

Vaisala, a global leader in environmental and industrial measurement

May 26, 2015

VAISALA

Vaisala Group

- Established in 1936
- Operates in weather and controlled environment markets
- Serves customers in over 150 countries
- Has legal entities in 11 countries
- Employs approximately 1,600 professionals worldwide
- Net sales of 299.7 million euros and EBIT EUR 26.4 million in 2014
- Main markets Americas 37%, EMEA 37%, APAC 25% of net sales
- A series shares quoted in NASDAQ OMX Helsinki exchange since 1994
- Market value of EUR 321.1 million in Dec. 31, 2014



Weather

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Vaisala in Weather

Serving customers in:

- Meteorology
- Transportation
- Energy





Meteorology

The trusted partner in providing best-in-class weather measurement systems, instruments and services for:

- Meteorological services
- Defense organizations
- Emerging weather critical applications



Transportation

Weather observation instruments and decision support solutions for:

- Airports
- Roads & Rail
- Maritime

Energy

Helping to manage your weather risk in renewable energy and grid operations

- Measurement systems
- Risk assessment services
- Renewable energy forecasting

Case

Upgrading the Existing U.S. Weather Radar Network

- **Customer:** U.S. National Weather Service
- **What:** Sigmnet Digital Receiver and Signal Processors, RVP901 and software
- **Deliveries:** in next 12 months
- **Value:** USD 5.8 million, part of USD 9.0 million frame contract



Controlled Environment



Examples of Industries We Serve

- Power Generation and Transmission
- Life Sciences
- Industrial Drying (e.g. paper)
- Electronics
- Building Automation, e.g demand controlled ventilation
- Automotive Industry
- Agriculture and Food Industry



We Help Our Customers to Improve

- product quality
- productivity
- energy efficiency
- maintenance activities
- regulatory compliance



Cases

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Power Generation and Transmission

We measure moisture, temperature and hydrogen gas in transformer oil.

Early indication about the possible faults in the transformer.

Improves the efficiency of customers' operations, generates cost savings.



Life Sciences

For controlling and regulating environments, to reduce risks

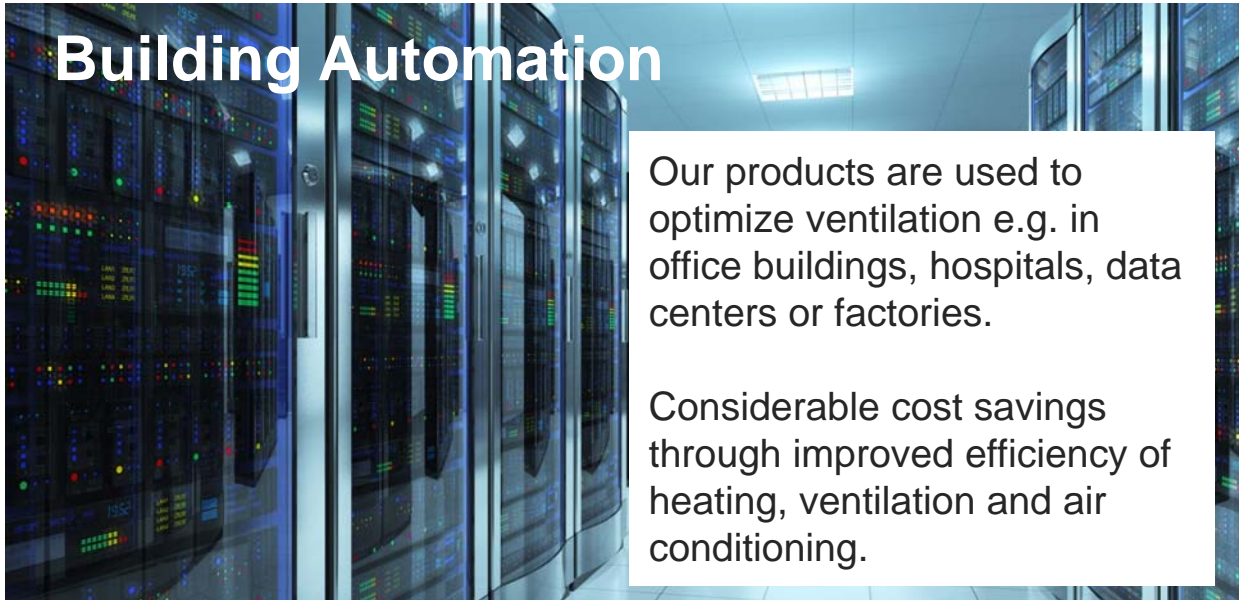
Eg. in pharmaceutical production, stability chambers, incubators, warehousing



Building Automation

Our products are used to optimize ventilation e.g. in office buildings, hospitals, data centers or factories.

