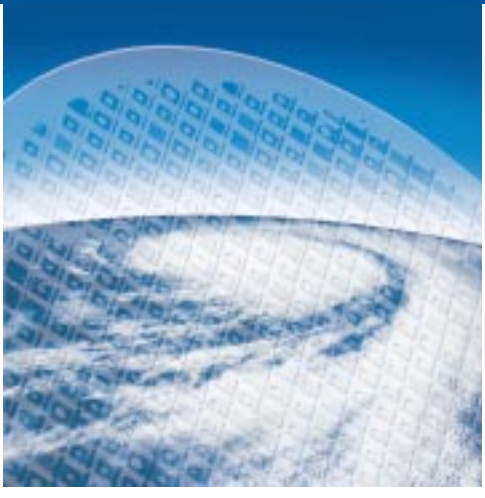
VAISALA

Vaisala Group 2000



Contents

This Vaisala Group 2000 brochure together with Vaisala's Financial Statements 2000 forms the Annual Report 2000 of Vaisala. The Financial Statements can be ordered from Vaisala Corporate Communications, tel. +358 9 8949 2744.

Highlights of the Year 2000

Key Figures	2000	1999
Net sales, FIM million	1067	864
New orders, FIM million	1051	923
Profit before extraordinary items, FIM million	200	189
Solvency ratio, %	78	79
Return on investment, %	28	31
Personnel 31 December	1043	969

Vaisala Group received new orders from North America in October

The Vaisala Group received new orders worth approx. EUR 25 million from North America for its upper air observation products. Deliveries will take place in the next 3 to 5 years.

Vaisala Group acquired Jenoptik Impulsphysik GmbH of Germany in October

The Vaisala Group acquired all of the shares of Jenoptik Impulsphysik GmbH. The acquired company develops, produces and markets weather observation systems for airports. The acquisition strengthens Vaisala's position as a supplier of these systems especially in Germany.

Dr. Walt Dabberdt was announced to join Vaisala

Dr. Walt Dabberdt from the National Center for Atmospheric Research (NCAR), Boulder, Colorado, was announced to join Vaisala in December 2000. He was appointed the Director of Strategic Research.

Vaisala Group signed a contract to deliver a lightning detection network to Poland in September

The Vaisala Group signed a contract worth one million euro to deliver and install a national lightning detection network to Poland, operated by the Polish National Meteorological Institute. The lightning detection technology was acquired to Vaisala in the beginning of the year 2000.

A significant order was received from MetServices Canada in September

The Vaisala Group received a significant order from Meteorological Service of Canada. The contracts, including options accounts for nearly EUR 13.5 million. According to the agreement, Vaisala will supply Canada's entire nationwide upper air observation network with radiosondes in the years 2000 to 2003.

Vaisala Group received a major contract from the U.S. National Weather Service in July

The Vaisala Group received a major contract from the U.S. Department of Commerce / NOAA, National Weather Service. The value of the contract including options is several million EURO. According to the contract, Vaisala is to develop and deliver new ultrasonic wind speed and direction instruments. The deliveries are scheduled to take place in 2001-2004.

Vaisala Group signed a contract to deliver Tactical Meteorological Observation systems to Raytheon Inc. in May

The Vaisala Group received a major production order, valued at several million EURO, from the American company Raytheon Inc. to supply the USAF with Tactical Meteorological (TACMET) Observation Systems. Deliveries started in August 2000.

United States National Weather Service awarded a dewpoint contract for Vaisala in March

In March 2000, National Weather Service (NWS) awarded a contract to Vaisala to deliver state-of-the-art meteorological dewpoint transmitters. Vaisala transmitter will replace several hundred existing units in Automated Surface Observing Systems (ASOS) throughout the United States.

Vaisala Group acquired a French company Dimensions SA in February

The Vaisala Group acquired all of the shares of Dimensions SA, manufacturer of lightning detection and thunderstorm forecasting instruments and networks for meteorological and industrial applications.

Vaisala Group

Vaisala systems, sensors and instruments are used for measuring environments of all proportions.

Vaisala develops, manufactures and markets electronic measurement systems and equipment for meteorology, environmental sciences, traffic safety and industry. Vaisala's markets are global. Our core customer groups are meteorological organizations, research institutes, air and road traffic authorities, defense forces and industry worldwide.

Vaisala's competitiveness is based on product leadership in environmental measurement and related industrial applications, which has helped us achieve global market leadership in selected businesses. We are global market leaders in upper air observations, airport and road weather observations and in professional equipment for measuring relative humidity and barometric pressure.

Our products are successful because of our continuous, dynamic product development, close cooperation with customers and a high degree of specialization. Our commitment to research and development ensures that Vaisala products will continue to be at the forefront of environmental measurement technology also in the future.

Three Divisions

Vaisala has three business divisions focusing on environmental measurement: the Upper Air Division, the Surface Weather Division and the Sensor Systems Division. Vaisala seeks global market leadership in selected areas by developing products that give entirely new dimensions.

Vaisala measures humidity in various applications within industry and meteorology.

Upper Air Division

The Upper Air Division develops, manufactures and markets equipment for weather observations in the upper atmosphere. Its principal products are radiosondes for upper air observations and equipment for collecting and processing the information they transmit.

Surface Weather Division

The products of the Surface Weather Division are used for observing weather conditions near the Earth's surface and for collecting this data. The Division develops, manufactures and markets meteorological sensors and measurement systems to improve air and road traffic safety and to meet the weather observation needs of meteorological institutes and industry.

Sensor Systems Division

The Sensor Systems Division develops, manufactures and markets transmitters and instruments for the measurement of relative humidity, dewpoint, barometric pressure and carbon dioxide. The Division's products are used in numerous applications within industry, building automation, meteorology and agriculture.

Vaisala's values

Our six values are the basis of all our activities, both within Vaisala and with our partners and customers.

- Science based innovation
- Fair play
- One for all – all for one
- Convincing quality
- Personal growth
- Goal orientation

Photo courtesy of Finnish Maritime Administration

Vaisala's meteorological observation systems are used in various applications and environments no matter what the weather. The marine weather represents one of the most demanding environments due to the moisture and strong winds.

Review by the President and CEO

Strategy

Vaisala's core business is environmental measurement, especially of the weather, including similar industrial applications. We are striving for global market leadership in selected business areas and our main value discipline is product leadership. Through close cooperation with our customers and substantial investment in R&D, we are developing products that lead the way. We have already achieved global market leadership in upper air observations, airport and road weather observations and in professional equipment for measuring relative humidity and barometric pressure.

We select businesses where we can benefit from sharing high-cost investments in, for instance, technology and distribution channels. Such economies of scope are vital to profitability. We place special emphasis on continuous development of our core competences. Cooperation with universities and research institutes is a significant means to this end. We also network actively with specialists in fields complementing our own expertise.

Our goals are an average annual growth rate of 15% and the maintenance of good profitability. With respect to growth, we will expand our product offering primarily to our present customers. Although we will supplement our product range through corporate acquisitions, the main thrust will be for organic growth.

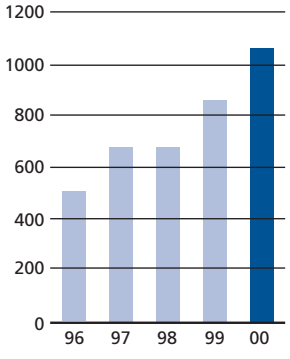
Business in 2000

An unusual feature of the year was that all the main market areas in North America, Europe and Asia enjoyed an economic upswing at the same time. The strength of the US dollar also had a favorable impact on our business operations. For Vaisala, 2000 was a successful year. Our business grew strongly and profitability remained at a good level for the tenth consecutive year. Net sales rose to FIM 1067 million, representing growth of 24% on the previous year. Most of this growth was organic, although corporate acquisitions in 1999 and 2000 contributed to the increase in net sales. Profit before extraordinary items, provisions and taxes was FIM 200 million, representing 19% of net sales. New orders received during the year amounted to FIM 1051 million.

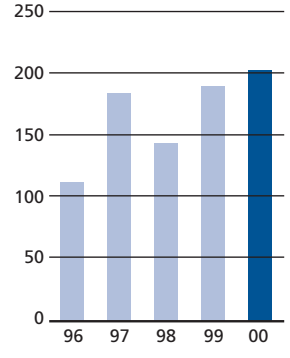
All three divisions developed favorably and we consolidated our market position in nearly all our business areas. The Surface Weather Division showed the strongest growth. Prominent among the year's contracts and breakthroughs was the order for rapid-deployment surface weather stations placed by the United States Department of Defense, which opens the way for wider penetration of the defense market in weather stations. The United States National Weather Service placed a major contract for new ultrasonic wind speed and direction instruments. Vaisala was the first foreign company to supply a regional surface weather network to the Meteorological Administration of China. The full impetus on growth of the acquisition of Handar at the end of 1999 is now starting to be felt. In October 2000 we strengthened our position in aviation weather systems by acquiring the German company Jenoptik Impulsphysik GmbH.

The Upper Air Division maintained its strong position as market leader. The Division received some major

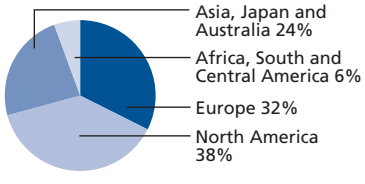
Development of net sales (MFIM)



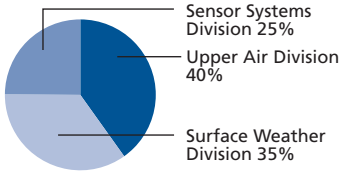
Profit before extraordinary items, provisions and taxes (MFIM)



Net sales by market



Net sales by division



orders, especially from customers in North America and Great Britain. Demand for GPS wind measurement in radiosondes increased. The new-generation RS90 Radiosonde was widely adopted by new users. Full automation of upper air observation stations, for which we are the only supplier in the world, continued to increase steadily.

The Sensor Systems Division once again consolidated its leading position in the global market for professional measuring equipment for relative humidity and barometric pressure. Demand was brisk in all market areas. The Division landed a major order from the United States National Weather Service for dewpoint measuring equipment to be deployed in its surface weather observation network. The Division increased its market penetration with the launch of new products for measuring dewpoint that have a wider scope of application. Vigorous product development during the year will result in more new products being launched in 2001, in particular for the measurement of gases.

In spring 2000 we acquired Dimensions SA, a French company specializing in lightning detection and thunderstorm forecasting, thereby expanding our product offerings to our existing customers. Important orders were also received from Poland and Spain.

An important in-house change during the year was the implementation of a global process organization. All business processes are now unified throughout the entire Group. A single reporting hierarchy was established to streamline the geographical dispersion of our various companies. This reorganization is a good springboard for further development of our personnel and processes and a good basis for crafting common tools.

The cornerstone of all our business activities is the expertise of our personnel. We implemented several personnel training programs during the year. Our approach to training is based on work roles. The main emphasis of our internal training is on work roles that require multiple skills and that are crucial to our business operations.

Prospects for 2001

There is reason to be cautious about the prospects for the world economy in 2001. Many of our deliveries are to the public sector, however, which is less susceptible to fluctuations in the business cycle. Thanks to our substantial investment in R&D and our clear business focus, we have a good competitive status. Therefore, I believe that our market position will continue to improve and that we will continue to grow in line with our targets.

Thanks

I would like to extend my heartfelt thanks to our customers, partners and owners for our successful performance in 2000. Special thanks go to Vaisala's personnel, whose professional skill, commitment, cooperation and drive have once again produced such good results.

Pekka Ketonen
President and CEO

Meteorological Observations

Meteorological institutes throughout the world use Vaisala upper air and surface weather measurement instruments and systems for synoptic observations.

