Financial Statements January-September 2004

Pekka Ketonen

President and CEO

Vaisala Group

Mission

To provide environmental measurements which create the basis for a

- better quality of life
- safety of life and property
- optimization of economic activities
- environmental protection
- an understanding of climate change.

Vision

To be

- the most respected
- the most comprehensive
- the most successful

geophysical environment measurement and service company in the world.

To be a global market leader in our selected businesses.

To grow and maintain good profitability.

Strategy

The field of environmental measurement is fragmented. This allows a global market leader to achieve good profitability.

Our customers are

- meteorological professionals
- industry

Our offering includes

- equipment
- solutions
- services

Strategy

The corner stones of our value proposition are

- innovation
- reliability
- solutions

The Vaisala brand is in the premium-class.

Our success is based on the core competencies

- application know-how
- measurement technologies.

Within a business area, we seek to benefit from economies of scope.

Major customer groups

National meteorological services

Aviation authorities

Defense forces

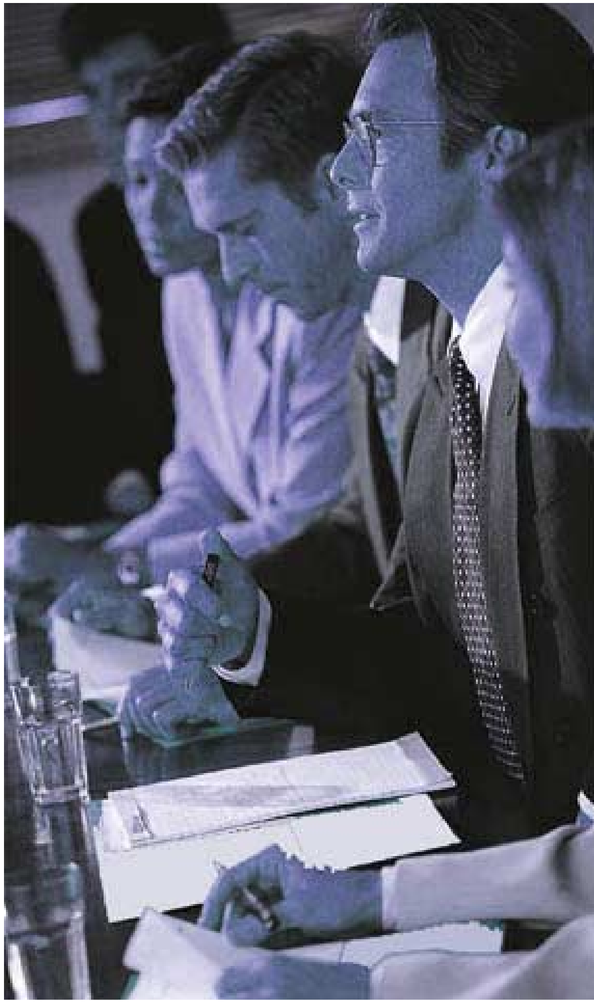
Road and rail authorities

Land & water resource management agencies

Research organizations

Power utilities

Industry



Global presence

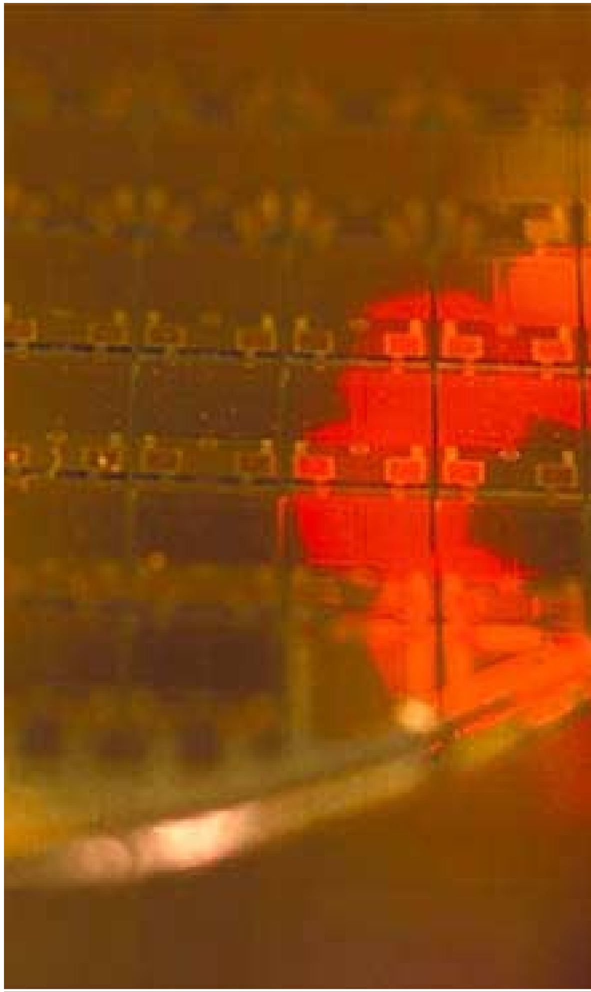
Market position

Vaisala's target is to be a global market leader.

Currently we are number one in:

- Upper air sounding systems (2/3*)
- Aviation weather systems (2/5*)
- Surface weather systems (1/7*)
- Road weather systems and networks (1/3*)
- Relative humidity measurement (1/3*)
- Barometric pressure measurement (2/5*)
- Wind profiling (1/2*)
- Visibility meters and cloud height sensors (4/5*)
- Lightning and thunderstorm detection systems (5/6*)
- Lightning data (2/3*)

*market share estimate



Growth

Our objective is to provide a more comprehensive product selection to our all customer groups.