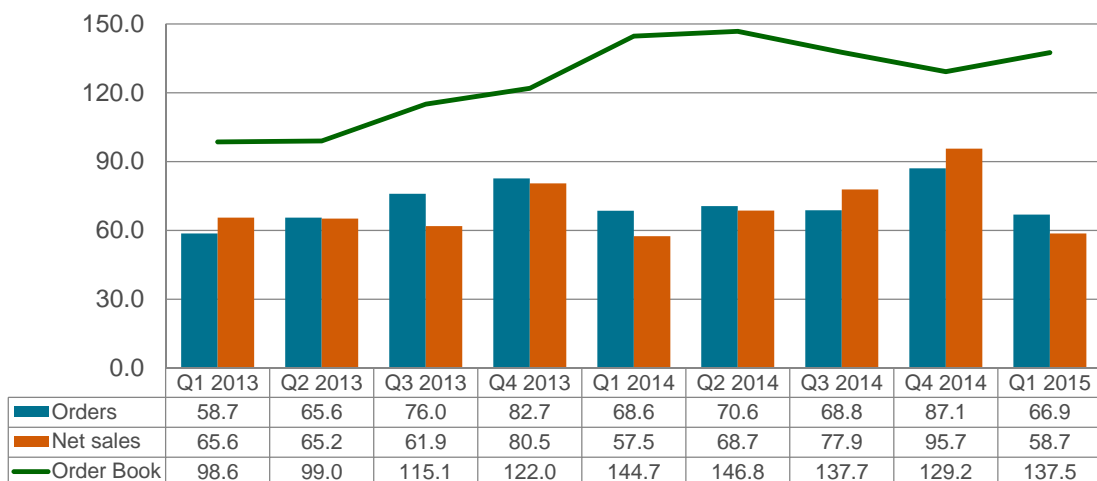
Considerable cost savings through improved efficiency of heating, ventilation and air conditioning.



Key Figures and Outlook

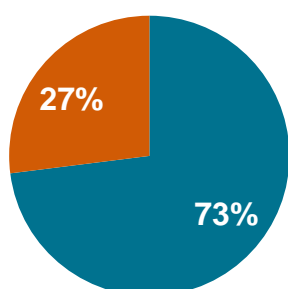
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Orders, Net Sales and Order Book (MEUR)



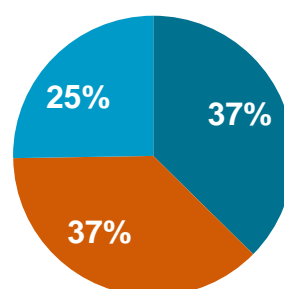
Net Sales 2014

Net Sales by Business Area



■ Weather 219,6 MEUR
 ■ Controlled Environment 80,2 MEUR

Net Sales by Region



■ EMEA 111,8 MEUR
 ■ Americas 112,1 MEUR
 ■ APAC 75,9 MEUR

Vaisala 2014

	2014	2013	Change, %
Net sales	299.7	273.2	+10
Gross margin, %	51.1	49.2	
Operating result	26.4	18.1	+46
Operating result, %	8.8	6.6	

