

Positioning mostly favorable

Vaisala reports Q3 results on Oct 23. W8E is likely to see its earnings decline in H2 as well, while IM could still help Vaisala to achieve modest earnings growth also this year.

We believe EBITA gains more next year

Vaisala's short-term outlook is twofold as W8E suffers not only from a weaker renewable energy market but also headwinds within aviation and meteorology, whereas IM remains well-positioned for high single-digit growth driven by many trends across various industries. We see Q3 results relatively flat; we estimate some 4% y/y top line growth but expect W8E earnings to decline a bit due to the less favorable mix, yet the continued strength of IM should compensate. Our EUR 26.5m Q3 EBITA estimate implies a gain of EUR 0.7m y/y. Vaisala's guidance suggests modest earnings gains for FY'25; the company was still ahead of last year in H1, but H2 faces higher comparison figures.

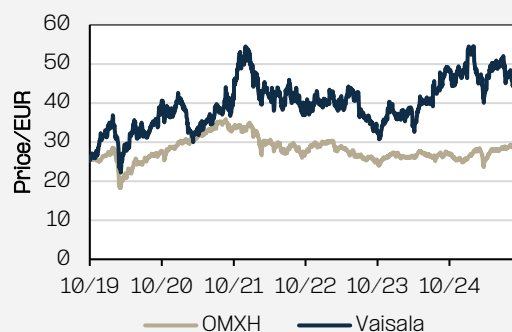
Multiple levers for earnings growth within both IM and W8E

Vaisala may not achieve big earnings gains this year, but in our view FY'26 could again see EBITA gain by more than EUR 10m. We expect IM to hit a record-high EBITA (in absolute terms, not margin) this year, yet there are many reasons why its earnings growth should continue next year as well. Its competitive product offering hasn't seen demand impact due to tariff-related price increases and so growing volumes still drive higher gross margins thanks to operational leverage, and there are also factors like the new Indigo modular product family platform for efficient scaling. W8E isn't in quite such a favorable position as its pricing power is more limited, however even there price increases are to be seen over the coming quarters while the continued double-digit growth of Xweather SaaS will help gross margins. Vaisala will continue to invest roughly 12% of revenue on R&D, but we believe there should be some relative scale benefits in terms of SGA as growth outlook appears robust.

Valuation not demanding given Vaisala's growth profile

In our view Vaisala has solid earnings gains prospects for years to come given the combination of revenue growth, improving gross margins as well as lower relative operating costs so that operating margin could gain by many percentage points over the coming years. Vaisala is valued around 16–20x EV/EBIT on our FY'25–26 estimates, below peer multiples even though Vaisala still has relatively strong earnings growth outlook. We retain our EUR 50.0 TP; our new rating is BUY (ACCUMULATE).

Rating

++ Buy


Share price, EUR (Last trading day's closing price) **44.70**
Target price, EUR 50.0

Latest change in recommendation 14-Oct-25

Latest report on company 28-Jul-25

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 1 623

Free float, % 65.0 %

Exchange rate –

Reuters code VAIAS.HE

Bloomberg code VAIAS FH

Average daily volume, EURm 0.5

Next interim report 23-Oct-25

Web site vaisala.com/en/investors

Analyst Joonas Ilvonen

E-mail joonas.ilvonen@evli.com

Telephone +358 44 430 9071

++ 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
2023	540.4	66.6	12.3%	68.4	1.35	29.4	2.6	21.2	4.8%	0.75
2024	564.6	82.9	14.7%	–48.3	1.76	27.5	3.2	21.7	–2.8%	0.85
2025E	590.9	82.3	13.9%	60.5	1.64	27.2	2.8	19.9	3.7%	0.90
2026E	637.9	100.3	15.7%	74.6	2.14	20.8	2.5	15.9	4.6%	0.95
2027E	678.5	112.4	16.6%	92.4	2.42	18.4	2.3	13.7	5.7%	1.00

Market cap, EURm	1 623	Gearing 2025E, %	3.3 %	CAGR EPS 2024–27, %	11.3 %
Net debt 2025E, EURm	11	Price/book 2025E	4.8	CAGR Sales 2024–27, %	6.3 %
Enterprise value, EURm	1 634	Dividend yield 2025E, %	2.0 %	ROE 2025E, %	18.5 %
Total assets 2025E, EURm	599	Tax rate 2025E, %	21.7 %	ROCE 2025E, %	18.7 %
Goodwill 2025E, EURm	100	Equity ratio 2025E, %	56.4 %	PEG, P/E 25/CAGR	1.4

