

Growth and margin expansion

Vaisala's Q4'25 figures and FY'26 guidance came in largely as expected. We believe continued IM growth will lift its EBITA more this year thanks to operating leverage, while W&E could start to see growth again towards next year. Vaisala's EBITA would then be positioned to grow 10% more.

IM drives growth while W&E demand is stabilizing

Vaisala's Q4 main figures were largely as expected as the EUR 162m revenue and EUR 26m EBITA didn't differ much from estimates. The EBITA margin of W&E was still a decent 14.7% thanks to recent cost savings measures, topping our estimate, while higher-than-expected IM OPEX left its EBITA soft relative to our estimate. W&E demand outlook now seems to be stabilizing, but it's still hard to see growth for the segment in FY'26. IM's recent order trends suggest it could grow at a double-digit rate this year, and we expect Vaisala to reach the higher end of its revenue guidance range.

Revenue to grow about 6% and EBITA some 10%

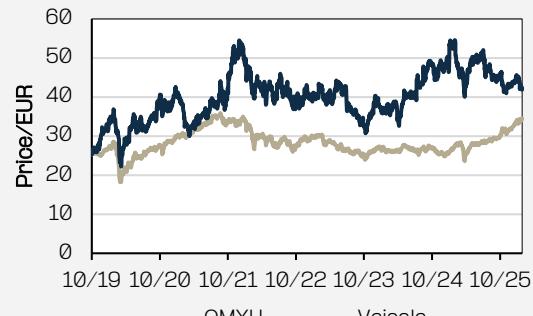
In our view W&E FY'26 EBITA should remain close to EUR 40m, while the growth of IM should take its EBITA to at least some EUR 55m; we estimate the figure at EUR 65m so that Vaisala's FY'26 EBITA would gain by almost EUR 10m y/y to EUR 103m, or near the guidance midpoint. IM's outlook now seems strong enough, driven by many bigger demand trends such as data centers, that it's reasonable to expect growth to continue at least at a high single-digit rate next year. Meanwhile W&E may not grow in FY'26, but its orders are mostly stabilizing and it could yet book e.g. the EUR 25m Indonesian airport modernization project.

Multiples are quite attractive relative to peers'

We expect IM to grow 12% in FY'26, while we expect W&E to remain flat. IM might not grow at such a high rate for very long, but the improving outlook within W&E could help Vaisala to maintain around 6% growth next year; we would then expect operating margins to improve by another 100bps, which implies an earnings growth of roughly 10%. Vaisala is valued some 16x EV/EBIT on our FY'26 estimates, and we estimate earnings growth to take the multiple down to 13x next year. These multiples are 25% below peers', yet Vaisala's growth and earnings profile doesn't differ that much from the typical peer. We retain our EUR 50.0 TP and BUY rating.

Rating

++ Buy



Share price, EUR (Last trading day's closing price)	43.20
Target price, EUR	50.0
Latest change in recommendation	03–Feb–26
Latest report on company	03–Feb–26
Research paid by issuer:	YES
No. of shares outstanding, '000's	36 319
No. of shares fully diluted, '000's	36 319
Market cap, EURm	1 569
Free float, %	65.0 %
Exchange rate	—
Reuters code	VAIAS.HE
Bloomberg code	VAIAS FH
Average daily volume, EURm	0.5
Next interim report	24–Apr–26
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++ BUY ++ ACCUMULATE ■ REDUCE ■ SELL

KEY FIGURES

	Sales EURm	EBIT EURm	EBIT %	FCF EURm	EPS EUR	P/E (x)	EV/Sales (x)	EV/EBIT (x)	FCF yield %	DPS EUR
2024	564.6	82.9	14.7%	-48.3	1.76	27.5	3.2	21.7	-2.8%	0.85
2025	596.9	85.1	14.3%	83.9	1.65	26.8	2.7	18.8	5.2%	0.86
2026E	628.0	97.1	15.5%	73.0	2.07	20.9	2.4	15.7	4.7%	0.95
2027E	668.1	110.6	16.6%	89.0	2.38	18.1	2.2	13.3	5.7%	1.00
2028E	707.5	126.6	17.9%	106.4	2.74	15.8	2.0	11.1	6.8%	1.43
Market cap, EURm	1 569	Gearing 2026E, %				-11.5 %	CAGR EPS 2025–28, %			18.5 %
Net debt 2026E, EURm	-43	Price/book 2026E				4.2	CAGR Sales 2025–28, %			5.8 %
Enterprise value, EURm	1 527	Dividend yield 2026E, %				2.2 %	ROE 2026E, %			21.6 %
Total assets 2026E, EURm	603	Tax rate 2026E, %				21.0 %	ROCE 2026E, %			23.0 %
Goodwill 2026E, EURm	100	Equity ratio 2026E, %				61.3 %	PEG, P/E 26/CAGR			15

All the important disclosures can be found on the last pages of this report.