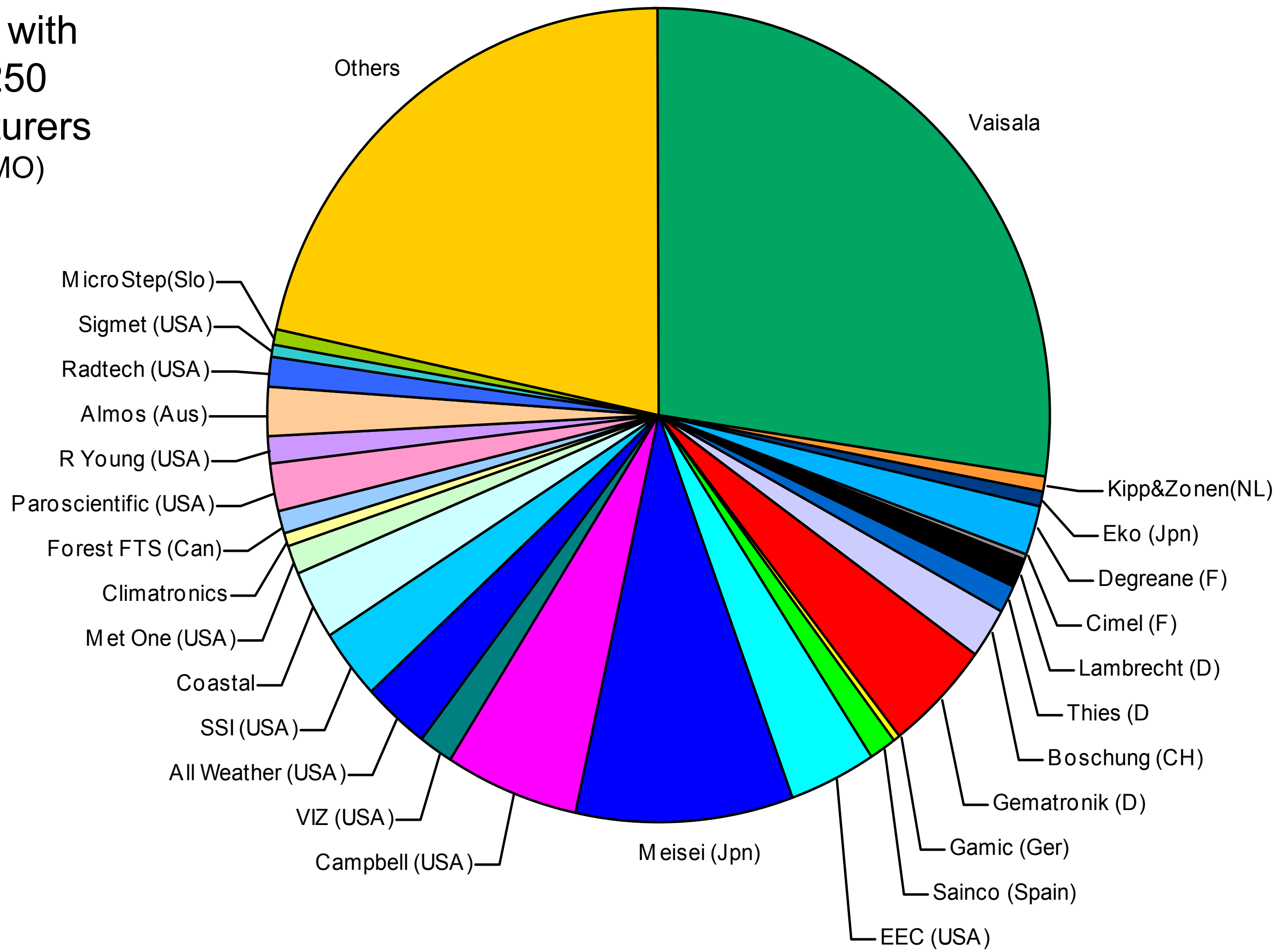
Our target is to win more market share in our current businesses.

We expand to new business areas within environmental measurements where we can utilize our current competencies.

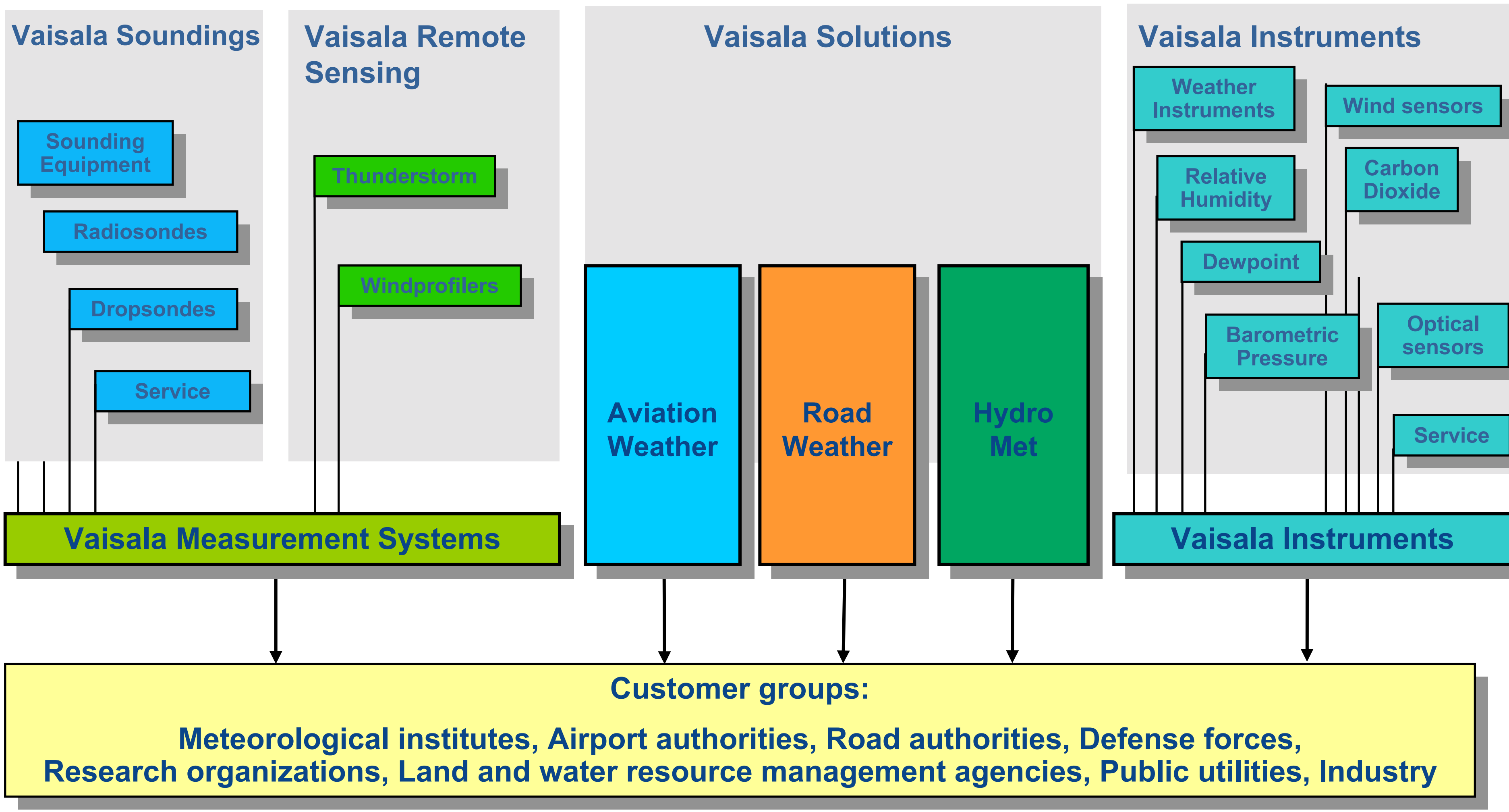
We will achieve this mainly through organic growth. Acquisitions can be used as well.