Automated weather observation systems and networks are the foundation of any meteorological service. They raise operational efficiency, improve data accuracy and consistency, and lower the overall operating costs of an observation network. Automation also extends the scope of observations: unmanned stations can be set up in locations where manned operation would not be feasible.

Used worldwide, Vaisala radiosondes are well known for their accuracy and reliability.

Vaisala automatic weather stations incorporate a variety of meteorological sensors.

Weather services need not only advanced weather forecasting models, but also accurate measurements of current weather and atmospheric conditions for producing weather forecasts. Radiosondes are a key element in upper air observation systems. Radiosonde observations are carried out all over the world at hundreds of synoptic stations that launch radiosondes at internationally agreed times. Balloon-borne radiosondes measure upper air temperature, humidity and pressure during their ascent to the upper atmosphere. The radiosonde signals are received and processed by ground equipment which automatically computes wind speed and direction using global navigation networks. The ground equipment also processes the data to form weather messages which are transmitted to the international network.

By fully automating observations with the Vaisala AUTOSONDE System the task of operating an upper air station can be changed to a pure maintenance operation. Automated weather stations such as MILOS are increasingly being used for surface weather observations. The Airborne Vertical Atmospheric Profiling System (AVAPS) and RD93 dropwindsondes allow observations above oceans and play a key role in determining how storms build up.

New products

The MILOS520 Data Collection and Processing System automates routine weather observation work and offers versatile data collection and processing features. The SAFIR Thunderstorm Forecasting and Lightning Detection System is used by meteorologists in making weather forecasts. Professional meteorologists also rely on Vaisala's barometric pressure measurement technology.

The SAFIR System offers complete information on thunderstorms, accurately localizing and characterizing lightning strikes.

Vaisala automated weather stations operate reliably also in extreme conditions at remote unmanned sites.

Aviation Weather Observations

Accurate information on weather conditions is fundamental for aviation safety. Vaisala Automated Weather Observing Systems serve daily at hundreds of airports all over the world, providing reliable weather reports. Airports of all categories and sizes rely on our wide expertise and product range in aviation weather systems.

Vaisala's know-how in aviation weather systems was further strengthened when Jenoptik Impulsphysik joined Vaisala in October, 2000. The merger created the world's largest developer and supplier of weather observation systems for airports. Vaisala offers not only the most comprehensive product range of the meteorological aviation industry, but also complete solutions for airport weather observations.

The Vaisala MIDAS IV Automated Weather Observing System is an integrated airport weather observation system providing meteorological data acquisition, validation, calculation and data storage for meteorologists and air traffic controllers. Regardless of airport size, the MIDAS IV is always the right size and can be easily expanded.

The Vaisala MITRAS System is a well-proven solution to Runway Visual Range assessment.

New products

The new Vaisala PA50 Aviation Barometer is a small, dedicated system which is ideal for use at small airports. A new multichannel WIND50 Wind Display for aviation applications was launched in 2000. The Vaisala SAFIR System provides air traffic management with complete information on thunderstorms, ranging from accurate localization and characterization of lightning strikes to early detection and forecasting of thunderstorm hazards.

The Vaisala Aviation Weather Reporter is a compact weather observation and reporting system for aviation use.

The PA50 Aviation Barometer is a small dedicated system providing barometric data for aviation use at airports.

Accurate weather reports help pilots to make correct, timely decisions and bring their precious cargo – the passengers – safely to their destination.

Tactical Weather Observations

In tactical applications, weather influences operations in many ways. Defense forces need upper air observation systems and automated weather stations that can be rapidly deployed and used in diverse field operations.

Upper air meteorological conditions (wind speed and direction, humidity, temperature and pressure) influence the trajectory of artillery shells. The accuracy of artillery can be improved by using upper air meteorological data.

The Vaisala MARWIN Portable Rawinsonde Set excels in applications where mobility and ease of transportation are essential, and therefore provides meteorological support for various operations. For enhanced coverage and flexibility, the MARWIN offers a wide range of windfinding options, such as GPS, Loran-C and Radio Direction Finding. A standard MARWIN system can be used in applications such as ballistic correction, refractive index analysis, NBC protection, meteorological forecasting and test range support.

The Vaisala Radiotheodolite is an independent upper air observation system for land-based mobile use. This lightweight all-weather system consists of man-portable units and can be transported in a light shelter, transportation boxes or a light trailer. Designed for the operational needs of defense forces, the Radiotheodolite meets stringent environmental and EMC/EMI requirements.

The Vaisala Radiotheodolite provides accurate and reliable upper air wind data in mobile applications.

New products

The new Vaisala MAWS201M Tactical Meteorological Observation TACMET System meets the versatile requirements of defense forces, and is a genuine COTS product. The MAWS201M TACMET System is a field-deployable, compact weather station. It monitors two general types of environmental parameters: meteorological parameters (wind, air temperature, humidity, pressure, precipitation) and aviation support parameters (cloud height and cover, visibility/precipitation type, thunderstorms/lightning).

SA-photo

Vaisala equipment is used for weather observations onboard ships.

The Vaisala MAWS201M is a commercial, versatile automatic weather observation system for demanding needs.

In tactical applications, accurate data is needed of meteorological conditions.

Traffic Weather Observations

As weather influences traffic flow and safety to a great extent, accurate weather information is vital. The constant increase in road traffic has raised the number of accidents considerably. In many cases, bad weather and road conditions are a contributing factor to road accidents. Vaisala's winter maintenance products and services are designed to help maintenance personnel improve road and air traffic safety.

Special road weather data and forecasting help to reduce costs, enhance operational efficiency and protect the environment.

Even though it is expensive, appropriate winter road maintenance is necessary to keep traffic flowing safely. One danger, however, is the threat to the environment through the excessive use of salt on roads and the consequent pollution of ground water reserves. Vaisala's comprehensive systems allow the logistics of road maintenance to be directly linked to weather changes, thus improving the quality and cost-effectiveness of road maintenance.

The Vaisala road traffic product range also includes applications for airport runways, which face many of the same safety and cost concerns as highways. The reliable detection and prediction of hazardous conditions allows confident decision-making and maximizes the benefit of anti-icing operations.

In railway traffic, winter weather conditions such as freezing fog and freezing precipitation can cause icing on overhead contact wires. Vaisala offers systems for year-round weather management on railways that allow railway operators to monitor, predict and give warnings of a range of potentially disruptive and hazardous conditions.

The Vaisala traffic weather product range provides easy-to-use, cost-effective solutions for remote detection of hazardous conditions.

The Vaisala ROSA Weather Station provides real-time data of weather and road surface conditions for weather-controlled traffic sign systems.

New products

The Vaisala winter maintenance product range has been enhanced by the new DRS511 Road/Runway Sensor. Connected to a Vaisala ROSA Weather Station, it forms part of a complete ice warning system. The ROSA Weather Station provides real-time weather and road surface data to inform decision-makers of hazardous conditions such as ice, snow or low visibility.

The Vaisala DRS511 Road/Runway Sensor provides measurement data for analysis of road or runway surface conditions, such as freezing, de-icing chemicals, water amount and temperature.

Specialist road weather data and forecasting help to keep roads safe and free-flowing, reducing costs and protecting the environment.

Meteorological and Climatological Research

The Vaisala DigiCORA III Sounding System is a PC-based sounding system that offers a new user interface and improved system management.

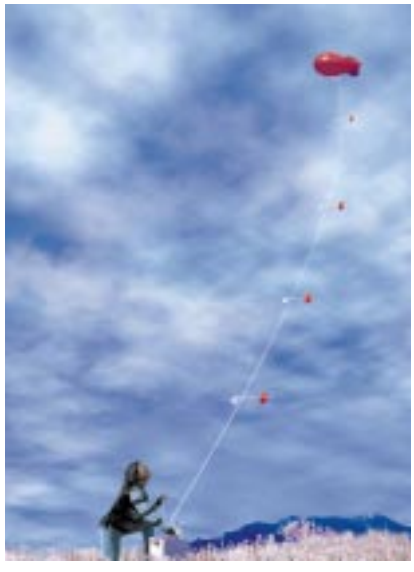
Meteorological observations are made for a multitude of research purposes, such as studying and monitoring global climate change. For example, measurements of ozone amounts and ultraviolet radiation (UV) levels are important if we are to monitor the effects of ozone depletion.

Accurate weather data is essential in climatological research and environmental monitoring. Consequently, research stations all over the world rely on Vaisala's automated weather stations for the data they need.

Used in numerous research programs, Vaisala Ozonesondes provide vertical profiles of atmospheric ozone together with conventional aerological measurements of humidity, pressure, temperature and geopotential height simultaneously. Correspondingly, the Vaisala Radioactivity Sonde offers accurate radioactivity sampling together with standard upper air measurements. The new DigiCORA III Sounding System and the high-performance RS90 radiosonde family also offer many useful features for research use.

In addition to improved forecasts and early warning of impending emergencies, groundbreaking research has already emerged from the data gathered by the RD93 GPS Dropwindsondes in hurricanes and winter storms.

With its many applications, the Tethersonde® Meteorological Tower (TMT) System is a valuable tool for researchers. The TMT System provides detailed profiles of the atmospheric boundary layer. Like a tower, the system measures the atmosphere continuously at multiple levels. Up to six Tethersondes® can be attached at various heights along the tetherline. Lifted by a tethered balloon, each Tethersonde® measures temperature, humidity, pressure, wind speed and direction. Applications of the system range from air pollution studies and meteorological research to agricultural, forestry and acoustic research to the measurement of inversion height and atmospheric stability.



The Vaisala TMT System measures the atmospheric boundary layer.

Vaisala dropsondes are used in airborne observations for weather reconnaissance, hurricane and weather research.

The field-proven Vaisala automatic weather stations can be installed in varied, demanding environmental conditions, ranging from Antarctica to the tropics.

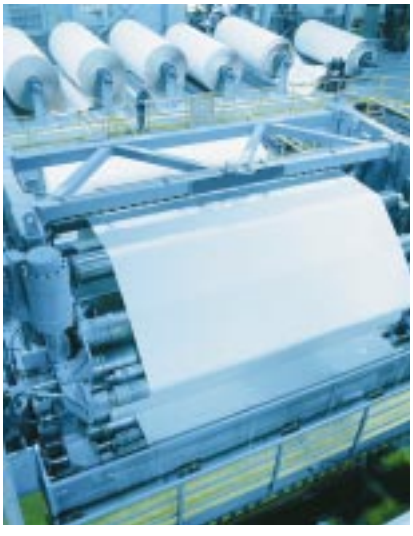
Relative Humidity Measurement

Humidity has a significant effect on our environment. Humidity measurement gives us an opportunity to control these effects.

The significance of indoor air quality to our health has become evident. People are best suited to and feel most comfortable at certain humidities and temperatures; excessively high or low humidities or temperatures cause discomfort. On the other hand, mould and fungi thrive at high humidities. Therefore, mould growth may become a problem in construction materials where high humidities and insufficient ventilation occur.

As most materials are hygroscopic, their water content always tries to reach equilibrium with the surrounding relative humidity. Thus each material has its own ideal storage humidity which should be maintained. Too dry or too humid conditions can destroy the material.

Ventilation in environments such as greenhouses and indoor swimming pools is a challenge for humidity control instruments.



By measuring the moisture in the oil of a paper machine's lubrication system, mills can significantly reduce maintenance costs and prolong the machine's service life.

In many production processes the correct measurement and adjustment of humidity is extremely important for sustaining the high quality of products and the correct level of energy consumption. The right humidity makes it possible to optimize energy consumption and improve end product quality as well as product yield.

At low humidities, static electricity increases. This can be crucial in the chemical industry where dry powdery material is handled. In extreme cases static electricity can cause explosions.