Estimates and peer valuation

ESTIMATES	2023	2024	Q1'25	Q2'25	Q3'25	Q4'25	2025	Q1'26E	Q2'26E	Q3'26E	Q4'26E	2026E
Net sales	540.4	564.6	135.6	145.0	154.0	162.4	596.9	1417	152.6	160.4	173.2	628.0
Weather & Environment	313.0	338.2	75.9	83.0	93.3	96.9	349.1	74.7	83.2	92.2	99.3	349.4
Industrial Measurements	227.3	226.5	59.7	62.0	60.7	65.5	247.8	67.1	69.4	68.2	73.9	278.6
Net sales growth	5.1%	4.5%	20.9%	-2.3%	12.7%	-3.0%	5.7%	4.5%	5.2%	4.2%	6.7%	5.2%
Weather & Environment	8.5%	8.0%	18.4%	-9.7%	17.8%	-5.9%	3.2%	-16%	0.2%	-11%	2.5%	0.1%
Industrial Measurements	0.8%	-0.4%	24.3%	9.7%	5.7%	15%	9.4%	12.4%	11.9%	12.4%	12.9%	12.4%
Reported EBIT	66.6	82.9	17.9	16.9	25.6	24.6	85.0	17.5	21.0	29.1	29.5	97.1
Reported EBIT margin	12.3%	14.7%	13.2%	11.7%	16.6%	15.2%	14.2%	12.3%	13.7%	18.2%	17.0%	15.5%
EBITA	74.7	90.3	20.5	19.6	28.0	26.1	94.3	19.1	22.6	30.7	31.1	103.4
Weather & Environment	27.5	41.4	7.6	5.9	13.7	14.2	41.3	4.4	6.1	12.4	15.2	38.0
Industrial Measurements	46.8	48.8	12.9	13.7	14.4	11.9	52.9	14.7	16.4	18.3	15.9	65.3
Other operations	0.4	0.1	0.0	0.0	-0.1	0.0	0.0	0.0	0.0	0.0	0.0	0.0
EBITA-margin	13.8%	16.0%	15.1%	13.5%	18.2%	16.1%	15.8%	13.5%	14.8%	19.2%	18.0%	16.5%
Weather & Environment	8.8%	12.2%	9.9%	7.1%	14.6%	14.7%	11.8%	5.9%	7.4%	13.5%	15.3%	10.9%
Industrial Measurements	20.6%	21.6%	21.7%	22.1%	23.8%	18.2%	21.4%	21.9%	23.7%	26.9%	21.5%	23.5%

Source: Evli Research

VAISALA PEER GROUP	MCAP MEUR	EV/EBITDA			EV/EBIT			P/E		
		25	26	27	25	26	27	25	26	27
AMETEK	45570	21.1x	22.1x	20.7x	25.4x	26.5x	24.5x	31.7x	29.2x	27.1x
Amphenol	148335	25.4x	19.9x	17.5x	29.2x	22.8x	20.0x	43.1x	32.9x	28.1x
Emerson Electric	73170	16.8x	17.9x	16.7x	18.4x	19.7x	18.1x	25.2x	23.1x	21.0x
ESCO Technologies	6170	19.0x	22.6x		23.5x	34.1x		43.3x	33.9x	
Halma	16340	22.9x	22.0x	20.3x	25.6x	24.4x	22.5x	35.0x	31.2x	28.5x
Hexagon	24673	16.3x	14.0x	12.9x	22.0x	18.9x	17.2x	22.7x	21.6x	19.0x
Honeywell International	129636	16.0x	17.8x	16.5x	17.3x	19.5x	17.9x	24.8x	23.2x	21.1x
Itron	3846	11.9x	12.1x	10.7x	13.9x	14.0x	12.0x	14.6x	16.8x	15.0x
Keysight Tech	34346	23.1x	23.7x	21.3x	25.3x	26.0x	23.3x	32.5x	28.8x	25.4x
MKS	14639	15.9x	20.7x	18.6x	18.2x	23.6x	20.9x	32.9x	28.5x	24.1x
Oxford Instruments	1679	13.7x	16.4x	14.8x	16.0x	19.0x	17.3x	26.3x	24.1x	21.4x
Sensirion Holding	1002	15.5x	13.7x	11.8x	24.3x	21.2x	19.8x	42.7x	26.7x	24.5x
Trimble	13037	19.3x	14.8x	13.5x	20.3x	15.6x	13.9x	20.8x	18.5x	16.2x
Veralto	19845	18.6x	16.5x	15.4x	19.2x	17.1x	15.8x	24.4x	22.7x	20.8x
Peer Group Average	38021	18.2x	18.2x	16.2x	21.3x	21.6x	18.7x	30.0x	25.8x	22.5x
Peer Group Median	18092	17.7x	17.9x	16.5x	21.2x	20.4x	18.1x	29.0x	25.4x	21.4x
Vaisala (Evli est.)	1569	14.2x	12.4x	11.3x	18.8x	15.7x	13.4x	26.8x	20.9x	18.1x
Vaisala prem./disc. to peer median		-20 %	-31 %	-31 %	-11 %	-23 %	-28 %	-8 %	-18 %	-15 %