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

Estimates and peer valuation

ESTIMATES	2 023	Q1'24	Q2'24	Q3'24	Q4'24	2 024	Q1'25	Q2'25	Q3'25E	Q4'25E	2025E	2026E
Net sales	540.4	112.1	148.4	136.6	167.5	564.6	135.6	145.0	142.5	167.8	590.9	637.9
Weather & Environment	313.0	64.1	91.9	79.2	103.0	338.2	75.9	83.0	80.7	99.8	339.3	362.0
Industrial Measurements	227.3	48.0	56.5	57.4	64.6	226.5	59.7	62.0	61.9	68.0	251.6	276.0
Net sales growth	5.1%	-14.9%	13.5%	4.8%	13.6%	4.5%	20.9%	-2.3%	4.4%	0.2%	4.7%	8.0%
Weather & Environment	8.5%	-6.8%	17.8%	3.6%	14.6%	8.0%	18.4%	-9.7%	1.9%	-3.1%	0.4%	6.7%
Industrial Measurements	0.8%	-23.8%	7.0%	6.4%	12.1%	-0.4%	24.3%	9.7%	7.8%	5.4%	11.1%	9.7%
Reported EBIT	66.6	7.1	23.7	24.1	28.0	82.9	17.9	16.9	23.9	23.6	82.3	100.3
Reported EBIT margin	12.3%	6.4%	15.9%	17.6%	16.7%	14.7%	13.2%	11.7%	16.7%	14.1%	13.9%	15.7%
EBITA	74.7	8.8	25.4	25.8	30.3	90.3	20.5	19.6	26.5	26.3	92.9	106.8
Weather & Environment	27.5	2.1	12.7	10.3	16.3	41.4	7.6	5.9	9.5	12.8	35.7	38.9
Industrial Measurements	46.8	6.7	12.5	15.7	14.0	48.8	12.9	13.7	17.0	13.5	57.2	68.0
Other operations	0.4	0.0	0.2	-0.2	0.1	0.1	0.0	0.0	0.0	0.0	0.0	0.0
EBITA-margin	13.8%	7.8%	17.1%	18.9%	18.1%	16.0%	15.1%	13.5%	18.6%	15.7%	15.7%	16.7%
Weather & Environment	8.8%	3.3%	13.8%	13.0%	15.8%	12.2%	9.9%	7.1%	11.8%	12.8%	10.5%	10.7%
Industrial Measurements	20.6%	13.9%	22.2%	27.4%	21.6%	21.6%	21.7%	22.1%	27.5%	19.8%	22.7%	24.6%

Source: Evli Research

VAISALA	MCAP	EV/EBITDA			EV/EBIT			P/E		
PEER GROUP	MEUR	25	26	27	25	26	27	25	26	27
AMETEK	35756	18.7x	17.3x	16.1x	22.8x	20.9x	19.2x	25.0x	23.0x	21.1x
Amphenol	128313	25.2x	22.4x	20.2x	29.5x	26.0x	23.0x	40.1x	35.0x	30.9x
Emerson Electric	61242	16.2x	15.0x	13.9x	17.6x	16.3x	15.0x	20.5x	18.8x	17.1x
ESCO Technologies	4617	21.9x	18.1x		31.0x	25.8x		33.4x	27.7x	
Halma	14997	23.5x	21.8x	20.3x	26.0x	24.0x	22.3x	33.8x	31.1x	28.7x
Hexagon	27455	16.4x	14.9x	13.6x	23.0x	20.5x	18.6x	25.6x	22.8x	20.4x
Honeywell International	110153	14.4x	13.8x	13.1x	16.4x	15.3x	14.3x	19.0x	17.7x	16.3x
Itron	4824	15.9x	14.5x	12.8x	18.3x	16.6x	14.2x	20.2x	19.4x	17.6x
Keysight Tech	23670	17.9x	16.3x		19.7x	17.7x		22.2x	19.9x	
MKS	7033	13.4x	12.3x	11.4x	15.6x	14.0x	13.1x	17.0x	14.4x	12.9x
Oxford Instruments	1107	10.4x	9.8x	8.9x	12.1x	11.3x	10.1x	16.0x	14.9x	13.5x
Sensirion Holding	1048	15.5x	14.2x	12.7x	24.2x	21.8x	20.1x	44.3x	28.8x	26.9x
Trimble	15542	19.4x	17.8x	15.8x	20.5x	18.7x	17.4x	25.3x	22.5x	19.4x
Veralto	21831	19.4x	17.8x	16.5x	20.0x	18.4x	16.9x	26.9x	24.5x	22.5x
Peer Group Average	32685	17.7x	16.1x	14.6x	21.2x	19.1x	17.0x	26.4x	22.9x	20.6x
Peer Group Median	18686	17.1x	15.7x	13.8x	20.3x	18.5x	17.2x	25.1x	22.6x	19.9x
Vaisala (Evli est.)	1623	14.9x	12.8x	11.3x	19.9x	15.9x	13.7x	27.2x	20.8x	18.4x
Vaisala prem./disc. to peer median		-13 %	-18 %	-18 %	-2 %	-14 %	-20 %	8 %	-8 %	-8 %

