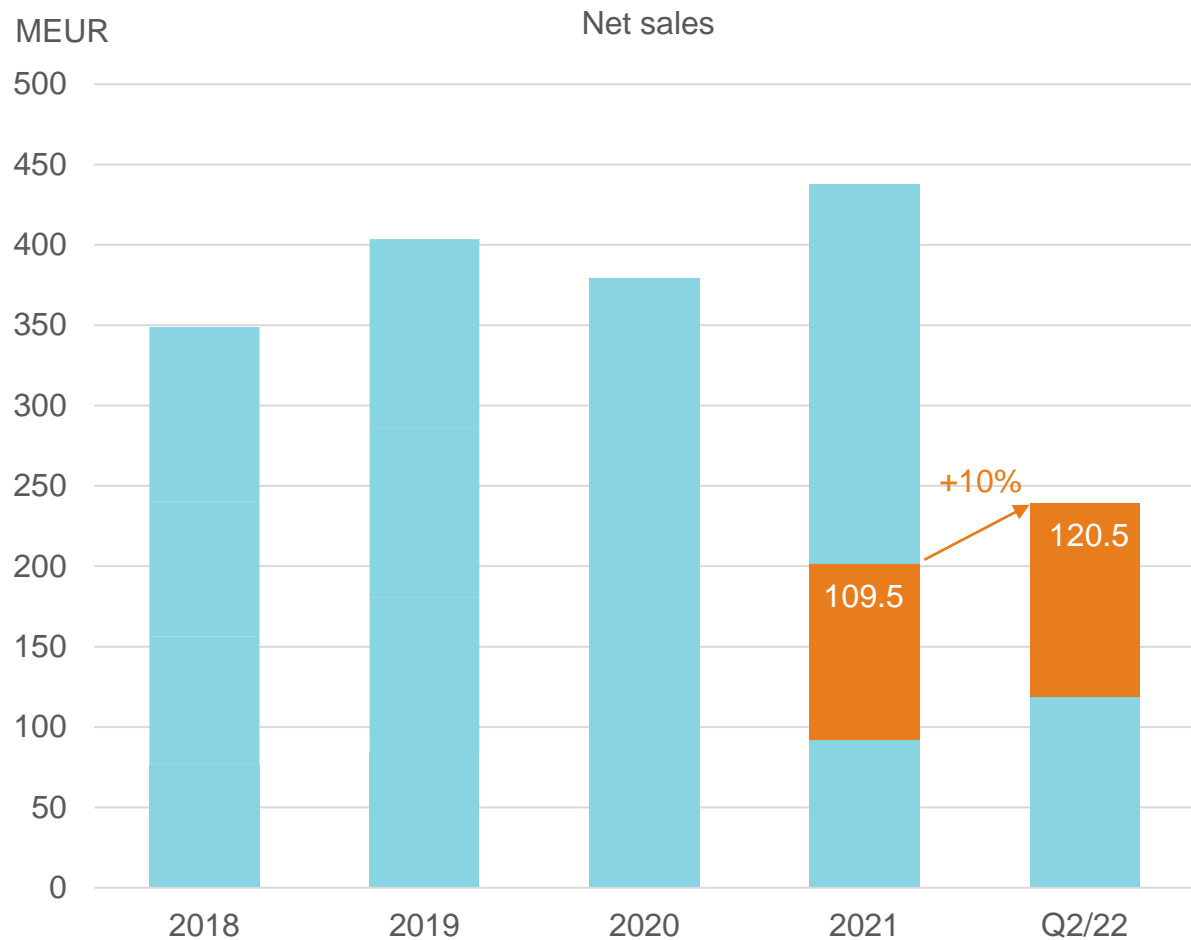
- Increase in orders received was very strong in Industrial Measurements business area and at previous year's level in Weather and Environment business area
- Orders increased strongly in industrial instruments, life science, ground transportation, and aviation market segments

Q2/2022 order book reached new record level



- Increase in industrial instruments and life science market segments in Industrial Measurements
- Increase in ground transportation, aviation and renewable energy market segments in Weather and Environment