VAISALA PEER GROUP	Sales 24	Sales gr.			EBIT-%			Div. yield		
		25	26	27	25	26	27	25	26	27
AMETEK	5622	11.4%	7.2%	5.6%	26.2 %	26.7 %	27.3 %	0.5 %	0.6 %	0.6 %
Amphenol	11578	67.0%	36.6%	11.7%	26.2 %	26.4 %	26.9 %	0.5 %	0.7 %	0.7 %
Emerson Electric	19860	-20.6%	2.7%	5.2%	25.9 %	26.4 %	27.2 %	1.4 %	1.4 %	1.5 %
ESCO Technologies	828	19.7%	13.5%		19.1 %	16.4 %				
Halma	2164	32.4%	10.6%	8.1%	22.1 %	22.2 %	22.3 %	0.7 %	0.7 %	0.8 %
Hexagon	5161	5.2%	1.2%	5.8%	26.4 %	27.3 %	28.4 %	1.5 %	1.5 %	1.7 %
Honeywell International	32417	-3.2%	6.3%	5.7%	22.7 %	23.1 %	23.8 %	1.9 %	1.9 %	2.0 %
Itron	1694	17.3%	3.3%	7.0%	13.1 %	13.6 %	14.7 %	0.0 %	0.0 %	0.0 %
Keysight Tech	5231	-9.3%	11.1%	6.2%	25.9 %	25.9 %	27.1 %	0.0 %	0.0 %	0.0 %
MKS	3345	-1.2%	9.2%	8.6%	20.6 %	21.2 %	22.0 %	0.3 %	0.3 %	0.4 %
Oxford Instruments	519	-1.5%	-0.7%	5.5%	16.8 %	18.0 %	18.7 %	0.9 %	0.9 %	1.0 %
Sensirion Holding	328	11.0%	6.4%	6.4%	11.0 %	11.3 %	11.3 %	0.0 %	0.0 %	0.0 %
Trimble	3428	-12.2%	8.1%	8.2%	27.5 %	28.1 %	29.0 %	0.4 %	0.4 %	0.5 %
Veralto			5.6%	5.3%	24.2 %	24.5 %	25.0 %			
Peer Group Average	7090	8.9%	8.6%	6.9%	22.0 %	22.2 %	23.4 %	0.7 %	0.7 %	0.8 %
Peer Group Median	3428	5.2%	6.8%	6.2%	23.5 %	23.8 %	25.0 %	0.5 %	0.6 %	0.7 %
Vaisala (Evli est.)	565	5.7%	5.2%	6.4%	14.3 %	15.5 %	16.6 %	2.0 %	2.2 %	2.3 %

Source FactSet, Evli Research

VALUATION RESULTS	BASE CASE DETAILS	VALUATION ASSUMPTIONS	ASSUMPTIONS FOR WACC	
Current share price	43.20 PV of Free Cash Flow	725 Long-term growth, %	2.5 % Risk-free interest rate, %	2.25 %
DCF share value	55.86 PV of Horizon value	1 303 WACC, %	7.0 % Market risk premium, %	5.8 %
Share price potential, %	29.3 % Unconsolidated equity	-1 Spread, %	0.5 % Debt risk premium %	2.8 %
Maximum value	62.7 Marketable securities	93 Minimum WACC, %	6.5 % Equity beta coefficient	0.80
Minimum value	50.4 Debt – dividend	-92 Maximum WACC, %	7.5 % Target debt ratio, %	20 %
Horizon value, %	64.3 % Value of stock	2 029 No. of shares, Mn	36.3 Effective tax rate, %	25 %