VAISALA	Sales	Sales gr.			EBIT-%			Div. yield		
PEER GROUP	24	25	26	27	25	26	27	25	26	27
AMETEK	5622	11.4%	7.2%	5.9%	26.0 %	26.5 %	27.2 %	0.7 %	0.7 %	0.8 %
Amphenol	11578	61.6%	11.4%	10.0%	25.0 %	25.4 %	26.2 %	0.5 %	0.6 %	0.6 %
Emerson Electric	19860	-20.4%	5.3%	5.6%	25.9 %	26.7 %	27.5 %	1.7 %	1.7 %	1.8 %
ESCO Technologies	828	20.6%	12.3%		16.4 %	17.6 %				
Halma	2164	27.9%	7.0%	6.9%	21.9 %	22.0 %	22.2 %	0.7 %	0.8 %	0.8 %
Hexagon	5161	5.7%	3.6%	6.3%	25.1 %	27.2 %	28.2 %	1.3 %	1.3 %	1.5 %
Honeywell International	32417	9.0%	5.1%	5.0%	23.3 %	23.8 %	24.3 %	2.2 %	2.3 %	2.4 %
Itron	1694	21.3%	5.5%	6.6%	13.1 %	13.8 %	15.1 %	0.0 %	0.0 %	0.0 %
Keysight Tech	5231	-11.0%	6.3%		25.4 %	26.5 %		0.0 %	0.0 %	
MKS	3345	-1.1%	6.2%	6.0%	20.4 %	21.5 %	21.6 %	0.7 %	0.8 %	0.8 %
Oxford Instruments	519	1.1%	-0.7%	5.0%	17.2 %	18.5 %	19.5 %	1.4 %	1.5 %	1.6 %
Sensirion Holding	328	10.4%	8.9%	7.7%	11.1 %	11.3 %	11.4 %	0.0 %	0.0 %	0.0 %
Trimble	3428	-11.3%	7.1%	8.8%	26.8 %	27.5 %	27.1 %			
Veralto			5.8%	5.9%	24.1 %	24.8 %	25.5 %	0.4 %	0.4 %	0.4 %
Peer Group Average	7090	9.6%	6.5%	6.7%	21.6 %	22.4 %	23.0 %	0.8 %	0.8 %	1.0 %
Peer Group Median	3428	9.0%	6.2%	6.2%	23.7 %	24.3 %	24.9 %	0.7 %	0.8 %	0.8 %
Vaisala (Evli est.)	565	4.7%	8.0%	6.4%	13.9 %	15.7 %	16.6 %	2.0 %	2.1 %	2.2 %

