



**Strong results and cash flow –
a challenging market ahead in early 2013**

Result 2012

6 February, 2013



**Mr. Kim Gran
President and CEO
Nokian Tyres plc**

INDEX

1. General overview of 2012
2. Nokian Tyres financial performance
3. Profit centres (incl. Russian operations and Other markets)
4. Nokian Tyres going forward
5. Appendixes

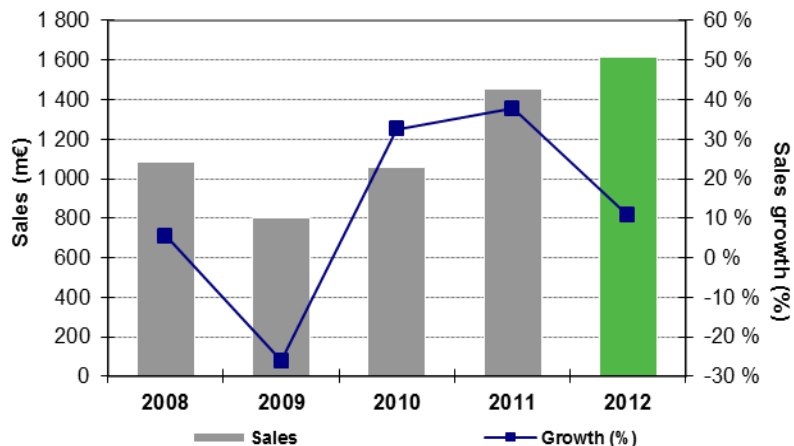


**Nokian Tyres Fastest on Ice with an electric car:
New World Record 252.09 km/h**

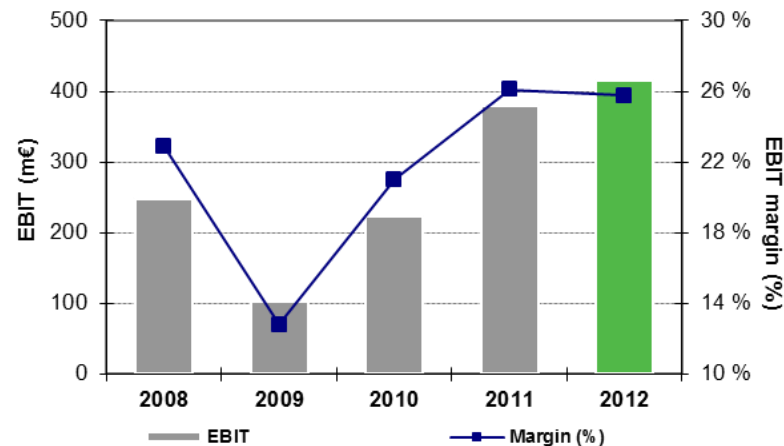
GENERAL OVERVIEW OF 2012

Strong sales & EBIT – company net debt free

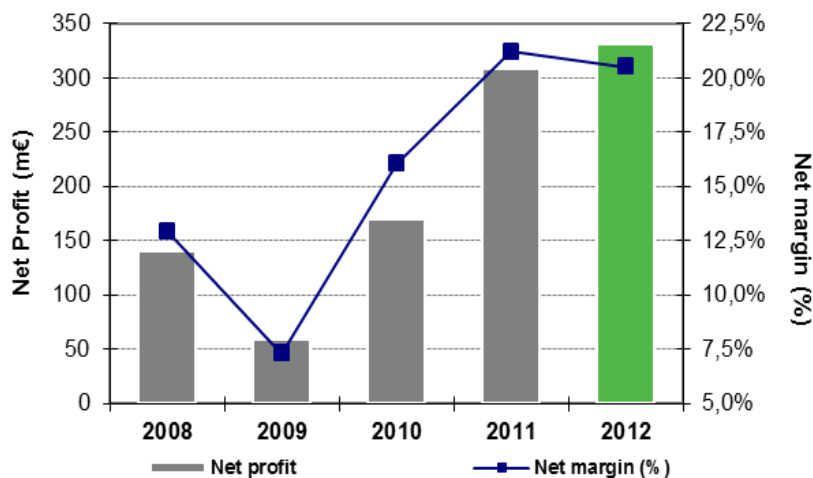
Net sales (m€) and Net sales growth (%)



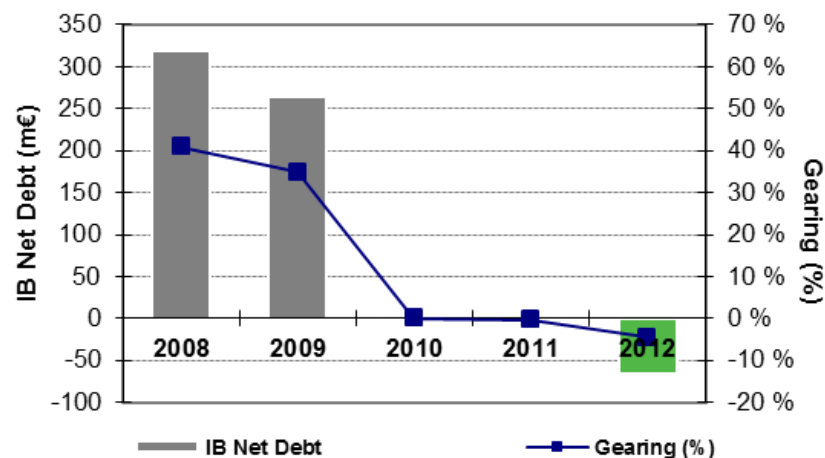
EBIT (m€) and EBIT margin (%)



Net profit (m€) and net margin (%)



Interest bearing net debt (m€) and gearing (%)

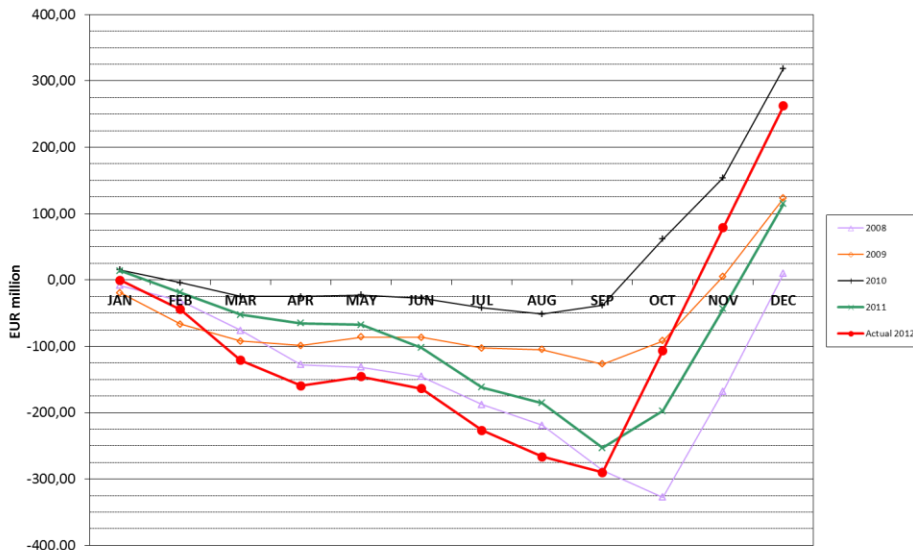


GENERAL OVERVIEW OF 2012

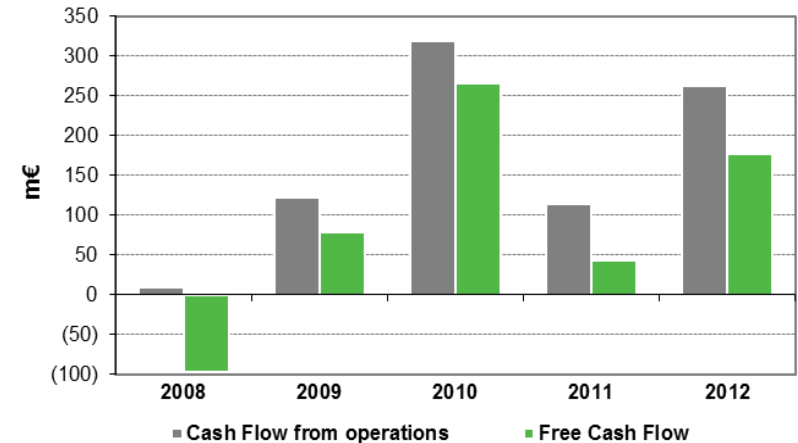
Group Operating Cash Flow and Free Cash Flow 2008-2012

- Cash flow from operations: 262.3 m€ in 2012
 - Investments of 209.2 m€ (161.7) weakened the cash flow
 - Inventories declined and Trade receivables increased along with sales
 - Russian receivables 27% (18) of total at year end
 - Vianor NWC at a normal level; investments 1.1 m€ higher than previous year

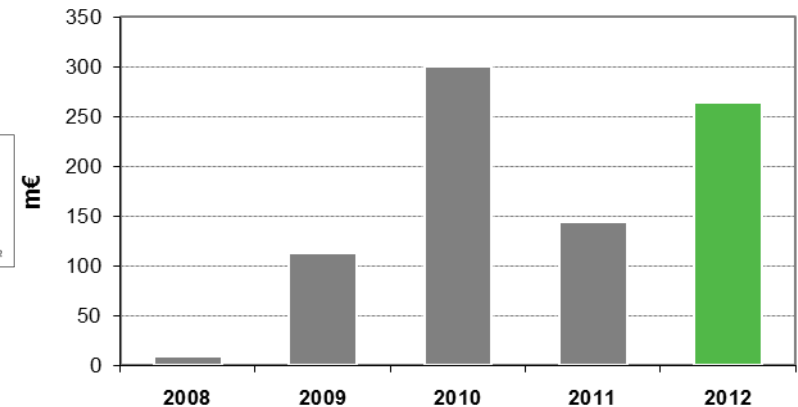
Monthly cumulative Group Cash flow from operations



Group Cash Flow From Operations and Free Cash flow



Manufacturing Cash flow from operations



GENERAL OVERVIEW OF 2012

Strong results and cash flow

– a challenging market ahead in early 2013

Key figures, EUR million

	10-12/12	10-12/11	Change%	2012	2011	Change%
Net sales	446.4	482.5	-7.5	1,612.4	1,456.8	10.7
Operating profit	111.8	119.1	-6.1	415.0	380.1	9.2
Profit before tax	104.2	114.8	-9.2	387.7	359.2	8.0
Profit for the period	88.3	94.2	-6.3	330.9	308.9	7.1
Earnings per share, EUR	0.67	0.73	-8.0	2.52	2.39	5.4
Equity ratio, %				71.2	63.2	
Cash flow from operations	552.0	367.3	50.3	262.3	114.1	129.8
RONA,% (roll. 12 months)				23.0	27.0	
Gearing, %				-4.5	-0.3	

Summary

- Record high sales and profits, strong cash flow
- Strong sales and market share growth in Russia, market leadership continued in Russia and the Nordic countries
- CE demand dropped dramatically due to weak economic environment and distributors' high carry-over stocks
- Improved car tyre sales mix, ASP up 5%
- Top-notch product range: Record year in car magazine test victories in the Nordic countries, Russia and CE
- Vianor 1,037 stores in 26 countries, +127 stores in 2012
- Capacity increases: production output (tons) up by 11%, line 11 in Russia commenced production
 - Productivity up by 6%
 - Production volumes in Finland cut during H2/2012

Outlook: Some growth in a challenging market

- Car tyre demand expected to grow 1-2% in Europe, 2% in Nordic countries and 2-5% in Russia in 2013
- Pricing environment for 2013 challenging for all tyre categories
- Margins supported by easing of raw material costs (€/kg), 10% in Q1/2013 YOY and 4% full year 2013
- Further improved product offering with the new Hakkapeliitta range supports Nokian winter tyre sales
- Capacity ramp-up proceeds according to revised plan:
 - First line in the new factory (11th in Russia) became operative in June
 - Line 12 on stream in H1/2013, line 13 to be installed in 2013
 - Inbuilt capability to increase output by 50%
- Profitability supported by improved cost structure and productivity on the back of increasing share of Russian production

Year 2013 guidance:

- In 2013, the company is positioned to show some growth in Net sales and Operating profit. The first quarter Operating profit, however, is expected to be clearly weaker than in 2012.

GENERAL OVERVIEW OF 2012

Market overview: Strong demand in Russia, CE dramatically down

Car tyres

Russian car tyre market volumes improved

- Uncertainty and slowing growth in global economy
- Economies in the Nordic countries and Russia were solid, car sales in Russia picked up by 11%
- Car tyre demand in Russia up by 15% vs. 2011. Replacement market in the Nordic countries was down by 5%, in Europe down by 13%.
- In autumn 2012 distributors had carry-over stocks of summer tyres in CE and Russia

Heavy tyres

Uncertainty continued in heavy tyres' markets

- Forestry tyre demand continued to be weak
- Demand for special heavy tyres for mining, harbors & agriculture was comparatively healthy

Currencies

Weakening Euro supported sales

- In 2012 the Euro weakened against the RUB, SEK and NOK

Raw material prices

Raw material prices in downward trend

- Nokian Tyres raw material cost was flat in 2012 yoy. Expected to decrease by 4% in 2013 vs. 2012.