DCF valuation, EURm	2025	2026E	2027E	2028E	2029E	2030E	2031E	2032E	2033E	2034E	2035E	TERMINAL
Net sales	597	628	668	707	749	779	803	827	847	869	890	912
<i>Sales growth (%)</i>	<i>5.7%</i>	<i>5.2%</i>	<i>6.4%</i>	<i>5.9%</i>	<i>5.9%</i>	<i>4.0%</i>	<i>3.0%</i>	<i>3.0%</i>	<i>2.5%</i>	<i>2.5%</i>	<i>2.5%</i>	<i>2.5%</i>
Operating income (EBIT)	85	97	111	127	140	136	128	132	136	139	142	146
<i>Operating income margin %</i>	<i>14.3%</i>	<i>15.5%</i>	<i>16.6%</i>	<i>17.9%</i>	<i>18.7%</i>	<i>17.5%</i>	<i>16.0%</i>	<i>16.0%</i>	<i>16.0%</i>	<i>16.0%</i>	<i>16.0%</i>	<i>16.0%</i>
+ Depreciation+amort.	28	27	25	25	23	22	21	14	13	13	13	13
EBITDA	113	124	136	151	163	158	149	147	149	152	155	
- Paid taxes	-18	-20	-23	-27	-29	-29	-27	-27	-28	-28	-29	-30
- Change in NWC	15	-3	-4	-4	-4	-3	-2	-2	-2	-2	-2	-2
<i>NWC / Sales, %</i>	<i>9.2%</i>	<i>9.2%</i>	<i>9.3%</i>	<i>9.4%</i>	<i>9.4%</i>	<i>9.5%</i>	<i>9.5%</i>	<i>9.5%</i>	<i>9.6%</i>	<i>9.6%</i>	<i>9.6%</i>	<i>9.6%</i>
+ Change in other liabs	0											
- Operative CAPEX	-16	-19	-17	-17	-17	-16	-15	-15	-8	-9	-14	-10
<i>opCAPEX / Sales, %</i>	<i>3.2%</i>	<i>4.0%</i>	<i>2.8%</i>	<i>1.9%</i>	<i>2.2%</i>	<i>1.9%</i>	<i>1.7%</i>	<i>0.8%</i>	<i>0.9%</i>	<i>1.6%</i>	<i>1.0%</i>	
- Acquisitions												
+ Divestments												
- Other items												
= FOFF	93	80	91	103	112	111	105	108	109	107	113	2 551
= Discounted FCF	76	80	85	86	80	71	68	64	58	58	58	1 303
= DFCF min WACC	76	81	86	88	81	73	70	66	61	60	60	1 535
= DFCF max WACC	75	80	84	85	78	69	66	62	56	55	55	1 121

Sensitivity analysis, EUR

Terminal WACC					
	5.03 %	6.03 %	7.03 %	8.03 %	9.03 %
Terminal EBIT-%	14.00 %	87.19	63.50	50.19	41.64
	15.00 %	93.31	67.49	53.02	43.76
	16.00 %	99.42	71.48	55.86	45.88
	17.00 %	105.54	75.47	58.69	47.99
	18.00 %	111.65	79.46	61.52	50.11
					42.22