Source FactSet, Evli Research

VALUATION RESULTS	BASE CASE DETAILS	VALUATION ASSUMPTIONS	ASSUMPTIONS FOR WACC	
Current share price	44.70 PV of Free Cash Flow	750 Long-term growth, %	2.5 % Risk-free interest rate, %	2.25 %
DCF share value	56.55 PV of Horizon value	1 375 WACC, %	7.0 % Market risk premium, %	5.8 %
Share price potential, %	26.5 % Unconsolidated equity	0 Spread, %	0.5 % Debt risk premium %	2.8 %
Maximum value	63.6 Marketable securities	89 Minimum WACC, %	6.5 % Equity beta coefficient	0.80
Minimum value	50.9 Debt – dividend	–160 Maximum WACC, %	7.5 % Target debt ratio, %	20 %
Horizon value, %	64.7 % Value of stock	2 054 No. of shares, Mn	36.3 Effective tax rate, %	25 %

DCF valuation, EURm	2024	2025E	2026E	2027E	2028E	2029E	2030E	2031E	2032E	2033E	2034E	TERMINAL
Net sales	565	591	638	679	718	754	784	808	832	853	874	896
Sales growth (%)	4.5%	4.7%	8.0%	6.4%	5.9%	5.0%	4.0%	3.0%	3.0%	2.5%	2.5%	2.5%
Operating income (EBIT)	83	82	100	112	131	136	137	129	133	136	140	143
Operating income margin %	14.7%	13.9%	15.7%	16.6%	18.2%	18.0%	17.5%	16.0%	16.0%	16.0%	16.0%	16.0%
+ Depreciation+amort.	24	27	25	24	23	22	20	19	19	17	16	
EBITDA	107	110	126	136	154	157	158	148	152	154	156	
– Paid taxes	–20	–18	–21	–24	–27	–29	–29	–27	–28	–29	–29	
– Change in NWC	–1	–4	–7	–6	–6	–5	–4	–3	–4	–3	–3	
NWC / Sales, %	12.3%	12.4%	12.6%	12.7%	12.8%	12.9%	12.9%	13.0%	13.0%	13.1%	13.1%	
+ Change in other liabs	5											
– Operative CAPEX	–119	–19	–13	–10	–11	–10	–9	–8	–8	–9	–10	
opCAPEX / Sales, %	23.4%	3.9%	3.4%	2.0%	2.1%	1.8%	1.6%	1.4%	1.3%	1.4%	1.4%	
– Acquisitions												
+ Divestments												
– Other items												
= FCFF	–29	69	85	97	110	114	115	109	112	113	114	2 573
= Discounted FCFF		68	78	83	88	86	81	72	69	65	61	1 375
= DFCF min WACC		68	79	84	90	87	83	74	71	67	63	1 614
= DFCF max WACC		68	78	82	87	84	79	70	66	62	58	1 187

Sensitivity analysis, EUR

		Terminal WACC				
		5.03 %	6.03 %	7.03 %	8.03 %	9.03 %
Terminal EBIT–%	14.00 %	88.82	64.42	50.72	41.93	35.79
	15.00 %	95.03	68.50	53.64	44.12	37.49
	16.00 %	101.23	72.57	56.55	46.31	39.19
	17.00 %	107.44	76.65	59.46	48.50	40.90
	18.00 %	113.64	80.72	62.37	50.69	42.60

