

Extended strong growth outlook

Vaisala's Q1 figures were relatively close to estimates, and the company retained its previous guidance, however the report gave us more confidence IM continues to drive earnings growth also next year while WEE and Xweather will also contribute.

IM demand outlook continues to be very strong

Vaisala's EUR 137.0m Q1 revenue was relatively close to the EUR 142.2m/137.9m Evli/cons. estimates; growth continued at 7% y/y in constant currencies, driven by IM's 16% growth (mostly attributable to volumes). The EUR 20.7m EBITA was slightly above the EUR 20.4m/19.9m Evli/cons. estimates, while Xweather didn't meet our estimate due to the strong comparison period (there were one-offs), but in our view the report's most encouraging point was the continued strong IM orders received as they increased 17% in constant currencies while order book grew even faster than that.

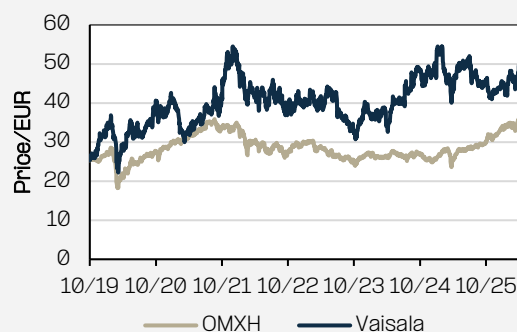
Earnings growth may well accelerate more next year

We estimate IM will contribute about two-thirds of Vaisala EBITA this year and hence its continued strong demand outlook is very encouraging for next year's results as well since the segment has more margin upside potential. We model EUR 10m EBITA gain for IM in FY'26 while estimating another EUR 7m for next year, which could well prove a conservative estimate since it implies only an increase of 30bps in EBITA margin. Xweather's short-term earnings contribution is still a bit hard to estimate as it remains a relatively small business for now and has a cost base sensitive to changes. WEE might not grow this year but could start to turn positive towards next year as renewable energy outlook is stabilizing while aviation and meteorology already saw increases in orders received.

Earnings multiples are arguably not particularly high

We expect roughly 10% y/y EBITA growth this year, yet in our view the rate could accelerate closer to 15% next year when WEE outlook continues to stabilize, Xweather grows more while IM still contributes significant earnings growth. Vaisala is valued 19x EV/EBIT on our FY'26 estimates, whereas continued growth could take the multiple close to 16x on our FY'27 estimates. We make only small estimate revisions following the report, but recent trends give us more confidence next year will be even better. We retain our EUR 58.0 TP and BUY rating.

Rating ++ Buy



Share price, EUR (Last trading day's closing price)	49.55
Target price, EUR	58.0
Latest change in recommendation	03-Feb-26
Latest report on company	20-Apr-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	1 800
Free float, %	65.0 %
Exchange rate	1.17
Reuters code	VAIAS.HE
Bloomberg code	VAIAS FH
Average daily volume, EURm	0.5
Next interim report	21-Jul-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	616.2	93.9	15.2%	74.6	1.99	24.9	2.9	18.7	4.1%	0.95
2027E	663.1	107.8	16.3%	84.1	2.31	21.4	2.6	15.8	4.7%	1.00
2028E	708.1	120.3	17.0%	99.4	2.60	19.1	2.3	13.7	5.5%	1.36
Market cap, EURm		1 800	Gearing 2026E, %			-12.0 %	CAGR EPS 2025-28, %			16.4 %
Net debt 2026E, EURm		-44	Price/book 2026E			4.9	CAGR Sales 2025-28, %			5.9 %
Enterprise value, EURm		1 756	Dividend yield 2026E, %			1.9 %	ROE 2026E, %			20.8 %
Total assets 2026E, EURm		594	Tax rate 2026E, %			20.8 %	ROCE 2026E, %			22.5 %
Goodwill 2026E, EURm		100	Equity ratio 2026E, %			61.7 %	PEG, P/E 26/CAGR			1.7