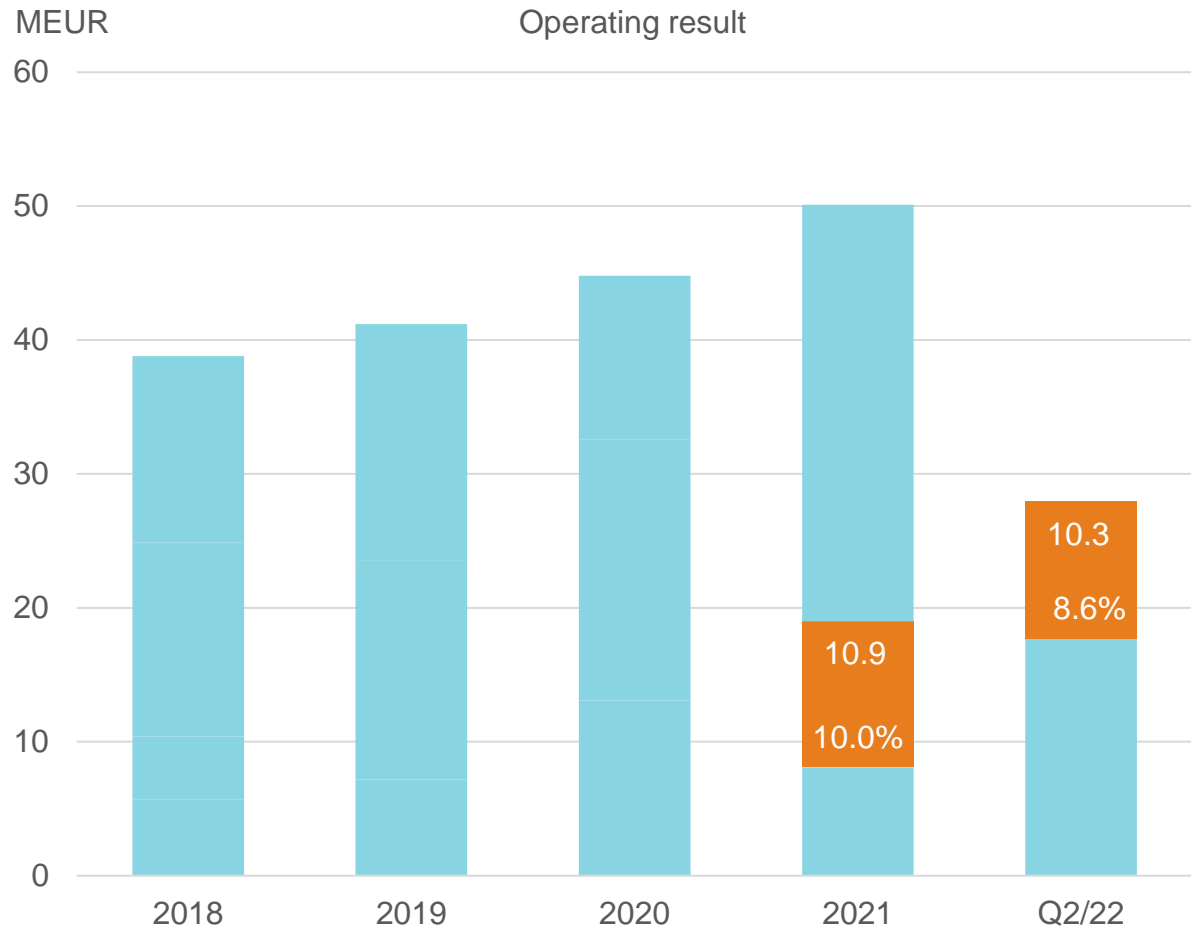
Q2/2022 net sales grew by 10%



Increase 5% in constant currencies

- Very strong growth in Industrial Measurement business area
- Weather and Environment business area at previous year's level
- Net sales grew strongly in industrial instruments, life science, and aviation market segments