INTERIM FIGURES

EVLI ESTIMATES, EURm	2025Q1	2025Q2	2025Q3	2025Q4	2025	2026Q1E	2026Q2E	2026Q3E	2026Q4E	2026E	2027E	2028E
Net sales	135.6	145.0	154.0	162.3	596.9	141.7	152.6	160.4	173.2	628.0	668.1	707.5
EBITDA	24.9	23.7	32.7	31.5	112.8	24.1	27.6	35.8	36.1	123.6	135.7	151.1
<i>EBITDA margin (%)</i>	18.4%	16.4%	21.2%	19.4%	18.9%	17.0%	18.1%	22.3%	20.9%	19.7%	20.3%	21.3%
EBIT	17.9	16.9	25.6	24.7	85.1	17.5	21.0	29.1	29.5	97.1	110.6	126.6
<i>EBIT margin (%)</i>	13.2%	11.7%	16.6%	15.2%	14.3%	12.3%	13.7%	18.2%	17.0%	15.5%	16.6%	17.9%
Net financial items	-2.7	-2.5	-15	-13	-8.0	-0.5	-0.5	-0.5	-0.5	-2.0	-11	-0.7
Pre-tax profit	15.2	14.4	24.1	23.4	77.1	17.0	20.5	28.6	29.0	95.1	109.5	125.9
Tax	-3.2	-3.6	-5.5	-5.1	-17.4	-5.0	-5.0	-5.0	-5.0	-20.0	-23.0	-26.4
<i>Tax rate (%)</i>	21.1%	25.0%	22.8%	21.6%	22.5%	29.4%	24.5%	17.5%	17.2%	21.0%	21.0%	21.0%
Net profit	12.0	10.8	18.6	18.4	59.8	12.0	15.5	23.6	24.0	75.1	86.5	99.4
EPS	0.33	0.30	0.51	0.51	1.65	0.33	0.43	0.65	0.66	2.07	2.38	2.74
EPS adj. (diluted)	0.33	0.30	0.51	0.51	1.65	0.33	0.43	0.65	0.66	2.07	2.38	2.74
Dividend per share					0.86					0.95	1.00	1.43
SALES, EURm	2025Q1	2025Q2	2025Q3	2025Q4	2025	2026Q1E	2026Q2E	2026Q3E	2026Q4E	2026E	2027E	2028E
Weather and Environment	75.9	83.0	93.4	96.8	349.1	74.7	83.2	92.2	99.3	349.4	368.6	387.0
Industrial Measurements	59.7	62.0	60.6	65.5	247.8	67.1	69.4	68.2	73.9	278.6	299.5	320.4
Total	135.6	145.0	154.0	162.3	596.9	141.7	152.6	160.4	173.2	628.0	668.1	707.5
SALES GROWTH, Y/Y%	2025Q1	2025Q2	2025Q3	2025Q4	2025	2026Q1E	2026Q2E	2026Q3E	2026Q4E	2026E	2027E	2028E
Weather and Environment	18.4%	-9.7%	17.9%	-6.0%	3.2%	-1.6%	0.2%	-1.2%	2.6%	0.1%	5.5%	5.0%
Industrial Measurements	24.3%	9.7%	5.6%	15%	9.4%	12.4%	11.9%	12.5%	12.9%	12.4%	7.5%	7.0%
Total	21.0%	-2.3%	12.8%	-3.1%	5.7%	4.6%	5.2%	4.2%	6.7%	5.2%	6.4%	5.9%
EBIT, EURm	2025Q1	2025Q2	2025Q3	2025Q4	2025	2026Q1E	2026Q2E	2026Q3E	2026Q4E	2026E	2027E	2028E
Weather and Environment	5.2	3.4	11.6	12.9	33.2	3.0	4.7	11.0	13.8	32.5	38.7	46.4
Industrial Measurements	12.7	13.5	14.1	11.7	52.0	14.5	16.2	18.1	15.7	64.5	71.9	80.1
Other	-0.1	-0.1	0.1	-0.1	-0.1							
Total	17.9	16.9	25.6	24.7	85.1	17.5	21.0	29.1	29.5	97.1	110.6	126.6
EBIT margin %	2025Q1	2025Q2	2025Q3	2025Q4	2025	2026Q1E	2026Q2E	2026Q3E	2026Q4E	2026E	2027E	2028E
Weather and Environment	6.9%	4.2%	12.5%	13.3%	9.5%	4.0%	5.7%	11.9%	13.9%	9.3%	10.5%	12.0%
Industrial Measurements	21.3%	21.7%	23.2%	17.9%	21.0%	21.6%	23.4%	26.6%	21.2%	23.2%	24.0%	25.0%
Other	-100.0%	-100.0%	100.0%	-100.0%	-100.0%							
Total	13.2%	11.7%	16.6%	15.2%	14.3%	12.3%	13.7%	18.2%	17.0%	15.5%	16.6%	17.9%