GENERAL OVERVIEW OF 2012

Nokian Tyres performance: Solid sales and profitability

Sales and market position

Volumes and market shares up

- + Sales growth in Car tyres and Vianor
- + Strongest sales growth in Russia, in winter and SUV tyres
- + Test victories boosted sales
- + Car tyres' market share improved in Russia, Nokian winter tyres' market share improved also in the Nordic countries
- Downturn in CE demand restricted sales growth
- Demand for forestry tyres lower yoy

Profitability

EBIT improved

- + Increasing share of Russian sales and production
→ Higher ASP, improved productivity and cost control supported profitability
- + Raw material cost flat yoy

Production

Productivity boost from increased production volumes

- + The new Russian plant: Line 11 commenced production in June
→ Car tyre output (pcs) grew by 11%
- + Production in Nokia plant cut in H2/2012
- + Productivity up by 6%
- Lower capacity utilization rate in H2/2012

Distribution

Vianor expanding as planned

- + Vianor expanded to 1,037 stores in 26 countries; increase by 127 stores in 2012
- + New Vianor countries: Serbia, France and Bosnia-Herzegovina

INDEX

1. General overview of 2012
2. Nokian Tyres financial performance
 - Operating result per quarter
 - Gross sales by market area
 - Raw material cost development
3. Profit centres (incl. Russian operations and Other markets)
4. Nokian Tyres going forward
5. Appendixes



FINANCIAL PERFORMANCE

Group operating profit per quarter 2008-2012

2012

Net sales 1,612.4 m€,
(1,456.8 m€) +10.7%

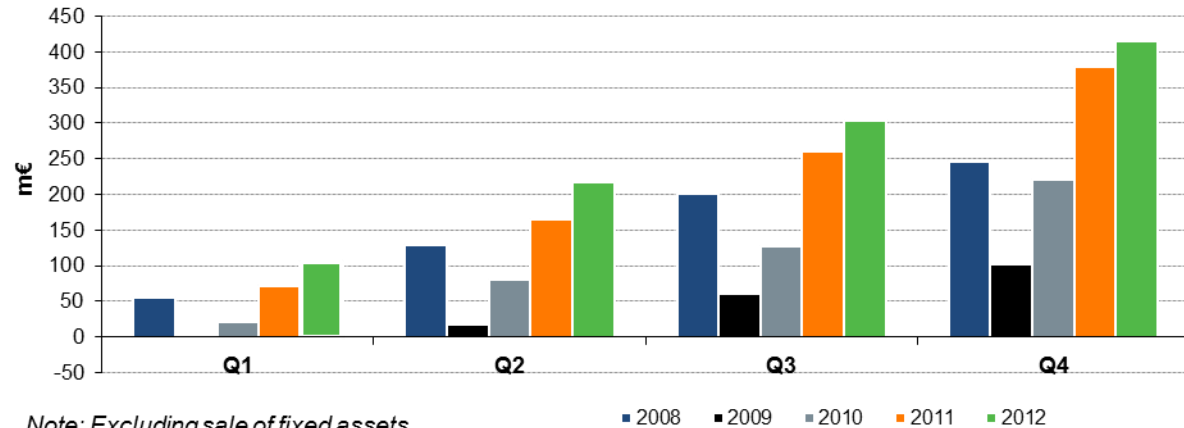
EBIT 415.0 m€,
(380.1 m€) +9.2%

10-12/2012

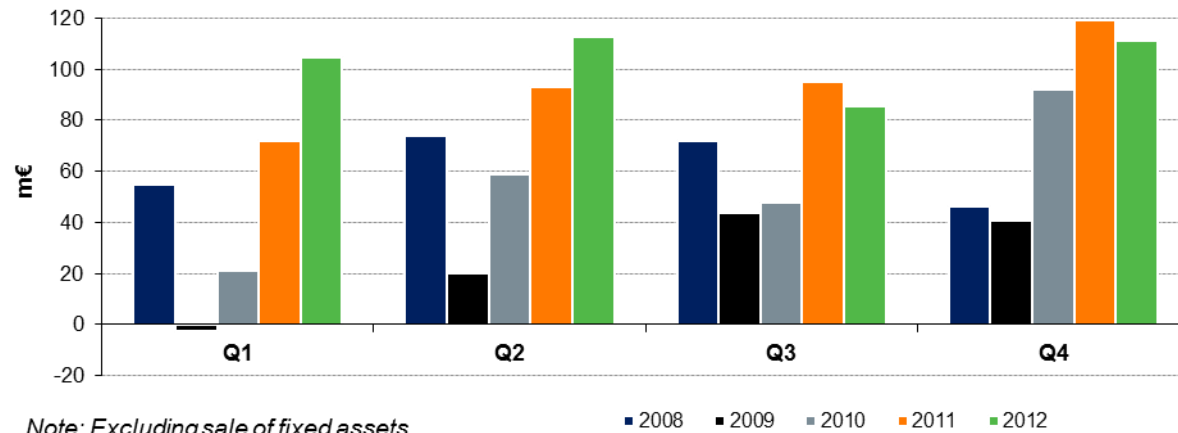
Net sales 446.4 m€,
(482.5 m€) -7.5%

EBIT 111.8 m€,
(119.1 m€) -6.1%

Cumulative operating profit per quarter (m€)



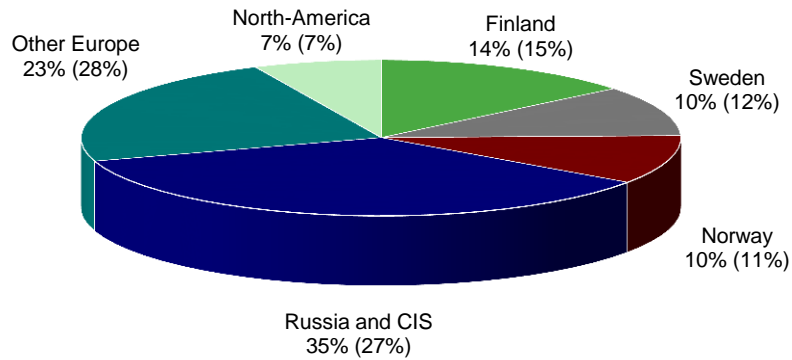
Group operating profit per quarter (m€)



FINANCIAL PERFORMANCE

Gross sales by market area 2012

Sales of Nokian Tyres Group: 1,731.7 m€, +12.3%

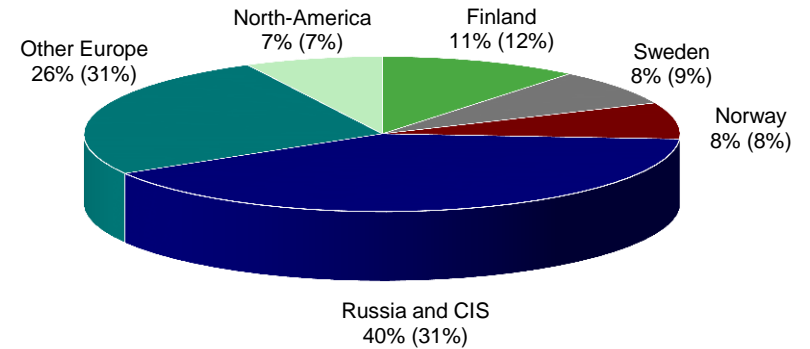


GROUP

Sales development in euros

■ Nordic countries	+1.7%
■ Russia and CIS	+46.2%
■ Other Europe	-8.3%
■ North America	+10.7%

Sales of Manufacturing Units: 1,518.4 m€, +12.3%



MANUFACTURING

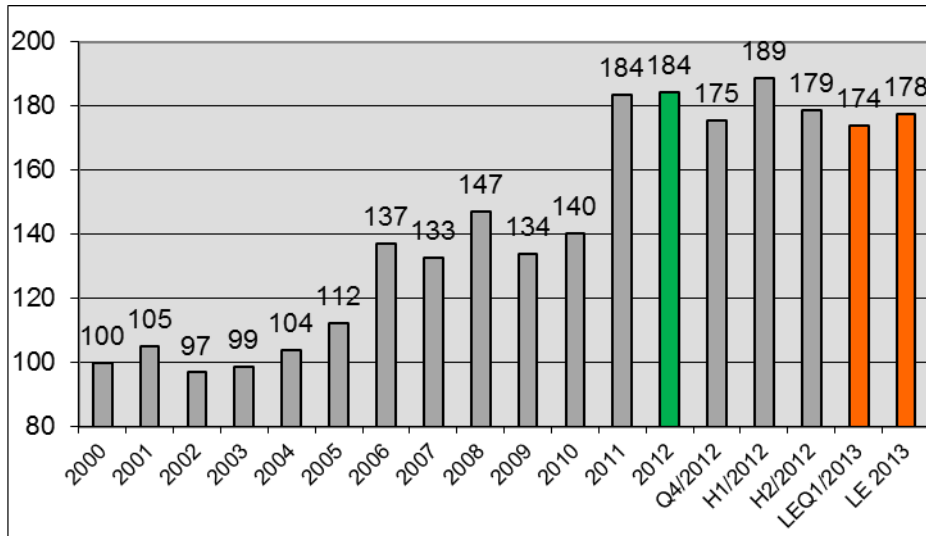
Sales development in euros

■ Nordic countries	-3.3%
■ Russia and CIS	+46.2%
■ Other Europe	-8.2%
■ North America	+11.3%

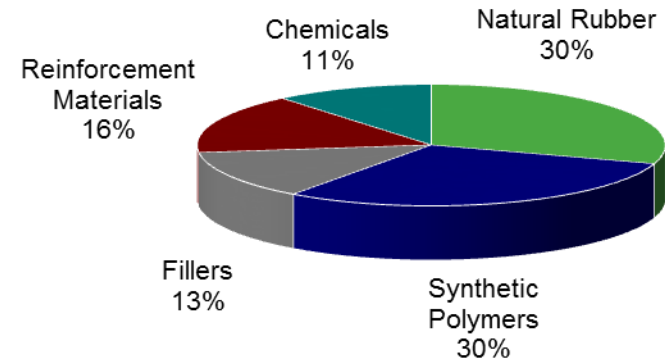
FINANCIAL PERFORMANCE

Raw material cost development

Raw material cost development index 2000-E2013



Value of raw material consumption (%)



Nokian Tyres raw material cost (€/kg)

- **Raw material cost**
 - increased by 0.4% in 2012 vs. 2011
 - decreased by 12.2% in Q4/2012 vs. Q4/2011
 - decreased by 4.1% in Q4/2012 vs. Q3/2012
- **Raw material cost is estimated to**
 - decrease by 1% in Q1/2013 vs. Q4/2012
 - decrease by 10% in Q1/2013 vs. Q1/2012
 - decrease by 4% in 2013 vs. 2012

Estimated raw material saving Q1 yoy 11-13 m€

INDEX

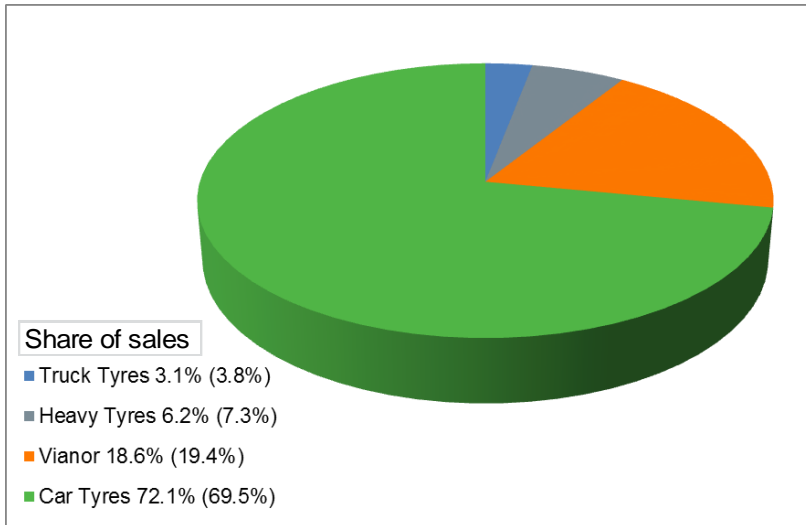
1. General overview of 2012
2. Nokian Tyres financial performance
3. Profit centres
 - General overview
 - Passenger Car Tyres (incl. Russian operations and Other markets)
 - Vianor
 - Heavy Tyres
 - Truck Tyres
4. Nokian Tyres going forward
5. Appendixes