Meteorological instrumentation market 550 MEUR in 2003

A market with approx. 250 manufacturers
(Source: WMO)



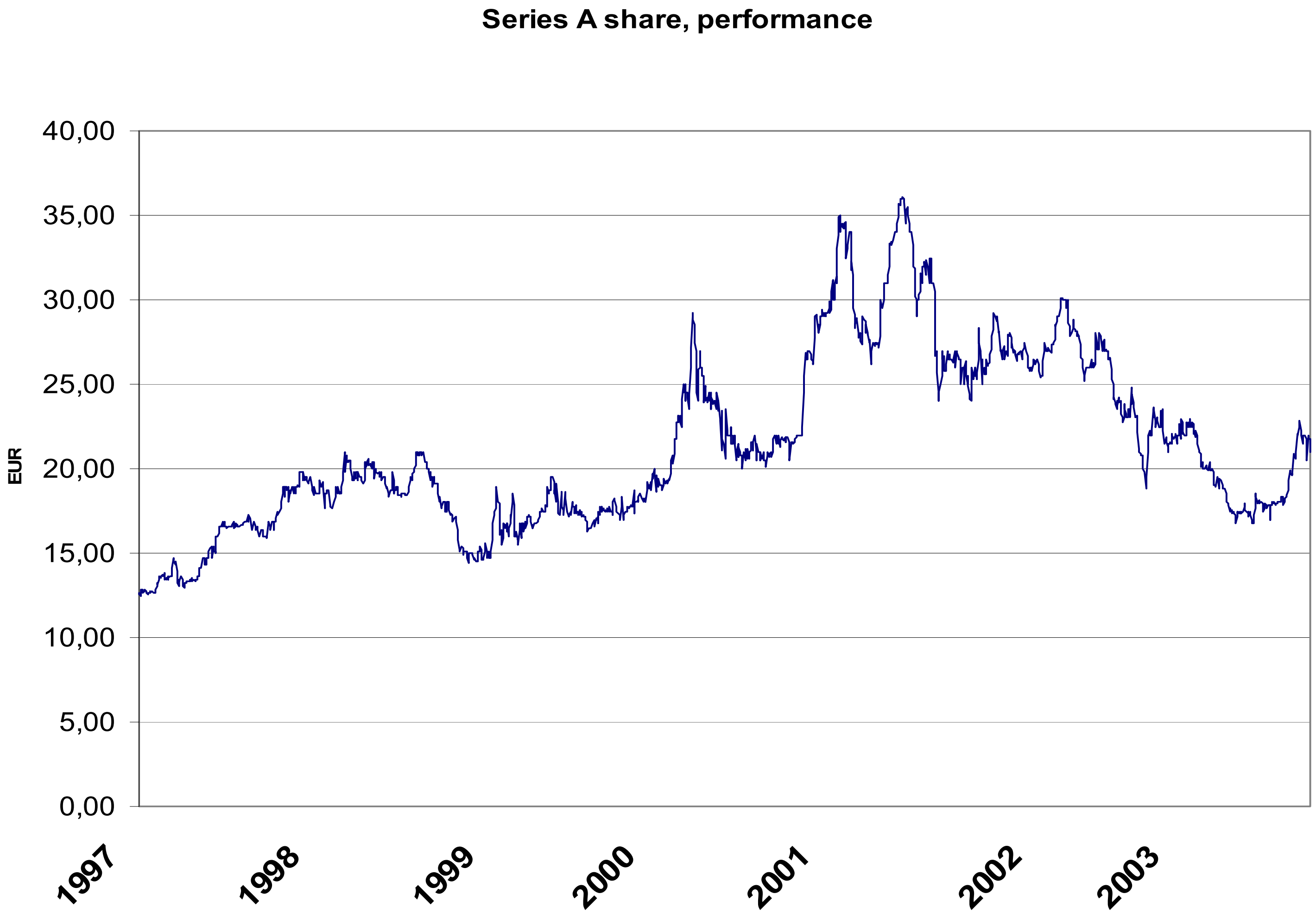
Divisions, Business Units and Distribution channels



Shareholders - September 30th, 2004

	% of votes	% of Series K shares	% of Series A shares
Finnish Academy of Science and Letters	22,0	25.7	3.6
Novametor Oy	12.3	13.3	7.3
Mikko Voipio	7.7	8.8	2.3
Anja Caspers	7.1	8.2	1.4
Raimo Voipio	5.8	6.7	1.8
Tauno Voipio	4.2	4.6	2.1
Henki-Sampo Insurance Company	4.1	4.0	4.5
Inkeri Voipio	2.7	0.0	15.5
Jaakko Väisälä estate	1.6	1.8	1.1
Ilmarinen Mutual Pension Insurance Company	1.4	0.0	8.4
Nominee registered	2.9	0.0	17.1

Series A share, performance



Market situation

There have not been significant changes in demand when compared to the previous year. Positive signals have been received from Vaisala Instruments and Vaisala Solutions

Vaisala's focus on maintaining and developing competitiveness has enabled it to retain its market share, and the company's market position is still strong.

Vaisala Soundings 1-9 / 2004

The division's net sales totaled EUR 37,2 (40,0) million.

The market has remained unchanged, and customers are cautious in their investments. The market launch of the new generation radiosonde released in 2003 has progressed well, but more slowly than expected, due to the above-mentioned caution.

The division's profitability level will be good in 2004. In 2005, some small growth and improvement in profitability can be expected.

Vaisala Solutions 1-9 / 2004

The Vaisala Solutions Instruments division generated net sales of EUR 31.6 million (36.2).

The market has picked up somewhat and the order intake has started to rise slightly since the summer. The division will achieve a satisfactory level of profitability this year. We are expecting slight growth in net sales for next year.

Vaisala Instruments 1-9 / 2004

The Vaisala Instruments Instruments division generated net sales of EUR 38.0 million (33.2).

Vaisala launched a new carbon dioxide probe for ecological measurements in April and a new dewpoint meter for natural gas humidity measurements in June.

In September the company launched a new range of humidity and temperature transmitters for demanding industrial and meteorological humidity measurements.

During the review period, Vaisala discontinued its ammonia measurement business.

The market situation is relatively stable. The division's profitability level will be good in 2004. Some relatively large meteorology projects have been postponed until next year for reasons relating to the customers. Also 2005 is expected to be a good year.

In particular, we are expecting growth from the new weather transmitter launched in October. The new HMT 330 series will strengthen our position in the field of demanding humidity measurements.