INCOME STATEMENT, EURm	2021	2022	2023	2024	2025	2026E	2027E	2028E
Sales	437.9	514.1	540.4	564.6	596.9	628.0	668.1	707.5
<i>Sales growth (%)</i>	15.4%	17.4%	5.1%	4.5%	5.7%	5.2%	6.4%	5.9%
EBITDA	71.7	85.4	90.8	106.5	112.8	123.6	135.7	151.1
<i>EBITDA margin (%)</i>	16.4%	16.6%	16.8%	18.9%	18.9%	19.7%	20.3%	21.3%
Depreciation	-21.6	-22.9	-24.2	-23.6	-27.7	-26.5	-25.2	-24.5
EBITA	50.1	62.5	66.6	82.9	85.1	97.1	110.6	126.6
Goodwill amortization / writedown								
EBIT	50.1	62.5	66.6	82.9	85.1	97.1	110.6	126.6
<i>EBIT margin (%)</i>	11.5%	12.2%	12.3%	14.7%	14.3%	15.5%	16.6%	17.9%
Reported EBIT	50.1	62.5	66.6	82.9	85.1	97.1	110.6	126.6
<i>EBIT margin (reported) (%)</i>	11.5%	12.2%	12.3%	14.7%	14.3%	15.5%	16.6%	17.9%
Net financials	-2.1	-2.9	-3.4	-2.1	-8.0	-2.0	-11	-0.7
Pre-tax profit	48.1	59.6	63.2	80.8	77.1	95.1	109.5	125.9
Taxes	-8.8	-14.5	-14.3	-17.0	-17.4	-20.0	-23.0	-26.4
Minority shares	-0.3							
Net profit	39.0	45.1	48.9	63.7	59.8	75.1	86.5	99.4
Cash NRIs								
Non-cash NRIs								
BALANCE SHEET, EURm								
Assets								
Fixed assets	96	99	98	109	115	114	111	109
Goodwill	29	49	46	100	100	100	100	100
Right of use assets	11	12	13	21	19	25	27	23
Inventory	50	62	59	58	61	64	68	72
Receivables	107	131	113	148	148	155	165	175
Liquid funds	78	56	90	89	93	98	124	190
Total assets	408	440	443	589	589	603	637	706
Liabilities								
Shareholders' equity	230	251	268	309	326	370	422	485
Minority interest	1							
Convertibles								
Lease liabilities	8	11	12	25	22	25	27	23
Deferred taxes	7	4	3	5	8	8	8	8
Interest bearing debt	40	53	52	105	70	30		
Non-interest bearing current liabilities	116	111	97	124	147	154	164	174
Other interest-free debt	7	7	10	21	16	16	16	16
Total liabilities	408	440	443	589	589	603	637	706
CASH FLOW, EURm								
+ EBITDA	72	85	91	107	113	124	136	151
- Net financial items	-2	-3	-3	-2	-8	-2	-1	-1
- Taxes	-9	-15	-14	-20	-17	-20	-23	-26
- Increase in Net Working Capital	17	-38	11	-1	15	-3	-4	-4
+/- Other	3	0						
= Cash flow from operations	80	30	84	84	103	98	107	120
- Capex	-22	-19	-16	-132	-19	-25	-19	-13
- Acquisitions		-23						
+ Divestments								
= Free cash flow	58	-12	68	-48	84	73	89	106
+/- New issues/buybacks	8	0	-6	4	-12			
- Paid dividend	25	26	27	31	31	35	36	52
+/- Other	-12	15	-2	70	-37	-37	-28	-4
Change in cash	33	-22	35	-2	4	5	26	66

