

## No big surprises

Vaisala had given preliminary figures ahead of Q3 and as such contained no surprises on group level. Net sales grew by 19% y/y to EUR 111.5m and EBIT amounted to EUR 19.2m. Order received grew by 29% y/y and order book remained on a record level.

- Group results:** As expected, net sales grew by 19% y/y to EUR 111.5m vs. 111.5/111.5m Evli/cons. and EBIT amounted to EUR 19.2m (17.3% margin) vs. 19.2/19.2m Evli/cons. EPS was slightly below our expectations, EUR 0.44 vs. 0.46/0.47 Evli/cons.
- Orders received and order book:** Orders received grew by 29% y/y, totaling EUR 109.9m. Order book was on a record level and grew by 22% y/y, totaling EUR 164.8m. Aviation over doubled its orders received, while industrial measurement, life-science, and renewable energy received strong number of orders.
- Weather & Environment (W&E):** W&E grew by 9% y/y to EUR 64.4m (Evli: 63.4m). Growth was driven by renewable energy and aviation. EBIT totaled to EUR 5.3m (8.2% margin).
- Industrial Measurements (IM):** IM grew by 35% y/y to EUR 47.1 (Evli: 48.1m), driven by industrial measurement, life-science, and power industry. EBIT totaled to EUR 14.2m (30.2% margin).
- No change in FY'21 guidance (revised on Oct 19th):** net sales of EUR 425-440m and an EBIT of EUR 48-58m.
- Market outlook:** High-end industrial instruments, life science, and power industry markets is expected to continue to grow. Liquid measurements market is expected to continue to recover. Meteorology market in developed countries is expected to remain flat, while in developing countries demand is expected to continue to suffer and recovery is expected to take longer. Aviation market is expected to recover gradually. Ground transportation market is expected to be stable. Renewable energy market is expected to continue to grow.

### Rating

**HOLD**

Q3'21	Actual	Evli	Deviation (Evli)	Consensus * Year ago	Deviation (year ago)	Q2'21
Orders received	109.9	-	-	-	85.3	29%
Order book	164.8	-	-	-	134.6	22%
Net sales	111.5	111.5	0%	111.5	94.0	19%
W&E	64.4	63.4	2%	-	59.2	9%
IM	47.1	48.1	-2%	-	34.8	35%
EBIT	19.2	19.2	0%	19.2	19.5	-2%
EBIT margin	17.2%	17.2%	-4%	17.2%	20.7%	10.0%
EPS	0.44	0.46	-4%	0.47	0.40	9%

Source: FactSet, Vaisala & Evli Research

\* Consensus (median), preliminary figures given

Share price, EUR (Last trading day's closing price) **45.75**

Target price, EUR **42.0**

Latest change in recommendation **30-Apr-21**

Latest report on company **20-Oct-21**

Research paid by issuer: **YES**

No. of shares outstanding, '000's **36,437**

No. of shares fully diluted, '000's **36,437**

Market cap, EURm **1,667**

Free float, % **-**

Exchange rate EUR/USD **0.000**

Reuters code **VAIAS.HE**

Bloomberg code **VAIAS FH**

Average daily volume, EURm **0.0**

Next interim report **28-Oct-21**

Web site **vaisala.com/en/investors**

Analyst **Jerker Salokivi**

E-mail **jerker.salokivi@evli.com**

Telephone **+358 9 4766 9149**

BUY HOLD SELL

### PRE-REPORT KEY FIGURES

	Sales EURm	EBIT EURm	EBIT %	FCF EURm	EPS EUR	P/E (x)	EV/Sales (x)	EV/EBIT (x)	FCF yield %	DPS EUR
2019	403.6	41.1	10.2%	4.6	0.93	34.6	2.9	28.1	0.4	0.61
2020	379.5	44.8	11.8%	16.9	0.91	44.2	3.9	32.7	1.2	0.61
2021E	434.5	54.6	12.6%	29.2	1.27	36.1	3.8	30.6	1.7	0.63
2022E	470.7	61.0	13.0%	41.0	1.46	31.4	3.5	27.1	2.5	0.65
2023E	502.9	70.5	14.0%	45.7	1.55	29.6	3.2	23.1	2.7	0.67
Market cap, EURm		1,667	BV per share 2021E, EUR			0.8	CAGR EPS 2020-23, %			19.2
Net debt 2021E, EURm		2	Price/book 2021E			7.3	CAGR sales 2020-23, %			9.8
Enterprise value, EURm		1,672	Dividend yield 2021E, %			1.4	ROE 2021E, %			21.3
Total assets 2021E, EURm		386	Tax rate 2021E, %			11.6	ROCE 2021E, %			20.1
Goodwill 2021E, EURm		55	Equity ratio 2021E, %			59.4	PEG, P/E 21/CAGR			5.8