Weather multi-sensor

The Vaisala Weather Transmitter WXT510 is a compact and lightweight multi-sensor instrument that measures the most essential weather parameters:

- wind speed and direction
- liquid precipitation
- barometric pressure
- temperature
- relative humidity

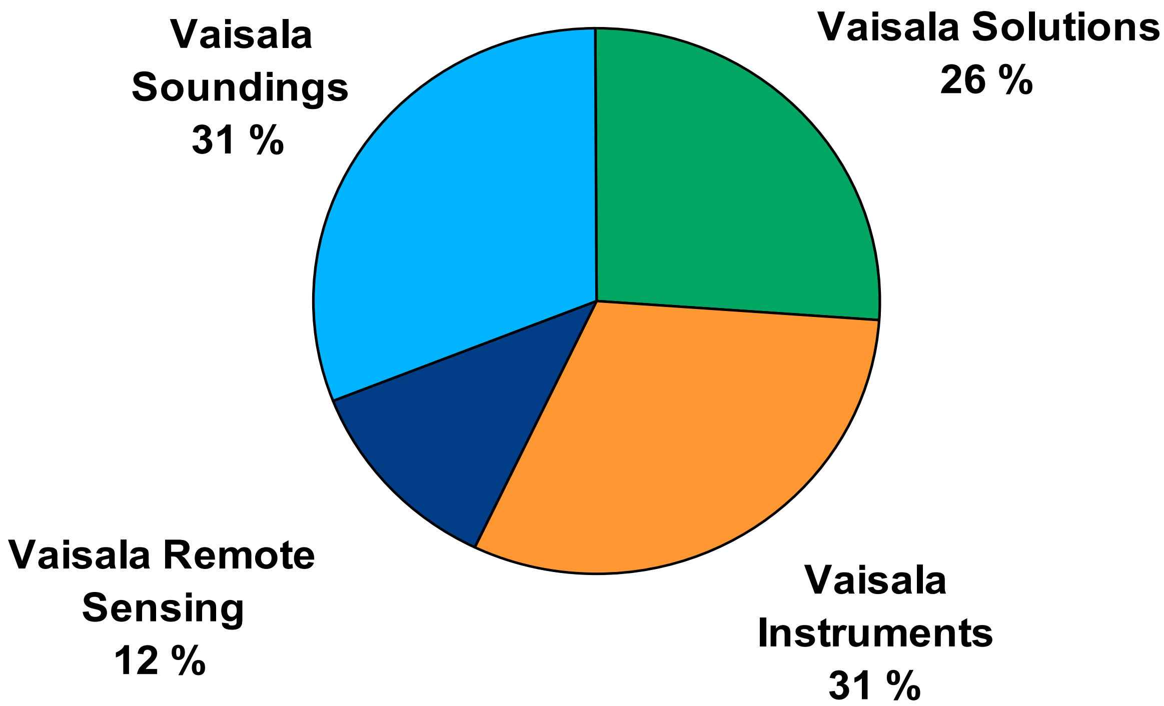
Vaisala Remote Sensing 1-9 / 2004

The Vaisala Remote Sensing division generated net sales of EUR 15.1 million (15.2).

In January, Vaisala announced its new lightning detection system that combines the technologies acquired through two separate acquisitions into one modular product family. The new product line reduces the amount of equipment to be maintained and improves product profitability.

The result of the current year will be negative. No increase in net sales is expected next year, but the result is expected to be slightly positive.

Sales per division 1-9 / 2004



Capital expenditure 1-9 / 2004

Gross investment totalled EUR 3,1 (11,1) million.

The cleanroom will be brought into production in July 2004. The share of the investment booked for 2004 was EUR 0.5 million.

Other capital expenditure concerned machinery and equipment and information technology.

Key figures 1-9 / 2004

M€	1-9/2004	1-9/2003
Net Sales	121,9	124,6
Operating profit	11,2	11,8
Operating profit %	9,1%	9,5%
Profit before extraordinary items	11,6	10,5
Solvency ratio %	86%	85%
Personnel (average)	1 101	1 147
Order book	63,4	78,8
Orders received	121	131
Earnings / share **(EUR)**	0,45	0,40
Shareholder's equity / share **(EUR)**	7,70	7,64