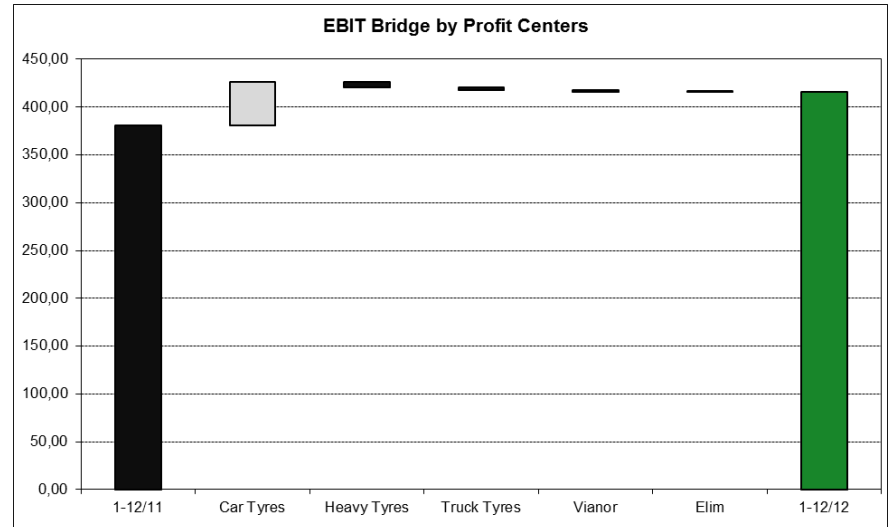
PROFIT CENTRES

General overview 2012

Net sales 1,612.4 m€; +10.7%



EBIT 415,0 m€; +9.2%



Passenger Car Tyres

- **Net sales:** 1,220.1 m€; +13.9%
- **EBIT** 410.8 m€; +12.5%
- **EBIT margin:** 33.7% (34.1%)
- **Key products:** studded and non-studded winter tyres, high-speed summer tyres

Heavy Tyres

- **Net sales:** 104.4 m€; -7.4%
- **EBIT:** 11.3 m€; -34.3%
- **EBIT margin:** 10.8% (15.3%)
- **Key products:** tyres for forestry, industrial and agricultural machinery

Truck Tyres

- **Net sales:** 52.9 m€; -10.9%
- **Key products:** truck tyres and retreading materials

Vianor

- **Net sales:** 315.3 m€; +5.7%
- **EBIT:** 0.0 m€; -98.2%
- **EBIT margin:** 0.0% (0.8%)
- 1,037 stores in 26 countries in Nokian Tyres' core markets

PROFIT CENTRES

Passenger Car Tyres 2012: Russia spearheads sales growth

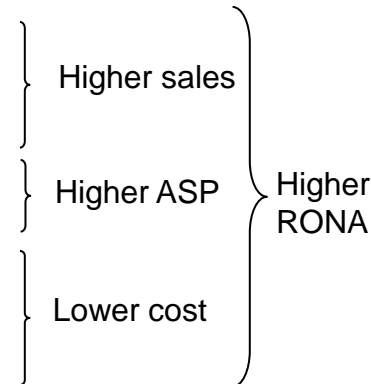
Performance in 2012

- + Strong sales and market share growth in Russia
- + Healthy growth from SUV and winter tyre sales
- + Significant magazine test wins in Nordic countries, Russia and CE
- + Improved sales mix and price increases → ASP up by 5%
- + Production 15.7 million tyres, up by 11% vs. 2011
- + Productivity up by 6% trailing the higher production volume
- + Annual capacity increased to 18 million tyres
- H2 sales lower than expected due to weak demand in CE

Key actions and targets for 2013

- Maximize sales with renewed product offering
- Improve market shares in core markets
- Expand distribution, special focus CE
- Improve sales mix & service level
- Defend brand and price position
- Increase production in Russia, ramp-up of new lines
- Improve productivity and utilization of capacities
- Secure collection of receivables

→ **Maximize sales of new winter range, expand distribution in CE, improve productivity**



Net sales:

2012: 1.220,1 m€ (1.071,1 m€); +13.9%

10-12/2012: 304.2 m€ (338.4 m€); -10.1%

EBIT:

2012: 410.8 m€ (365.1 m€); +12.5%

10-12/2012: 94.1 m€ (103.1); -8.7%

EBIT margin:

2012: +33.7% (+34.1%)

10-12/2012: +30.9% (+30.5%)



New Nokian Hakkapeliitta 8

MAGAZINE TESTS 2012

Test success continues – both in summer and in winter

WINTER TYRES, autumn 2012

Nokian Hakkapeliitta 7 – Multiple test winner

- Studded winter tyre family for core markets.

Test victories in magazine tests, e.g.:

- Tekniikan Maailma, Tuulilasi (Finland), Motor Auto, Motor og Sport, (Norway); Aftonbladet BIL, Auto, Motor & Sport, Vi Bilägare (Sweden); Za Rulem, AutoReview (Russia), Auto Centre (Ukraine)

Nokian Hakkapeliitta R – Safe and reliable

- Nordic non-studded tyre family. Test victories:

- Tekniikan Maailma, Tuulilasi (Finland), Motor, Auto, Motor og Sport (Norway); Auto, Motor & Sport, Vi Bilägare (Sweden)
- Za Rulem, AutoReview (Russia), Auto Centre (Ukraine)

Nokian WR D3 – for Central European winter

Test victories e.g.:

- Auto, Motor und Sport, ADAC, AUTO Strassenverkehr, Firmenauto (Germany), Aftonbladet BIL, AMS (Sweden)

Nokian WR A3 – for Central European winter

Test victory: AutoBild (Germany)



- Minimum 35% of car tyres' net sales are new products
- Technological leadership
- High investment on winter tyre development & testing



Nokian Hakkapeliitta 7:
Over 30 test wins in car magazines between years 2009 and 2012

SUMMER TYRES, spring 2012

Nokian Hakka Blue – Wet Performer

Summer tyre for core markets

- Test victories e.g.: Tekniikan Maailma, (Finland), Aftonbladet BIL (Sweden), Motor/NAF (Norway), AutoReview (Russia), Auto Centre (Ukraine)

Nokian Hakka Green – Naturally safe

- Test victories: Tuulilasi, (Finland), Vi Bilägare (Sweden)

Nokian Z G2 – Cool Performer

- Summer tyre for CE. Test victories e.g.:
- Auto Bild, the biggest car magazine in Europe
- Gute Fahrt, Auto Bild Allrad, Auto Test

Nokian H summer tyre for CE

- Test victory: Autozeitung



Nokian Hakka Blue

MAJOR REVAMP OF PRODUCT OFFERING 2013

Examples of new products and innovations 1(2)

Nokian Hakkapeliitta 8 – Ruler of the North

- The design of this next-generation studded Hakkapeliitta tyre is based on the Nokian Hakkapeliitta 7. This multiple test winner holds a world record in its field: over 30 test wins in car magazines between 2009 and 2012.
- Unique **Nokian Eco Stud 8 Concept** from the inventor of winter tyres brings grip like never before for ice and snow.
- The ground-breaking stud distribution and the **Eco Stud 8 Concept** create fantastic winter properties: supreme grip during braking and acceleration, better wear resistance, and peace of mind through driving comfort.



Nokian Hakkapeliitta 8

Nokian Hakkapeliitta R2 – Northern comfort

- The new non-studded winter tyre, will safely tackle even the trickiest winter conditions.
- The new innovations like **Nokian Cryo Crystal Concept** maximise the grip of this Nordic non-studded tyre on ice.
- Nokian Hakkapeliitta R2 is the number one choice for those who value unique driving comfort and eco-friendly travelling. In addition to the extremely low rolling resistance, developments have also been made in handling on ice, snow, and wet roads, all for the benefit of drivers.



Nokian Hakkapeliitta R2

Nokian Hakkapeliitta R2 SUV – Northern comfort and stability for SUVs

- The non-studded Nokian Hakkapeliitta R2 SUV winter tyre, specially tailored for sport utility vehicles.
- The new innovations, like **Nokian Cryo Crystal Concept**, in the tread patterns and compounds of this stable, rugged new product ensure that the Nokian Hakkapeliitta R2 SUV's handling and grip properties are top-notch.



Nokian Hakkapeliitta R2 SUV

Nokian WR SUV 3

- Developed for Central Europe's varying winter conditions and the ever-increasing SUV segment

Nokian WR G3

- An extension of the Nokian Tyres' All Weather Plus product line for the North American market

New range puts winter grip on an awesome new level!

MAJOR REVAMP OF PRODUCT OFFERING 2013

Examples of new products and innovations 2(2)

Nokian eLine – Next generation summer tyre for all markets

- Fuel efficiency and wet grip are at the top of the new EU tyre label, class A
- State-of-the-art product available to consumers in the spring of 2013

Nokian Hakka Black – Ultra high Performance tyre for core markets

- Cool performance for fast driving, stable and precise driving feel from spring to autumn
- Tailor-made for the northern roads, the newest member of the Hakka summer tyre range offers optimal handling and safety in demanding driving situations
- The new innovations, Multi-layered structure, Nokian Intelligent UHP Silica, Hydro Grooves and Silent Groove Design.
- Top performance in both the W (270 km/h) and Y (300 km/h) speed categories

Nokian zLine – Ultra High Performance summer tyres for Central Europe

- New top class tyre family for varying Central European summer conditions
- New Nokian zLine - sporty, cool performance for fast driving
- Precise driving feel, uncompromisingly safe and comfortable travel
- New Nokian Line – Top performance for wet roads
- The new innovations maximize wet grip, the Cross-Block sipes and Surge Grooves

Nokian WR – Winter tyre for Central Europe

- Advanced new-generation tyre family for any winter weather
- Environmentally friendly premium products feature nanotechnology, canola oil and the solid winter expertise of Nokian Tyres
- Nokian WR D3 for the economic driver, Nokian WR A3 for sporty use

Beyond All-Steel Radial – Challenging All-Steel heavy tyres

- Revolutionary technology of the future, used in harbour, mining and earthmoving machinery tyres
- Unique technical solution - Better stability, longer life time, enhanced safety
- First top product: the Nokian BAS HTS Straddle harbour tyre



Nokian Hakka Black



Nokian WR



Beyond All-Steel Radial

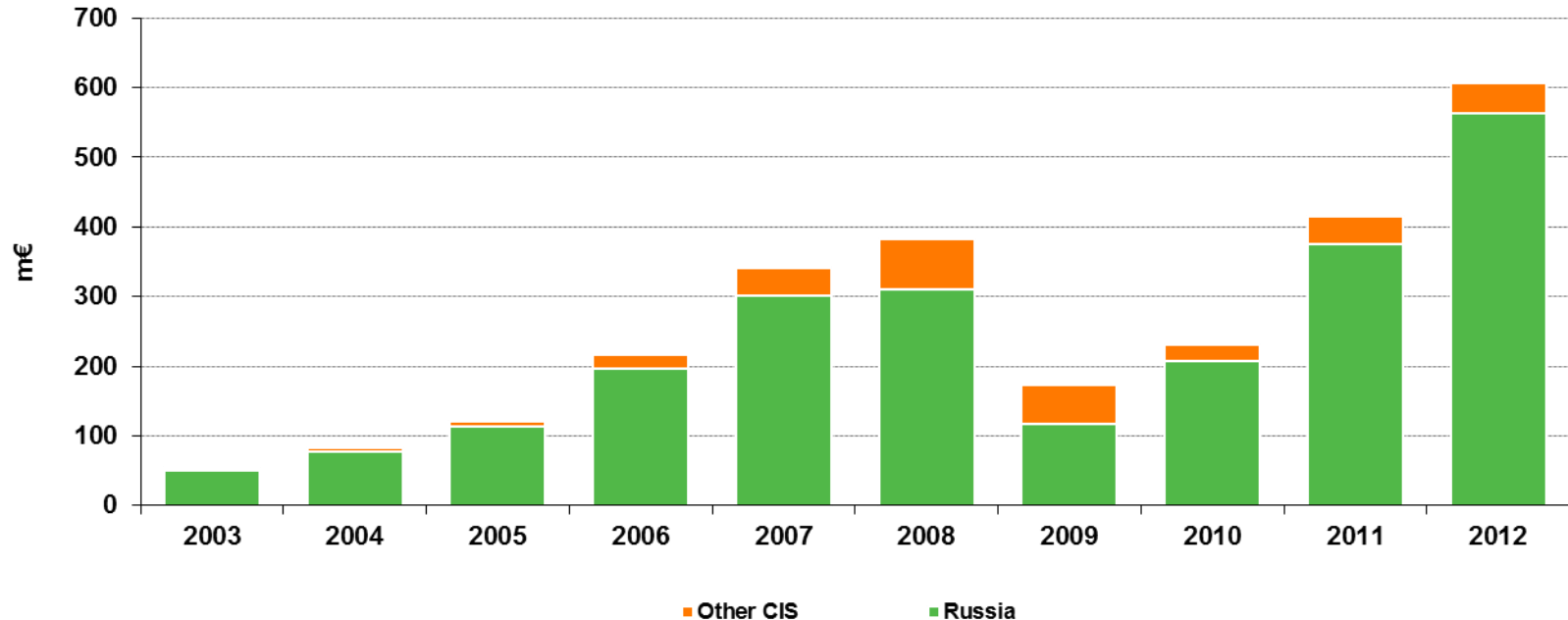
RUSSIA & CIS

Strong sales growth

- Sales in Russia in 2012 grew by 49.8% to 563.0 m€ (375.8 m€)
 - Good economic situation and continued growth in new car sales
 - Improved production and supply capacity of Nokian Tyres
- Sales in CIS (excluding Russia) were 43.7 m€ (39.3 m€)