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

Estimates and peer valuation

ESTIMATES	Q1'25	Q2'25	Q3'25	Q4'25	2025	Q1'26	Q2'26E	Q3'26E	Q4'26E	2026E	2027E
Net sales	135.6	145.0	154.1	162.2	596.9	136.9	147.7	160.6	170.9	616.2	663.1
Weather, Energy, and Environment	61.0	70.0	79.3	81.6	292.0	58.2	67.2	75.7	79.6	280.7	292.4
Xweather	15.3	13.3	14.4	15.8	58.8	15.3	14.3	16.9	17.9	64.4	74.0
Industrial Measurements	59.7	62.0	60.7	65.5	247.8	64.0	66.7	68.5	73.9	273.2	298.7
Other operations	-0.4	-0.3	-0.3	-0.7	-1.7	-0.6	-0.5	-0.5	-0.5	-2.1	-2.0
Net sales growth	20.9%	-2.3%	12.8%	-3.2%	5.7%	1.0%	1.8%	4.2%	5.4%	3.2%	7.6%
Weather, Energy, and Environment	-4.8%	-23.8%	0.1%	-20.7%	-13.6%	-4.6%	-4.0%	-4.6%	-2.4%	-3.9%	4.2%
Xweather	62.8%	54.7%	56.5%	33.9%	50.8%	-	7.5%	17.5%	13.0%	9.5%	15.0%
Industrial Measurements	24.3%	9.7%	5.7%	1.5%	9.4%	7.2%	7.6%	12.9%	12.9%	10.2%	9.3%
Reported EBIT	17.9	16.9	25.7	24.5	85.0	18.8	17.1	29.9	28.0	93.9	107.8
Reported EBIT margin	13.2%	11.7%	16.7%	15.1%	14.2%	13.8%	11.6%	18.6%	16.4%	15.2%	16.3%
EBITA	20.5	19.6	28.0	26.0	94.1	20.7	19.5	32.3	30.4	102.9	117.3
Weather, Energy, and Environment	6.0	6.6	16.0	14.5	43.1	4.6	5.2	13.2	13.2	36.2	38.6
Xweather	2.1	-0.2	1.0	1.1	4.0	0.8	0.9	2.4	2.6	6.7	12.2
Industrial Measurements	13.8	14.4	15.6	13.2	56.9	16.7	15.4	18.7	16.6	67.3	74.4
Other operations	-1.6	-1.2	-4.5	-2.7	-10.0	-1.3	-2.0	-2.0	-2.0	-7.3	-8.0
EBITA-margin	15.1%	13.5%	18.2%	16.0%	15.8%	15.2%	13.2%	20.1%	17.8%	16.7%	17.7%
Weather, Energy, and Environment	9.8%	9.5%	20.1%	17.8%	14.8%	7.9%	7.7%	17.4%	16.6%	12.9%	13.2%
Xweather	13.9%	-1.7%	6.8%	7.1%	6.8%	5.1%	6.2%	14.3%	14.8%	10.4%	16.5%
Industrial Measurements	23.2%	22.1%	25.7%	20.1%	23.0%	26.0%	23.1%	27.3%	22.4%	24.6%	24.9%