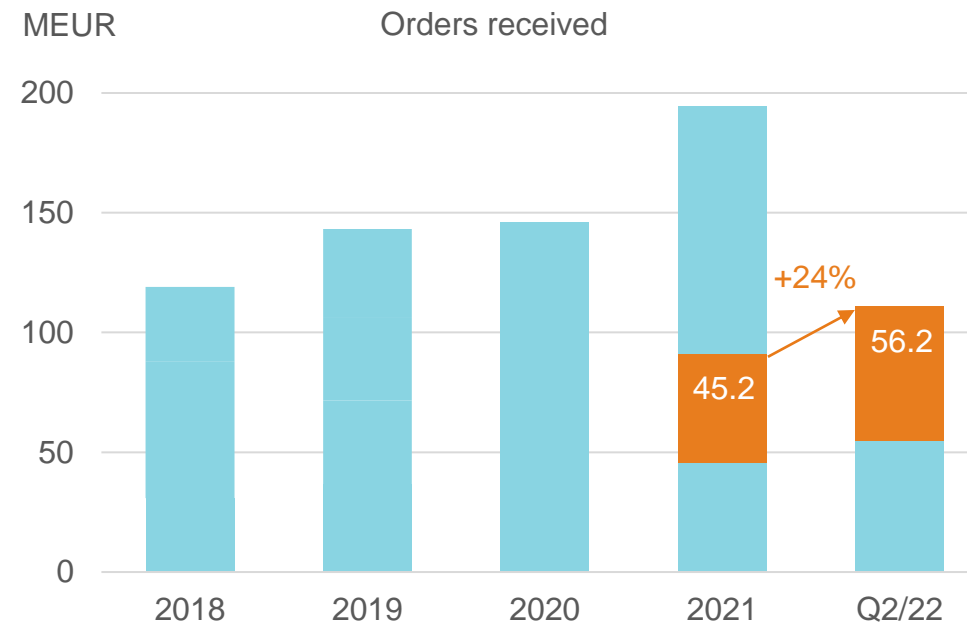
Q2/2022 gross margin remained at 55.3% but operating result decreased Y/Y



- Gross margin remained at 55.3% despite a three percentage point negative impact of component spot purchases
 - Negative impact offset by higher share of more profitable product business and pricing
- Operating expenses increased
 - IT system renewal and investments in sales and marketing as well as in R&D