→ Nokian Tyres is clear market leader in premium tyres in Russia and CIS countries

Russia and other CIS sales development



RUSSIA & CIS:

Distributors, DSD-warehouses and Vianor stores 31 December, 2012



- Distributors (34)
- DSD current cities (Moscow, SPb, Samara/Togliatti, Yekaterinburg, Chelyabinsk, N. Novgorod, Omsk, Rostov-on-Don, Perm, Ufa, Orenburg, Kazan, Voronezh, Tyumen, Volgograd, Novosibirsk)
- 533 Vianor stores in 319 cities

Nokian Tyres' market position in Russia

- State-of-the-art and efficient factory in Russia
 - Close access to markets
 - Within customs zone (duty 20% for import, will decrease to 18% in 2013 and to 10% in 5 years)
- Clear market and price leader in core product categories
- Widely recognised and strong brand – both company (Nokian Tyres) and products (Hakkapeliitta, Nordman)
- Strong distribution chain covering all of Russia – based on long-term and close customer relationships
- The biggest controlled tyre distribution network – 533 Vianor stores in Russia and CIS

→ ***Nokian Tyres to further strengthen its market leader position in Russia***

Nokian Tyres' factory in Russia

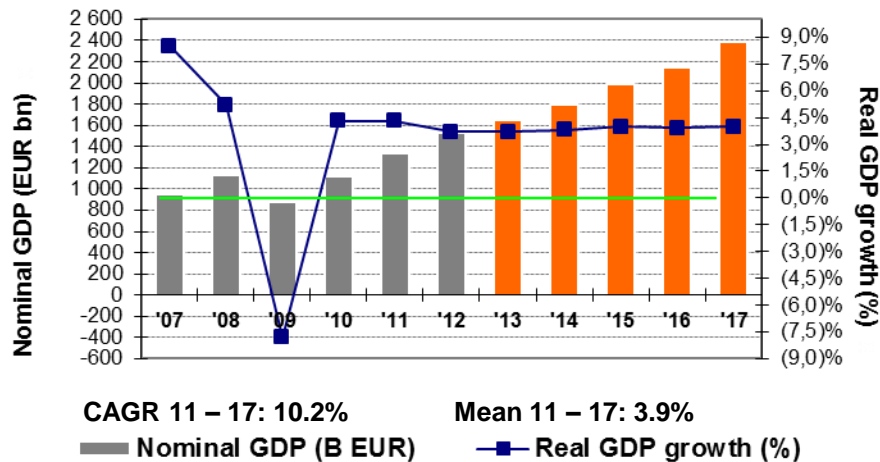
- At the beginning of 2012 annual capacity in Russia was 11 million tyres with 10 lines operating
- New plant commissioned: line 11 on stream June 2012, line 12 installed H2/2012
→ Annual capacity increase to 14 million tyres
- Line 12 in production in H1/2013
- Line 13 to be installed in 2013 → Annual capacity to 15.5 million tyres
- State-of-the art machinery, high automation level and European quality standards
- Vsevolozhsk factory exports approximately 50% of its production to over 40 countries:
Biggest consumer goods exporter in Russia
- Housing project, Hakkapeliitta Village – phase II started
- Number of personnel in Russia on 31 Dec 2012: 1,252 (1,062)
- CAPEX by end 2012: 704 m€



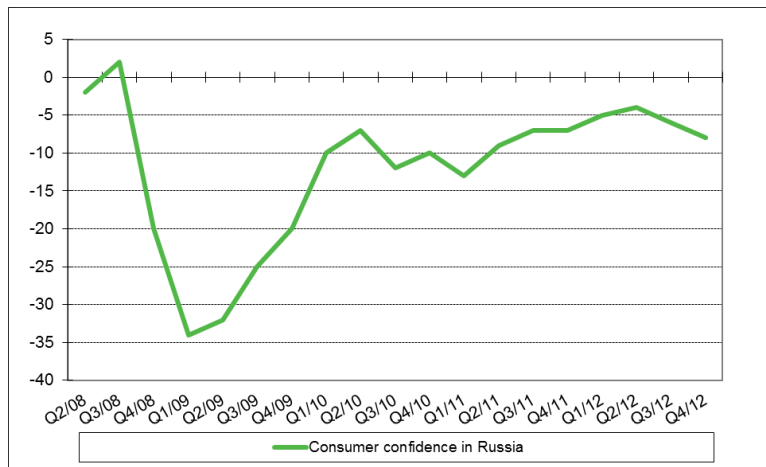
RUSSIA

Russia's economy growing at a stable rate

Russia's GDP growth



Consumer confidence in Russia



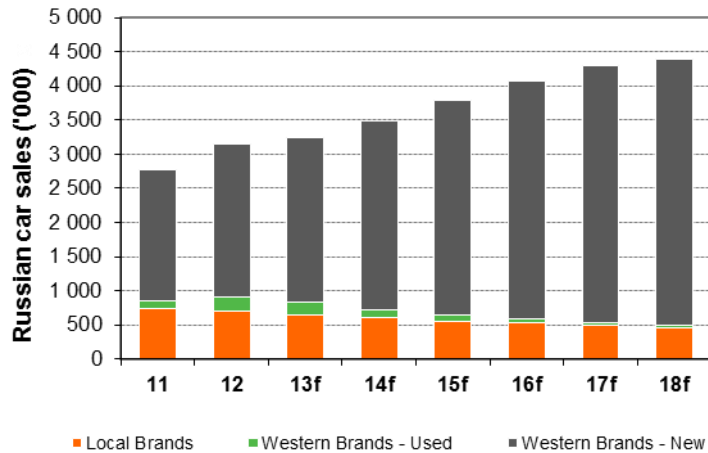
Major trends and expectations

- After a severe crisis of 2008 – 2009, Russia's economy grew by ~4% a year in 2010 – 2011
- In 2012 the economy continued to grow, backed by high oil and commodity prices, although in H2 the growth rate somewhat slowed down
 - Annual real GDP growth in 2012 estimated at 3.6%
- Overall growth trend is likely to continue unless major external shocks (e.g. collapse of oil prices) take place: in the base scenario, average GDP growth for 2013-2016 is estimated at 3 - 4% a year
- However, some uncertainty has spread in the economy, fueled by the global financial turmoil
- The internal political situation has stabilized and the government is pursuing a responsible economic policy aimed at ensuring macroeconomic and financial stability
- Consumer confidence has stabilized and practically reached its normal level, although towards the year-end it was slightly lower than in the beginning of the year
- Ruble exchange rate has fluctuated in 2012: after movements in both directions during the year it stabilized at its long-time average level of 40 RUB/ 1 EUR and is expected to remain stable

