



Vaisala Corporation Stock exchange release 6 May 2011 at 9.00 a.m.

Vaisala Group financial statement bulletin Q1/2011

First quarter net sales at good level. Orders received down, order book remains strong. Outlook unchanged.

January - March 2011

First quarter highlights

- Orders received: EUR 57.0 (68.1) million, decline 16%.
- Net sales EUR 58.9 (49.3) million, growth 20%. Net sales growth compared to proforma Q1/2010 net sales 16%.
- Operating result EUR -0.9 (-6.2) million.
- Earnings per share EUR -0.13 (-0.18).
- Cash flow from business operations EUR 14.7 (6.7) million.
- Consolidated liquid assets EUR 47.7 (42.2) million.

First Quarter Comments

Net sales were at a high level, partly because the delayed backlog from 2010 was caught up. The operating result improved year on year. Following an extraordinarily strong order intake in the fourth quarter of 2010, orders received decreased by 16 percent compared to the first quarter of 2010. The order book remained strong. Vaisala's delivery performance was normalized.

Growth was high in the Controlled Environment Business Area both in terms of net sales and operating result. The net sales of the Weather Critical Operations Business Area grew and the operating result improved. The Meteorology Business Area increased their net sales but the operating result declined due to low margins of certain delivery projects especially in the emerging markets.

Net sales grew in all regions: APAC +42%, EMEA +9% and Americas +16%. The net sales growth in Americas compared to proforma Q1/2010 net sales was 8 percent.

Key figures

	1-3 2011 (MEUR)	1-3 2010 (MEUR)	Change (%)	Proforma * 1-3 2010 (MEUR)	Change (%)	1-12 2010 (MEUR)	Proforma * 1-12 2010 (MEUR)
Group net sales	58.9	49.3	19.6	50.7	16.2	253.2	254.6
Meteorology	14.9	12.0	24.4	12.0	24.4	75.2	75.2
Controlled Environment	18.6	13.6	36.0	15.1	23.2	63.4	64.9
Weather Critical Operations	25.4	23.6	7.6	23.6	7.6	114.6	114.6
Operating result, Group	-0.9	-6.2	85.7	-6.2	85.7	11.8	11.8
Meteorology	-3.8	-3.4	-10.6	-3.4	-10.6	2.8	2.8
Controlled Environment	4.0	1.4	177.8	1.4	177.8	8.9	8.9
Weather Critical Operations	-1.0	-3.2	68.5	-3.2	68.5	1.0	1.0
Eliminations and other	-0.1	-1.0	69.1	-1.0	69.1	-0.9	-0.9
Result before taxes	-2.6	-4.4	40.2	-4.4	40.2	14.0	14.0
Net result for review period	-2.3	-3.3	31.0	-3.3	31.0	10.2	10.2
Orders received	57.0	68.1	-16.3			286.7	
Order book	127.1	114.3				129.0	
Earnings per share	-0.13	-0.18	31.0	-0.18	31.0	0.56	0.56
Return on equity (%)	-5.3	-7.7				5.6	5.6

* The company acquired Veriteq company in its Controlled Environment business area on 1 April 2010. Proforma figures of the first quarter of 2010 and full year 2010 presented in this release for comparison purposes include the first quarter 2010 figures of Veriteq. For example, when referring to organic growth, the comparison is made against Vaisala 2010 proforma figures.

President and CEO Kjell Forsén on the first quarter result

“Our Controlled Environment business continues its strong performance. All three industrial segments increased their sales with good profitability.

The first quarter is typically slow for the Weather Critical Operations and Meteorology Business Areas, and this year makes no exception. The loss in the Weather Critical Operations Business Area was smaller than a year ago, whereas the performance of the Meteorology business suffered from low profitability of the project business, especially in the emerging markets.

Vaisala's Service business grew by 20 percent in 2010 compared to 2009, and the first quarter of this year shows continued strong growth. The share of service business is now 16 percent of the total net sales.

Order intake has been slow in our weather-related businesses, especially in the early part of the quarter. We have not lost any major business but have not received any large project orders either. Budget cuts and the subsequent investment limitations in the public sector still seem to affect our customers especially in the weather businesses. The order book remains strong.

Vaisala's delivery capability is now restored. However, we are closely monitoring component availability for possible signs of global shortage and impact of the situation in Japan."

Market outlook

Uncertainty in the global economy and shifts in exchange rates are still expected to affect Vaisala's business. Based on the structure of Vaisala's customer base and the orders received, the company's market situation is expected to remain mostly unchanged in 2011.

Financial guidance

Vaisala expects its net sales in 2011 to grow moderately from the preceding year's proforma net sales. Also the operating profit is expected to improve moderately. Proforma net sales in 2010 were EUR 254.6 million.

Vaisala's long-term business outlook remains unchanged.

New disclosure procedure

Vaisala is now adopting the new disclosure procedure enabled by the Standard 5.2b published by the Finnish Financial Supervision Authority. This is a summary of Vaisala's Q1/2011 Interim Report. The complete report is attached as pdf file to this release and is also available at Vaisala website at www.vaisala.com/investors.

Briefing and webcast

Briefing for analysts and media will be held in Tapahtumatalo Bank, Meeting Point 2nd floor, Unioninkatu 20, Helsinki starting at 12.00 noon. Please register by email to liisa.ahtiluoto@vaisala.com.

A live audiocast of the presentation of Kjell Forsén, President and CEO of Vaisala, will be sent starting at 12:00 noon (GMT +2). The webcast will be available at www.vaisala.com/investors. It will be recorded and published at the same address by 2:00 p.m. (GMT +2) on the same day.

Further information:

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for meteorology, weather critical operations and controlled environments. Headquartered in Finland, Vaisala employs over 1300 professionals worldwide and is listed on the NASDAQ OMX Helsinki. www.vaisala.com

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Key media