Source: Evli Research

VAISALA PEER GROUP	MCAP MEUR	EV/EBITDA			EV/EBIT			P/E		
		25	26	27	25	26	27	25	26	27
AMETEK	46061	21.2x	22.2x	20.7x	25.6x	26.5x	24.6x	31.6x	29.1x	27.0x
Amphenol	157987	25.5x	20.6x	18.1x	29.3x	23.6x	20.6x	45.0x	34.2x	29.2x
ESCO Technologies	7065	18.9x	25.4x	23.1x	22.1x	30.3x	26.7x	48.6x	38.0x	33.7x
Fortive	16098	17.4x	18.0x	17.1x	18.6x	19.1x	18.0x	22.5x	20.6x	19.2x
Halma	19365	22.9x	25.4x	23.4x	25.4x	27.8x	25.5x	41.2x	36.2x	32.7x
Hexagon	25685	15.9x	13.1x	13.5x	21.8x	20.8x	18.8x	24.2x	24.3x	21.6x
Mettler-Toledo	21989	24.8x	21.4x	19.9x	26.5x	22.9x	21.3x	29.6x	27.2x	24.7x
MKS	16162	15.1x	20.8x	17.8x	17.9x	23.4x	20.0x	35.6x	28.3x	23.2x
Oxford Instruments	1791	13.7x	18.1x	16.3x	15.9x	20.9x	18.8x	28.3x	26.6x	23.4x
Sensirion Holding	1162	13.7x	15.9x	14.5x	20.2x	24.0x	22.4x	47.4x	37.0x	31.5x
Teledyne Technologies	25830	17.7x	20.2x	18.8x	23.0x	25.9x	23.8x	29.6x	27.1x	25.1x
Trimble	13314	19.2x	15.2x	13.9x	20.2x	16.0x	14.3x	21.4x	18.9x	16.6x
Veralto	18657	18.7x	15.6x	14.6x	19.4x	16.3x	15.1x	22.8x	21.1x	19.4x
Verisk Analytics	19856	19.7x	15.2x	14.1x	25.2x	18.7x	17.2x	24.7x	23.3x	20.6x
Peer Group Average	27930	18.9x	19.1x	17.6x	22.2x	22.6x	20.5x	32.3x	28.0x	24.8x
Peer Group Median	19011	18.8x	19.1x	17.5x	22.0x	23.2x	20.3x	29.6x	27.2x	24.1x
Vaisala (Evli est.)	1800	14.2x	14.6x	13.5x	18.8x	18.7x	15.9x	26.8x	24.9x	21.4x
<i>Vaisala prem./disc. to peer median</i>		-26%	-24%	-23%	-14%	-19%	-22%	-10%	-8%	-11%

VAISALA PEER GROUP	Sales 24	Sales gr.			EBIT-%			Div. yield		
		25	26	27	25	26	27	25	26	27
AMETEK	5622	11.4%	8.6%	5.6%	26.2%	26.7%	27.3%	0.5%	0.6%	0.6%
Amphenol	11578	67.0%	39.0%	12.5%	26.2%	26.5%	27.0%	0.5%	0.6%	0.7%
ESCO Technologies	828	20.3%	14.8%	7.5%	20.3%	20.6%	21.8%		0.1%	0.1%
Fortive	5334	-33.9%	4.5%	3.8%	27.7%	28.4%	28.9%	0.5%	0.5%	0.5%
Halma	2164	33.0%	11.9%	8.6%	22.2%	22.6%	22.6%	0.6%	0.6%	0.7%
Hexagon	5161	5.2%	-10.4%	8.0%	26.5%	27.0%	27.7%	1.4%	1.6%	1.8%
Mettler-Toledo	3671	-7.2%	6.1%	4.9%	29.0%	29.2%	29.9%	0.0%	0.0%	0.1%
MKS	3345	-0.6%	14.9%	11.3%	20.7%	21.7%	22.9%	0.3%	0.3%	0.4%
Oxford Instruments	519	-1.3%	-1.8%	4.7%	16.8%	17.8%	19.0%	0.8%	0.9%	0.9%
Sensirion Holding	328	15.4%	0.6%	7.5%	12.9%	11.9%	11.9%	0.0%	0.0%	0.0%
Teledyne Technologies	5007	4.4%	4.8%	5.2%	18.8%	19.6%	20.2%	0.0%	0.0%	0.0%
Trimble	3428	-12.2%	9.6%	8.2%	27.5%	28.3%	29.3%			
Veralto			7.0%	5.2%	24.2%	24.3%	24.8%	0.4%	0.5%	0.5%
Verisk Analytics	2715	-4.3%	5.4%	6.7%	43.9%	45.8%	46.7%	1.0%	1.1%	1.2%
Peer Group Average	3823	7.5%	8.2%	7.1%	24.5%	25.0%	25.7%	0.5%	0.5%	0.6%
Peer Group Median	3428	4.4%	6.5%	7.1%	25.2%	25.4%	25.9%	0.5%	0.5%	0.5%
Vaisala (Evli est.)	565	5.7%	3.2%	7.6%	14.3%	15.2%	16.3%	2.0%	1.9%	2.0%