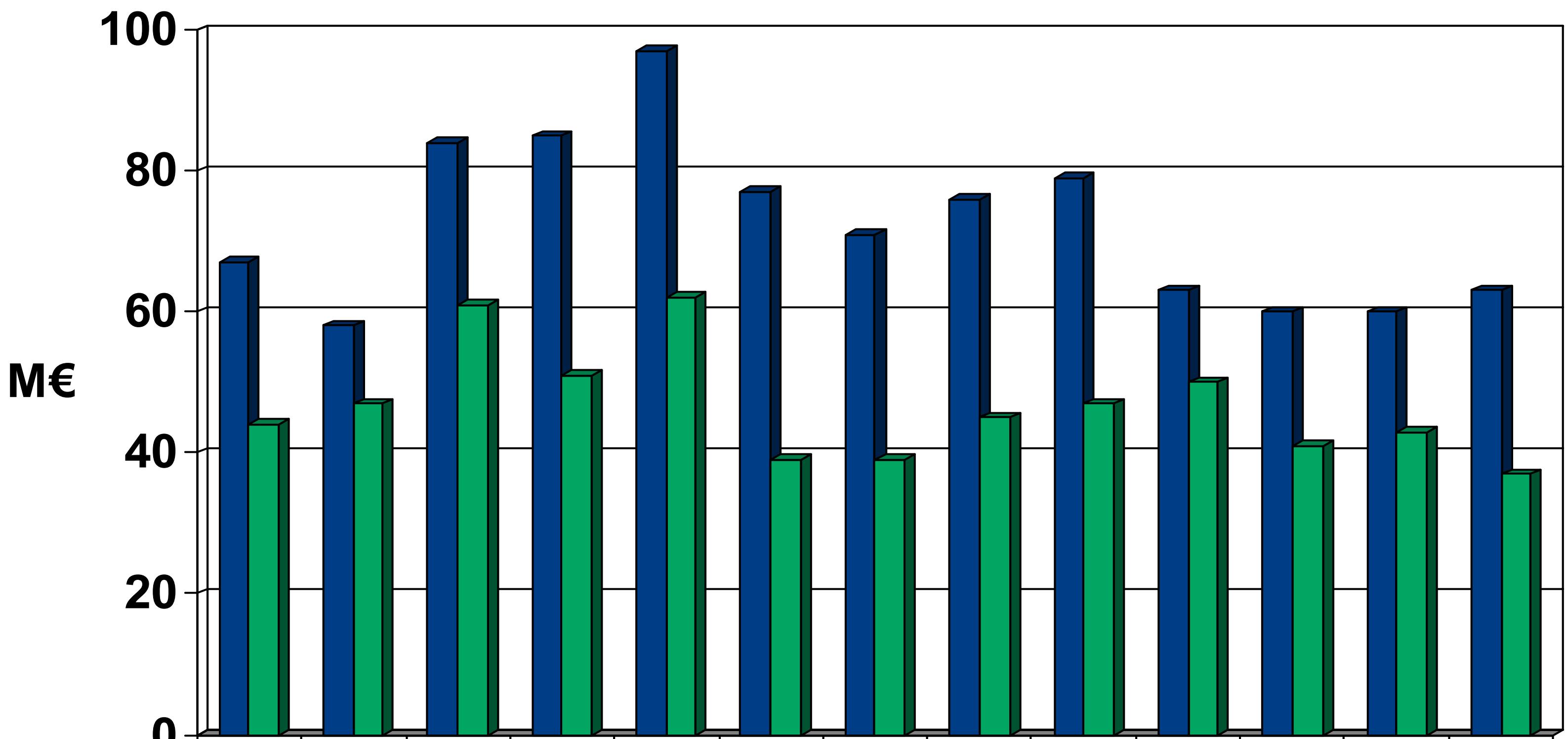
Income statement 1-9 / 2004

Groups income statement (EUR 1000)	1-9/2004	1-9/2003
Net sales	121 932	124 616
Costs	102 598	104 672
Goodwill-depreciation	2 584	3 164
Depreciation	5 744	5 806
Other operating income (net)	150	822
Operating profit	11 156	11 796
Financial income and expenses	401	-1 318
Profit before extraordinary items	11 557	10 478
% of net sales	9,5 %	8,4 %
Profit before provisions and taxes	11 557	10 478
Taxes	3 635	3 548
Net profit	7 922	6 930

Balance sheet 9 / 2004

Balance sheet (EUR 1000)	9/2004	9/2003
Fixed assets	52 158	58 830
Current assets		
- Inventories	19 364	24 292
- Financial assets	91 314	82 158
Shareholders' equity	134 665	133 623
Obligatory reserves	1 183	1 146
Liabilities		
- Non-current liabilities	1 205	2 257
- Current liabilities	25 783	28 254
Total	*162 836*	*165 280*

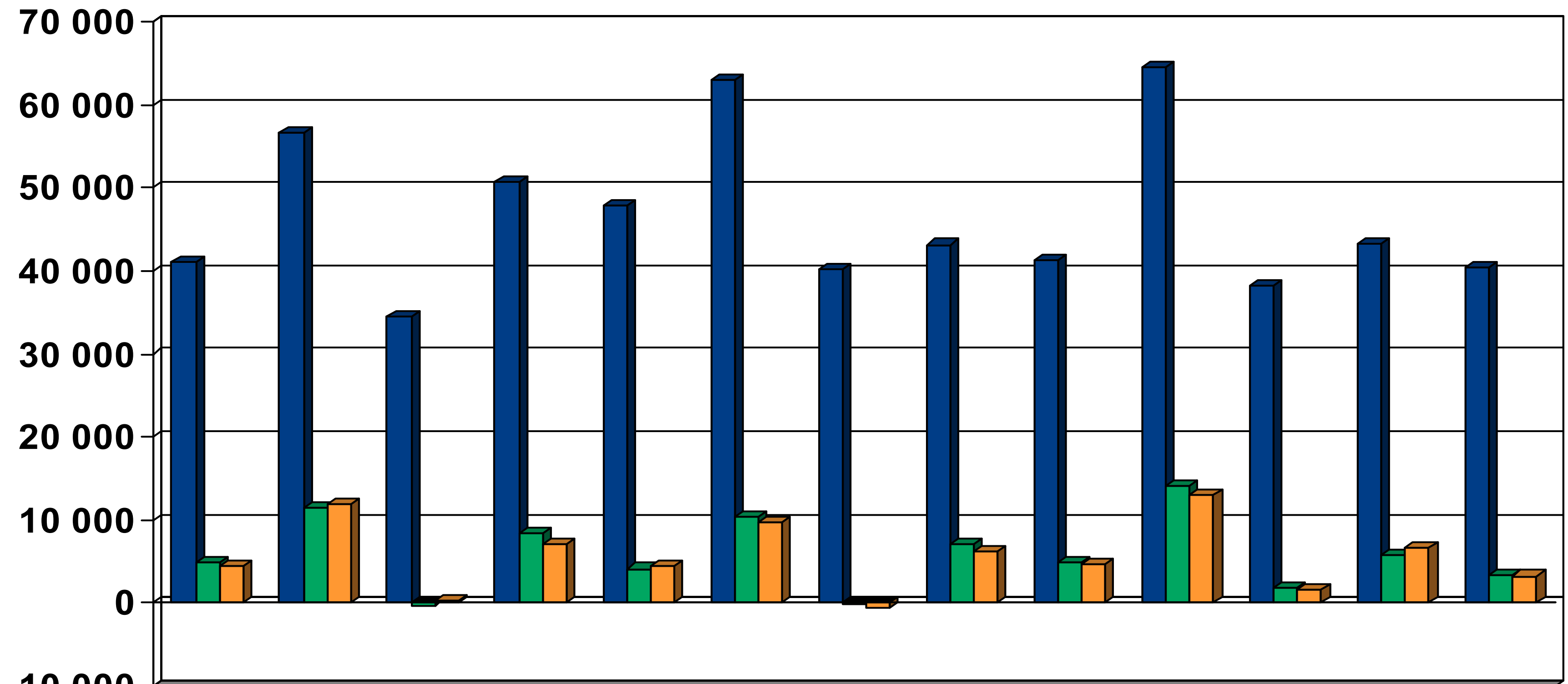
Order book



	Q3/01	Q4/01	Q1/02	Q2/02	Q3/02	Q4/02	Q1/03	Q2/03	Q3/03	Q4/03	Q1/04	Q2/04	Q3/04
Order book	67	58	84	85	97	77	71	76	79	63	60	60	63
Orders received	44	47	61	51	62	39	39	45	47	50	41	43	37