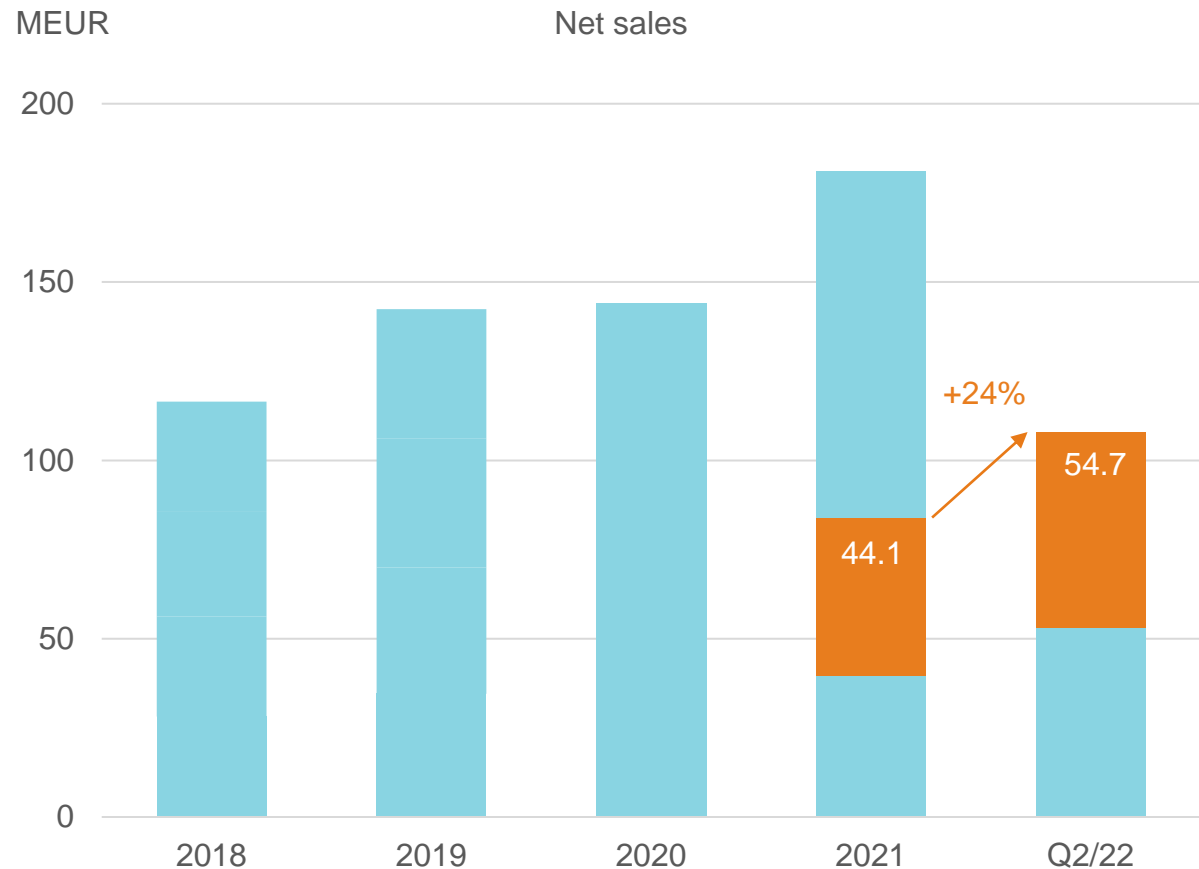
Excellent performance continued

- Orders received increased strongly in industrial instruments, life science and power industry market segments
- Order book EUR 37.2 (26.0) million, +43%



Increase 17% in constant currencies

Net sales growth of 24% increased operating result



Increase 17% in constant currencies

- Net sales growth strong in industrial instruments, life science, and power industry market segments
- Gross margin decreased slightly to 63.2 (63.7) %
 - Additional material costs related to component spot purchases had a three percentage point negative impact on gross margin
- Operating result EUR 11.5 (10.5) million, 21.0 (23.7) % of net sales