INTERIM FIGURES

EVLI ESTIMATES, EURm	2024Q1	2024Q2	2024Q3	2024Q4	2024	2025Q1	2025Q2	2025Q3E	2025Q4E	2025E	2026E	2027E
Net sales	112.1	148.4	136.6	167.5	564.6	135.6	145.0	142.5	167.8	590.9	637.9	678.5
EBITDA	12.8	29.4	29.9	34.5	106.5	24.9	23.7	30.6	30.4	109.6	125.5	136.1
<i>EBITDA margin (%)</i>	<i>11.4%</i>	<i>19.8%</i>	<i>21.9%</i>	<i>20.6%</i>	<i>18.9%</i>	<i>18.4%</i>	<i>16.4%</i>	<i>21.5%</i>	<i>18.1%</i>	<i>18.6%</i>	<i>19.7%</i>	<i>20.1%</i>
EBIT	7.1	23.7	24.1	28.0	82.9	17.9	16.9	23.9	23.6	82.3	100.3	112.4
<i>EBIT margin (%)</i>	<i>6.4%</i>	<i>16.0%</i>	<i>17.6%</i>	<i>16.7%</i>	<i>14.7%</i>	<i>13.2%</i>	<i>11.7%</i>	<i>16.7%</i>	<i>14.1%</i>	<i>13.9%</i>	<i>15.7%</i>	<i>16.6%</i>
Net financial items	-0.5	-0.6	0.3	-1.4	-2.1	-2.7	-2.3	-0.5	-0.5	-6.0	-1.7	-0.9
Pre-tax profit	6.6	23.2	24.4	26.6	80.8	15.2	14.6	23.4	23.1	76.3	98.6	111.4
Tax	-1.5	-5.2	-5.2	-5.2	-17.0	-3.2	-3.6	-4.9	-4.9	-16.6	-20.7	-23.4
<i>Tax rate (%)</i>	<i>21.8%</i>	<i>22.6%</i>	<i>21.3%</i>	<i>19.4%</i>	<i>21.1%</i>	<i>21.1%</i>	<i>24.6%</i>	<i>21.0%</i>	<i>21.0%</i>	<i>21.7%</i>	<i>21.0%</i>	<i>21.0%</i>
Net profit	5.2	17.9	19.2	21.4	63.7	12.0	11.0	18.5	18.3	59.7	77.9	88.0
EPS	0.14	0.49	0.53	0.59	1.76	0.33	0.30	0.51	0.50	1.64	2.14	2.42
EPS adj. (diluted)	0.14	0.49	0.53	0.59	1.76	0.33	0.30	0.51	0.50	1.64	2.14	2.42
Dividend per share					0.85					0.90	0.95	1.00
SALES, EURm	2024Q1	2024Q2	2024Q3	2024Q4	2024	2025Q1	2025Q2	2025Q3E	2025Q4E	2025E	2026E	2027E
Weather and Environment	64.1	91.9	79.2	103.0	338.2	75.9	83.0	80.7	99.8	339.3	362.0	381.9
Industrial Measurements	48.0	56.5	57.4	64.6	226.5	59.7	62.0	61.9	68.0	251.6	276.0	296.7
Total	112.1	148.4	136.6	167.5	564.6	135.6	145.0	142.5	167.8	590.9	637.9	678.5
SALES GROWTH, Y/Y %	2024Q1	2024Q2	2024Q3	2024Q4	2024	2025Q1	2025Q2	2025Q3E	2025Q4E	2025E	2026E	2027E
Weather and Environment	-6.8%	17.8%	3.6%	14.6%	8.0%	18.4%	-9.7%	1.9%	-3.1%	0.4%	6.7%	5.5%
Industrial Measurements	-23.8%	7.0%	6.4%	12.1%	-0.4%	24.3%	9.7%	7.8%	5.4%	11.1%	9.7%	7.5%
Total	-15.0%	13.5%	4.8%	13.6%	4.5%	21.0%	-2.3%	4.4%	0.2%	4.7%	8.0%	6.4%
EBIT, EURm	2024Q1	2024Q2	2024Q3	2024Q4	2024	2025Q1	2025Q2	2025Q3E	2025Q4E	2025E	2026E	2027E
Weather and Environment	0.6	11.2	8.8	14.2	34.8	5.2	3.4	7.1	10.3	26.1	33.4	38.2
Industrial Measurements	6.5	12.3	15.5	13.7	47.9	12.7	13.5	16.8	13.3	56.3	67.0	74.2
Other	0.0	0.2	-0.2	0.1	0.1	-0.1				-0.1		
Total	7.1	23.7	24.1	28.0	82.9	17.9	16.9	23.9	23.6	82.3	100.3	112.4
EBIT margin %	2024Q1	2024Q2	2024Q3	2024Q4	2024	2025Q1	2025Q2	2025Q3E	2025Q4E	2025E	2026E	2027E
Weather and Environment	1.0%	12.2%	11.1%	13.8%	10.3%	6.9%	4.2%	8.8%	10.4%	7.7%	9.2%	10.0%
Industrial Measurements	13.5%	21.8%	27.0%	21.2%	21.2%	21.3%	21.7%	27.2%	19.5%	22.4%	24.3%	25.0%
Other	100.0%	100.0%	-100.0%	100.0%	100.0%	-100.0%				-100.0%		
Total	6.4%	16.0%	17.6%	16.7%	14.7%	13.2%	11.7%	16.7%	14.1%	13.9%	15.7%	16.6%