Order book **Orders received**

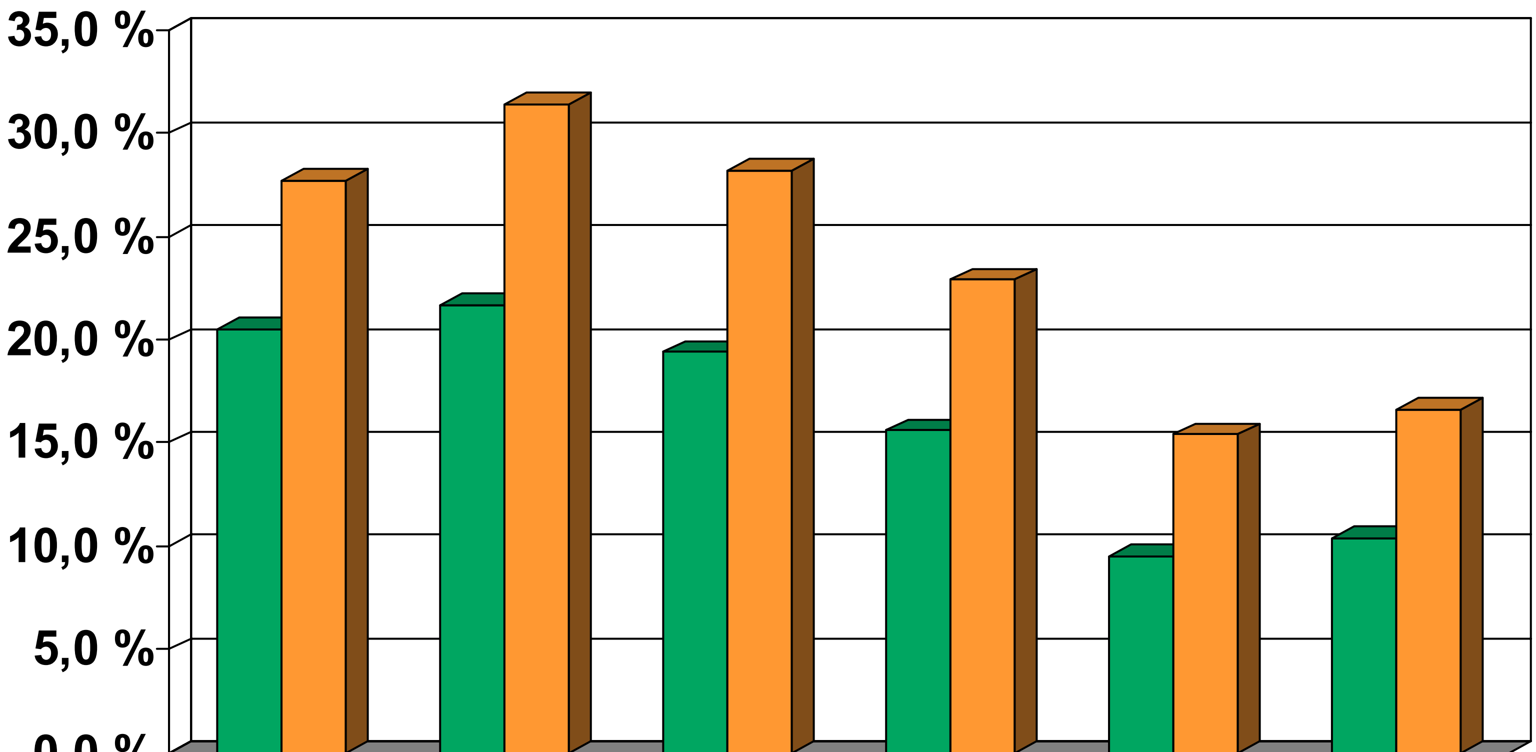
Net sales, operating profit and profit before extraordinary items



	Q3/01	Q4/01	Q1/02	Q2/02	Q3/02	Q4/02	Q1/03	Q2/03	Q3/03	Q4/03	Q1/04	Q2/04	Q3/04
Net Sales	41 145	56 576	34 447	50 767	47 931	63 075	40 244	43 141	41 231	64 588	38 304	43 212	40 416
Operating profit	4 893	11 547	-270	8 338	4 124	10 407	-131	7 102	4 825	14 132	1 910	5 820	3 426
Profit before EO items	4 496	11 828	274	7 052	4 384	9 772	-520	6 238	4 760	12 923	1 605	6 700	3 252

Net Sales Operating profit Profit before EO items

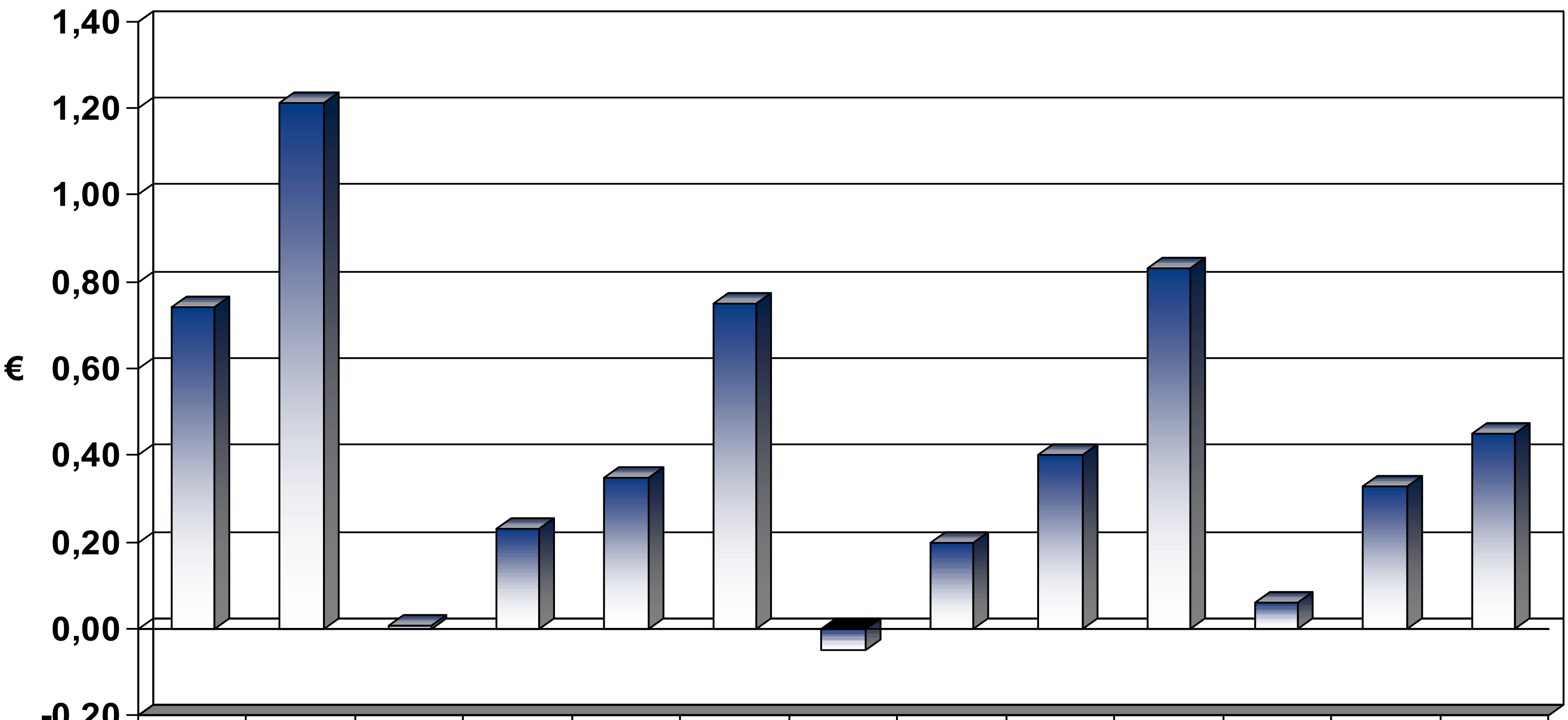
Return rates



	1998	1999	2000	2001	2002	2003
Return on equity	20,5 %	21,7 %	19,4 %	15,6 %	9,5 %	10,4 %
Return on investments	27,7 %	31,4 %	28,2 %	22,9 %	15,4 %	16,6 %