Source FactSet, Evli Research

VALUATION RESULTS	BASE CASE DETAILS	VALUATION ASSUMPTIONS	ASSUMPTIONS FOR WACC
Current share price	49.55 PV of Free Cash Flow	812 Long-term growth, %	2.5 % Risk-free interest rate, %
DCF share value	61.92 PV of Horizon value	1 468 WACC, %	7.0 % Market risk premium, %
Share price potential, %	25.0 % Unconsolidated equity	-1 Spread, %	0.5 % Debt risk premium %
Maximum value	69.6 Marketable securities	93 Minimum WACC, %	6.5 % Equity beta coefficient
Minimum value	55.8 Debt – dividend	-123 Maximum WACC, %	7.5 % Target debt ratio, %
Horizon value, %	64.4 % Value of stock	2 249 No. of shares, Mn	36.3 Effective tax rate, %

DCF valuation, EURm	2025	2026E	2027E	2028E	2029E	2030E	2031E	2032E	2033E	2034E	2035E	TERMINAL
Net sales	597	616	663	708	756	786	810	834	855	876	898	920
Sales growth (%)	5.7%	3.2%	7.6%	6.8%	6.7%	4.0%	3.0%	3.0%	2.5%	2.5%	2.5%	2.5%
Operating income (EBIT)	85	94	108	120	138	149	158	167	171	175	157	184
Operating income margin %	14.3%	15.2%	16.3%	17.0%	18.3%	19.0%	19.5%	20.0%	20.0%	20.0%	20.0%	20.0%
+ Depreciation+amort.	28	27	24	24	23	22	21	15	14	14	14	
EBITDA	113	120	132	144	161	171	178	182	185	189	171	
- Paid taxes	-18	-20	-23	-25	-29	-31	-33	-35	-36	-37	-33	
- Change in NWC	15	-2	-5	-5	-5	-3	-2	-3	-2	-2	-2	
NWC / Sales, %	9.2%	9.2%	9.3%	9.4%	9.4%	9.5%	9.5%	9.5%	9.5%	9.6%	9.6%	
+ Change in other liabs	0											
- Operative CAPEX	-16	-16	-16	-16	-16	-14	-13	-8	-9	-14	-10	
opCAPEX / Sales, %	3.2%	3.6%	2.9%	2.0%	2.3%	1.8%	1.6%	1.0%	1.0%	1.7%	1.1%	
- Acquisitions												
+ Divestments												
- Other items												
= FCFF	93	83	88	98	111	122	130	136	138	136	125	2 834
= Discounted FCFF		79	79	82	86	89	88	87	82	76	65	1 468
= DFCF min WACC		80	80	83	88	91	90	89	85	79	68	1 726
= DFCF max WACC		79	78	81	85	87	86	84	79	73	62	1 264

Sensitivity analysis, EUR

		Terminal WACC				
		5.03 %	6.03 %	7.03 %	8.03 %	9.03 %
Terminal EBIT-%	18.00 %	98.19	71.26	56.12	46.39	39.59
	19.00 %	104.42	75.33	59.02	48.56	41.27
	20.00 %	110.65	79.40	61.92	50.73	42.95
	21.00 %	116.88	83.48	64.81	52.90	44.63
	22.00 %	123.11	87.55	67.71	55.07	46.31