INCOME STATEMENT, EURm	2020	2021	2022	2023	2024	2025E	2026E	2027E
Sales	379.5	437.9	514.1	540.4	564.6	590.9	637.9	678.5
<i>Sales growth (%)</i>	-6.0%	15.4%	17.4%	5.1%	4.5%	4.7%	8.0%	6.4%
EBITDA	65.9	71.7	85.4	90.8	106.5	109.6	125.5	136.1
<i>EBITDA margin (%)</i>	17.4%	16.4%	16.6%	16.8%	18.9%	18.6%	19.7%	20.1%
Depreciation	-21.1	-21.6	-22.9	-24.2	-23.6	-27.3	-25.2	-23.8
EBITA	44.8	50.1	62.5	66.6	82.9	82.3	100.3	112.4
Goodwill amortization / writedown								
EBIT	44.8	50.1	62.5	66.6	82.9	82.3	100.3	112.4
<i>EBIT margin (%)</i>	11.8%	11.5%	12.2%	12.3%	14.7%	13.9%	15.7%	16.6%
Reported EBIT	44.8	50.1	62.5	66.6	82.9	82.3	100.3	112.4
<i>EBIT margin (reported) (%)</i>	11.8%	11.5%	12.2%	12.3%	14.7%	13.9%	15.7%	16.6%
Net financials	-3.4	-2.1	-2.9	-3.4	-2.1	-6.0	-1.7	-0.9
Pre-tax profit	41.4	48.1	59.6	63.2	80.8	76.3	98.6	111.4
Taxes	-8.5	-8.8	-14.5	-14.3	-17.0	-16.6	-20.7	-23.4
Minority shares		-0.3						
Net profit	32.9	39.0	45.1	48.9	63.7	59.7	77.9	88.0
Cash NRIs								
Non-cash NRIs								
BALANCE SHEET, EURm								
Assets								
Fixed assets	86	96	99	98	109	115	115	111
Goodwill	30	29	49	46	100	100	100	100
Right of use assets	13	11	12	13	21	21	26	24
Inventory	45	50	62	59	58	60	65	69
Receivables	93	107	131	113	148	155	168	178
Liquid funds	45	78	56	90	89	93	100	112
Total assets	352	408	440	443	589	599	620	636
Liabilities								
Shareholders' equity	205	230	251	268	309	337	383	436
Minority interest	0	1						
Convertibles								
Lease liabilities	9	8	11	12	25	21	26	24
Deferred taxes	8	7	4	3	5	5	5	5
Interest bearing debt	45	40	53	52	105	83	44	
Non-interest bearing current liabilities	76	116	111	97	124	130	140	149
Other interest-free debt	8	7	7	10	21	21	21	21
Total liabilities	352	408	440	443	589	599	620	636
CASH FLOW, EURm								
+ EBITDA	66	72	85	91	107	110	126	136
- Net financial items	-3	-2	-3	-3	-2	-6	-2	-1
- Taxes	-8	-9	-15	-14	-20	-17	-21	-23
- Increase in Net Working Capital	-8	17	-38	11	-1	-4	-7	-6
+/- Other	-6	3	0					
= Cash flow from operations	41	80	30	84	84	83	96	106
- Capex	-35	-22	-19	-16	-132	-23	-22	-14
- Acquisitions			-23					
+ Divestments								
= Free cash flow	6	58	-12	68	-48	60	75	92
+/- New issues/buybacks	-4	8	0	-6	4			
- Paid dividend	22	25	26	27	31	33	35	36
+/- Other	9	-12	15	-2	70	-25	-35	-46
Change in cash	-11	33	-22	35	-2	4	7	12

KEY FIGURES	2021	2022	2023	2024	2025E	2026E	2027E
M-cap	1 924	1 437	1 439	1 756	1 623	1 623	1 623
Net debt (excl. convertibles)	-30	8	-26	41	11	-31	-89
Enterprise value	1 899	1 445	1 413	1 797	1 634	1 593	1 535
Sales	438	514	540	565	591	638	679
EBITDA	72	85	91	107	110	126	136
EBIT	50	63	67	83	82	100	112
Pre-tax	48	60	63	81	76	99	111
Earnings	39	45	49	64	60	78	88
Equity book value (excl. minorities)	230	251	268	309	337	383	436