Vaisala has been a pioneer in the development of relative humidity sensors ever since 1973, when the world's first capacitive thin-film humidity sensor HUMICAP® was launched. Products based on HUMICAP® Sensors are used in industrial, building automation, meteorological and agricultural applications.

New products

In 2000, Vaisala introduced the new HMW61 and HMW71 Relative Humidity Transmitters for dusty and humid air-conditioning applications. The HMW61/71 transmitters are suitable for humid and wet environments such as greenhouses, livestock farms, indoor swimming pools and wash down areas.

The HMP228 Moisture and Temperature Transmitter for moisture measurements in oil has been supplemented by the ppm calculation feature. The ppm calculation feature facilitates moisture measurements in transformer oil applications.

Wall-mounted HMW61/71 Relative Humidity Transmitters are designed for dusty and humid air-conditioning applications.

In many production processes the correct measurement and adjustment of humidity is important. The right humidity enables the optimization of energy consumption and improves the end product quality and product yield.

Dewpoint Measurement

Dewpoint is the temperature at which condensation begins, or at which the relative humidity would be 100% if the air was cooled.

A glass of cold drink provides a practical example of dewpoint. Since the glass conducts heat fairly well, it cools to almost the same temperature as the drink. If the temperature of the glass is below the dewpoint temperature of the surrounding air, the air around the glass will become saturated with water vapor and the excess water will condense on the surface of the glass. These small water droplets are called dew.

Dewpoint is measured in processes where the formation of dew can be a problem. Dewpoint measurement is a preferred method for measuring humidity in dry conditions, because in this case the measurable changes in the dewpoint temperature are too small to be measured accurately with normal relative humidity technologies. In addition, dewpoint temperature does not change if the temperature of the gas changes. These features have contributed to the popularity of dewpoint measurement in industrial processes such as metal treatment, plastic drying and compressed air systems.

In 1997, Vaisala introduced the DRYCAP® Sensor – a new type of dewpoint sensor technology combining the proven characteristics of polymer sensors with a far wider operating range. DRYCAP® products can be used for humidity measurement in very dry environments and in temperatures of up to 350 °C where humidity levels are typically low.

New products

In 2000, Vaisala introduced a new DMT242 Dewpoint Transmitter for OEM applications. The transmitter is an ideal choice for industrial applications where there is a need to control dryer performance at low dewpoints, even down to -60 °C.

Vaisala also launched an HMP247 Dewpoint Transmitter for demanding humidity measurement applications. The transmitter is equipped with a warmed sensor head, which makes it suitable for condensing measurement environments.

Photo courtesy of Atlas Copco

Dewpoint measurements in compressed air systems can prevent possible problems caused by excess moisture.

Vaisala's dewpoint measurement technology is used also in wood drying applications.

DMT242 Dewpoint Transmitter is an ideal choice for industrial applications where it is necessary to control the dryer performance in low dewpoints.

Dewpoint is measured in processes where the formation of dew can be a problem.

Barometric Pressure Measurement

Barometric pressure is one of the most important parameters in weather observations, as the movement of pressure fronts indicates the movement of weather fronts.

Weather stations almost always include a barometer, be they manned or unmanned. Barometers are also used in data buoys and ships at sea.

Hydrological and ground water applications need information on barometric surface pressure to take into account the effect of the hydrostatic pressure of air in different areas. Barometric absolute pressure influences other physical and industrial processes as well. For example, the wavelength of light in a laser interferometer system changes with the refractive index of air, which is actually a function of air pressure.

Engine performance is also affected by air intake pressure. Aircraft altitude can be calculated from atmospheric air pressure with aircraft altimeters adjusted according to air pressure readings reported by airports. The accuracy of the Global Positioning System (GPS) is affected by atmospheric air pressure. System accuracy may be enhanced by barometric pressure information at the GPS receiver antenna level.

Vaisala barometers use the in-house developed BAROCAP® Pressure Sensor for barometric pressure measurement applications.

Vaisala's barometric pressure products incorporate innovative in-house developed BAROCAP® Sensors that are manufactured using advanced silicon micromachining technique.

New products

In 2000 Vaisala launched several new barometric pressure products.

The PMI20 is an easy-to-use backlit digital display to indicate pressure measurements. The display is ideal for manned weather stations and laboratories.

The PTB210 series of digital barometers provide accurate and stable pressure measurement in harsh outdoor installations. The barometers can be used for a wide range of applications including weather stations, airports, laser interferometers and engine test benches.

In order to achieve the best possible measurement accuracy, the barometers are calibrated against an accurate death weight tester.

The HB-1A and HB-2A Hand-held Digital Barometers are pocketsize portable barometers for professionals. They can be used in altimeter setting, field instrument calibration and as a portable transfer standard.

The SPH10 and SPH20 Static Pressure Heads are designed to minimize wind-caused errors in barometric pressure measurement. They enable pressure measurement in all weather, even in storms and conditions of snow and ice.

PTB210 Digital Barometers together with SPH10/20 Static Pressure Heads enable accurate pressure measurement in all weather.

Barometric pressure is an important parameter both in weather observations and industrial measurements.

Carbon Dioxide Measurement

People not only adapt to different environments, but also create entirely new ones – as in greenhouses, botanical gardens or office buildings.

Good indoor air quality is essential for our well being. A high carbon dioxide CO_2 level is usually a sign of poor ventilation and odors or other pollutants in the indoor air. By controlling ventilation according to CO_2 levels, the indoor air can be kept fresh with no waste of energy. In offices, schools, lounges and other buildings where the need for ventilation varies much during the day, carbon dioxide based Demand Controlled Ventilation can be used to save energy and ensure a healthy indoor environment.

Each CO_2 product is calibrated before they leave the Helsinki factory.

Carbon dioxide can be used in water purification process.

Carbon dioxide can be a safety hazard. When CO_2 concentrations rise, people start to feel tired and listless. Very high concentrations can lead to unconsciousness or even death. Applications where carbon dioxide can rise to dangerous levels include the carbonated drinks and brewing industries, frozen food industries where dry ice is used, cold storage facilities, cargo ships and, of course, industrial plants where CO_2 or dry ice is produced or handled.

On the positive side, carbon dioxide enhances plant growth and raises crop productivity and quality. Therefore, precise control of the CO_2 concentrations in greenhouses, for example, leads to better growth of flowers and vegetables.

Vaisala's CARBOCAP® technology is ideal for measuring carbon dioxide. Transmitters based on this technology offer reliable and stable performance with little or no maintenance.

New products

In 2000 Vaisala presented a new GMK220 Calibrator for calibration of GMP220 interchangeable CO_2 probes. The year also saw the launch of the GMW25/45 compact wall mount CO_2 transmitter for demand controlled ventilation. The GMW25/45 CO_2 transmitter is ideal for monitoring the air quality in public, commercial and residential buildings.

GMW25/45 Transmitters are designed to measure CO_2 concentrations in ventilation applications.

Photo courtesy of Finnair

The need for ventilation can vary a lot in public facilities like airports. The ventilation control can be based on the carbon dioxide measurement.

Competence Development

We have again placed a high priority on competence development – in the skills of our personnel, in our processes and in our tools.

This development has been steered by our strategy and has benefited from numerous feedback systems – including regular customer feedback, internal Malcolm Baldrige assessments and a personnel survey. In the quality assurance domain, we began to build a new Group-wide, unified system based on the new ISO 9000:2000 standard. Collaboration and networking with research institutes and other specialists has also enhanced our competences.

The competence of our personnel – the cornerstone of our success

All Vaisala employees have regular development discussions with their supervisors, one purpose of which is to agree on individual development plans. In the fall of 2000 we launched a wide-ranging Competence Management project aimed at strengthening the competence development process in line with Vaisala's strategy and integrating it more closely with individual development plans. A new IT (Information Technology) system for Human Resources management was also introduced in 2000 to support the Competence Management project.

Continuous learning

A number of special activities were carried out to develop the competences and skills required for process and project management, business management and leadership. Participation in these projects and challenging tasks offered excellent learning opportunities. Several in-house training programs supported this. The Vaisala Business Learning Program, targeted at all units, was run for the third time. Regular product and application training continued. Process development was supported by tailored training sessions.

Ninety supervisors from the Helsinki office attended a year-long supervisors' training program based on our corporate values. Development of teamwork continued in all production teams in Helsinki, focusing on team self-assessment and interaction skills. Cooperation with the Meteorological Institute of Finland and the University of Helsinki produced a blueprint for the Meteorology PD (Professional Development) program which will be launched in March 2001.

A supportive atmosphere for cooperation

The staff survey, conducted annually in all units, provides each unit with guidelines for developing its internal activities and processes. The Human Insight questionnaire assesses four indices: job satisfaction, quality of cooperation, development opportunities and Vaisala as an employer. According to the Human Insight questionnaire of 2000, there were only minor changes in these indices compared to the previous year. All showed favorable progress.

Good employer image

Special attention was focused on recruitment in 2000, partly because of intensified competition in the labor market. We used a wide range of new recruitment channels and took part in several recruitment events in Finland. We also continued our collaboration with a number of educational institutions by offering hands-on training and work experience to students at different levels of study. A variety of indicators measuring our image as an employer provided us with positive feedback from participants in these schemes. The most important result was that we succeeded in recruiting competent people.

Remuneration schemes

Development of the remuneration schemes continued in 2000. In spring, the Annual General Meeting approved a new stock option scheme. By the end of the year, 80 people were included in stock option schemes.

Developing processes – enhancing the efficiency of our global business model

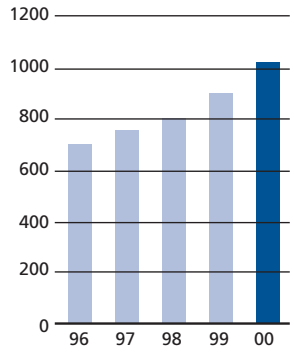
In 2000 a major task for the Vaisala Management Group was to introduce a new global process organization. The goal was to build a globally efficient organization that would add value for our customers while providing a motivating working environment for the personnel.

Business process development focused on describing and assessing our core processes. A large number

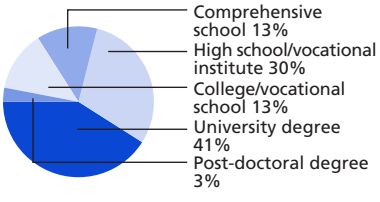
Developing personnel expertise in accordance with the corporate strategy is the cornerstone of our success.

We are striving for global market leadership in selected business areas through teamwork and innovative, science based products.