Return on equity **Return on investments**

Earnings / share, EUR, cumulative

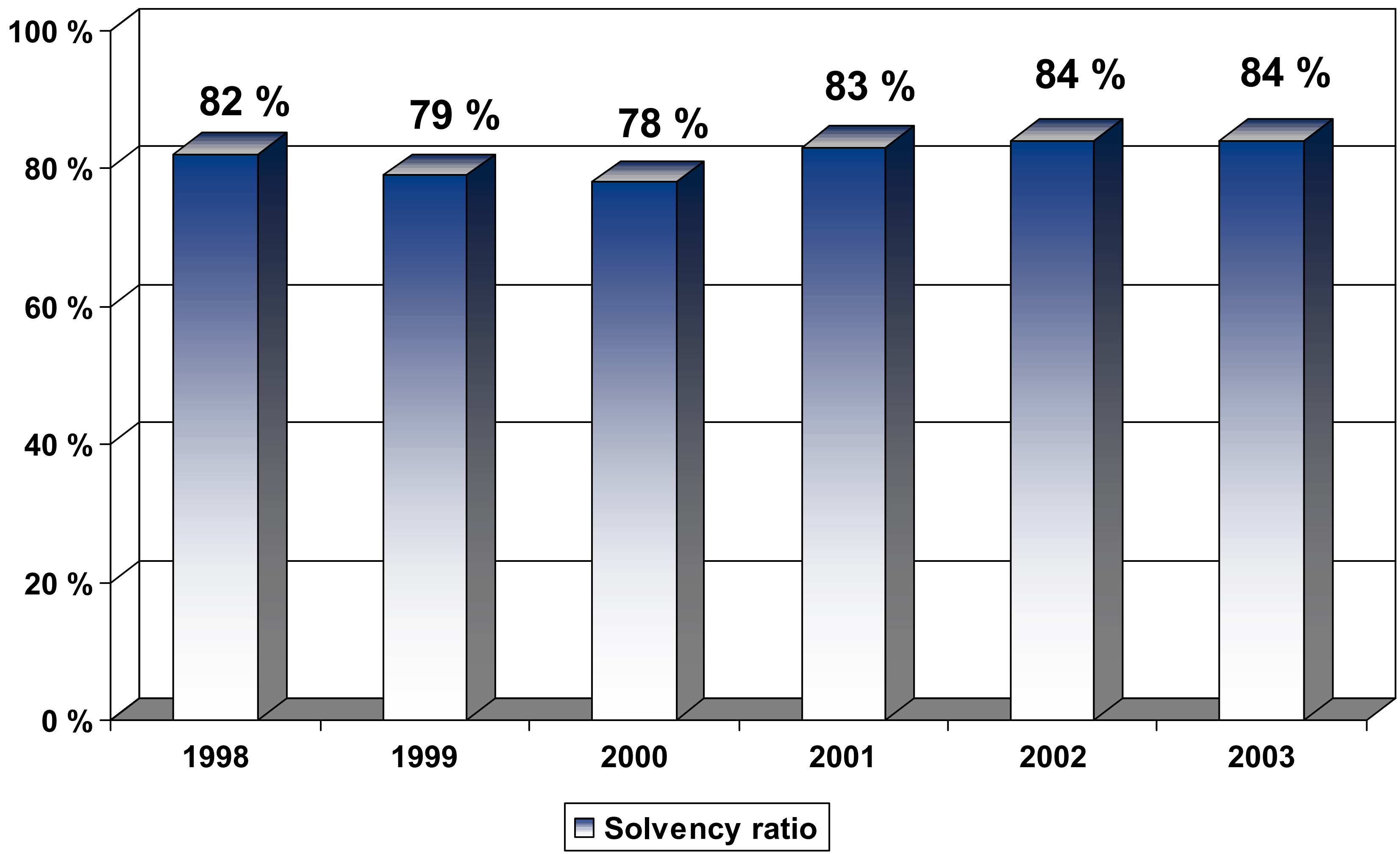


	Q3/01	Q4/01	Q1/02	Q2/02	Q3/02	Q4/02	Q1/03	Q2/03	Q3/03	Q4/03	Q1/04	Q2/04	Q3/04
EPS	0,74	1,21	0,01	0,23	0,35	0,75	-0,05	0,20	0,40	0,83	0,06	0,33	0,45