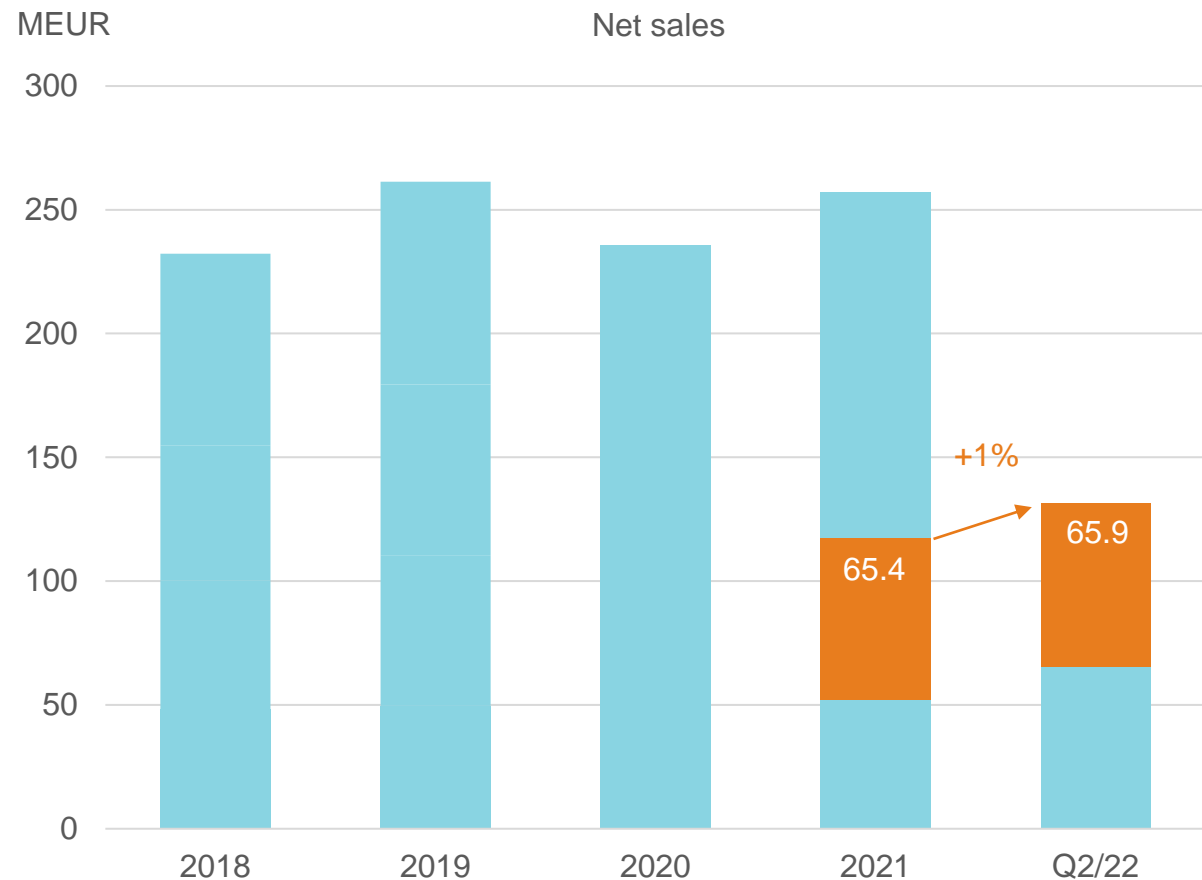
Order book all-time high

- Orders received increased strongly in ground transportation and aviation market segments
- Order book EUR 145.6 (139.4) million



Decrease 3% in constant currencies

Net sales at previous year's level



Decrease 3% in constant currencies

- Net sales grew in aviation market segment
- Gross margin decreased to 48.8 (49.6) %
 - Additional material costs related to component spot purchases had a three percentage point negative impact on gross margin
- Operating result EUR -1.1 (1.0) million, -1.6 (1.5) % of net sales



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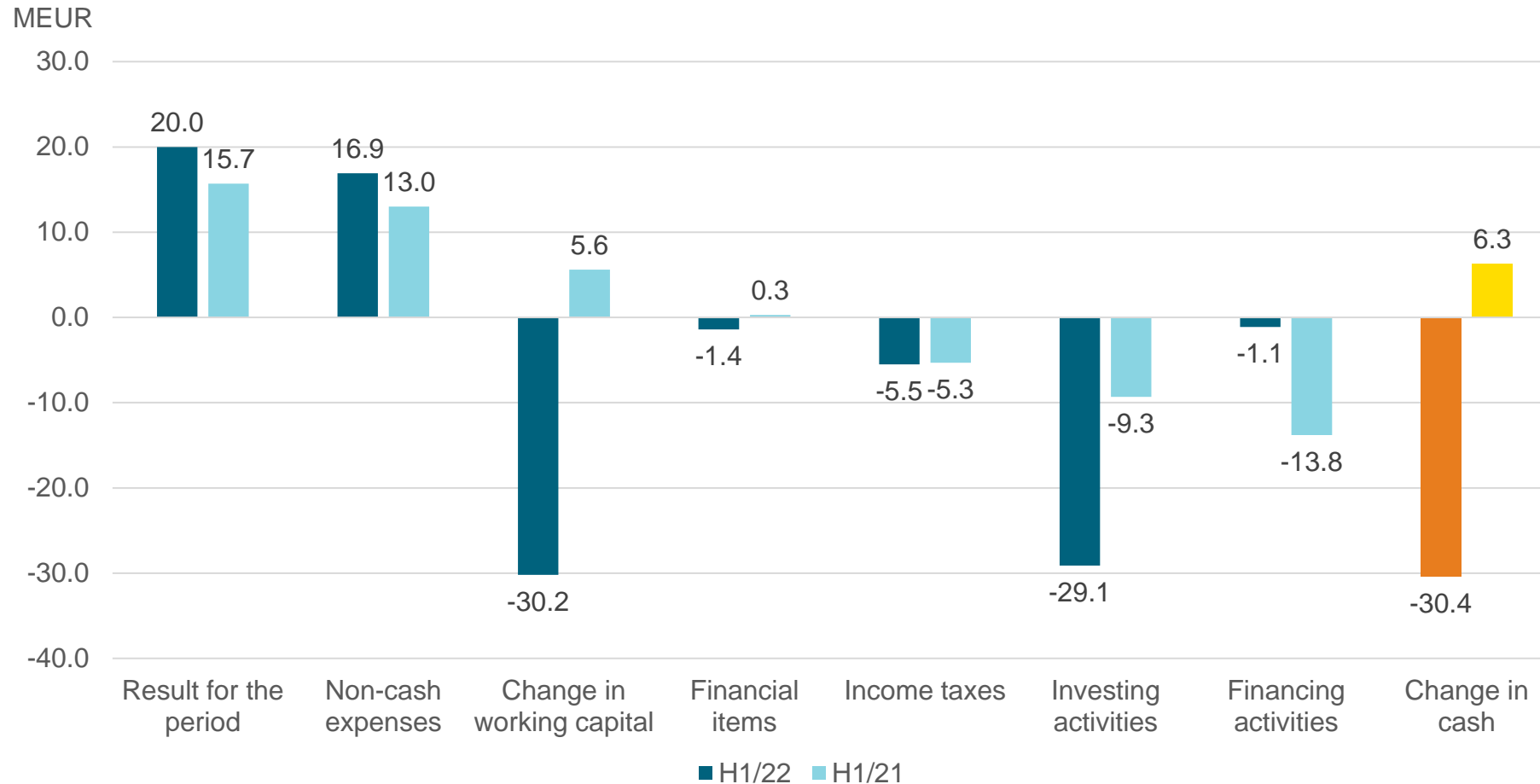
H1/2022 financials