KEY FIGURES	2022	2023	2024	2025	2026E	2027E	2028E
M-cap	1 437	1 439	1 756	1 600	1 569	1 569	1 569
Net debt (excl. convertibles)	8	-26	41	-1	-43	-97	-167
Enterprise value	1 446	1 414	1 798	1 600	1 527	1 473	1 403
Sales	514	540	565	597	628	668	707
EBITDA	85	91	107	113	124	136	151
EBIT	63	67	83	85	97	111	127
Pre-tax	60	63	81	77	95	109	126
Earnings	45	49	64	60	75	86	99
Equity book value (excl. minorities)	251	268	309	326	370	422	485
Valuation multiple	2022	2023	2024	2025	2026E	2027E	2028E
EV/Sales	2.8	2.6	3.2	2.7	2.4	2.2	2.0
EV/EBITDA	16.9	15.6	16.9	14.2	12.4	10.8	9.3
EV/EBITA	23.1	21.2	21.7	18.8	15.7	13.3	11.1
EV/EBIT	23.1	21.2	21.7	18.8	15.7	13.3	11.1
EV/OCF	48.5	16.8	21.5	15.6	15.5	13.7	11.7
EV/FCF	-308.6	19.2	-61.8	17.2	19.0	16.1	13.6
P/FCF	-116.8	21.0	-36.4	19.1	21.5	17.6	14.7
P/E	31.6	29.4	27.5	26.8	20.9	18.1	15.8
P/BV	5.7	5.4	5.7	4.9	4.2	3.7	3.2
Target EV/EBITDA					14.4	12.7	10.9
Target EV/EBIT					18.3	15.5	13.0
Target EV/FOCF					24.3	19.3	15.5
Target P/BV					4.9	4.3	3.7
Target P/E, diluted	31.2	30.1	31.6	31.0	24.2	21.0	18.3
Per share measures	2022	2023	2024	2025	2026E	2027E	2028E
Number of shares (million)	36.02	36.25	36.28	36.32	36.32	36.32	36.32
Number of shares (diluted, million)	36.02	36.25	36.28	36.32	36.32	36.32	36.32
EPS	1.25	1.35	1.76	1.65	2.07	2.38	2.74
Operating cash flow per share	0.83	2.32	2.31	2.83	2.71	2.96	3.30
Free cash flow per share	-0.34	1.89	-1.33	2.31	2.01	2.45	2.93
Book value per share	6.96	7.39	8.50	8.97	10.18	11.61	13.35
Dividend per share	0.72	0.75	0.85	0.86	0.95	1.00	1.43
Dividend payout ratio, %	57.5%	55.6%	48.4%	52.3%	46.0%	42.0%	52.3%
Dividend yield, %	1.8%	1.9%	1.8%	2.0%	2.2%	2.3%	3.3%
FCF yield, %	-0.9%	4.8%	-2.8%	5.2%	4.7%	5.7%	6.8%
Efficiency measures	2022	2023	2024	2025	2026E	2027E	2028E
ROE	18.8%	18.9%	22.1%	18.8%	21.6%	21.9%	21.9%
ROCE	21.2%	20.7%	21.5%	19.9%	23.0%	25.3%	26.5%
Financial ratios	2022	2023	2024	2025	2026E	2027E	2028E
Inventories as % of sales	12.0%	10.9%	10.2%	10.2%	10.2%	10.2%	10.2%
Receivables as % of sales	25.5%	20.8%	26.3%	24.8%	24.8%	24.8%	24.8%
Non-int. bearing liabilities as % of sales	21.6%	18.0%	22.0%	24.6%	24.6%	24.6%	24.6%
NWC/sales, %	15.4%	12.6%	12.3%	9.2%	9.2%	9.3%	9.4%
Operative CAPEX/Sales, %	3.7%	2.9%	23.4%	3.2%	4.0%	2.8%	1.9%
CAPEX/sales (incl. acquisitions), %	-0.8%	2.9%	23.4%	3.2%	4.0%	2.8%	1.9%
FCFF/EBITDA	-0.1	0.8	-0.3	0.8	0.7	0.7	0.7
Net Debt/EBITDA, book-weighted	0.1	-0.3	0.4	0.0	-0.3	-0.7	-1.1
Debt/equity, market-weighted	0.0	0.0	0.1	0.0	0.0		
Equity ratio, book-weighted	0.6	0.6	0.5	0.6	0.6	0.7	0.7
Gearing, %	3.2%	-9.7%	13.2%	-0.3%	-11.5%	-23.0%	-34.5%

COMPANY DESCRIPTION: Vaisala develops, manufactures, and markets products, projects, and services for weather, environmental and industrial measurements. Vaisala's strategy relies on R&D and focusing on technology leadership in its selected segments. Vaisala has two segments: Weather & Environment (W&E), and Industrial Measurement (IM). The W&E customers include meteorological institutes, airports, roads and railroad, defense, and energy industry. IM serves industrial customers in life science, power transmission, and targeted industrial applications offering a broad range of measurement instruments to ensure operational quality and productivity. Headquartered in Finland, Vaisala employs over 2,000 professionals worldwide.

INVESTMENT CASE: Vaisala benefits from its strong R&D based market leadership in both segments, with main profitability drivers being economies of scale and increasing share of IM sales. We also see multiple profitable growth drivers for W&E including the ongoing improvement in the legacy product and project business, increasing share of renewable product sales and growth in SaaS/DaaS business backed by recently made acquisitions and goal to turn to profit in the business during the current strategy period. The healthy business and strong balance sheet position supports the ability to pay an increasing dividend.

OWNERSHIP STRUCTURE	SHARES	EURm	%
Skandinaviska Enskilda Banken	3 776 358	163.139	10.4 %
Weisell-Säätiö Sr	1 654 370	71.469	4.6 %
Citibank	1 440 000	62.208	4.0 %
Voipio Mikko	1 268 312	54.791	3.5 %
Ilmarinen Mutual Pension Insurance Company	1 169 000	50.501	3.2 %
Caspers Anja	969 496	41.882	2.7 %
Voipio Raimo	920 714	39.775	2.5 %
Voipio Tauno	837 824	36.194	2.3 %
Ten largest	12 036 074	519.958	33.1 %
Residual	24 282 636	1049.010	66.9 %
Total	36 318 710	1568.968	100%

EARNINGS CALENDAR

April 24, 2026 Q1 report
 July 21, 2026 Q2 report
 October 27, 2026 Q3 report

OTHER EVENTS

COMPANY MISCELLANEOUS

CEO: Kai Öistämö
 CFO: Heli Lindfors
 IR: Paula Liimatta

Vanha Nurmijärventie 21, 01670 Vantaa
 Tel:

DEFINITIONS

P/E $\frac{\text{Price per share}}{\text{Earnings per share}}$	EPS $\frac{\text{Profit before extraord. items and taxes} - \text{income taxes} + \text{minority interest}}{\text{Number of shares}}$
P/BV $\frac{\text{Price per share}}{\text{Shareholder's equity} + \text{taxed provisions per share}}$	DPS Dividend for the financial period per share
Market cap $\text{Price per share} * \text{Number of shares}$	OCF (Operating cash flow) $\text{EBITDA} - \text{Net financial items} - \text{Taxes} - \text{Increase in working capital} - \text{Cash NRIs} \pm \text{Other adjustments}$
EV (Enterprise value) $\text{Market cap} + \text{net debt} + \text{minority interest at market value} - \text{share of associated companies at market value}$	FCF (Free cash flow) $\text{Operating cash flow} - \text{Operative CAPEX} - \text{acquisitions} + \text{divestments}$
EV/Sales $\frac{\text{Enterprise value}}{\text{Sales}}$	FCF yield, % $\frac{\text{Free cash flow}}{\text{Market cap}}$
EV/EBITDA $\frac{\text{Enterprise value}}{\text{Earnings before interest, tax, depreciation and amortization}}$	Operative CAPEX / Sales $\frac{\text{Capital expenditure} - \text{divestments} - \text{acquisitions}}{\text{Sales}}$
EV/EBIT $\frac{\text{Enterprise value}}{\text{Operating profit}}$	Net working capital $\text{Current assets} - \text{current liabilities}$
Net debt $\text{Interest bearing debt} - \text{financial assets}$	Capital employed / Share $\frac{\text{Total assets} - \text{non-interest bearing debt}}{\text{Number of shares}}$
Total assets $\text{Balance sheet total}$	Gearing $\frac{\text{Net debt}}{\text{Equity}}$
Div yield, % $\frac{\text{Dividend per share}}{\text{Price per share}}$	Debt/Equity, % $\frac{\text{Interest bearing debt}}{\text{Shareholders' equity} + \text{minority interest} + \text{taxed provisions}}$
Payout ratio, % $\frac{\text{Total dividends}}{\text{Earnings before extraordinary items and taxes} - \text{income taxes} + \text{minority interest}}$	Equity ratio, % $\frac{\text{Shareholders' equity} + \text{minority interest} + \text{taxed provisions}}{\text{Total assets} - \text{interest-free loans}}$
ROCE, % $\frac{\text{Profit before extraordinary items} + \text{interest expenses} + \text{other financial costs}}{\text{Balance sheet total} - \text{non-interest bearing debt} \text{ (average)}}$	CAGR, % Cumulative annual growth rate = Average growth rate per year
ROE, % $\frac{\text{Profit before extraordinary items and taxes} - \text{income taxes}}{\text{Shareholders' equity} + \text{minority interest} + \text{taxed provisions} \text{ (average)}}$	

Important Disclosures

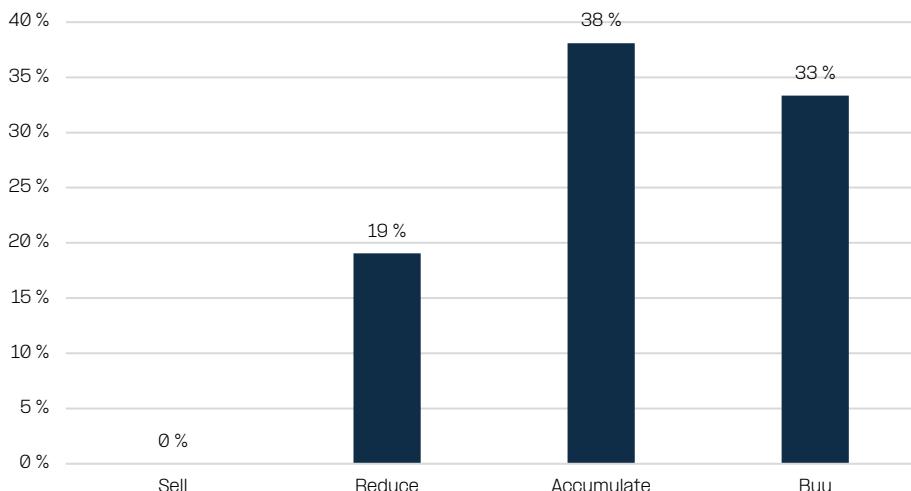
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Target price compared to share price	Recommendation
< -10 %	SELL
-10 – 0 %	REDUCE
0 – (+10) %	ACCUMULATE
> 10 %	BUY

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Name(s) of the analyst(s): Joonas Iivonen

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