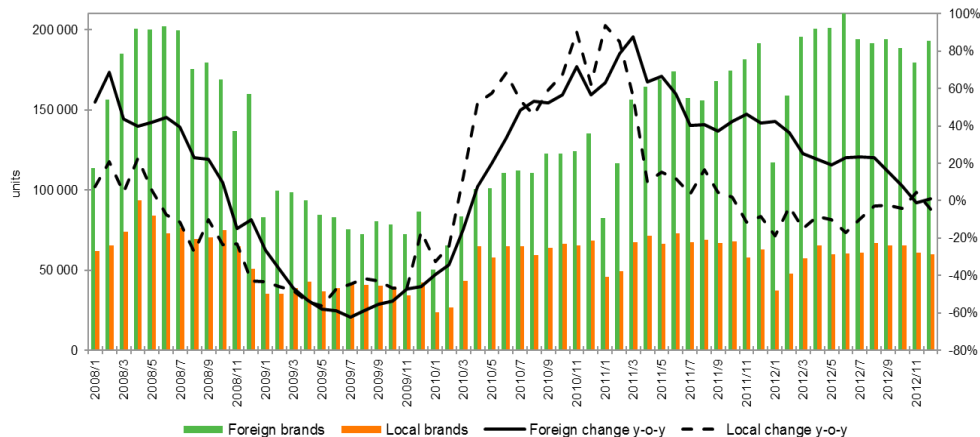
RUSSIA

Car sales continue to grow, albeit at a slower rate

Russian car sales forecast – base scenario



Monthly car sales

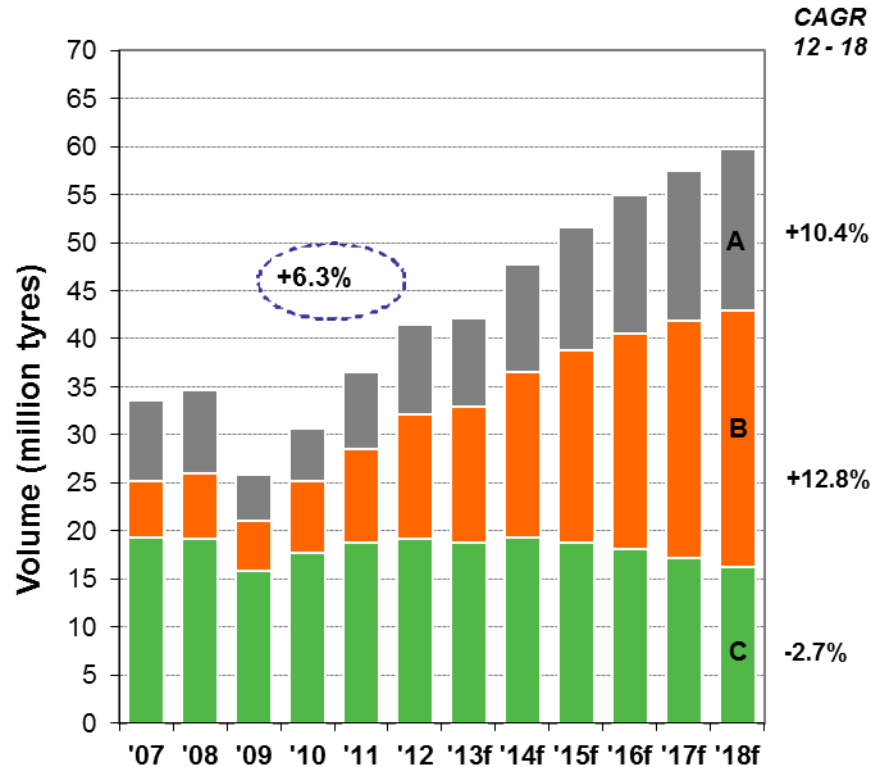


Source: AEB; IHS Global Insight; Nokian Tyres estimates Jan 2013

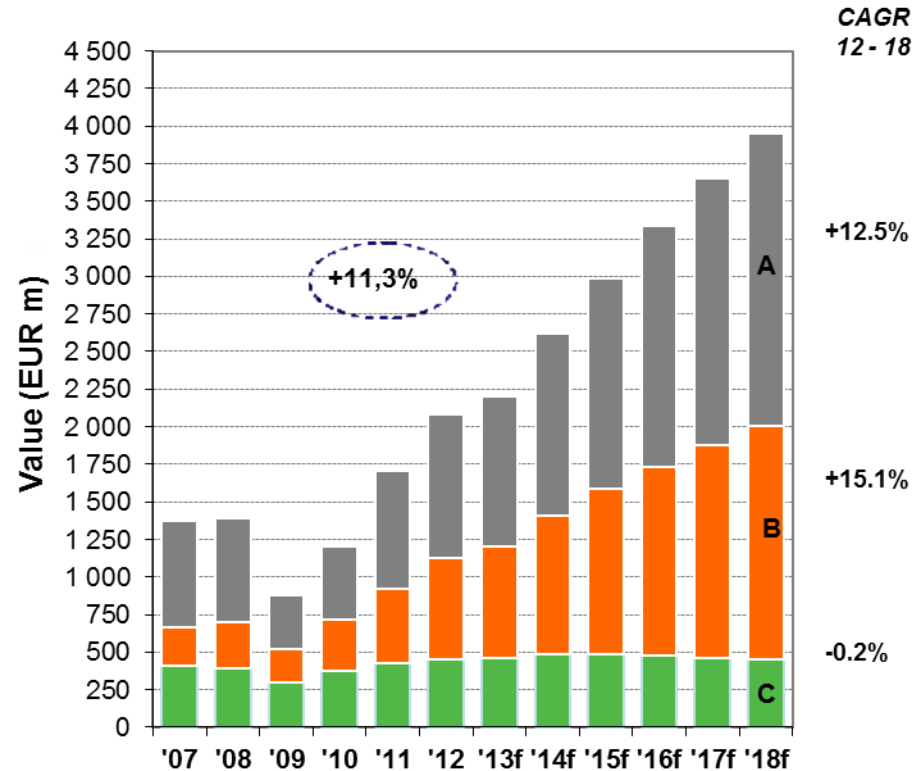
Car market summary

- Sales of new cars and LCVs in Russia continued to grow in 2012; full-year growth was 11% vs. 2011
- During H2/2012 the growth slowed down: in Nov the sales were flat, in Dec growth was modest 1%
 - The slowing growth was caused by the clearly higher comparison base in H2 and some uncertainty among consumers driven by the global economic woes
 - It reflected more cautious consumer spending seen in all industries in Russia
 - Increase of interest rates by 2 – 3 pp. of car loans also contributed to the slowdown
- However, this development is seen as a temporary phase, not a sign of fundamental maturity of the market – as global and Russia economies improve, the car market will continue to grow, as the unrealized potential has not disappeared
- Moreover, the structural changes in the new car sales continue to favor foreign car brands (e.g. growth in 2012 18% vs. total market 11%)
- In 2012, a relatively tangible increase was noted in the imports of used foreign-branded cars, mostly from Belarus and Kazakhstan in the framework of the newly established Customs Union; since 2014 the flow of used cars is expected to return to normally low levels
- In 2013 the new car market is forecasted to show a modest growth of 2 – 5%, reaching estimated 3.1 million new cars; growth is expected to be seen in H2/2013, whereas in H1 car sales may remain flat

Car and van tyre replacement market (volume)



Car and van tyre replacement market (value)



Note Traditional segments / price positioning: index 100 = market leader; A: > 80; B: 60 – 80; C: <60

Source: Nokian Tyres estimates Jan 2013

NORDIC COUNTRIES (FIN, SWE, NOR)

Market and price leader – gross sales 391.1 m€

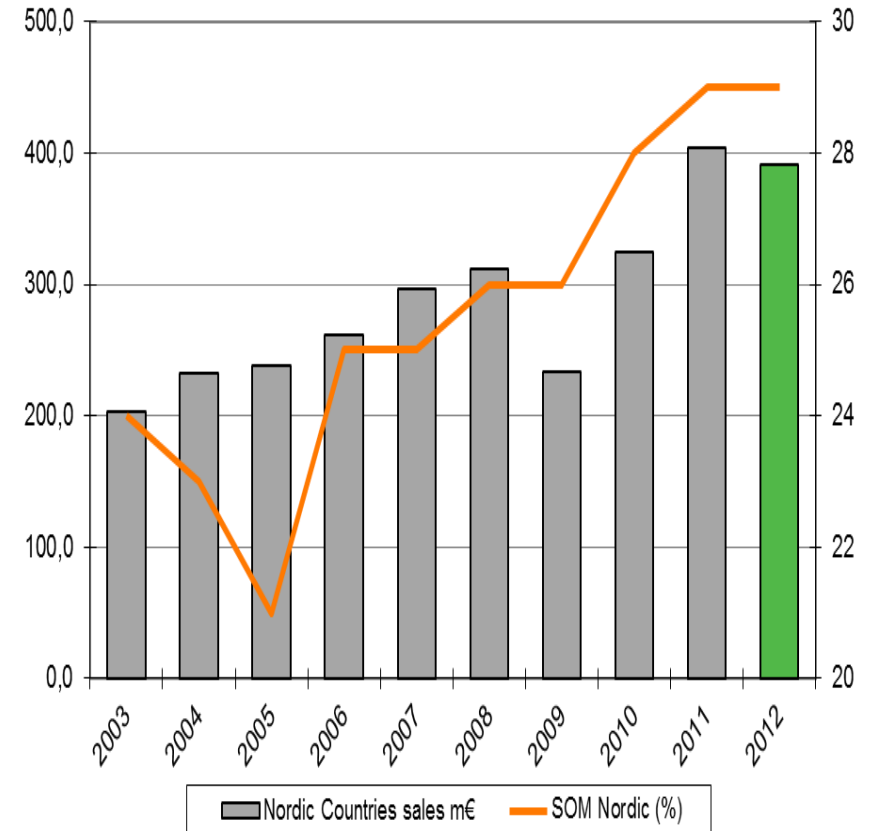
GENERAL

- Mature market with estimated annual growth 1-3%
- Winter tyre legislation – use compulsory
- Three dominating brands (Nokian Tyres, Michelin and Continental) with more than 60% market share

NOKIAN TYRES

- Market and price leader with about 35% market share in winter tyres and roughly 20% in summer tyres
- Only local producer & best distribution network
- Strong role of own Vianor tyre chain; 251 stores
- Local player – product range and service specially designed for northern conditions
- The Nokian Hakkapeliitta 7 studded tyre has dominated impartial winter tyre tests which has boosted sales. New Nokian Hakkapeliitta 8 launched in January 2013.

(Manufacturing) Sales & SOM in Nordic Countries



OTHER EUROPE

Improving market position – sales 390.5 m€ in clearly weaker market

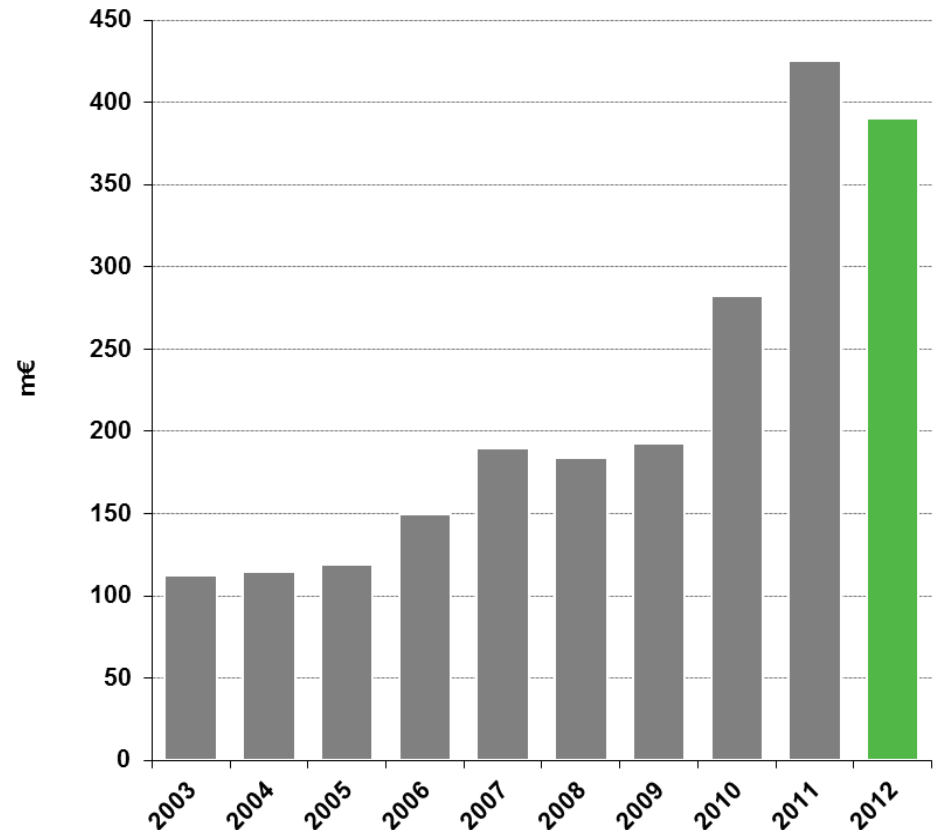
GENERAL

- Total of 33 European countries excluding FI, SE, NO, RU and CIS-countries
- Globally the biggest winter tyre market – potential 12 times that of Nordic Countries
- Winter tyres is the fastest growing segment in CEE and Balkans
- Tyre market down by 13% in 2012

NOKIAN TYRES

- Nokian Tyres brand and price position improving
- Vianor expansion to Europe – 198 stores
- Improved availability and distribution
- Logistics and service centre with 24 hour service to main markets
- Tailored product range

(Manufacturing) Sales in Other Europe



NORTH AMERICA

Solid growth in 2012 – sales 112.2 m€

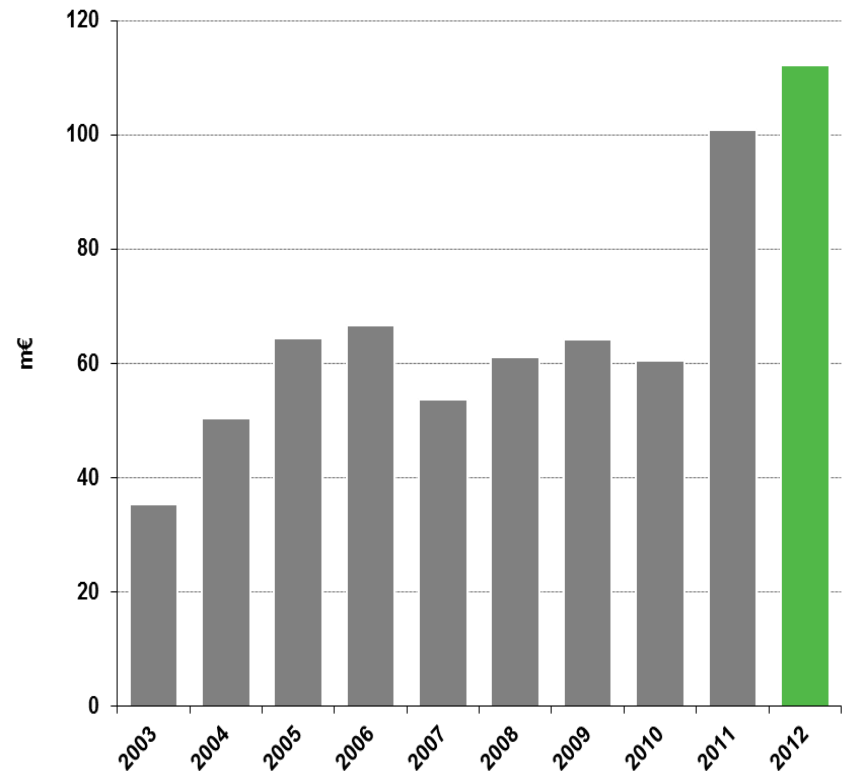
GENERAL

- Canada & US snow belt area
- Market potential for winter tyres twice that of Nordic Countries
- Winter tyre legislation in Canada supports the growth of demand

NOKIAN TYRES

- Strong brand and product quality reputation in the winter tyre areas
- Exclusive distribution in selected areas
- Strong historical presence
- Establishment of Vianor in New England – 35 stores in North America

(Manufacturing) Sales development in North America



PROFIT CENTRES

Vianor 2012: Market shares & service sales up, network expanding

Performance in 2012

- + 1,037 stores in 26 countries; +127 stores in 2012.
New countries: Serbia, France and Bosnia-Herzegovina
- + Equity-owned stores' sales improved, especially in car services, tyre retail and truck tyre sales
- + 25 car service operations were acquired and integrated to existing Vianor stores
- + Market shares & brand awareness up in core markets
- + Strategic tasks to expand distribution and set market prices for Nokian products succeeded
- Operating profit was down due to decreased share of winter tyres and one off inventory value correction

Key actions and targets for 2013

- Improve tyre sales and market shares
 - Increase sales of car services, tyre hotels and other services
 - Increase e-commerce sales
 - Process evaluation & ERP renewal
 - **Continue to expand the network and the number of partners**
→ Target: over 1,150 stores by the end of 2013
- Cement and improve market leader position as a distributor in Nokian Tyres' core markets

Equity-owned Vianor (182 stores)

Net sales:

2012: 315.3 m€ (298.4 m€); +5.7%

10-12/2012: 121.3 m€ (117.3 m€); +3.4%

EBIT:

2012: 0.0 m€ (2.3 m€); -98.2%

10-12/2012: 11.8 m€ (13.0 m€); -9.5%

EBIT margin:

2012: 0.0% (+0.8%)

10-12/2012: +9.7% (+11.1%)



Vianor opened 1,000th sales outlet in Germany

EXPANSION OF DISTRIBUTION CHANNEL

Vianor 2012: Foothold on core markets strengthening

Vianor – 1,037 stores in 26 countries

- 51 new stores in Q4/2012 (+127 in 2012)
- 182 equity-owned, 855 franchising/partners
- **Largest tyre chain in Nordic and Baltic countries:**
271 stores (+6 in Q4/2012); +14/2012
- **Largest tyre chain in Russia and CIS:**
533 stores (+22 in Q4/2012) in 319 cities; +42/2012
- **Expansion to Central Europe:**
198 stores (+18 in Q4/2012); +52/2012

