



Vaisala Corporation
Financial Statement Release
February 10, 2014 at 2:15 p.m.

Vaisala Corporation Financial Statement Release 2013

Net sales and operating profit decreased. Order book increased 16%. Steady outlook for 2014.

October-December 2013 Highlights

- Orders received EUR 82.7 (66.1) million, increase 25%
- Order book EUR 122.0 (105.6) million, increase 16%
- Net sales EUR 80.5 (89.7) million, decrease 10%
- Impairment charges EUR 4.3 million
- Operating profit EUR 3.1 (12.4) million, decrease 75%
- Cash flow from business operations EUR 12.0 (21.5) million
- Cash and cash equivalents EUR 45.8 (74.8) million

January-December 2013 Highlights

- Orders received EUR 282.9 (264.7) million, increase 7%
- Net sales EUR 273.2 (293.3) million, decrease 7%
- Impairment charges EUR 4.3 million
- Gain from product line divestment EUR 1.5 million
- Operating profit EUR 18.1 (30.2) million, decrease 40%
- Operating profit of net sales 6.6% (10.3%)
- Cash flow from business operations EUR 28.2 (48.2) million
- Capital return EUR 22.2 million
- Dividend paid EUR 16.2 million
- Vaisala's Board of Directors is proposing a dividend of EUR 0.90 per share (0.90 per share in 2012)

Kjell Forsén, President and CEO:

“During 2013 the global financial situation was challenging with some improvement showing towards the end of the year especially in the USA and Japan. The slow order intake during the first half of 2013, however, negatively affected the full year. Weak governmental finances took a toll on the Weather business. Controlled Environment's net sales was a disappointment in all market areas even though sales volumes increased in China.

Order intake during the last quarter of 2013 grew by 25% as compared to the preceding year. Order intake was especially strong in Meteorology and stable throughout the year in Airports. The order book at the end of 2013 is 16% higher than the previous year.

The slow order intake during the first half of 2013 led to lower sales volumes in the fourth quarter, down 10% from the previous year. Gross margin, however, improved to 49% from 48%.

Operating profit decreased significantly during the fourth quarter due to lower sales and one-time impairment charges. The main reason for the impairment charges is delayed Life Science business growth as markets in all geographic areas have not developed according to expectations.

For the full year 2013 order intake increased with 7% whereas net sales decreased by 7%. Operating profit decreased by 40% due to lower net sales and the impairment charges.

Going into 2014, the economic uncertainty seems to be slightly easing off with several markets showing early signs of recovery.”

Key Figures (audited)

EUR million	10- 12/2013	10- 12/2012	1-12/2013	1-12/2012
Net sales	80.5	89.7	273.2	293.3
Weather	62.4	71.3	200.0	218.0
Controlled Environment	18.0	18.3	73.2	75.3
Orders received	82.7	66.1	282.9	264.7
Order book	122.0	105.6	122.0	105.6
Operating Profit	3.1	12.4	18.1	30.2
Weather	7.6	11.8	14.5	22.6
Controlled Environment	-3.5	1.1	4.0	9.4
Eliminations and other	-1.1	-0.5	-0.4	-1.9
Profit (loss) before taxes	2.8	11.6	17.2	29.1
Profit (loss) for the period	1.8	9.8	10.9	21.7
% of Net sales				
Operating Profit	3.8%	13.8%	6.6%	10.3%
Profit (loss) before taxes	3.5%	12.9%	6.3%	9.9%
Profit (loss) for the period	2.3%	10.9%	4.0%	7.4%
Earnings per share	0.10	0.54	0.60	1.20
Return on equity	6.3%	11.7%	6.3%	11.7%
Cash flow from business operations	12.0	21.5	28.2	48.2
Cash and cash equivalents	45.8	74.8	45.8	74.8

Market Outlook for 2014

Vaisala expects that signs of economic recovery will gradually revive weather and industrial measurement solution market, normally expressing post-cyclical behavior. Vaisala's improved order backlog also indicates slight improvement in market conditions. However, outlook still varies significantly between customer groups and uncertainty in timings of weather customers' projects continues to limit forecasting visibility. Intensive competitive pressures also characterize many applications and market regions. Hence, overall expectations do not refer to significant upturn.

In the Americas weather measurement solution market outlook is weakened by already implemented US government budget sequestration and uncertainty on further actions. Modest growth in demand for industrial measurement solutions is expected, but competitive pressures are not easing.

In EMEA demand for measurement solutions is expected to be supported by gradually improving economic conditions. Weather infrastructure markets in APAC are active. Outlook of industrial measurement solutions is solid in APAC.

Business Outlook for 2014

Vaisala estimates its full year 2014 net sales to be in the range of EUR 290–320 million and the operating profit (EBIT) in the range of EUR 20–30 million.

In January-December 2013, Vaisala's net sales were EUR 273.2 million and operating profit (EBIT) was EUR 18.1 million.

Disclosure Procedure

This is a summary of Vaisala's Financial Results 2013. The complete report is available at Vaisala's website at www.vaisala.com/investors. (Re. Standard 5.2b published by the Finnish Financial Supervision Authority.)

Briefing and Audiocast

Briefing for analysts and media will be arranged in Hotel Kämp, Paavo Nurmi meeting room, Pohjoisesplanadi 29, Helsinki starting at 4 p.m. (EEST) today. Please register to the briefing by e-mail to maarit.mikkonen@vaisala.com.

The presentation of Kjell Forsén, President and CEO, at the briefing will be audiocast live at www.vaisala.com/investors starting at 4 p.m. A recording of the audiocast will be published at the same address at 6 p.m.

First quarter results bulletin

Vaisala will publish its Q1/2014 results bulletin on Thursday, April 24, 2014 at approximately 2:00 p.m. Finnish time.

Further information:

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Vaisala is a global leader in environmental and industrial measurement. Building on over 75 years of experience, Vaisala contributes to a better quality of life by providing a comprehensive range of innovative observation and measurement products and services for chosen weather-related and industrial markets. Headquartered in Finland, Vaisala employs approximately 1400 professionals worldwide and is listed on the NASDAQ OMX Helsinki stock exchange. www.vaisala.com www.twitter.com/VaisalaGroup

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