INTERIM FIGURES

EVLI ESTIMATES, EURm	2025Q1	2025Q2	2025Q3	2025Q4	2025	2026Q1	2026Q2E	2026Q3E	2026Q4E	2026E	2027E	2028E
Net sales	135.6	145.0	154.0	162.3	596.9	137.0	147.7	160.6	170.9	616.2	663.1	708.1
EBITDA	24.9	23.7	32.8	31.4	112.8	25.6	23.7	36.6	34.7	120.5	132.2	144.4
<i>EBITDA margin (%)</i>	<i>18.4%</i>	<i>16.4%</i>	<i>21.3%</i>	<i>19.4%</i>	<i>18.9%</i>	<i>18.7%</i>	<i>16.1%</i>	<i>22.8%</i>	<i>20.3%</i>	<i>19.6%</i>	<i>19.9%</i>	<i>20.4%</i>
EBIT	17.9	16.9	25.7	24.6	85.1	18.9	17.1	29.9	28.0	93.9	107.8	120.3
<i>EBIT margin (%)</i>	<i>13.2%</i>	<i>11.7%</i>	<i>16.7%</i>	<i>15.2%</i>	<i>14.3%</i>	<i>13.8%</i>	<i>11.6%</i>	<i>18.6%</i>	<i>16.4%</i>	<i>15.2%</i>	<i>16.3%</i>	<i>17.0%</i>
Net financial items	-2.8	-2.4	-1.5	-1.3	-8.0	-1.3	-0.5	-0.5	-0.5	-2.8	-1.5	-1.0
Pre-tax profit	15.1	14.5	24.2	23.3	77.1	17.6	16.6	29.4	27.5	91.2	106.3	119.4
Tax	-3.2	-3.6	-5.5	-5.1	-17.4	-4.0	-5.0	-5.0	-5.0	-19.0	-22.3	-25.1
<i>Tax rate (%)</i>	<i>21.2%</i>	<i>24.9%</i>	<i>22.7%</i>	<i>21.7%</i>	<i>22.5%</i>	<i>22.7%</i>	<i>30.2%</i>	<i>17.0%</i>	<i>18.2%</i>	<i>20.8%</i>	<i>21.0%</i>	<i>21.0%</i>
Net profit	11.9	10.9	18.7	18.3	59.8	13.6	11.6	24.4	22.5	72.2	84.0	94.3
EPS	0.33	0.30	0.51	0.50	1.65	0.38	0.32	0.67	0.62	1.99	2.31	2.60
EPS adj. (diluted)	0.33	0.30	0.51	0.50	1.65	0.38	0.32	0.67	0.62	1.99	2.31	2.60
Dividend per share					0.86					0.95	1.00	1.36
SALES, EURm	2025Q1	2025Q2	2025Q3	2025Q4	2025	2026Q1	2026Q2E	2026Q3E	2026Q4E	2026E	2027E	2028E
Weather, Energy, and Environment	61.0	70.0	79.3	81.7	292.0	58.2	67.2	75.7	79.6	280.7	292.4	307.0
Industrial Measurements	59.7	62.0	60.6	65.5	247.8	64.1	66.7	68.5	73.9	273.2	298.7	319.6
Xweather	15.3	13.3	14.4	15.8	58.8	15.3	14.3	16.9	17.9	64.4	74.0	83.7
Other	-0.4	-0.3	-0.3	-0.7	-1.7	-0.6	-0.5	-0.6	-0.5	-2.1	-2.0	-2.1
Total	135.6	145.0	154.0	162.3	596.9	137.0	147.7	160.6	170.9	616.2	663.1	708.1
SALES GROWTH, Y.Y%	2025Q1	2025Q2	2025Q3	2025Q4	2025	2026Q1	2026Q2E	2026Q3E	2026Q4E	2026E	2027E	2028E
Weather, Energy, and Environment	-4.8%	-23.8%	0.1%	-20.6%	-13.7%	-4.6%	-4.0%	-4.6%	-2.5%	-3.9%	4.2%	5.0%
Industrial Measurements	24.3%	9.7%	5.6%	1.5%	9.4%	7.4%	7.6%	13.0%	12.9%	10.3%	9.3%	7.0%
Xweather							7.5%	17.5%	13.0%	9.5%	15.0%	13.0%
Other						50.0%	66.7%	66.7%	-28.6%	23.5%	-4.8%	5.0%
Total	21.0%	-2.3%	12.8%	-3.1%	5.7%	1.1%	1.8%	4.3%	5.3%	3.2%	7.6%	6.8%
EBIT, EURm	2025Q1	2025Q2	2025Q3	2025Q4	2025	2026Q1	2026Q2E	2026Q3E	2026Q4E	2026E	2027E	2028E
Weather, Energy, and Environment	4.8	5.4	14.7	13.9	38.8	4.0	3.8	11.8	11.8	31.4	33.1	33.8
Industrial Measurements	13.6	14.1	15.3	13.0	56.0	16.4	15.2	18.5	16.4	66.5	73.6	79.9
Xweather	1.0	-1.4	0.2	0.3	0.1	-0.2	0.1	1.6	1.8	3.3	9.0	14.6
Other	-1.5	-1.2	-4.5	-2.6	-9.8	-1.3	-2.0	-2.0	-2.0	-7.3	-8.0	-8.0
Total	17.9	16.9	25.7	24.6	85.1	18.9	17.1	29.9	28.0	93.9	107.8	120.3
EBIT margin %	2025Q1	2025Q2	2025Q3	2025Q4	2025	2026Q1	2026Q2E	2026Q3E	2026Q4E	2026E	2027E	2028E
Weather, Energy, and Environment	7.9%	7.7%	18.5%	17.0%	13.3%	6.9%	5.6%	15.6%	14.8%	11.2%	11.3%	11.0%
Industrial Measurements	22.8%	22.8%	25.2%	19.9%	22.6%	25.6%	22.8%	27.0%	22.2%	24.3%	24.7%	25.0%
Xweather	6.5%	-10.5%	1.4%	1.9%	0.2%	-1.3%	0.6%	9.5%	10.3%	5.2%	12.2%	17.5%
Other	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
Total	13.2%	11.7%	16.7%	15.2%	14.3%	13.8%	11.6%	18.6%	16.4%	15.2%	16.3%	17.0%