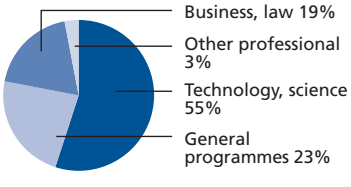
Personnel on average

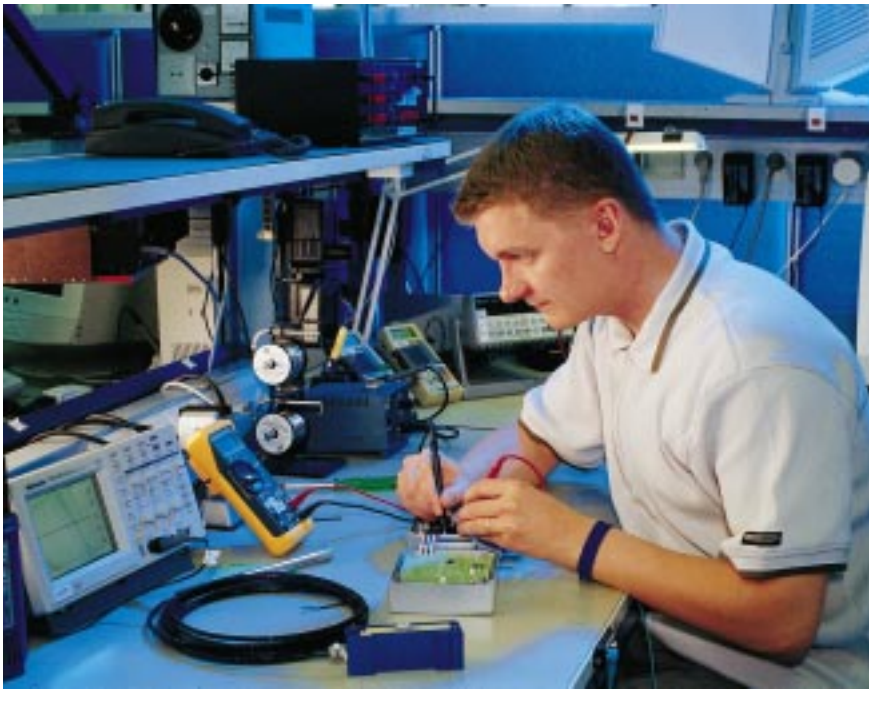


Level of education



Area of education





Vaisala's European Service Center provides full service for its customers.

of personnel representing a wide range of roles in the organization took part in the development work. This diversity gave a better perspective of the skills needed for different tasks and of the overall importance of a Group-wide production chain.

Projects to develop IT tools supported the achievement of our goals. We launched a number of important projects in 2000 aimed at developing IT tools and enhancing the efficiency of our business activities. The Platform One project to support global processes addresses business operations, product data management and reporting. Platform One will be implemented in all our plants and offices during 2001 and 2002. Construction of a new Internet/intranet system for enhancing internal and external communications will be a focal point for 2001 and 2002. Our e-business needs are one of the selection criteria in choosing the technology for these platforms.

Environmental Issues

Vaisala is in the environmental measurement business. Therefore we are committed to sustainable development and take environmental questions into consideration in our own operations and in the products and services we offer to customers.

Responsibility is an important part of business

As a manufacturer of environmental measurement products and systems Vaisala knows its responsibility to continuously minimize the environmental impact – in terms of pollution and waste – of its own processes and products. Environmental factors are given high priority in the development of new products, and in planning their production, use and disposal.

The Vaisala Group complies with environmental legislation and regulations, and other criteria to which we have subscribed.

Vaisala has a valid and effective waste management agreement signed with local environmental care authorities.

Our suppliers and subcontractors are also encouraged to maintain their own environmental management systems.

Vaisala's Environmental Activities

The development of our own environmental management system, complying with ISO 14001, is part of the corporate strategy and will start in 2001. We aim to have the system in use in 2002, by which time Vaisala will have its own practical environmental program and related metrics in operation.

Vaisala's products have a positive impact on the environment

Vaisala ice warning and prediction system enables more effective winter road and runway maintenance. It increases safety on roads and runways and reduces the need for manpower in road maintenance. In addition, the use of de-icing chemicals can be decreased, which has a positive impact on ground water resources.

One major goal in developing the new RS90 Radiosonde was to launch a radiosonde with environmentally friendly structure. Thus the polystyrene housing and battery materials were replaced with more environmentally friendly materials, and CFC-free and leadless production processes were introduced.

The repair and recycling of used radiosondes has been especially active in the United States.

Vaisala's products conform to international regulations and directives. The company complies continuously with EU directives on machines, EMC and low voltage, international radio frequency regulations, airtraffic safety regulations and regulations on packaging materials waste management and recycling.

As a manufacturer of environmental measurement products and systems, Vaisala gives environmental factors a high priority also in the development of new products.

Financial Reporting

This Vaisala Group 2000 brochure and Financial Statements 2000 are also available in Finnish.

Vaisala Oyj publishes three Interim Reports in Finnish and in English in 2001:

Interim Report 1.1. - 31.3.2001	May 3, 2001
Interim Report 1.1. - 30.6.2001	August 2, 2001
Interim Report 1.1. - 31.8.2001	November 1, 2001

Financial information can be obtained from:

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Corporate Communications
P.O. Box 26, FIN-00421 Helsinki
Tel. +358 9 8949 2744, Fax +358 9 8949 2593
e-mail: tiia.jokela@vaisala.com

The Annual Report, Interim Reports and all major press releases will also be published at Vaisala's website, www.vaisala.com.

Administration

Board of Directors

Chairman
Raimo Voipio, b. 1955
M.Sc. (Eng.)

Vice Chairman
Yrjö Neuvo, b. 1943
Ph.D (EE)
Executive Vice President, Nokia Group

Member
Pekka Hautojärvi, b. 1944
Professor
Helsinki University of Technology, Laboratory of Physics

Member
Matti Ilmari, b. 1942
D.Sc (Tech h.c.)
President and CEO, Country Manager, ABB

Member
Mikko Voipio, b. 1960
M.Sc. (Eng.)

Member
Gerhard Wendt, b. 1934
Ph.D

President and CEO,
Vaisala Group
Pekka Ketonen, b. 1948
M.Sc. (Eng.)

Secretary
Jussi Mykkänen
Licentiate of Technology, MBA
Research Director, Vaisala Group

Sitting from left: Raimo Voipio, Pekka Ketonen and Yrjö Neuvo. Standing from left: Mikko Voipio, Pekka Hautojärvi, Matti Ilmari and Gerhard Wendt.

Back row from left: Jussi Mykkänen, Jussi Kallunki, Matti Tempakka, Walt Dabberdt, Olli Karikorpi, Hannu Tuominen, Kenneth Forss. Front row from left: Vesa Laisi, Jan Hörhammer, Pekka Ketonen, Steven Chansky, Marja Happonen, Tiina Hansson.

Corporate Management Group

Chairman
Pekka Ketonen
President and CEO

Steven Chansky
Regional Manager,
US, Canada, Mexico

Walt Dabberdt, since 12/2000
Director,
Strategic Research

Kenneth Forss
Director,
Sensor Systems Division

Tiina Hansson, since 04/2000
Director,
Corporate Communications

Marja Happonen
Director,
Human Resources

Jan Hörhammer
Director,
Upper Air Division

Jussi Kallunki, since 08/2000
Director,
IS Development

Olli Karikorpi
Director,
Finance

Vesa Laisi, since 05/2000
Director,
Weather Observation Sales and Marketing

Jussi Mykkänen
Director,
Research

Matti Tempakka
Director,
Process Development

Hannu Tuominen
Director,
Surface Weather Division

Secretary
Nina Andersin
Secretary to Corporate Management

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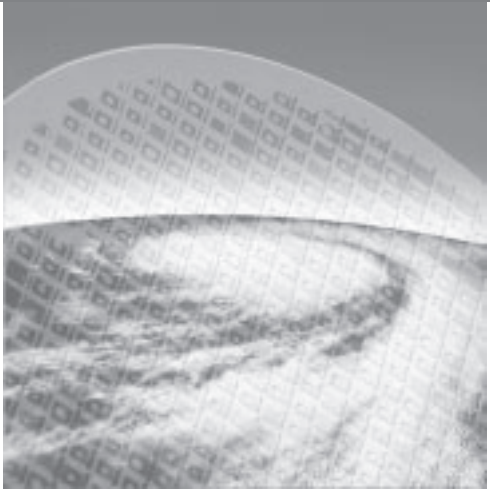
VAISALA
www.vaisala.com

C010001en 2001-03

VAISALA

Financial Statements 2000



Contents

This Financial Statements 2000 brochure together with Vaisala Group 2000 brochure forms Vaisala's Annual Report 2000. Vaisala Group 2000 brochure can be obtained from Vaisala Corporate Communications, tel. +358 9 8949 2744.

Board of Directors' Report

Net sales and order book

The Vaisala Group's net sales grew by 24% to FIM 1,067 million in the review period, compared to FIM 864 million of the previous fiscal year. The weak euro accounted for some 9% of this growth. Operations outside Finland generated 96% of the Group's net sales. The year-end order book stood at FIM 340 (321) million and new orders received during the year amounted to FIM 1,051 (923) million. Strong economic growth in all the Vaisala Group's key market areas in Europe, Asia-Pacific and North America boosted demand for the company's products.

Income statement and balance sheet

The profit for the fiscal year before extraordinary items, provisions and taxes amounted to FIM 200 (189) million, representing 19 (22)% of net sales. Depreciation of goodwill arising from acquisitions increased to FIM 22 million.

Return on investment was 28 (31)% and earnings per share reached FIM 7.94 (7.48). Direct taxes for the year totalled FIM 64 (61) million. The solvency ratio was 78 (79)%.

Research and development expenses during the review period amounted to FIM 103 (86) million, representing 10 (10)% of net sales.

Capital expenditure

Gross capital expenditure was FIM 88 (112) million in the review period. Vaisala acquired the French company, Dimensions SA in February. The company has developed a new generation lightning detection technology for which Vaisala envisages new applications and new markets. In October Vaisala acquired the total share capital of Jenoptik Impulsphysik GmbH, a German company specializing in weather observation systems for airports. The acquisition strengthens Vaisala's position further as a global market leader in these systems. Operational investments were mainly focused on office premises, IT systems, and machinery and equipment for production and R&D.

Share performance (EUR)

During year 2000

Highest	Lowest	31.12.2000	31.12.1999
31.50	18.50	29.50	19.37

Business performance

Growth continued throughout the review period in all the Vaisala Group's core business areas. Vaisala has three divisions specializing in environmental measurements: the Upper Air Division, the Surface Weather Division and the Sensor Systems Division.

Upper Air Division

The Upper Air Division develops, manufactures and markets measurement systems and equipment for weather observations in the upper atmosphere. Its principal products are radiosondes for upper air observations, and equipment for collecting and processing the information they transmit.

The Upper Air Division posted a healthy profit for 2000. Net sales for the review period amounted to FIM 428 million, compared to FIM 435 million in the previous fiscal year.

The Division received numerous large orders for radiosondes from major customers, including the United States National Weather Service, the Meteorological Service of Canada and the Mexican Meteorological Office. Deliveries of these radiosondes will be spread over a number of years. Good demand continued for dropsondes used in severe storm tracking and hurricane hunting. Many customers also deployed the new DigiCORA III sounding system. The UK Meteorological Office, for instance, ordered DigiCORA III systems to completely upgrade its weather observation network. A number of large orders for sounding systems were also received from North America. Numerous AUTOSONDE Systems were delivered and installed all over the world, in Italy for instance.

Surface Weather Division

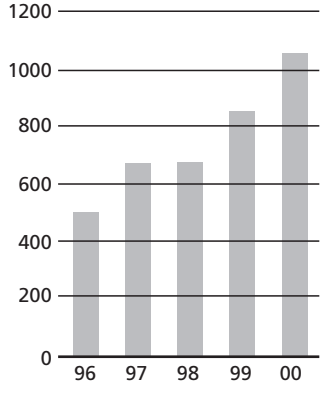
The products of the Surface Weather Division are used for observing weather conditions near the Earth's surface and for collecting this data. The Division develops, manufactures and markets meteorological sensors and measurement systems to improve air and road traffic safety, and to meet the weather observation needs of meteorological institutes and defense forces.

The Surface Weather Division consolidated its position in all its key market areas, surpassing its targets for both growth and profitability. Net sales grew to FIM 374 million during the review period, compared to FIM 236 million in the previous fiscal year.

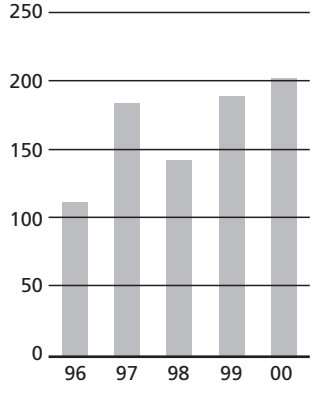
Most growth was seen in North America and China. The United States National Weather Service placed a large order for surface weather observation systems to be delivered to major airports. The Division delivers wind direction and speed measurement instruments, representing the latest in ultrasonic technology, to major United States airports. The Division also received a large order from the United States Air Force for weather observation systems.