Vianor stores by segment:

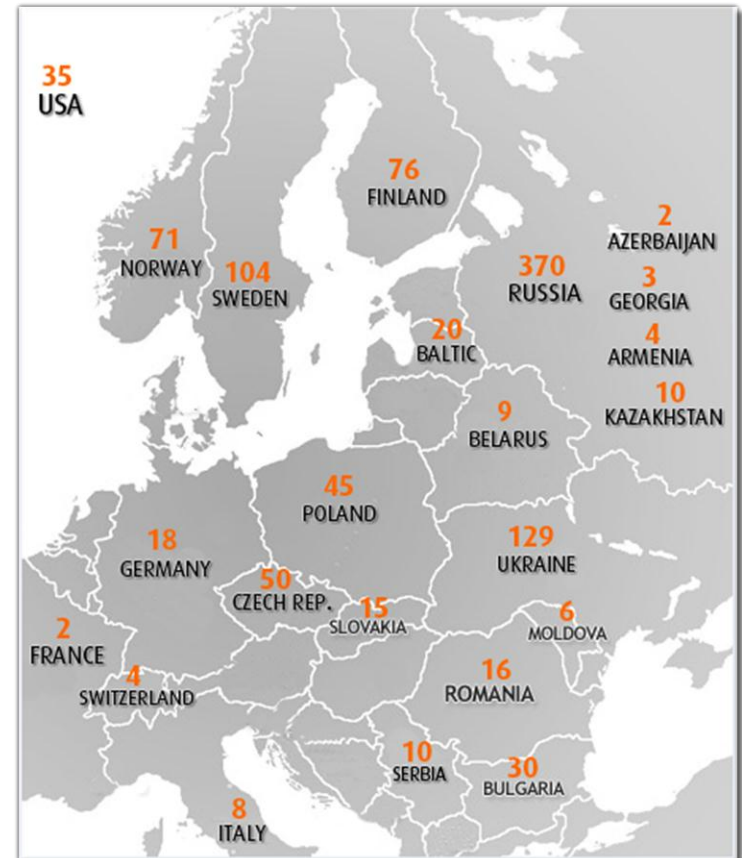
- Car tyres: nearly 1,000 stores
- Heavy tyres: over 230 stores
- Truck tyres: over 280 stores

Vianor expansion 2012:

- New countries:
Serbia, France and Bosnia-Herzegovina

Target 2013 → over 1,150 Vianor stores

Vianor – Distribution spearhead for all product groups



PROFIT CENTRES

Heavy Tyres 2012: Successful restructuring, soft demand

Performance in 2012

- + Sales of mining and radial agricultural tyres increased
- + Sales in Russia and North America grew clearly
- + Sales mix and ASP improved
- + Inventories reduced back to optimal level
- + Production restructuring will support 2013 results
- Total sales down due to weaker forestry tyre demand and machine building in Europe
- Production adjusted to demand: volume down by 13% vs. 2011
- Profitability suffered from lower utilization rate

Key actions and targets for 2013

- Increase sales
 - Improve sales mix and share of replacement market sales
 - Expand the distribution network, especially in Russia and CIS
 - Accelerate development of new radial and BAS products
 - Factory modernization to improve quality, flexibility and productivity
 - Optimize production output
- Increase sales to replacement market, optimize production output and improve productivity

Net sales:

2012: 104.4 m€ (112.8 m€); -7.4%

10-12/2012: 25.9 m€ (29.5 m€); -12.3%

EBIT:

2012: 11.3 m€ (17.2 m€); -34.3%

10-12/2012: 1.4 m€ (3.0 m€); -53.0%

EBIT margin:

2012: +10.8% (+15.3%)

10-12/2012: +5.5% (+10.3%)



Nokian Mine L-5S

PROFIT CENTRES

Truck Tyres 2012: Market shares up in core markets

Performance in 2012

- + Market share improved in the Nordic countries and Russia
- + Wider range for premium & standard truck tyres
- + Tyre inventory decreased
- + Market strengthened in Q4/2012
- Sales down trailing weaker demand in CE

Key actions and targets for 2013

- Increase sales and market shares in core markets
- Expand in Eastern Europe utilising the “Vianor truck” concept
- Utilize the combination of new & retreaded tyres as a sales concept
- Utilize the stronger winter product range (incl. Hakkapeliitta truck tyres)
- Optimize off-take contract manufacturing

→ Focus on increasing sales and improving market shares

Net sales:

2012: 52.9 m€ (59.3 m€); -10.9%

10-12/2012: 14.6 m€ (14.8 m€); -1.3%



Nokian Hakkapeliitta Truck D

INDEX

1. General overview of 2012
2. Nokian Tyres financial performance
3. Profit centres (incl. Russian operations and Other markets)
4. Nokian Tyres going forward
 - Investments
 - Production plants
 - Outlook for 2013
5. Appendixes



NOKIAN TYRES GOING FORWARD

Investments continue to prepare for future demand upturn

Investments in 2012

- Q4/2012: 40.7 m (53.5 m€)
- Full year: 209.2 m€ (161.7m€)

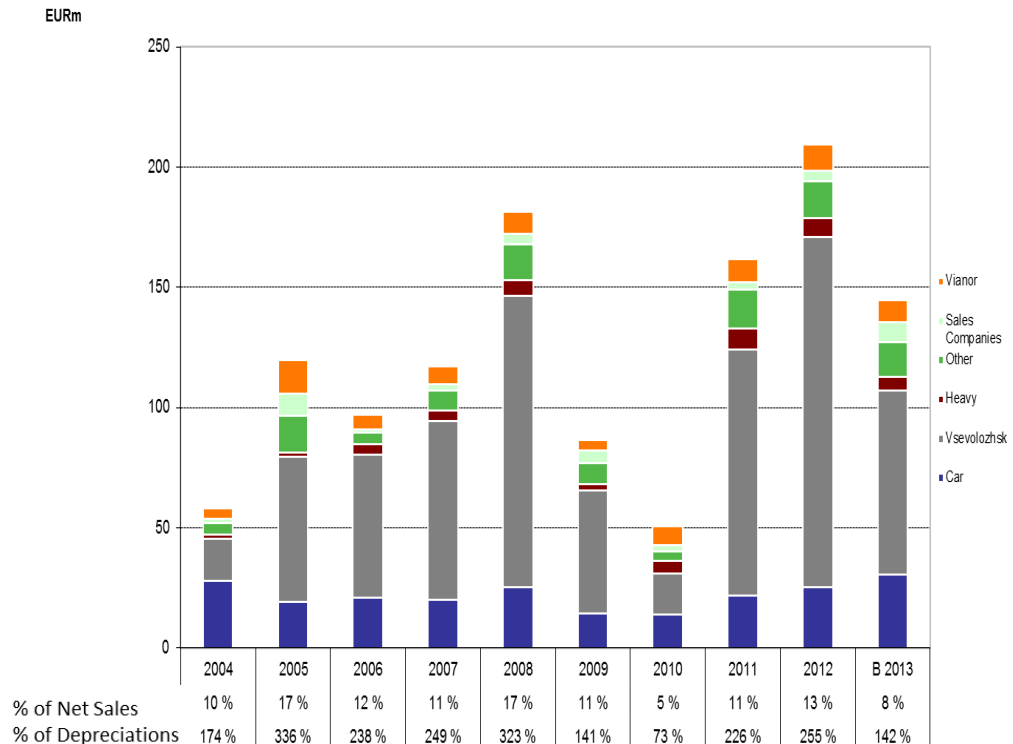
Russia

- Capacity ramp-up and investments
 - 11 lines in production
 - Line 12 to start production in H1/2013
 - Line 13 to be installed in 2013
 - Hakkapeliitta Village 2nd stage started

Estimated investments for 2013

- Approximately 144 m€
 - Russia: 83 m€
 - Nokia plant 44 m€ (automation & moulds & ICT & R&D)
 - Heavy Tyres 6 m€
 - Sales companies and Vianor 11 m€

Nokian Tyres Capital expenditures (m€)



NOKIAN TYRES GOING FORWARD

Production: Capacity 18 million tyres in 2013

Potential to increase output by 50% by 2014



Nokia, Finland

- R&D, administration and marketing
- Development of key processes
- Prototype production batches
- Special car tyres
- Heavy tyres, retreading materials
- Export to western markets

2010:

- Car tyres to 6-day shift system
- Heavy tyres to 7-day full capacity utilisation

2011:

- Car tyres to 7-day shift system in August
- Investments for increasing productivity through automation
- Expansions in Heavy tyres factory

2012:

- Car tyres to 5-day shift system at the end of Q2
- Further temporary production cuts in Q4

2013:

- Temporary production cuts in Q1



Vsevolozhsk, Russia

- Production of the whole car tyre range with state-of-the-art production technology and lower production costs
- Tax relieves
- Inside the duty borders of Russia and CIS
- Export to all markets
- Possibility to expand in current premises & land area

2010:

- Lines 7 and 8 were taken into use

2011:

- Lines 9 and 10 & new technology into use

2012:

- New factory next to the current one
- New line (11) commenced production

2013:

- Line 12 on stream in H1/2013
- Line 13 to be installed in 2013

NOKIAN TYRES GOING FORWARD

Outlook for 2013: Full year sales to improve with weaker Q1

Assumptions

- Core markets growing slowly
 - GDP growth Russia 3-4%, Nordic 0-2%
 - In Russia solid consumer confidence, increasing sales of new cars
 - Currencies on Nokian core markets to be stable
- Price pressure may affect ASP
- Raw material cost (€/kg) estimations
 - Cost to decrease by 10% in Q1/2013 vs. Q1/2012
 - Cost to decrease by 4% in 2013 vs. 2012
- Passenger car tyre operation environment
 - Distributor carry-over summer tyre inventories
 - Demand improving for winter tyres in long term; legislation in Europe
- Heavy tyre market demand
 - Demand in 2013 flat vs. 2012
- Nokian Tyres financial position remains solid
 - No major loans due for payment in 2013
 - Equity ratio 71.2% at the end of 2012
 - Undrawn facilities available

Outlook: Some growth in a challenging market

- Car tyre demand expected to grow 1-2% in Europe, 2% in Nordic countries and 2-5% in Russia in 2013
- Pricing environment for 2013 challenging for all tyre categories
- Margins supported by easing of raw material costs (€/kg), 10% in Q1/2013 YOY and 4% full year 2013
- Further improved product offering with the new Hakkapeliitta range supports Nokian winter tyre sales
- Capacity ramp-up proceeds according to revised plan:
 - First line in the new factory (11th in Russia) operative in 6/2012
 - Line 12 on stream in H1/2013, line 13 to be installed in 2013
 - Inbuilt capability to increase output by 50%
- Profitability supported by improved cost structure and productivity on the back of increasing share of Russian production

Year 2013 guidance:

- In 2013, the company is positioned to show some growth in Net sales and Operating profit. The first quarter Operating profit, however, is expected to be clearly weaker than in 2012.

Instructions to conference call attendees

Please press and to inform the operator that you have a question to the speaker.