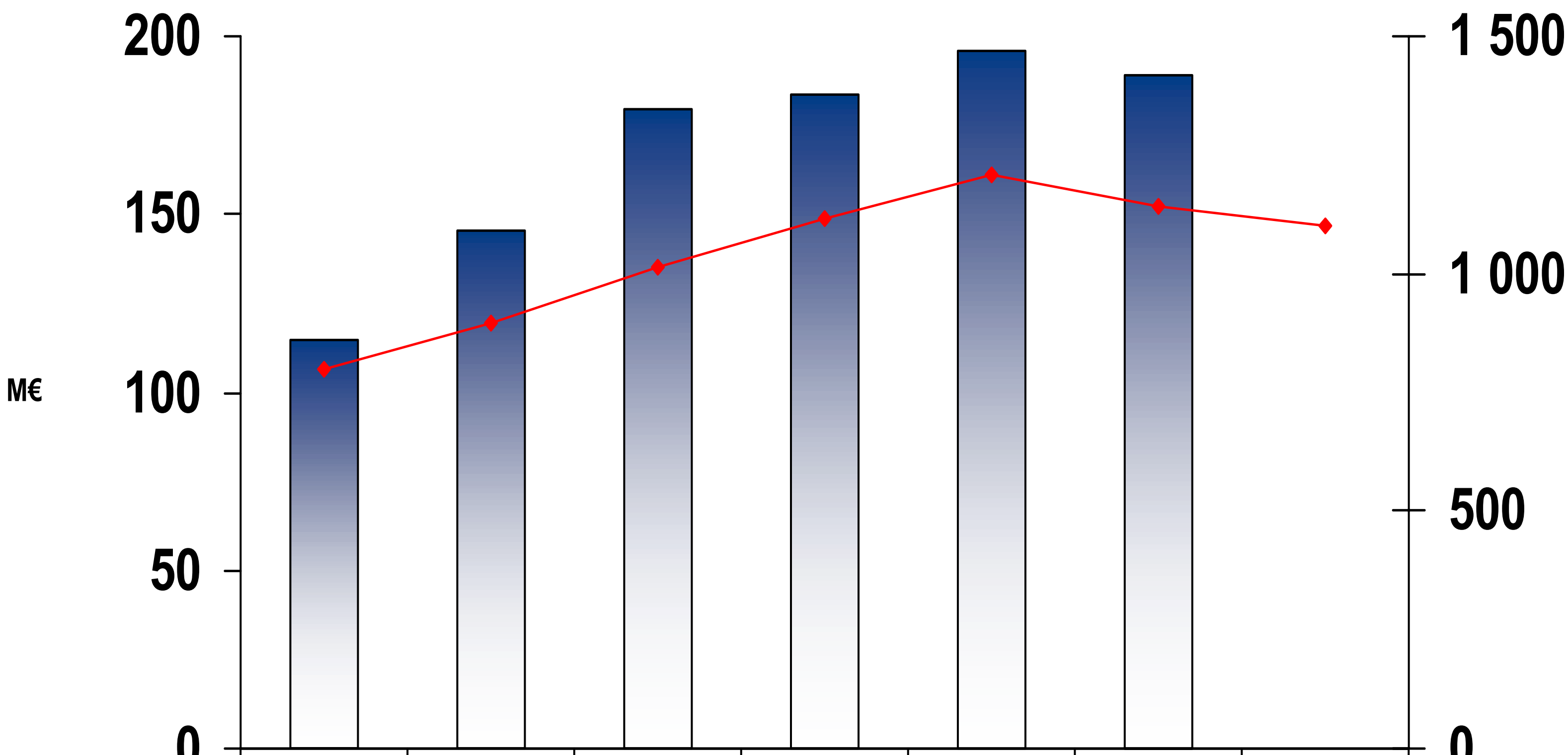
EPS

Solvency ratio

9/2004 = 86%



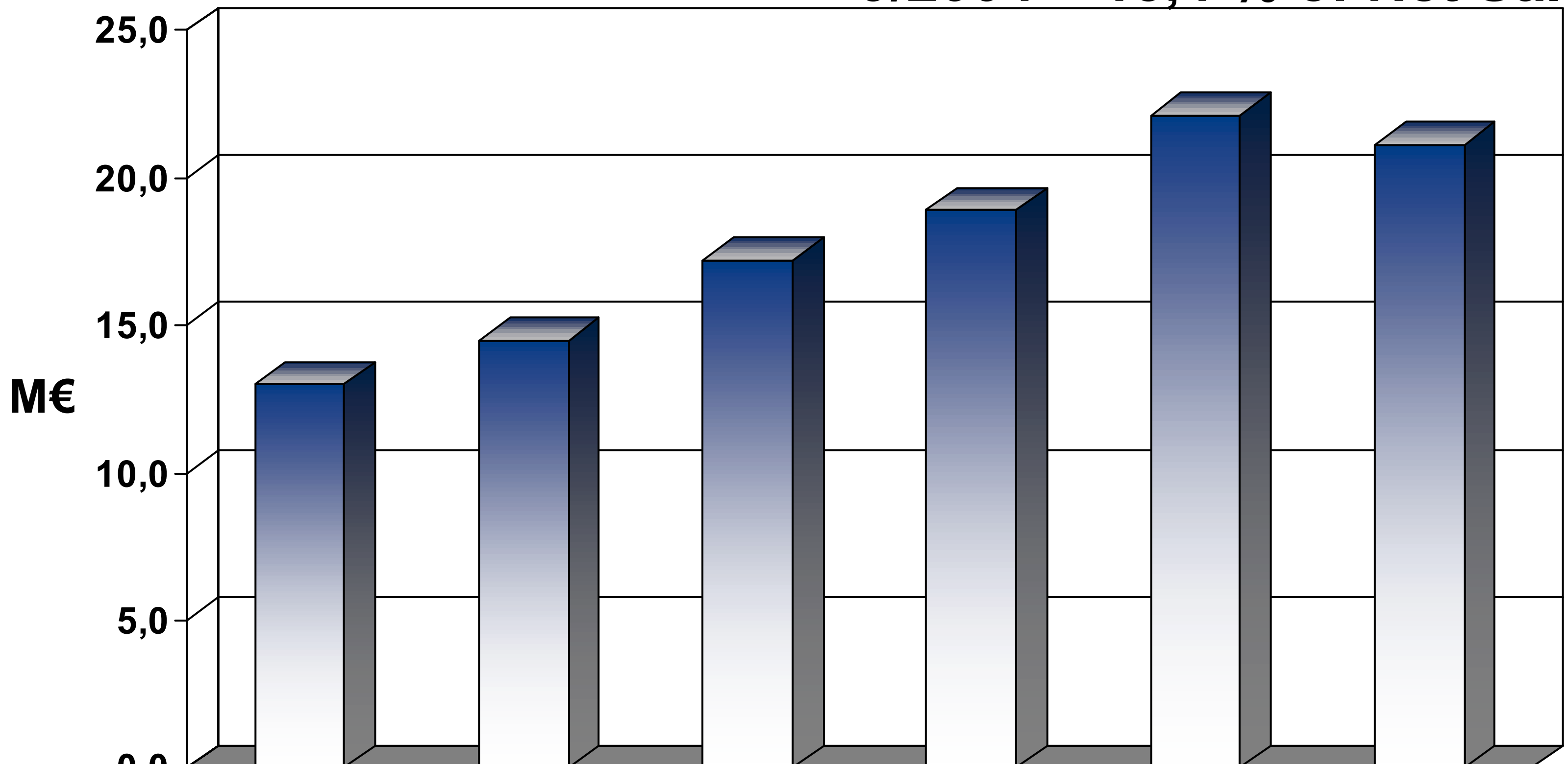
Net sales and average personnel



	1998	1999	2000	2001	2002	2003	Accum.Q3/04
Net sales	114,6	145,4	179,5	183,5	196,2	189,2	
Personnel	797	895	1 016	1 115	1 208	1 141	1 101

Research and product development expenditure, EUR

9/2004 = 13,4 % of Net Sales



	1998	1999	2000	2001	2002	2003
R&D Expenditure	13,0	14,5	17,2	18,9	22,1	21,1

R&D Expenditure

Outlook

The market outlook has not significantly changed. It is expected that net sales for 2004 will be at a slightly lower level than in the previous year and that net profit will be at last year's level.

Vaisala aims to be the global market leader in its selected business areas in the future, too. Therefore, the investments in product development and competitiveness will continue to be substantial.

Thank You