The Division augmented its expertise in aviation weather and broadened its product range when Vaisala acquired the German company Jenoptik Impulsphysik

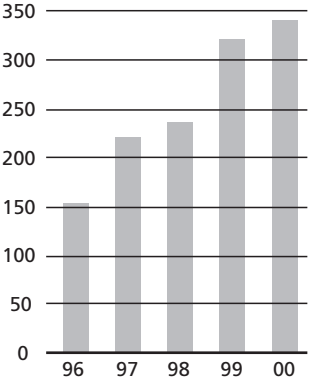
Development of net sales (MFIM)



Profit before extraordinary items, provisions and taxes (MFIM)



Order book Dec. 31 (MFIM)



GmbH in October 2000. The acquisition strengthens Vaisala's position as a supplier of weather observation systems for airports, especially in Germany. The Division also added a new product to its portfolio, the SAFIR lightning detection system, which deploys new technology that the Vaisala Group acquired in February.

The Surface Weather Division launched several new products during 2000. The WD50 wind display was launched during the review period to extend Vaisala's product portfolio of wind displays and wind measuring systems. Ultrasonic wind sensors were launched on international markets during the year. A new portable weather station was also launched. A new sensor for road weather observations was launched in November, which both supplements the product range and enhances the performance of road weather stations. Additionally, the MetMan product concept, representing a new generation of data collection and network management software, was intoduced in October. This innovative product concept offers a new and versatile solution for meteorological data management to a wide range of users.

Sensor Systems Division

The Sensor Systems Division develops, manufactures and markets electronic measurement instruments for applications in industry, building automation, meteorology and agriculture worldwide. The products include transmitters, portable meters and calibrators for the measurement of relative humidity, dewpoint, material moisture, barometric pressure and carbon dioxide.

The net sales of the Sensor Systems Division grew during the review period in all product groups and in all market areas. Net sales rose to FIM 265 million, compared to FIM 193 million in the previous fiscal year.

Vaisala further strengthened its position as a global market leader in relative humidity and barometric pressure measurement. In addition, the sales of products for measuring dewpoint, moisture in oil and carbon dioxide progressed well.

The Division launched some new main products and several minor ones in all product groups. The most important product launches were a dewpoint transmitter for industrial applications and a digital barometer for harsh environments.

In March 2000, the United States National Weather Service signed an agreement with the Vaisala Group for Vaisala to deliver state-of-the-art meteorological dewpoint transmitters. Vaisala's transmitters will replace hundreds of existing units that are deployed in Automated Surface Observing Systems (ASOS) around the United States.

After Sales standardized its services and improved its product delivery and basic service cycle. The standardized services improved the After Sales turnaround, which is clearly reflected in the better customer satisfaction recorded in customer surveys.

Personnel

The Vaisala Group employed an average of 1016 (895) people during the review period, of whom 687 (647) worked in the parent company and 329 (248) worked in subsidiaries. On the balance sheet date, the Group employed 1043 (969) people, of whom 676 (672) worked in the parent company and 367 (297) in subsidiaries.

Salaries

During the review period, the parent company paid salaries totalling FIM 2,137,000 (1,569,000) to members of the Board of Directors and to the President & CEO, and FIM 151,475,000 (129,253,000) to other personnel. Salaries paid to the Group's management amounted to FIM 7,939,000 (6,775,000) and to other Group personnel FIM 252,042,000 (191,745,000).

Board of directors, president & CEO and auditors

The Annual General Meeting on March 9, 2000 reappointed Professor Pekka Hautojärvi and Mr Mikko Voipio, M.Sc. (Eng.), to the Board of Directors. The other members of the Board of Directors are: Mr Raimo Voipio, M.Sc. (Eng.), Chairman of the Board; Mr Matti Ilmari, D.Sc. (Tech. h.c.), President and CEO; Professor Yrjö Neuvo, Senior Vice President R&D and Mr Gerhard Wendt, Ph.D. The President and CEO is Mr Pekka Ketonen, M.Sc.(Eng.). The Group's auditors are SVH PricewaterhouseCoopers Oy, Authorized Public Accountants and Mr Tauno Haataja, APA.

Information for shareholders

Vaisala shares were split into four in March of the review period and the Group's share capital was re-denominated to the euro. The Vaisala Group has granted options to key personnel entitling them to subscribe for a total of 896,000 Series A shares.

Dividends

The Board of Directors will propose to the Annual General Meeting to be held on March 15, 2001 that a dividend of FIM 4 per share be paid for the fiscal year 2000. If the proposal is accepted, the total dividends to be paid will amount to FIM 68,888,000.

Outlook

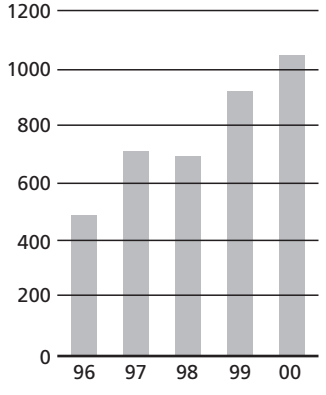
The Vaisala Group's outlook for 2001 is good, although the uncertain world economy gives some cause for caution. Many of the Group's deliveries are to the public sector, which is less susceptible to cyclical fluctuations. Moreover, the geographical distribution of the Group's business operations over markets in Europe, North America and Asia-Pacific lessens the Group's overall susceptibility to fluctuations in specific markets.

The Vaisala Group's competitive status in the global marketplace is good. We envisage continued strengthening of our market position and growth in line with our targets in 2001.

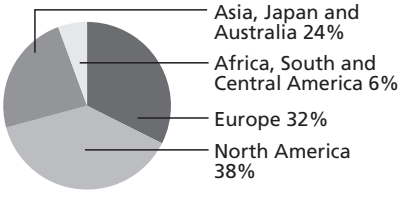
Vantaa, Finland.
February 15, 2001

Board of Directors

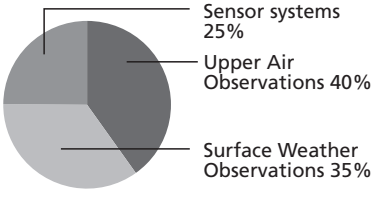
Orders received (MFIM)



Net sales by market



Net sales by divisions



Income statements

(FIM million)	Note	Group 2000	Group 1999	Parent Company 2000	Parent Company 1999
Net sales	(2)	1 067.5	864.2	723.8	651.3
Increase (+) or decrease (-) in finished goods		2.4	1.0	3.1	-1.7
Manufacture for own use (+)		1.2	0.4	1.0	0.4
Other operating income	(3)	1.8	1.2	0.4	0.8
Costs					
Materials and services	(4)	294.5	230.5	223.6	196.0
Personnel costs	(5)	326.9	248.4	196.7	167.3
Depreciation and write-downs	(9)	52.2	35.3	22.4	21.9
Other operating income		214.7	171.2	138.5	125.5
		888.3	685.4	581.2	510.6
Operating profit		184.6	181.3	147.1	140.2
Financial income and expenses	(6)	15.5	7.8	40.8	22.7
Profit before extraordinary items		200.1	189.1	187.9	162.8
Extraordinary items	(7)	0.0	6.1	0.0	2.6
Profit before provisions and taxes		200.1	195.3	187.9	165.4
Provisions				1.5	5.1
Direct taxes	(8)	63.5	60.8	49.0	43.6
Net profit for the financial year		136.6	134.5	140.5	126.9

Balance sheets

Assets (FIM million)	Note	Group 2000	Group 1999	Parent Company 2000	Parent Company 1999
Non-current assets	(9)				
Intangible assets					
Intangible rights		19.5	22.2	13.8	17.1
Goodwill		51.3	65.2	-	-
Consolidated goodwill		25.4	0.0	-	-
Other long-term expenditure		0.7	0.8	0.5	0.5
		96.9	88.1	14.3	17.6
Tangible assets					
Land	(9)	6.7	6.7	6.7	6.7
Buildings		81.5	80.8	81.5	80.8
Machinery and equipment		53.9	43.1	37.5	30.5
Other tangible assets		0.5	1.8	0.2	0.2
Advance payments and construction in progress		29.9	9.2	29.7	7.9
		172.5	141.6	155.5	126.0
Investments					
Shares and holdings	(10)	0.5	0.5	51.9	21.4
Other investments		4.1	1.9	0.3	0.3
Receivables from subsidiaries				61.3	63.9
		4.6	2.4	113.5	85.6
Current assets					
Inventories					
Materials and consumables		53.4	51.7	37.3	29.7
Work in progress		20.4	7.0	2.6	1.6
Finished goods		38.3	30.4	14.7	12.4
		112.1	89.1	54.6	43.7
Receivables					
Trade receivables		224.7	209.3	122.8	139.1
Loan receivables		0.2	0.1	15.2	7.2
Other receivables		20.1	2.1	9.4	0.7
Prepaid expenses and accrued income		17.6	17.9	18.0	12.3
Deferred tax assets	(11)	9.9	0.2	5.0	4.1
		272.5	229.7	170.5	163.4
Securities under liquid assets					
Other securities		1.2	4.9	0.0	0.0
Cash and bank balances		323.3	289.0	254.9	229.5
Assets, total		**983.0**	**844.8**	**763.3**	**665.9**

Balance sheets

Shareholders' Equity and Liabilities (FIM million)	Note	Group 2000	Group 1999	Parent Company 2000	Parent Company 1999
Shareholders' Equity	(12)				
Share capital		43.1	42.9	43.1	42.9
Share issue			0.5		0.5
Share premium fund		27.3	22.3	27.3	22.3
Reserve fund		0.7	0.7		
Profit from previous years		549.5	452.2	387.1	303.0
Profit for the financial year		136.6	134.5	140.5	126.9
		757.2	653.1	597.9	495.7
Provisions					
Accumulated depreciation difference	(12)			28.9	30.5
Obligatory provisions	(13)	16.6	13.1	16.5	13.1
Liabilities					
Non-current					
Loans from financial institutions	(14)	0.0	0.0	0.0	0.0
Other non-current liabilities	(14)	15.5	11.3	13.0	11.3
		15.5	11.3	13.0	11.3
Current					
Advances received		14.1	13.3	4.2	12.3
Trade payables		51.5	39.4	40.8	34.0
Other current liabilities		35.3	11.7	9.3	7.0
Accrued expenses and deferred income	(15)	92.8	102.8	52.6	62.1
		193.7	167.2	106.9	115.3
Shareholders' equity and liabilities, total		**983.0**	**844.8**	**763.3**	**665.9**

Cash flow statements

(FIM million)	Group 2000	Group 1999	Parent Company 2000	Parent Company 1999
Cash flow from operating activities				
Cash flow from operations	1033.2	812.1	723.9	627.3
Other income from business operations	0.3	0.2	0.1	0.0
Expenses from business operations	-799.9	-619.2	-550.0	-475.3
Cash flow from business operations before financial items and taxes	233.5	193.1	174.0	151.9
Financial income and expenses from business operations	22.9	14.5	12.7	14.2
Dividend received from business operations	0.1	0.4	23.8	14.5
Direct tax paid	-102.9	-33.2	-65.5	-26.2
Cash flow before extrardinary items	153.6	174.9	145.0	154.5
Cash flow from extraordinary business operations items (net)	0.0	0.0	0.0	0.0
Cash flow from business operations (A)	153.6	174.9	145.0	154.5
Cash flow from investing activities				
Investments in tangible and intangible assets	-86.8	-112.2	-48.7	-29.1
Proceeds from sale of fixed assets	1.6	0.9	0.3	0.8
Loans granted	0.0	0.0	-7.5	-71.1
Other investments	-2.3	0.0	-30.5	0.0
Repayments on loan receivables	0.0	0.0	2.1	0.0
Proceeds from sale of other investments	0.0	0.2	0.0	0.2
Cash flow from investing activities (B)	-87.6	-111.0	-84.2	-99.2
Cash flow from financing activities				
Equity issue	4.7	0.5	4.7	0.5
Withdrawal of long-term loans	5.7	2.6	5.7	2.6
Repayment of long-term loans	-3.0	-2.1	-3.0	-2.1
Dividend paid and other distribution of profit	-42.9	-34.3	-42.9	-34.3
Cash flow from financing activities (C)	-35.5	-33.3	-35.5	-33.3
Change in liquid funds (A + B + C) increase (+) / decrease (-)	30.5	30.6	25.4	22.0
Liquid funds at beginning of financial year	293.9	263.3	229.5	207.5
Liquid funds at end of financial year	324.5	293.9	254.9	229.5

Notes to the Income Statements and Balance Sheets

1. Accounting principles

Scope of consolidation
The consolidated financial statements include the accounts of Vaisala Oyj and those companies in which it holds, directly or indirectly through subsidiaries, over 50% of the voting rights. The companies acquired or established during the financial period have been consolidated from the date of acquisition or formation.