INDEX

1. General overview of 2012
2. Nokian Tyres financial performance
3. Profit centres (incl. Russian operations and Other markets)
4. Nokian Tyres going forward
5. **Appendixes**
 - Board's proposals to AGM – Dividend
 - Board's proposals to AGM – Members of the Board of Directors, remuneration and auditor
 - Board's proposals to AGM – Stock Option Plan 2013
 - Board's proposals to AGM – Repurchase of treasury shares
 - Major shareholders
 - Share price development
 - Competitor comparison
 - Magazine test results
 - Winter tyre legislation in Europe
 - Personnel
 - Financing: Loans and Net Financial Expenses
 - Tables of financial figures



APPENDIX: BOARD'S PROPOSALS TO AGM

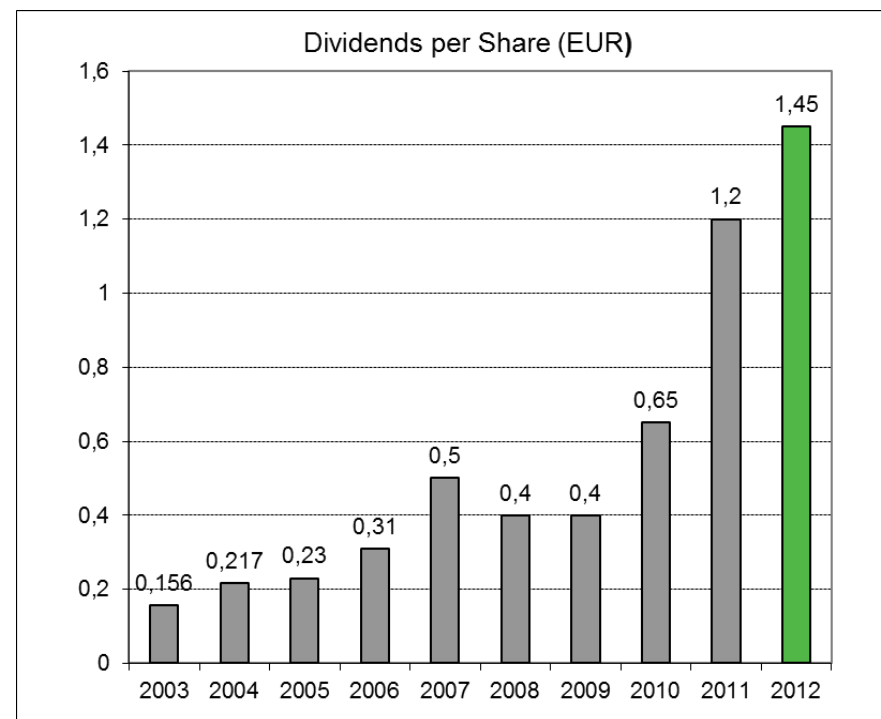
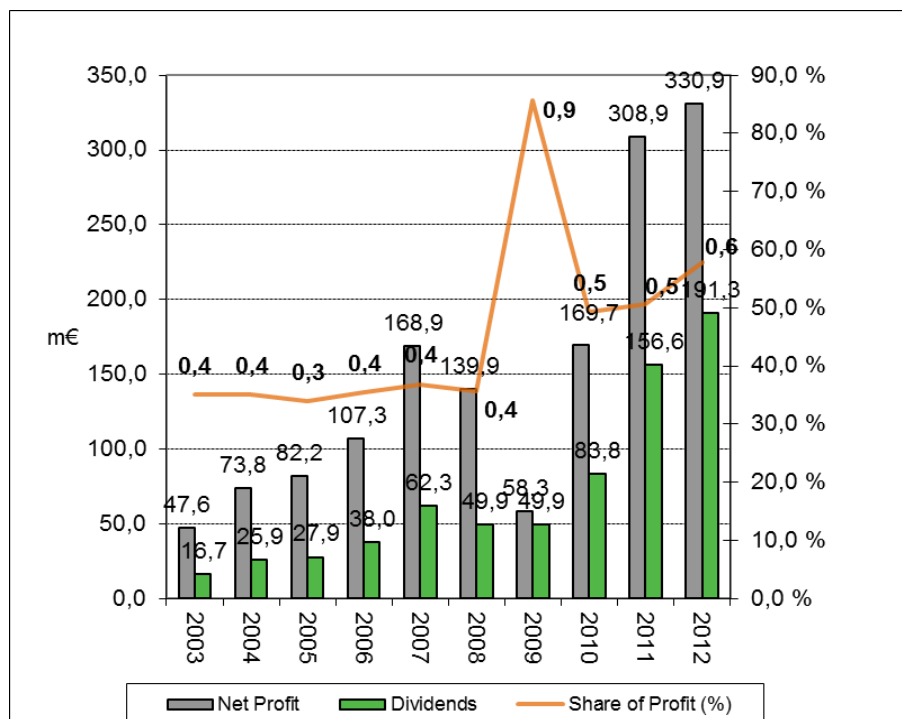
Dividend – Board's proposal 1.45 €/share

Dividend:

- Parent company's distributable funds 447.4 m€
- The Board of Directors proposes to the Annual General Meeting that a dividend of EUR 1.45 per share be paid for the fiscal year 2012

Annual General Meeting on 11 April, 2013

- Record date 16 April, 2013
- Payment Date 26 April, 2013



APPENDIX: BOARD'S PROPOSALS TO AGM

Members of the Board of Directors, remuneration and auditor

The Nomination and Remuneration Committee's proposal for members of the board:

- Six members

- Six current Board members to continue:

Kim Gran, Hille Korhonen, Hannu Penttilä, Risto Murto, Aleksey Vlasov and Petteri Walldén

Kim Gran is the President and CEO of the company. The other Board members are independent of the company. All Board members are independent of any major shareholders of the company.

- Remuneration (unchanged):

- The monthly fee paid to the Chairman of the Board would be EUR 80,000 per year, and the monthly fee paid to Members of the Board EUR 40,000 per year
- 50% of the annual fee be paid in cash and 50% in company shares to the effect that in the period from 12 April to 30 April 2013, EUR 40,000 worth of Nokian Tyres Plc shares will be purchased at the stock exchange on behalf of the Chairman of the Board and EUR 20,000 worth of shares on behalf of each Board Member
- Each member of the Board will receive a meeting fee of EUR 600 per each possible attended meeting
- It is not proposed to pay a separate compensation to the President and CEO for Board work

Board's proposal for the auditor:

- Authorised Public Accountant KPMG Oy Ab
- Jari Härmälä, Authorised Public Accountant, acting as the auditor with principal responsibility
- Fees according to current practice

APPENDIX: BOARD'S PROPOSALS TO AGM

Stock Option Plan 2013

The Nomination and Remuneration Committee's proposal for Stock Option Plan 2013:

- Stock Option Plan for all employees of the company
- Vesting period two years
- A total of 3,450,000 options in three lots => annual dilution 0.85%
 - Subscription price 2013A Jan - April 2013 -> vest in 1 May, 2015
 - Subscription price 2013B Jan - April 2014 -> vest in 1 May, 2016
 - Subscription price 2013C Jan - April 2015 -> vest in 1 May, 2017
- Share subscription ends in 2 years from vesting
- Proportion of option income must be used for share purchases (top management)

APPENDIX: BOARD'S PROPOSALS TO AGM

Authorizing the Board to resolve to repurchase treasury shares

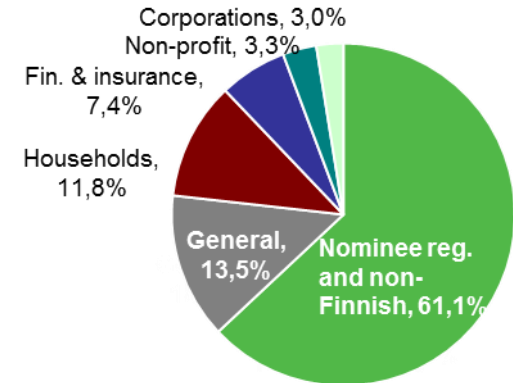
- The Board proposes that the Annual General Meeting of Shareholders authorize the Board of Directors to resolve to repurchase a maximum of 300,000 shares in the Company by using funds in the unrestricted shareholders' equity. The proposed number of shares corresponds 0.2 per cent of all shares of the Company.
- The price paid for the shares repurchased under the authorization shall be based on the market price of the Company's share in public trading. The minimum price to be paid would be the lowest market price of the share quoted in public trading during the authorization period and the maximum price the highest market price quoted during the authorization period.
- The Board decides how treasury shares will be repurchased. Treasury shares can be repurchased otherwise than in proportion to the shareholdings of the shareholders (directed repurchase)
- It is proposed that the authorization be used for purposes determined by the Board of Directors, among other things, for the Company's incentive plans.
- It is proposed that the authorization be effective until the next Annual General Meeting of Shareholders, however, at most until 11 October 2014.

APPENDIX

Major shareholders as of 31 December, 2012

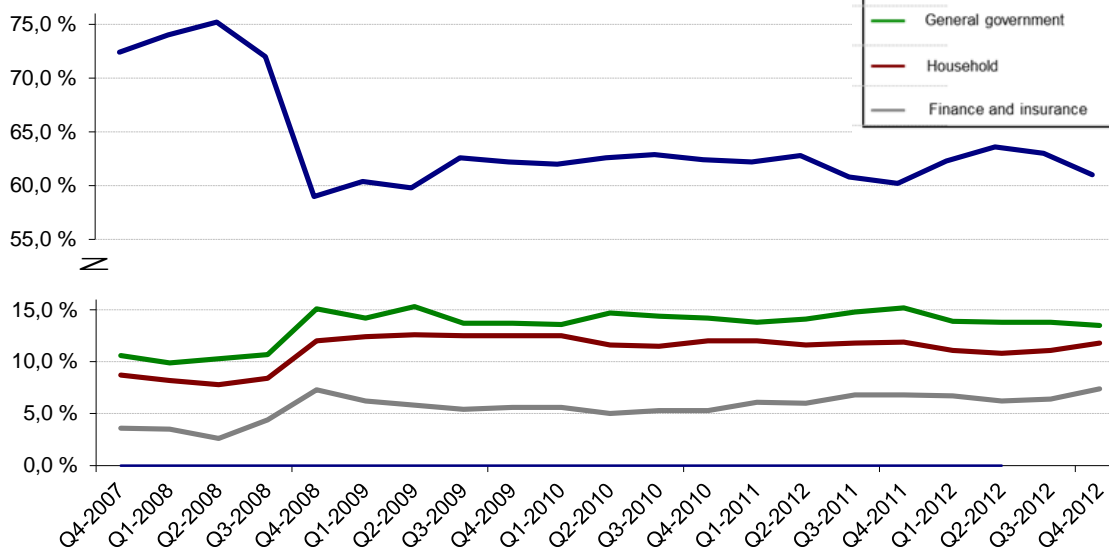
Major Domestic Shareholders		Number of Shares	Share of Capital (%)	Change from previous month
1	Varma Mutual Pension Insurance Company	9 000 000	6,82	0
2	Ilmarinen Mutual Pension Insurance Company	3 789 890	2,87	-1 142 565
3	OP Investment Funds	2 270 035	1,72	-3 965
4	The State Pension Fund	1 365 000	1,03	4 958
5	Nordea	1 275 732	0,97	-255 903
6	The Local Government Pensions Institution	1 007 852	0,76	100 000
7	Mandatum Life Insurance Company Limited	858 404	0,65	67 000
8	Tapiola Mutual Pension Insurance Company	800 000	0,61	0
9	Danske Fund Finnish Institutional Equity	678 184	0,51	-50 000
10	Schweizer Nationalbank	652 611	0,49	-14 017
Major Domestic Shareholders total		21 697 708	16,43	
Foreign Shareholders ¹⁾		78 010 709	63,0	
Bridgestone Europe NV/SA ²⁾		20 000 000	15,2	

Division by Category as of 31 December, 2012



Total number of shares: 131,957,127

Shareholder development by category 31.10.2007 – 31.12.2012



1) Includes also shares registered in the name of a nominee.

2) In the name of a nominee.

Note: Options, outstanding (31 December, 2012)

2007C: 1,457,179 (1,112,950 in company's possession)

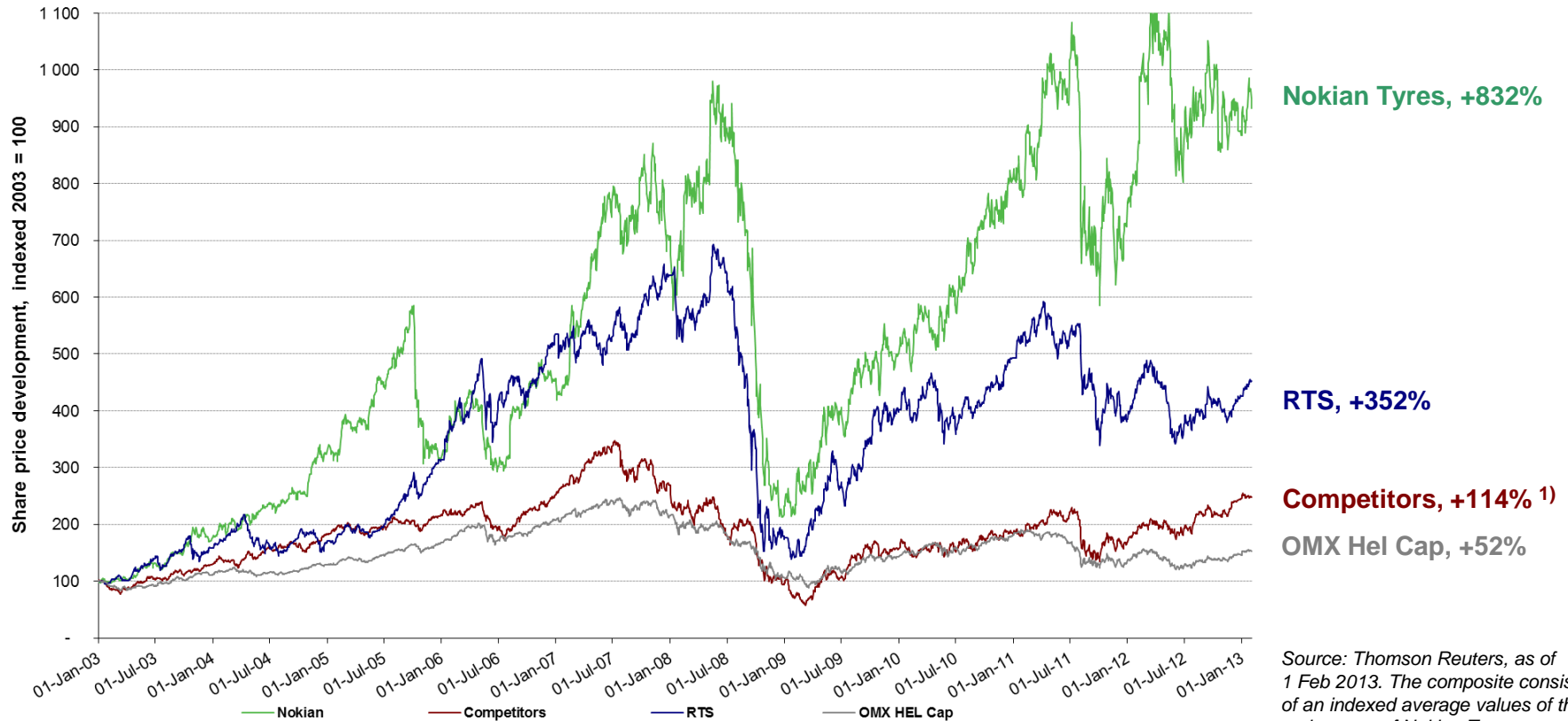
2010A: 1,316,650 (74,639 in company's possession)

2010B: 1,341,000 (118,500 in company's possession)

2010C: 1,341,000 (91,430 in company's possession)

APPENDIX

Comparing share price development to main indexes 1/2003 - 1/2013



Source: Thomson Reuters, as of 1 Feb 2013. The composite consists of an indexed average values of the main peers of Nokian Tyres.