H1/2022 gross margin and operating profit margin improved Y/Y

MEUR	H1/2022	H1/2021	2021
Net sales	239.3	201.5	437.9
Cost of goods sold	-106.0	-90.5	-196.0
Gross profit	133.4	110.9	241.8
Operating expenses	-105.7	-89.8	-186.5
Other operating income and expenses	0.2	-2.1	-5.2
Operating result	27.9	19.0	50.1
Share of result in associated company	-	-	0.2
Financial income and expenses	-1.2	-1.0	-2.1
Result before taxes	26.7	18.0	48.3
Income taxes	-6.6	-2.3	-8.9
Result for the period	20.0	15.7	39.5

- H1/2022 net sales growth 19%
 - Growth in constant currencies 14%
- Gross margin improved from previous year to 55.7 (55.1) %
 - Additional material costs related to component spot purchases had almost two percentage point negative impact on gross margin
- Operating result margin increased to 11.7 (9.5) % following growth in net sales and improvement in gross margin
- EPS 0.55 (0.43) EUR

H1/2022 cash flow from operating activities decreased due to increase in net working capital



Cash and cash equivalents:

- End Q2/2022: 48.4 MEUR
- End Q4/2021: 77.9 MEUR
- End Q2/2021: 52.3 MEUR

- Net working capital increased due to increase in inventories and decrease in liabilities



Strong financial position

MEUR	H1/2022	H1/2021	2021
Equity per share	6.26	5.51	6.36
Return on equity %	17.5	15.5	18.1
Solvency ratio %	55.3	54.3	57.2
Capital expenditure	6.3	9.3	19.2
Cash and cash equivalents	48.4	52.3	77.9
Interest-bearing liabilities	74.5	66.1	50.2
Gearing %	11.5	6.9	-12.0

The image is a composite graphic. On the left, there is a photograph of a rural landscape at sunset. The sun is low on the horizon, casting long rays of light through a sky filled with dark, dramatic clouds. Below the horizon, there are green fields, a line of trees, and two prominent blue domes, likely greenhouses or covered walkways. The right side of the image is a solid white background with a dark blue diagonal line separating it from the photograph. In the top right corner, the word "VAISALA" is written in a bold, blue, sans-serif font. In the center-right of the white area, the main title "Market development and business outlook" is written in a large, bold, blue, sans-serif font, arranged in three lines.

VAISALA

Market development and business outlook



Market development

Growth

High-end industrial instruments

Life science

Power industry

Liquid measurements

Renewable energy

Recovery

Aviation

Stable

Meteorology

Ground transportation

Business outlook for 2022 unchanged

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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