Principles of consolidation
The consolidated accounts have been drawn up using the purchase method. The difference between the cost of acquired shares and the value of the equity of the acquired subsidiaries is primarily allocated to the fair values of acquired assets and liabilities in the consolidated balance sheet. The remaining difference is carried as goodwill on consolidation and amortized over its estimated useful life, ordinarily over a period of five years.

Intragroup transactions, unrealized margins of intragroup deliveries, intragroup receivables and debts, and the Group's internal distribution of profit have been eliminated. The balance sheets of foreign Group companies have been translated into Finnish markka using the fixed exchange rates for euro or the official average exchange rates quoted by the Bank of Finland at the balance sheet date. The income statements have been translated using the average rates quoted by the Bank of Finland during the financial year. All translation differences arising from the consolidation of foreign shareholdings are recorded as a separate item under non-restricted equity.

Non-current assets
The balance sheet values of fixed assets are stated at historical cost, less accumulated depreciation and amortization, with the exception of the office and factory premises at Vantaa, which were revalued in previous years by a total of FIM 33,9 million. Despite of the revaluations, the asset value is significantly less than the market value of the office and factory premises. The cost of self-constructed assets also includes overhead costs attributable to construction work. Interest is not capitalized on fixed assets. Depreciation and amortization is calculated on a straight-line basis over the expected useful lives of the assets, except for land, which is not depreciated. Estimated useful lives for various assets are:

Intangible rights	3 – 5 years
Goodwill and Group Goodwill	5 years
Buildings and structures	5 –40 years
Machinery and equipment	3 –10 years
Other tangible assets	5 –15 years

Inventories
The cost of inventories comprises all costs of purchase. Finished goods produced include also fixed and variable production overheads. Inventories are valued using the average cost method.

Foreign currency items
Transactions in foreign currencies are recorded at the rates of exchange prevailing at the date of transaction. Euro-denominated receivables and payables have been converted into Finnish markka using fixed coefficients. Other receivables and payables in foreign currency are valued at the exchange rates quoted by the Bank of Finland at the balance sheet date. All foreign exchange gains and losses, including foreign exchange gains and losses on trade accounts receivable and payable, are recorded as financial income and expenses.

Pension costs
Pension costs are recorded according to the local regulations. The additional pension coverage of parent company personnel is arranged by the Vaisala Pension Fund (closed on 1.1.1983). The pension liability of the fund is fully covered.

Research and development costs
Except for investments in machinery and equipment, which are amortized on a straight line basis over a period of five years, research and development costs are expensed in the financial period in which they occurred.

Obligatory provisions
Obligatory provisions in the balance sheet include those items which the company is committed to cover either through agreements or otherwise, but which are not yet realized. Changes to obligatory provisions are included in the income statement.

Extraordinary income and expenses
Extraordinary income and expenses include items incurred outside the normal course of business operations.

Income taxes
Income taxes consist of current and deferred tax. Current taxes in the income statement include estimated taxes payable or refundable on tax returns for the financial year and adjustments to tax accruals related to previous years. The deferred taxes in the income statement represent the net change in deferred tax liabilities and assets during the year.

Notes to the income statements and balance sheets

(FIM 1,000)	Group 2000	Group 1999	Parent Company 2000	Parent Company 1999
2. Net sales by market area				
Finland	40 399	37 766	40 399	37 766
Other Europe	305 697	282 673	242 481	241 608
North America	410 260	275 627	175 375	147 424
Asia and Australia	251 493	225 218	205 954	181 525
Africa, South and Central America	59 608	42 950	59 608	42 950
Total	1 067 457	864 234	723 817	651 273
3. Other operating income				
Rents and leases	-	3	0	3
Gains on disposal of fixed assets	1 556	929	333	797
Other income from operations	250	239	50	-
Total	1 805	1 170	383	800
4. Materials and services				
Purchases during the financial year	284 213	222 378	225 830	189 928
Increase in inventories (-) or decrease (+)	-3 049	-520	-7 635	637
External services	13 337	8 636	5 449	5 418
Total	294 501	230 495	223 644	195 984
5. Personnel				
Personnel costs				
Wages and salaries	261 981	198 520	153 612	130 822
Pension costs	33 859	29 259	26 127	21 204
Other personnel costs	31 017	20 620	16 986	15 239
Total	326 857	248 399	196 725	167 265
Personnel on average during the year (persons)				
In Finland	674	637	674	637
Outside Finland	342	258	13	10
Total	1 016	895	687	647
Personnel Dec. 31				
In Finland	663	662	663	662
Outside Finland	380	307	13	10
Total	1 043	969	676	672
Cash loans, securities or contingent liabilities were not granted to the President or to the members of the Board of Directors.				
6. Financial income and expenses				
Dividend income				
From Group companies	-	-	23 714	14 417
From others	121	125	116	125
Interest income on long-term investment				
From Group companies	-	-	6 097	1 375
Other interest and financial income				
From Group companies	-	-	529	-
From others	12 387	8 239	9 939	6 213
Interest and other financial expenses				
From others	-3 400	-2 415	-3 126	-2 300
Foreign exchange gains and losses				
From Group companies			6 867	6 410
From others	6 399	1 857	-3 330	-3 568
Total	15 507	7 805	40 806	22 673
7. Extraordinary items				
Net effect of change in accounting principles	-	6 145	-	2 602

(FIM 1,000)	Group 2000	Group 1999	Parent Company 2000	Parent Company 1999
8. Income taxes				
Taxes for the financial year	73 450	64 632	49 511	44 998
Taxes from previous years	-	-6	-	-6
Taxes paid at source abroad	363	114	363	114
Deferred tax liability	-10 278	-3 930	-914	-1 485
Total	63 535	60 811	48 960	43 622

9. Fixed assets and other long-term investments

Group

Intangible assets	Intangible rights	Goodwill	Consolidated goodwill	Other long-term expenditure	Total
Acquisition cost Jan. 1	55 064	70 418	3 416	5 614	134 513
Translation difference	765	5 608		-6	6 367
Increases	2 788	0	28 360	198	31 345
Decreases	-21			73	52
Transfers between items	-1	285		-276	8
Acquisition cost Dec. 31	58 595	76 311	31 776	5 603	172 285
Accumulated depreciation and write-downs Jan. 1	32 832	5 257	3 416	4 858	46 364
Translation difference	376	561			936
Accumulated depreciation of decreases and transfers	-14				-14
Depreciation for the financial year	5 942	19 221	2 932	37	28 132
Accumulated depreciation Dec. 31	39 136	25 039	6 348	4 895	75 418
Balance sheet value Dec. 31	19 459	51 272	25 428	708	96 867

Group

Intangible assets	Land and waters	Buildings	Machinery and equipment	Other tangible assets	Advance payments and construction in progress	Total
Acquisition cost Jan. 1	6 159	85 830	176 797	3 594	9 209	281 588
Translation difference			2 313	-1		2 312
Increases	8	3 895	29 281	230	20 661	54 076
Decreases			-5 640	-8		-5 647
Transfers between items			2 441	-1 380		1 061
Acquisition cost Dec. 31	6 167	89 725	205 192	2 435	29 870	333 390
Accumulated depreciation and write-downs Jan. 1		38 461	133 665	1 745		173 871
Translation difference			1 757	1		1 758
Accumulated depreciation of decreases and transfers			-4 942			-4 942
Depreciation for the financial year		3 126	20 798	162		24 086
Accumulated depreciation Dec. 31	0	41 587	151 279	1 908	0	194 773
Revaluation	500	33 402				33 902
Balance sheet value Dec. 31	**6 667**	**81 541**	**53 913**	**528**	**29 870**	**172 519**

Undepreciated acquisition cost of machinery and equipment on Dec. 31, 2000 was FIM 42.8 million.

Group

Investments	Shares and holdings	Other longterm expenditure	Total
Acquisition cost Jan. 1	498	1 892	2 390
Translation difference	-7	-75	-82
Increases		2 346	2 346
Decreases		-51	-51
Balance sheet value Dec. 31	491	4 112	4 603

Parent company

Intangible assets	Intangible rights	Other long-term receivables	Total
Acquisition cost Jan. 1	45 034	3 351	48 385
Increases	2 437	90	2 527
Decreases	-14	0	-14
Transfers between items			0
Acquisition cost Dec. 31	47 457	3 441	50 898
Accumulated depreciation and write-downs Jan. 1	27 898	2 863	30 761
Accumulated depreciation of decreases and transfers	-14	0	-14
Depreciation for the financial year	5 777	37	5 814
Accumulated depreciation Dec. 31	33 662	2 900	36 561
Balance sheet value Dec. 31	**13 795**	**542**	**14 337**

Parent Company

Tangible assets	Land and waters	Buildings	Machinery and equipment	Other tangible assets	Advance payments and construction in progress	Total
Acquisition cost Jan. 1	6 159	85 830	128 012	163	7 911	228 074
Increase	8	3 895	20 478		21 743	46 125
Decrease			-4 424			-4 424
Transfers between items						0
Acquisition cost Dec. 31	6 167	89 725	144 066	163	29 654	269 775
Accumulated depreciation and write-downs Jan. 1		38 461	97 549			136 010
Accumulated depreciation of decreases and transfers			-4 396			-4 396
Depreciation for the financial year		3 126	13 446			16 572
Accumulated depreciation Dec. 31	0	41 587	106 600	0	0	148 186
Revaluation	500	33 402				33 902
Balance sheet value Dec. 31	**6 667**	**81 540**	**37 466**	**163**	**29 654**	**155 490**

Undepreciated acquisition cost of machinery and equipment on Dec. 31, 2000 was FIM 33.7 million.

Parent company

Investments	Subsidiary shares	Other shares and holdings	Long-term receivables from Group companies	Total
Acquisition cost Jan. 1	21 386	324	63 920	85 630
Increase	30 486			30 486
Decrease			-2 578	-2 578
Transfers between items				0
Balance sheet value Dec. 31	**51 872**	**324**	**61 342**	**113 538**

10. Group companies

	Group holding%	Parent company holding%
Vaisala Limited, Birmingham, Great Britain	100%	100%
Vaisala TMI Limited, Birmingham, Great Britain	100%	0%
Vaisala Pty Ltd., Hawthorn, Australia	100%	100%
Vaisala GmbH, Hamburg, Germany	100%	100%
Vaisala KK, Tokyo, Japan	100%	100%
Vaisala Holding Inc., Woburn, USA	100%	100%
Vaisala Inc., Woburn, USA	100%	0%
Tycho Technology Inc., Woburn, USA	100%	0%
Vaisala S.A., Argentina	100%	100%
Vaisala S.A., Saint-Quentin-En-Yvelines, France	100%	100%
Vaisala Impulsphysik GmbH, Schenefeld, Germany	100%	100%

All subsidiaries have been included in the consolidated financial statements.