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

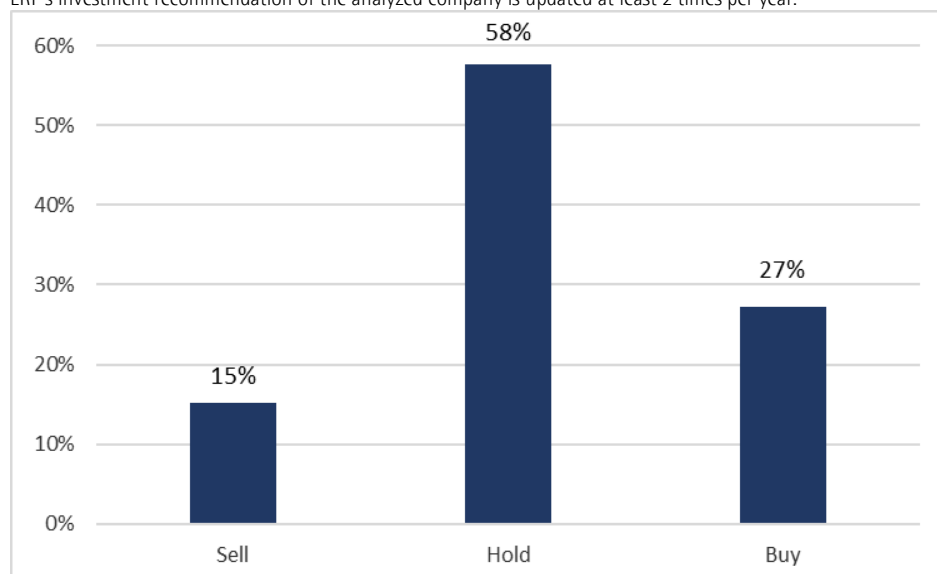
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Investment recommendations are defined as follows:

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

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Name(s) of the analyst(s): Salokivi, Heikura

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## Contact information

### SALES, TRADING AND RESEARCH

#### Equity, ETF and Derivatives Sales

Joachim Dannberg +358 9 4766 9123  
Ari Laine +358 9 4766 9115  
Kimmo Lilja +358 9 4766 9130

#### Trading

Lauri Vehkaluoto (Head) +358 9 4766 9120  
Pasi Väisänen +358 9 4766 9120  
Antti Kässi +358 9 4766 9120  
Miika Ronkanen +358 9 4766 9120

#### Structured Investments

Heikki Savijoki +358 9 4766 9726  
Aki Lakkisto +358 9 4766 9123

#### Equity Research

Jonas Forslund +358 9 4766 9314  
Joonas Ilvonen +358 44 430 9071  
Jerker Salokivi +358 9 4766 9149  
Teemu Reiman +358 40 352 6175

#### Evli Investment Solutions

Johannes Asuja +358 9 4766 9205



**EVLI BANK PLC**  
Aleksanterinkatu 19 A  
P.O. Box 1081  
FIN-00101 Helsinki, FINLAND  
Phone +358 9 476 690  
Fax +358 9 634 382  
Internet [www.evli.com](http://www.evli.com)  
E-mail [firstname.lastname@evli.com](mailto:firstname.lastname@evli.com)

**EVLI BANK PLC,  
STOCKHOLMSFILIAL**  
Regeringsgatan 67 P.O. Box 16354  
SE-103 26 Stockholm  
Sverige  
[stockholm@evli.com](mailto:stockholm@evli.com)  
Tel +46 (0)8 407 8000  
Fax +46 (0)8 407 8001