INCOME STATEMENT, EURm	2021	2022	2023	2024	2025	2026E	2027E	2028E
Sales	437.9	514.1	540.4	564.6	596.9	616.2	663.1	708.1
<i>Sales growth (%)</i>	15.4%	17.4%	5.1%	4.5%	5.7%	3.2%	7.6%	6.8%
EBITDA	71.7	85.4	90.8	106.5	112.8	120.5	132.2	144.4
<i>EBITDA margin (%)</i>	16.4%	16.6%	16.8%	18.9%	18.9%	19.6%	19.9%	20.4%
Depreciation	-21.6	-22.9	-24.2	-23.6	-27.7	-26.6	-24.4	-24.1
EBITA	50.1	62.5	66.6	82.9	85.1	93.9	107.8	120.3
Goodwill amortization / writedown								
EBIT	50.1	62.5	66.6	82.9	85.1	93.9	107.8	120.3
<i>EBIT margin (%)</i>	11.5%	12.2%	12.3%	14.7%	14.3%	15.2%	16.3%	17.0%
Reported EBIT	50.1	62.5	66.6	82.9	85.1	93.9	107.8	120.3
<i>EBIT margin (reported) (%)</i>	11.5%	12.2%	12.3%	14.7%	14.3%	15.2%	16.3%	17.0%
Net financials	-2.1	-2.9	-3.4	-2.1	-8.0	-2.8	-1.5	-1.0
Pre-tax profit	48.1	59.6	63.2	80.8	77.1	91.2	106.3	119.4
Taxes	-8.8	-14.5	-14.3	-17.0	-17.4	-19.0	-22.3	-25.1
Minority shares	-0.3							
Net profit	39.0	45.1	48.9	63.7	59.8	72.2	84.0	94.3
Cash NRIs								
Non-cash NRIs								
BALANCE SHEET, EURm								
Assets								
Fixed assets	96	99	98	109	115	112	110	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	63	68	72
Receivables	107	131	113	148	148	153	164	175
Liquid funds	78	56	90	89	93	96	120	180
Total assets	408	440	443	589	589	594	630	696
Liabilities								
Shareholders' equity	230	251	268	309	326	367	416	474
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	27		
Non-interest bearing current liabilities	116	111	97	124	147	151	163	174
Other interest-free debt	7	7	10	21	16	16	16	16
Total liabilities	408	440	443	589	589	594	630	696
CASH FLOW, EURm								
+ EBITDA	72	85	91	107	113	120	132	144
- Net financial items	-2	-3	-3	-2	-8	-3	-2	-1
- Taxes	-9	-15	-14	-20	-17	-19	-22	-25
- Increase in Net Working Capital	17	-38	11	-1	15	-2	-5	-5
+/- Other	3	0						
= Cash flow from operations	80	30	84	84	103	97	104	114
- Capex	-22	-19	-16	-132	-19	-22	-19	-14
- Acquisitions		-23						
+ Divestments								
= Free cash flow	58	-12	68	-48	84	75	84	99
+/- New issues/buybacks	8	0	-6	4	-12			
- Paid dividend	25	26	27	31	31	35	36	49
+/- Other	-12	15	-2	70	-37	-40	-25	-4
Change in cash	33	-22	35	-2	4	3	24	60