(FIM 1,000)	Group 2000	Group 1999	Parent Company 2000	Parent Company 1999
11.Deferred tax assets and liabilities				
Deferred tax assets				
Consolidation	4 512	4 921		
Timing differences	14 524	4 249	5 001	4 087
	19 036	9 170	5 001	4 087
Deferred tax liabilities				
Provisions	8 392	8 930		
Timing differences	702	31	-	-
	9 094	8 961	0	0
Deferred tax assets/liabilities, net	9 943	208		

The deferred tax liability arising from revaluation has not been taken into account. If realized, the tax effect of revaluation would be FIM 9,831.6 thousand at the current tax rate.

12.Shareholders' equity

The parent company's shares are divided into series, with 3,425,560 Series K shares (20 votes/share) and 13,796,440 Series A shares (1 vote/share). In accordance with the Company Articles, Series K shares can be converted into Series A shares through a procedure defined in detail in the Company Articles.

Share capital				
Series A Jan. 1	34 316	34 316	34 316	34 316
Annulling of shares 9.3.2000	3		3	
Share issue 16.2. and 9.6.	175		175	
Series A Dec. 31	34 494	34 316	34 494	34 316
Series K	8 564	8 564	8 564	8 564
Redeemed by the company	0	3	0	3
Share capital Dec. 31	43 058	42 883	43 058	42 883
Share issue Dec. 27, 1999		545		545
Share premium fund Jan. 1	22 298	22 298	22 298	22 298
Share issue 16.2. and 9.6.	5 048		5 048	
Share premium fund Dec. 31	27 346	22 298	27 346	22 298
Reserve fund Jan. 1	763	632	0	0
Translation difference	-23	131	0	0
Reserve fund Dec. 31	740	763	0	0
Profit from previous years Jan. 1	586 639	438 093	429 947	337 335
Accumulated provisions Jan. 1	0	25 707		
Dividends paid	-42 898	-34 304	-42 898	-34 304
Translation difference	5 788	22 675		
Profit from previous years Dec. 31	549 529	452 172	387 050	303 031
Profit for the financial year	136 555	134 468	140 451	126 917
Total equity	757 228	653 128	597 905	495 673
Distributable equity				
Accumulated profit funds Dec. 31	549 529	452 172	387 050	303 031
Profit for the financial year	136 555	134 468	140 451	126 917
-Accumulated provisions included in accumulated profit	-20 545	-21 864		
Distributable profit funds Dec. 31	665 539	564 775	527 501	429 947
Accumulated provisions				
Accumulated depreciation difference				
Intangible rights	1 518	2 193	1 518	2 193
Buildings	21 112	22 811	21 112	22 811
Machinery and equipment	6 306	5 447	6 306	5 447
Total accumulated depreciation difference	28 937	30 451	28 937	30 451
Other voluntary provisions	0	344		
Deferred tax liability on accumulated provisions	-8 392	-8 930		
Accumulated provisions included in profit funds	20 545	21 864		

(FIM 1,000)	Group 2000	Group 1999	Parent Company 2000	Parent Company 1999
13.Obligatory provisions				
Quality expense reserve	4 800	7 520	4 800	7 520
Pension reserve	2 500	2 500	2 500	2 500
Other obligatory provisions	9 297	3 120	9 242	3 120
Total obligatory provisions	16 597	13 140	16 542	13 140
14.Non-current liabilities				
Liabilities maturing within five years or more				
Other non-current liabilities	2 900	639	2 900	639
15.Accrued expenses and deferred income				
Wages, salaries and wage-related liabilities	67 559	49 067	45 828	32 600
Tax liabilities	5 826	36 207	5 568	21 179
Other accrued expenses and deferred income	19 453	17 546	1 158	8 273
	92 837	102 819	52 554	62 052
16.Receivables and liabilities from other companies in the Vaisala Group				
Non-current loan receivables			61 342	63 920
Current loan receivables			15 165	7 115
Trade receivables			45 743	42 954
Prepaid expenses and accrued income			2 453	1 375
Total receivables			124 702	115 364
Trade payables			2 772	2 143
Accrued expenses and deferred income				
Total liabilities			2 772	2 143
17.Contingent liabilities and pledges given				
For own loans/commitments				
Mortgages	-	-	-	-
Guarantees	74 200	59 171	65 251	58 409
For Group companies				
Guarantees			37 390	
Other own liabilities				
Bill liabilities				
Pledges given	2 489	2 553	545	661
Leasing liabilities				
Payable during the financial year	14 326	10 758	4 735	4 090
Payable later	17 275	22 949	4 406	4 274
	31 601	33 708	9 141	8 364
Total contingent liabilities and pledges given	108 290	95 431	112 327	67 434
Derivative contracts				
Capital of off-balance sheet contracts made to hedge against exchange rate and interest risks				
Currency forwards	146 679	115 616	146 679	115 616
Total capital	146 679	115 616	146 679	115 616

Distribution of profits and auditor's report

Proposals of the Board of Directors to the Annual General Meeting

The Board of Directors proposes that the accounts for the financial year January 1, 2000 to December 31, 2000 be adopted by the Annual General Meeting in the form presented by the Board.

The Group's distributable funds total FIM 665,539,000 and the parent company's distributable funds FIM 527,500,547.74.

The Board of Directors proposes that a dividend of FIM 4.00 per share, corresponding to a total of FIM 68,888,000 be paid for the financial year January 1, 2000 to December 31, 2000.

Vantaa, February 15, 2001

Raimo Voipio
Chairman

Pekka Hautojärvi

Matti Ilmari

Yrjö Neuvo

Mikko Voipio

Gerhard Wendt

Pekka Ketonen
President and CEO

To the shareholders of Vaisala Oyj

We have audited the accounting, financial statements and corporate governance of Vaisala Oyj for the financial year January 1 to December 31, 2000. The financial statements prepared by the Board of Directors and the Chief Executive Officer include a report on operations and an income statement, a balance sheet and notes to the accounts for both the Group and the parent company. Based on our audit, we express the following opinion on these financial statements and on corporate governance.

We have conducted the audit in accordance with Finnish Standards on Auditing. Those standards require that we perform the audit to obtain reasonable assurance on whether the financial statements are free on material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assesing the accounting principles used, as well as evaluating the overall financial statement presentation. The purpose of the audit of corporate governance is to ensure that the members of the Board of Directors and the Chief Executive Officer have legally complied with the provisions of the Companies Act.

In our opinion, the financial statements have been prepared in accordance with the Accounting Act and other rules and regulations relevant to the preparation of financial statements, and give a true and fair view of Vaisala Oyj's and the Group's results and financial position. The financial statements can be approved and the members of the Board of Directors and the Chief Executive Officer of the parent company can be discharged from liability for the financial year audited by us. The proposal by the Board of Directors concerning the disposal of the distributable funds is in compliance with the Companies Act.

Vantaa, February 16, 2001

SVH Pricewaterhouse Coopers Oy
Authorized Public Accountants

Jukka Ala-Mello
Authorized Public Accountant

Tauno Haataja
Authorized Public Accountant

Shares and shareholders, December 31, 2000

Share capital and shares

Vaisala has 17,222,000 shares. Of the total number of shares there are 3,425,560 Series K shares and 13,796,440 Series A shares. The book equivalent value of shares is 0.42 euro (not exact). Series K shares carry twenty (20) votes each at shareholders' meetings and Series A shares one (1) vote each. Both series entitle their holders to the same amount of dividend. During the financial year 70,000 Series A shares were registered by 17,500 warrants. Vaisala has applied the insider rules of the Helsinki Stock Exchange from 1st of April 2000.

Warrants

Vaisala has two stock option schemes. From the year 1997 scheme there are total of 87,500 warrants left. Each warrant entitles to subsribe four new Series A shares. The share subscription price is EUR 14.34 per share reduced by per share amount of dividends and the related avoir fiscal paid out after the 17th of March, 1997. The subscription price on 31.12.2000 was EUR 12.49 per share. Share subscription can take place gradually between 1.12.1999-31.3.2003, the period for all warrants shall terminate on 31.3.2003. The 2000 option scheme entitles to subscribe a total of 896,000 Series A shares. Each warrant entitles its holder to subscribe for one A-share at the share subscription price of EUR 24.55 per share deducted by the amount of the cash dividend distributed after 1st of May, 2000. The subscription price on 31.12.2000 was EUR 24.55 per share. The subscription period will begin 1.12.2002 and 1.12.2004. The share subscription period will end for all warrants on 31 January 2006. The exercise of all warrants may result in a holding of 6.7% of all shares and 1.5% of all votes. The total book equivalent value of shares subscribed with warrants is FIM 3,115,217.84.

Management holdings

Vaisala Oyj's Board of Directors held and controlled 1,354,976 shares on December 31, 2000, accounting for 16.7% of total votes. The exercise of warrants may result in a holding of 0.7% of all shares and 0.1% of all votes.

Authorizations

At the end of 2000, the Board had no authorization to raise the share capital or issue convertible or warrant bonds. No authorization was granted to redeem the company's own shares.

Largest shareholders, Dec. 31, 2000

	% of votes	% of Series K Shares	% of Series A Shares	% of total Shares
Finnish Academy of Science and Letters	22,4	25,6	6,5	10,3
Tekele Oy	12,2	13,2	7,4	8,6
Mikko Voipio	7,7	8,8	2,3	3,6
Anja Caspers	7,1	8,2	1,4	2,8
Raimo Voipio	5,8	6,6	1,8	2,8
Tauno Voipio	4,2	4,6	2,1	2,6
Henki-Sampo Insurance Company	3,7	3,6	4,2	4,1
Inkeri Voipio	2,7	0,0	15,9	12,7
Jaakko Väisälä estate	1,7	1,7	1,2	1,3
Minna Väisälä	1,3	1,5	0,1	0,4
Varma Sampo	0,9	0,0	5,6	4,5
Ilmarinen mutual Pension Insurance Company	0,6	0,0	3,8	3,0
Nominee registered	2,4	0,0	13,9	11,2

Ownership structure by owner type, December 31, 2000

	Number of owners	% of votes	% of Series K shares	% of Series A Shares	% of total Shares
Companies	177	12,9	13,2	11,3	11,7
Financial and insurance institutions*	35	7,5	3,6	26,7	22,1
Municipalities	11	1,8	0,0	10,6	8,5
Non-profit organizations	48	22,6	25,6	7,7	11,2
Private individuals	2 750	48,1	49,4	42,0	43,5
Outside Finland	22	7,1	8,2	1,6	2,9
Not transferred to the book-entry system		0,0	0,0	0,1	0,1
Total	3 043	100	100	100	100

* including nominee registered

Ownership structure by shareholding, December 31, 2000

Number of shares	Owners	% of owners	% of votes	% of total shares	owners of K Shares	% of K Shares	owners of A shares	% of A shares
1-100	792	26,0	0,1	0,3	0	0	793	0,4
101-1000	1 849	60,8	0,8	3,6	7	0,1	1 844	4,4
1001-10000	301	9,9	1,8	4,8	19	2,3	304	6,3
10001-100000	80	2,6	20,5	16,7	29	27,0	68	16,9
100001-	21	0,7	76,8	74,5	7	70,6	18	71,9
Not transferred to the book-entry system			0,0	0,1		0,0		0,1
Total	3 043	100,0	100,0	100,0	62	100,0	3 027	100,0