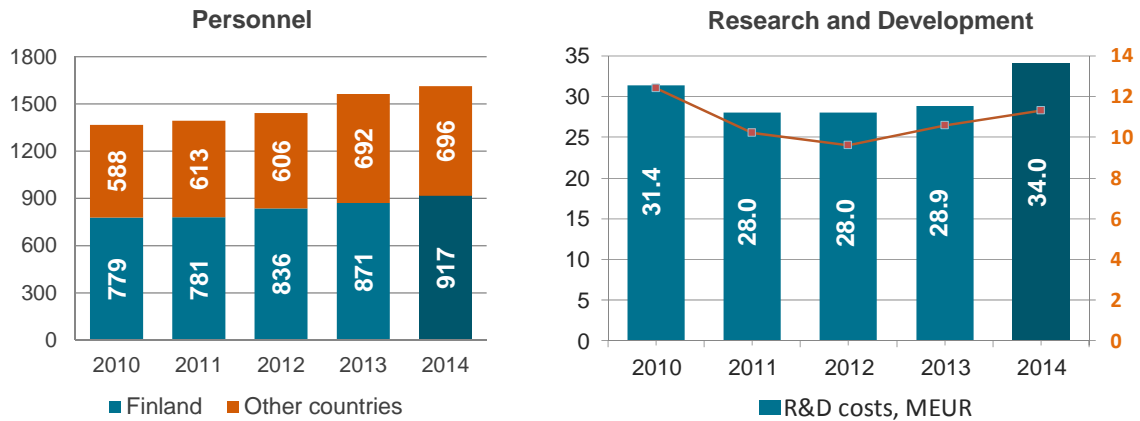
Weather Business Area

	2014	2013	Change, %
Net sales	219.6	200.0	+10
Products	92.1	97.3	-5
Projects	83.8	70.0	+20
Services	43.7	32.7	+34
Gross margin, %	48.4	47.3	
Operating result	17.0	14.5	+17
Operating result, %	7.8	7.3	

Controlled Environment Business Area

	2014	2013	Change, %
Net sales	80.2	73.2	+9
Products	70.7	64.2	+10
Services	9.4	9.0	+5
Gross margin, %	58.4	54.8	
Operating result	12.1	4.0	+201
Operating result, %	15.1	5.5	

Personnel and R&D



Vaisala Q1/2015

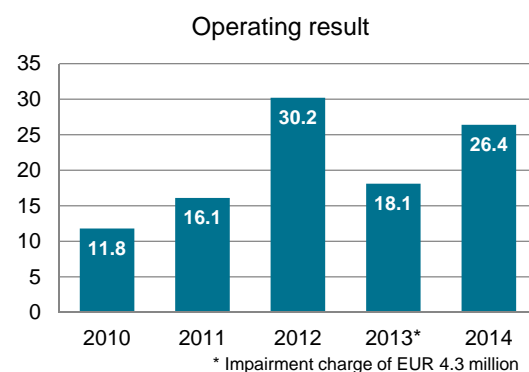
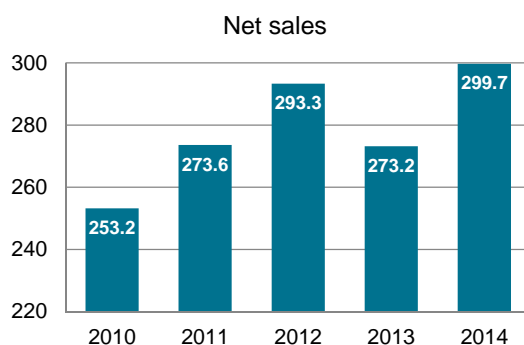
	Q1/2015	Q1/2014	Change, %
Net sales	58.7	57.5	+2
Products	38.2	38.3	0
Projects	9.5	9.5	0
Services	10.9	9.7	+12
Gross margin, %	44.8	48.1	
Operating result	-7.7	-3.2	-142
Operating result, %	-13.1	-5.5	

Market Outlook 2015

- Latest economic forecasts still refer to moderate economic growth for 2015, as improved outlook of developed countries is compensating risks related to emerging economies.
- Even though weather observation market activity was subdued in Q1/2015, Vaisala is not seeing significant changes in underlying demand and market is expected to improve towards the end of the year.
- Differences in business conditions between customer groups and regions are expected to remain.
- Renewable energy, industrial measurement solutions and weather radars have the most promising outlook.
- Competition in weather observation market is expected to continue intensifying. In weather observations market it continues to be challenging to forecast customers' timing for decision making and acceptance of larger customer projects, having potentially material impact on overall Vaisala weather business.

Business Outlook 2015

- Vaisala estimates its full year 2015 net sales to be in the range of EUR 285–315 million and the operating result (EBIT) in the range of EUR 20–30 million.



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