KEY FIGURES	2022	2023	2024	2025	2026E	2027E	2028E
M-cap	1 437	1 439	1 756	1 600	1 800	1 800	1 800
Net debt (excl. convertibles)	8	-26	41	-1	-44	-94	-157
Enterprise value	1 446	1 414	1 798	1 600	1 756	1 707	1 644
Sales	514	540	565	597	616	663	708
EBITDA	85	91	107	113	120	132	144
EBIT	63	67	83	85	94	108	120
Pre-tax	60	63	81	77	91	106	119
Earnings	45	49	64	60	72	84	94
Equity book value (excl. minorities)	251	268	309	326	367	416	474

Valuation multiple	2022	2023	2024	2025	2026E	2027E	2028E
EV/Sales	2.8	2.6	3.2	2.7	2.9	2.6	2.3
EV/EBITDA	16.9	15.6	16.9	14.2	14.6	12.9	11.4
EV/EBITA	23.1	21.2	21.7	18.8	18.7	15.8	13.7
EV/EBIT	23.1	21.2	21.7	18.8	18.7	15.8	13.7
EV/OCF	48.5	16.8	21.5	15.6	18.2	16.5	14.5
EV/FCF	-308.6	19.2	-61.8	17.2	21.1	19.3	16.8
P/FCFR	-116.8	21.0	-36.4	19.1	24.1	21.4	18.1
P/E	31.6	29.4	27.5	26.8	24.9	21.4	19.1
P/BV	5.7	5.4	5.7	4.9	4.9	4.3	3.8
Target EV/EBITDA					17.1	15.2	13.5
Target EV/EBIT					22.0	18.7	16.2
Target EV/FCFF					27.7	23.9	19.6
Target P/BV					5.7	5.1	4.4
Target P/E, diluted	31.2	30.1	31.6	31.0	29.2	25.1	22.3