Valuation multiple	2021	2022	2023	2024	2025E	2026E	2027E
EV/Sales	4.3	2.8	2.6	3.2	2.8	2.5	2.3
EV/EBITDA	26.5	16.9	15.6	16.9	14.9	12.7	11.3
EV/EBITA	37.9	23.1	21.2	21.7	19.9	15.9	13.7
EV/EBIT	37.9	23.1	21.2	21.7	19.9	15.9	13.7
EV/OCF	23.7	48.5	16.8	21.5	19.6	16.5	14.5
EV/FCF	30.3	-308.4	19.2	-61.8	23.7	18.7	15.9
P/FCFR	33.0	-116.8	21.0	-36.4	26.8	21.8	17.6
P/E	49.4	31.6	29.4	27.5	27.2	20.8	18.4
P/BV	8.4	5.7	5.4	5.7	4.8	4.2	3.7
Target EV/EBITDA					16.7	14.2	12.7
Target EV/EBIT					22.2	17.8	15.4
Target EV/FCFF					30.2	23.9	18.7
Target P/BV					5.4	4.7	4.2
Target P/E, diluted	34.1	31.2	30.1	31.6	30.4	23.3	20.6

Per share measures	2021	2022	2023	2024	2025E	2026E	2027E
Number of shares (million)	36.10	36.02	36.25	36.28	36.32	36.32	36.32
Number of shares (diluted, million)	36.10	36.02	36.25	36.28	36.32	36.32	36.32
EPS	1.08	1.25	1.35	1.76	1.64	2.14	2.42
Operating cash flow per share	2.22	0.83	2.32	2.31	2.29	2.65	2.92
Free cash flow per share	1.62	-0.34	1.89	-1.33	1.67	2.05	2.54
Book value per share	6.36	6.96	7.39	8.50	9.29	10.54	12.01
Dividend per share	0.68	0.72	0.75	0.85	0.90	0.95	1.00
Dividend payout ratio, %	63.0%	57.5%	55.6%	48.4%	54.7%	44.3%	41.3%
Dividend yield, %	1.3%	1.8%	1.9%	1.8%	2.0%	2.1%	2.2%
FCF yield, %	3.0%	-0.9%	4.8%	-2.8%	3.7%	4.6%	5.7%

Efficiency measures	2021	2022	2023	2024	2025E	2026E	2027E
ROE	17.9%	18.8%	18.9%	22.1%	18.5%	21.6%	21.5%
ROCE	18.6%	21.2%	20.7%	21.5%	18.7%	22.5%	24.6%

Financial ratios	2021	2022	2023	2024	2025E	2026E	2027E
Inventories as % of sales	11.4%	12.0%	10.9%	10.2%	10.2%	10.2%	10.2%
Receivables as % of sales	24.4%	25.5%	20.8%	26.3%	26.3%	26.3%	26.3%
Non-int. bearing liabilities as % of sales	26.6%	21.6%	18.0%	22.0%	22.0%	22.0%	22.0%
NWC/sales, %	8.6%	15.4%	12.6%	12.3%	12.4%	12.6%	12.7%
Operative CAPEX/Sales, %	4.9%	3.7%	2.9%	23.4%	3.9%	3.4%	2.0%
CAPEX/sales (incl. acquisitions), %	4.9%	-0.8%	2.9%	23.4%	3.9%	3.4%	2.0%
FCFF/EBITDA	0.9	-0.1	0.8	-0.3	0.6	0.7	0.7
Net Debt/EBITDA, book-weighted	-0.4	0.1	-0.3	0.4	0.1	-0.2	-0.7
Debt/equity, market-weighted	0.0	0.0	0.0	0.1	0.1	0.0	
Equity ratio, book-weighted	0.6	0.6	0.6	0.5	0.6	0.6	0.7
Gearing, %	-13.1%	3.2%	-9.7%	13.2%	3.3%	-8.1%	-20.3%