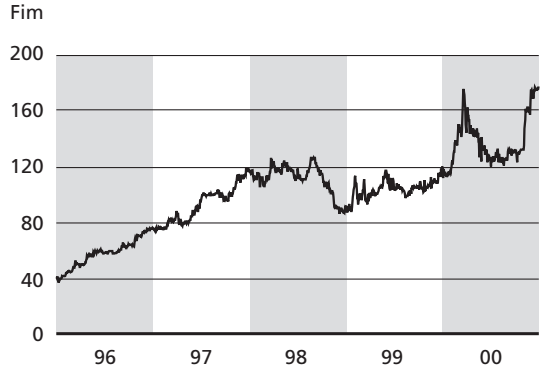
Shares in Figures

Split 1:4 adjusted		2000	1999	1998	1997	1996
Earnings/share (EPS)	FIM	7.94	7.48	5.97	7.12	4.23
Earnings/share (EPS), calculated taking into account the dilution impact of the bond with warrants	FIM	7.82	7.35	5.88	7.03	-
Shareholders' equity/share	FIM	43.97	38.08	30.88	27.26	20.80
Dividend/share	FIM	*4.00	2.50	2.00	2.00	1.38
Dividend/earnings	%	**50.4	33.4	33.5	28.1	32.5
Effective dividend yield	%	2.3	2.2	1.9	1.7	1.8
Price/earnings (P/E)		22.1	15.4	17.6	16.1	17.7
A-share trading						
highest	FIM	187.29	118.92	126.50	117.50	76.25
lowest	FIM	110.00	92.16	85.00	73.75	37.50
weighted average	FIM	159.46	103.57	107.53	92.97	58.45
at balance sheet date	FIM	175.40	115.20	105.00	115.00	75.00
Market capitalisation at balance sheet day ***	MFIM	3 020.7	1 975.9	1 800.9	1 972.5	1 282.9
A-shares traded	pcs	4,048,077	1,035,372	2,384,780	3,320,952	3,843,832
% of entire series	%	29.3	7.5	17.4	24.2	28.0
Adjusted number of shares	pcs	17,194,211	17,152,000	17,152,000	17,152,000	17,152,000
A-shares	pcs	13,768,651	13,726,440	13,721,640	13,721,600	13,721,600
K-shares	pcs	3,425,560	3,425,560	3,430,360	3,430,400	3,430,400
Number of shares at Dec. 31	pcs	17,222,000	17,152,000	17,152,000	17,152,000	17,152,000

* Proposal by the Board of Directors
** Calculated according to the proposal by the Board of Directors
*** Value of A and K shares is here calculated to be equal

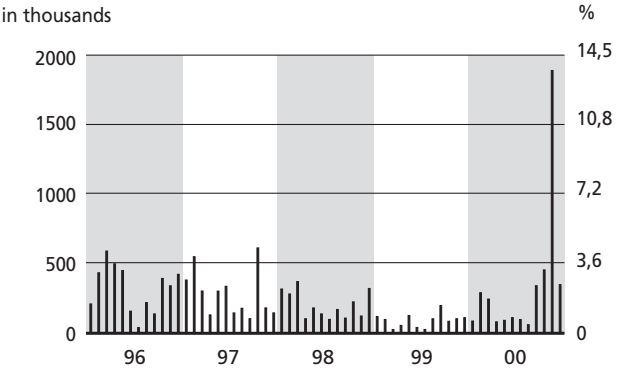
The financial ratios have been calculated in accordance with the decision of the Ministry of Finance and the general recommendations of the Accounting Board.

Series A share, performance



Split 1:4 adjusted

Series A share, monthly trading



Split 1:4 adjusted

Five years in figures

Consolidated income statement

(FIM 1,000)	12/2000	12/1999	12/1998	12/1997	12/1996
Net sales	1 067 457	864 234	681 575	680 026	506 808
Other operating income	2 355	1 170	2 668	3 754	3 758
Costs	833 012	648 758	514 592	473 828	373 381
Planned depreciation	52 218	35 318	31 790	30 048	25 584
Operating profit	184 582	181 329	137 861	179 905	111 601
Net financing income/expenses	15 507	7 805	5 295	4 138	502
Profit before extraordinary items, provisions and taxes	200 089	189 134	143 156	184 042	112 103
Extraordinary income and expenses	0	6 145	0	0	0
Profit before provisions and taxes	200 089	195 279	143 156	184 042	112 103
Change in provisions	0	0	4 184	9 972	7 552
Direct taxes	-63 534	-60 811	-41 908	-64 651	-39 982
Net profit for the year	136 555	134 468	105 432	129 363	79 673

Consolidated balance sheet

(FIM 1,000)	Dec. 31, 2000	Dec. 31, 1999	Dec. 31, 1998	Dec. 31, 1997	Dec. 31, 1996
Assets					
Fixed assets and other long-term investments	273 989	232 157	155 757	162 548	167 084
Inventories	112 064	89 083	62 909	64 746	63 847
Financial assets	596 993	523 585	434 473	387 741	259 532
	983 045	844 825	653 139	615 035	490 463
Shareholders' equity and liabilities					
Shareholders' equity	757 228	653 128	503 905	438 777	320 867
Provisions	0	0	35 705	39 879	49 843
Liabilities, total	225 817	191 698	113 529	136 379	119 753
Interest bearing	20 906	13 874	13 527	13 019	31 197
Non-interest bearing	204 911	177 824	100 002	123 360	88 556
Balance sheet total	983 045	844 825	653 139	615 035	490 463

Consolidated income statement

(EUR 1,000)	12/2000	12/1999	12/1998	12/1997	12/1996
Net sales	179 533	145 354	114 633	114 372	85 239
Other operating income	396	197	449	631	632
Costs	140 103	109 113	86 548	79 692	62 798
Planned depreciation	8 782	5 940	5 347	5 054	4 303
Operating profit	31 044	30 497	23 187	30 258	18 770
Net financing income/expenses	2 608	1 313	891	696	84
Profit before extraordinary items, provisions and taxes	33 653	31 810	24 077	30 954	18 854
Extraordinary income and expenses	0	1 034	0	0	0
Profit before provisions and taxes	33 653	32 844	24 077	30 954	18 854
Change in provisions	0	0	704	1 677	1 270
Direct taxes	-10 686	-10 228	-7 048	-10 874	-6 724
Net profit for the year	22 967	22 616	17 732	21 757	13 400

Consolidated balance sheet

(EUR 1,000)	Dec. 31, 2000	Dec. 31, 1999	Dec. 31, 1998	Dec. 31, 1997	Dec. 31, 1996
Assets					
Fixed assets and other long-term investments	46 082	39 046	26 196	27 339	28 102
Inventories	18 848	14 983	10 581	10 889	10 738
Financial assets	100 407	88 061	73 073	65 213	43 650
	165 336	142 089	109 850	103 441	82 490
Shareholders' equity and liabilities					
Shareholders' equity	127 357	109 848	84 751	73 797	53 966
Provisions	0	0	6 005	6 707	8 383
Liabilities, total	37 980	32 241	19 094	22 937	20 141
Interest bearing	3 516	2 333	2 275	2 190	5 247
Non-interest bearing	34 463	29 908	16 819	20 748	14 894
Balance sheet total	165 336	142 089	109 850	103 441	82 490

Financial ratios

		2000	1999	1998	1997	1996
Net sales	MFIM	1 067.5	864.2	681.6	680.0	506.8
exports and international operations	%	96.2	96.0	94.0	96.0	96.0
Operating profit	MFIM	184.6	181.3	137.9	179.9	111.6
% of net sales	%	17.3	21.0	20.2	26.5	22.0
Profit before extraordinary items. provisions and taxes	MFIM	200.1	189.1	143.2	184.0	112.1
% of net sales	%	18.7	21.9	21.0	27.1	22.1
Profit before provisions and taxes	MFIM	200.1	195.3	143.2	184.0	112.1
% of net sales	%	18.7	22.6	21.0	27.1	22.1
Return on equity (ROE)	%	19.4	21.7	20.5	29.6	22.1
Return on investment (ROI)	%	28.2	31.4	27.7	41.8	30.5
Solvency ratio	%	78.2	78.6	82.1	77.6	73.4
Current ratio		3.7	3.7	4.9	3.6	3.7
Gross capital expenditure	MFIM	87.6	112.2	27.3	24.1	49.8
% of net sales	%	8.2	13.0	4.0	3.5	9.8
R&D expenditure on machinery and equipment	MFIM	4.5	3.0	6.0	4.0	2.0
R&D expenditure	MFIM	102.5	86.0	77.0	67.0	59.0
% of net sales	%	9.6	10.0	11.3	9.9	11.6
Order book on Dec 31.	MFIM	340.4	321.0	236.0	221.0	153.0
Average personnel		1016	895	797	751	697

Calculation of financial ratios

Return on equity, ROE %	=	Profit before extraordinary items, provisions and taxes less taxes / Shareholders' equity (average)	x 100
Return on investment, ROI %	=	Profit before extraordinary items, provisions and taxes plus interest and finacial expenses / Balance sheet total less non-interest bearing liabilities (average)	x 100
Solvency ratio, %	=	Shareholders' equity / Balance sheet total less advance payments	x 100
Current ratio	=	Current assets / Current liabilities	
Earnings / share, FIM	=	Profit before extraordinary items, provisions and taxes less taxes / Average number of shares, adjusted	
Equity / share, FIM	=	Shareholders' equity / Number of shares at balance sheet date, adjusted	
Dividend / share, FIM	=	Dividend / Number of shares at balance sheet date, adjusted	
Dividend / earnings, %	=	Dividend / Profit before extraordinary items, provisions and taxes less taxes	x 100
Effective dividend yield, %	=	Dividend / share / Share price at balance sheet date	x 100
Price / earnings, FIM	=	Share price at balance sheet date / Earnings / share	
Market capitalisation, MFIM	=	Share price at balance sheet date times number of shares	

Information for Shareholders

Annual General Meeting

The Annual General Meeting of Vaisala Oyj's shareholders will be held at the company's head office, Vanha Nurmijärventie 21, Vantaa, on Thursday 15 March, beginning at 5 pm.

Shareholders who are registered in the share register maintained by the Finnish Central Securities Depository Ltd. by no later than 5 March 2001 may attend the AGM. Shareholders whose shares have not been transferred to the book- entry securities system may also attend the AGM provided that such shareholders were registered in the company's share register before 21 October 1994. In such cases, shareholders must, at the AGM, present their share certificates or some other evidence that their shareholding rights have not been transferred to the book-entry securities system.

Shareholders wishing to attend the AGM must notify the company no later than 4 pm on Friday 9 March 2001. Notification may be made either by letter addressed to Vaisala Oyj, Nina Andersin , P.O.Box 26, Finland, or by telefax + 358 9 8949 2206, or by e-mail nina.andersin@vaisala.com, or by telephone on weekdays between 12 am and 4 pm Finnish time, phone +358 9 8949 2201. Letters authorising a proxy to vote on behalf of a shareholder should be sent to the company before expiry of the notification deadline.

Payment of dividend

The Board of Directors will propose to the Annual General Meeting that a dividend of FIM 4.00 per share be paid on the 2000 financial year. The record date for dividend payment is 20 March 2001 and, subject to approval of the Board's proposal, the dividend will be paid on 27 March 2001.

Shareholders cannot be paid a dividend until they have transferred their shares to the book-entry securities system.

Financial reviews in 2001

Vaisala will publish a three-month Interim Report on 3 May, and a six-month Interim Report on 2 August and a nine-month Interim Report on 1 November 2001.

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