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	1.99	2.31	2.60
Operating cash flow per share	0.83	2.32	2.31	2.83	2.66	2.85	3.13
Free cash flow per share	-0.34	1.89	-1.33	2.31	2.05	2.32	2.74
Book value per share	6.96	7.39	8.50	8.97	10.10	11.46	13.06
Dividend per share	0.72	0.75	0.85	0.86	0.95	1.00	1.36
Dividend payout ratio, %	57.5%	55.6%	48.4%	52.3%	47.8%	43.2%	52.3%
Dividend yield, %	1.8%	1.9%	1.8%	2.0%	1.9%	2.0%	2.7%
FCF yield, %	-0.9%	4.8%	-2.8%	5.2%	4.1%	4.7%	5.5%

Efficiency measures	2022	2023	2024	2025	2026E	2027E	2028E
ROE	18.8%	18.9%	22.1%	18.8%	20.8%	21.5%	21.2%
ROCE	21.2%	20.7%	21.5%	19.9%	22.5%	25.0%	25.6%

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%	3.6%	2.9%	2.0%
CAPEX/sales (incl. acquisitions), %	-0.8%	2.9%	23.4%	3.2%	3.6%	2.9%	2.0%
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	-0.4	-0.7	-1.1
Debt/equity, market-weighted	0.0	0.0	0.1	0.0	0.0	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%	-12.0%	-22.5%	-33.1%

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	187.119	10.4 %
Weisell-Säätiö Sr	1 654 370	81.974	4.6 %
Citibank	1 440 000	71.352	4.0 %
Voipio Mikko	1 268 312	62.845	3.5 %
Ilmarinen Mutual Pension Insurance Company	1 169 000	57.924	3.2 %
Caspers Anja	969 496	48.039	2.7 %
Voipio Raimo	920 714	45.621	2.5 %
Voipio Tauno	837 824	41.514	2.3 %
Ten largest	12 036 074	596.387	33.1 %
Residual	24 282 636	1203.205	66.9 %
Total	36 318 710	1799.592	100%

EARNINGS CALENDAR

July 21, 2026	Q2 report
October 27, 2026	Q3 report

OTHER EVENTS

COMPANY MISCELLANEOUS

OEO: Kai Öistämö	Vanha Nurmijärventie 21, 01670 Vantaa
CFO: Heli Lindfors	Tel:
IR: Niina Ala-Luopa	

DEFINITIONS

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

Important Disclosures

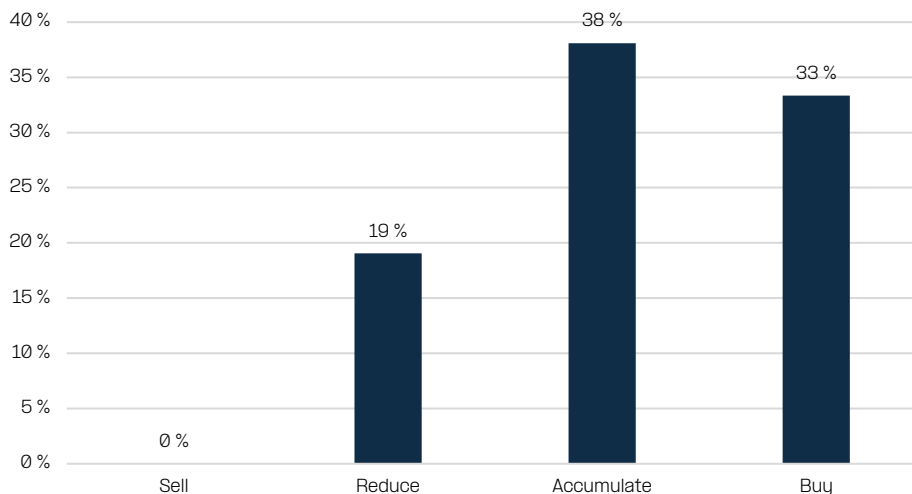
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Target price compared to share price	Recommendation
< -10 %	SELL
-10 - 0 %	RECUDE
0 - (+10) %	ACCUMULATE
> 10 %	BUY

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

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