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	168.803	10.4 %
Weisell–Säätiö Sr	1 654 370	73.950	4.6 %
Citibank	1 440 000	64.368	4.0 %
Voipio Mikko	1 268 312	56.694	3.5 %
Ilmarinen Mutual Pension Insurance Company	1 169 000	52.254	3.2 %
Caspers Anja	969 496	43.336	2.7 %
Voipio Raimo	920 714	41.156	2.5 %
Voipio Tauno	837 824	37.451	2.3 %
Ten largest	12 036 074	538.013	33.1 %
Residual	24 282 636	1085.434	66.9 %
Total	36 318 710	1623.446	100%

EARNINGS CALENDAR

October 23, 2025

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 Price per share * Number of shares	OCF (Operating cash flow) EBITDA – Net financial items – Taxes – Increase in working capital – Cash NRIs ± Other adjustments
EV (Enterprise value) Market cap + net debt + minority interest at market value – share of associated companies at market value	FCF (Free cash flow) Operating cash flow – Operative CAPEX – acquisitions + 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 Current assets – current liabilities
Net debt Interest bearing debt – financial assets	Capital employed / Share $\frac{\text{Total assets} - \text{non-interest bearing debt}}{\text{Number of shares}}$
Total assets 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, % $\frac{\text{Profit before extraordinary items} + \text{interest expenses} + \text{other financial costs}}{\text{Balance sheet total} - \text{non-interest bearing debt (average)}}$	CAGR, % Cumulative annual growth rate = Average growth rate per year
ROE, % $\frac{\text{Profit before extraordinary items and taxes} - \text{income taxes}}{\text{Shareholders' equity} + \text{minority interest} + \text{taxed provisions (average)}}$	

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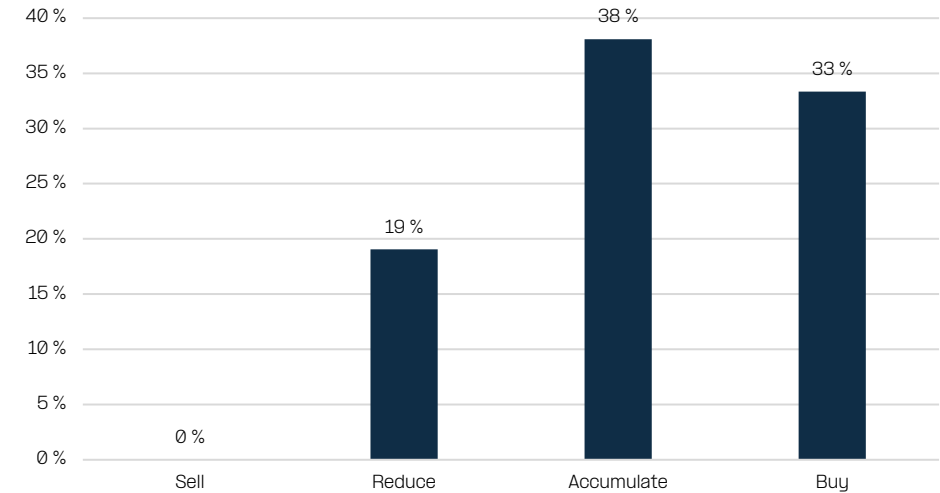
Investment recommendations are defined as follows:

Target price compared to share price
 < -10 %
 -10 - 0 %
 0 - (+10) %
 > 10 %

Recommendation
 SELL
 REDUCE
 ACCUMULATE
 BUY

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

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Contact information**SALES, TRADING AND RESEARCH****Equity Sales & Trading**

Joachim Dannberg (head)	+358 9 4766 9123
Aleksi Jalava	+358 9 4766 9123
Pasi Väisänen	+358 9 4766 9123

Evli Investment Solutions

Johannes Asuja	+358 9 4766 9205
----------------	------------------

Equity Research

Jerker Salokivi (head)	+358 9 4766 9149
Joonas Ilvonen	+358 44 430 9071
Atte Jortikka	+358 40 054 3725
Atte Pitkälampi	+358 44 047 6597

EVLI

EVLI PLC
Aleksanterinkatu 19 A
P.O. Box 1081
FIN-00101 Helsinki, FINLAND
Phone +358 9 476 690
Internet www.evli.com
E-mail firstname.lastname@evli.com

**EVLI PLC,
STOCKHOLMSFILIAL**
Regeringsgatan 67 P.O. Box 16354
SE-103 26 Stockholm
Sverige
stockholm@evli.com
Tel +46 (0)8 407 8000