Nokian Tyres

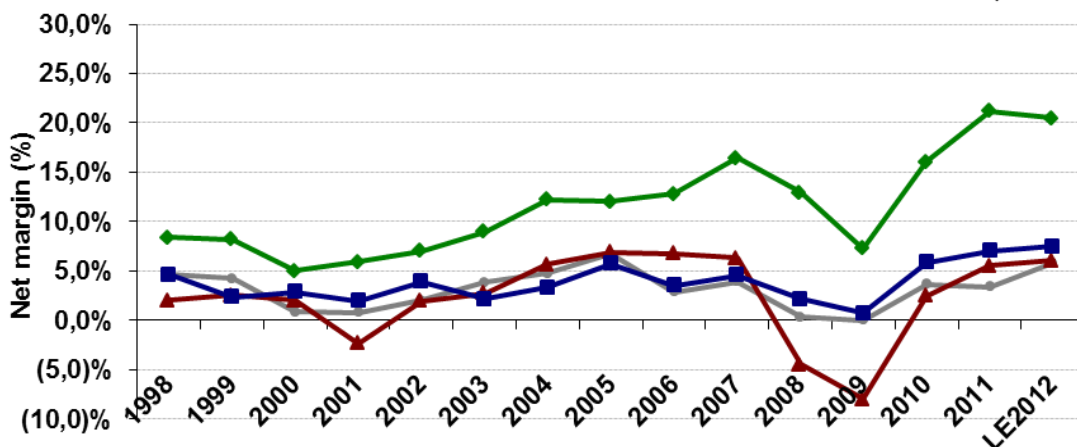
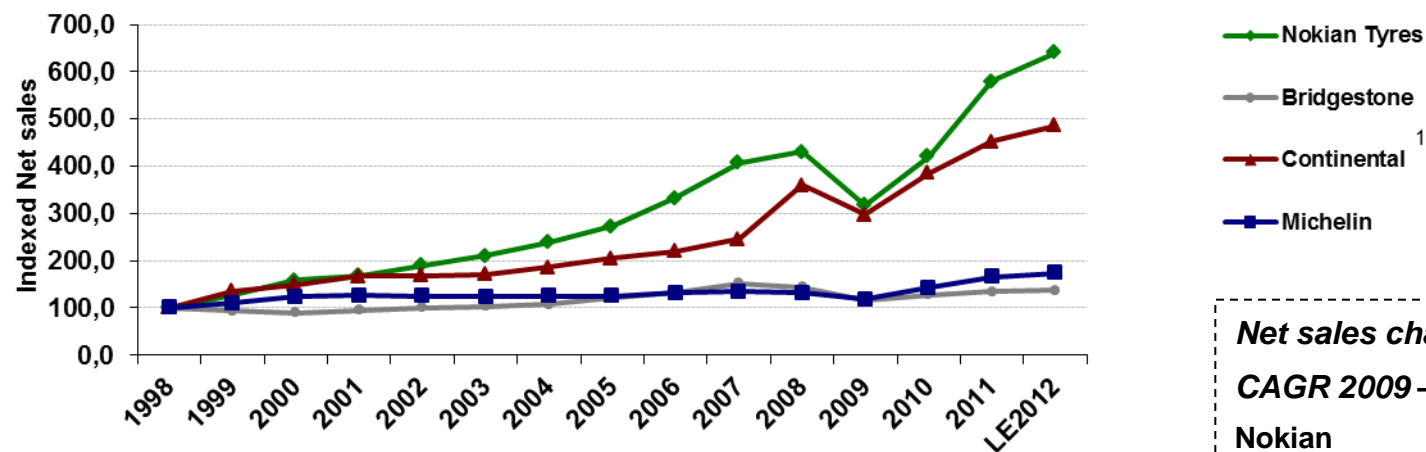
by Jan-31-2013

	Last 9 years	Last 5 years	Last 3 years	LTM	L6M	L3M	Last month
High	37,88	37,88	37,88	37,88	35,73	33,52	33,52
Average	19,83	23,76	27,75	32,37	31,76	31,35	31,72
Low	6,13	7,23	15,95	27,27	29,09	29,25	30,10

APPENDIX

Competitor comparison 1998-E2012: Nokian Tyres the most profitable tyre producer

Nokian Tyres' operational performance (growth and profitability) has been clearly better than that of the main peers during the past 10 years. The clearly better profitability protects the company profits during recessions and potential downturns.



Net sales change

CAGR 2009 – E2012

Nokian	26.4% (actual)
Michelin	13.6%
Bridgestone	5.7%
Continental	17.8%

Net margin E2012

Nokian	20.5% (actual)
Michelin	7.5%
Bridgestone	5.8%
Continental	6.0%








Source: Results 1998-2011 (company websites) and 2012 consensus estimates for the peers as per Thomson Reuters 22 Jan 2013.

COMPETITORS' FIGURES 2012 ARE BASED ON CONSENSUS ESTIMATES, NOKIAN TYRES ON ACTUAL FIGURES.

APPENDIX -Test wins autumn 2012 1(2)

Autumn 2012	Magazine	Position	Comments
CENTRAL EUROPE			
	Auto Motor und Sport (21/2012, Germany)	1 st place Nokian WR D3 205/55R16 "BESTER im Test"	Exceptional performance on snow. Well balanced handling properties.
	AutoBild (43/2012, Germany)	Shared 1 st place Nokian WR A3 225/40 R18 "Vorbildlich"	Exemplary handling properties on snowy, wet and dry road. Precise steering response. Low fuel consumption.
	ADAC (10/2012, Germany)	„Good“ Nokian WR D3 205/55R16 „Gut“	Well balanced tyre, good on snow.
	Stiftung Warentest (10/2012, Germany)	„Good“ Nokian WR D3 205/55R16 „Gut“	Well balanced tyre, good on snow.
	ÖAMTC (10/2012, Austria)	„Especially recommendable“ Nokian WR D3 205/55R16 „Sehr Empfehlenswert“	Well balanced tyre, good on snow.
	TCS (10/2012, Switzerland)	„Especially recommendable“ Nokian WR D3 205/55R16 „Sehr Empfehlenswert“	Well balanced tyre, good on snow.
	AUTO Strassenverkehr (2012, Germany)	1 st place Nokian WR D3 205/55R16	Outstanding performance on snow, short braking distance on dry, balanced handling properties.
	Firmenauto (22/2012, Germany)	1 st place Nokian WR D3 205/55R16	Excellent performance on snow, short braking distance on dry surface. Well balanced handling
FINLAND			
	Tekniikan Maailma (17/2012)	Shared 1 st place Nokian Hakkapeliitta 7 205/55R16	Optimum driving properties for winter. Excellent grip.
	Tekniikan Maailma (17/2012)	1 st place Nokian Hakkapeliitta R 205/55R16	Very good ice and snow grip. Silent and easy to drive. Lowest rolling resistance.
	Tuulilasi (13/2012)	1 st place Nokian Hakkapeliitta 7 205/55R16	Very good and balanced driving properties in all conditions.
	Tuulilasi (14/2012)	1 st place Nokian Hakkapeliitta R 205/55 R16	Excellent grip on ice. Well balanced driving properties. Lowest rolling resistance.

APPENDIX - Test wins autumn 2012 2(2)

Autumn 2012	Magazine	Position	Comments
SWEDEN			
	Vi Bilägare (13/2012)	1st place Nokian Hakkapeliitta R 205/55R16 "Testvinnare"	Excellent properties on snow, slush, wet and dry roads. Very low rolling resistance.
	Vi Bilägare (14/2012)	1st place Nokian Hakkapeliitta 7 205/55R16	Excellent grip on ice, snow and slush. Balanced and safe on the extreme situations on dry conditions.
	Auto, Motor & Sport (21/2012)	Shared 1st place Nokian Hakkapeliitta 7 205/55R16	Excellent grip on ice and snow. Easy to handle in challenging driving situations.
	Auto, Motor & Sport (21/2012)	1st place Nokian Hakkapeliitta R 205/55R16	Very good performance on ice and snow. Well balanced handling properties.
	Auto, Motor & Sport (22/2012)	1st place Nokian WR D3 205/55R16	Exceptional on snow. Best braking result on dry asphalt and well balanced handling properties.
	Aftonbladet BIL (7/2012)	Shared 1st place Nokian WR D3 205/55R16	Very good on snow and even moderate grip on ice. Excellent grip and handling on dry surfaces. Low rolling resistance.
	Aftonbladet BIL (7/2012)	Shared 1st place Nokian Hakkapeliitta 7 205/55R16	Excellent performance on all surfaces and balanced handling, test group's favourite.

NORWAY			
	Motor (7/2012)	Shared 1st place Nokian Hakkapeliitta 7 205/55R16	Optimum driving properties for winter. Good grip, stability and the predictable behaviour in extreme driving situations.
	Motor (7/2012)	1st place Nokian Hakkapeliitta R 205/55R16	Good ice and snow grip. Safe driving properties.
	Auto, Motor og Sport (11/2012)	1st place Nokian Hakkapeliitta R 205/55 R16	Very good performance on ice and snow. Well balanced handling properties.
	Auto, Motor og Sport (11/2012)	Shared 1st place Nokian Hakkapeliitta 7 205/55 R16	Excellent grip on ice and snow. Easy to handle in challenging driving situations.
RUSSIA			
	Za Rulem (10/2012)	1st place Nokian Hakkapeliitta 7 205/55R16	Best longitudinal grip properties on snow and ice.
	Za Rulem (10/2012)	Shared 1st place Nokian Hakkapeliitta R 195/65R15	Best grip properties on ice. Lowest fuel consumption.
	Za Rulem (9/2012)	1st place Nokian Hakkapeliitta 7 175/65R14	Excellent properties on snow, well balanced, excellent grip.
	AutoReview (18/2012)	1st place Nokian Hakkapeliitta 7 215/55R17	Excellent grip and handling on ice and snow. Very good braking properties on wet roads.
	AutoReview (19/2012)	Shared 1st place Nokian Hakkapeliitta 7 205/55R16	Optimum driving properties for winter. Excellent grip.
	AutoReview (19/2012)	1st place Nokian Hakkapeliitta R 205/55R16	Very good ice and snow grip. Silent and easy to drive. Lowest rolling resistance.
UKRAINE			
	Auto Centre (41/2012)	1st place Nokian Hakkapeliitta R 195/65R15	Good grip on ice. Precise and easy to handle on snow. High performance also on wet and dry asphalt.
	Auto Centre (42/2012)	1st place Nokian Hakkapeliitta 7 185/65R14	Logical and well balanced handling properties. Perfect grip on ice and snow.

APPENDIX

Winter tyre legislation in Europe

	Austria	Bosnia Herzegovina	Croatia	Czech Republic	Estonia	Finland	France	Germany	Latvia	Lithuania	Norway	Romania	Serbia	Slovakia	Slovenia	Spain	Sweden	Switzerland
Winter tyres are legally mandatory		●			●	●			●	●		●	●	●	●		●	
Winter tyres are mandatory <u>if</u> weather conditions so require	●		●					●			●							
Winter tyres are mandatory <u>only if</u> there is a specific road sign				●			●									●		●

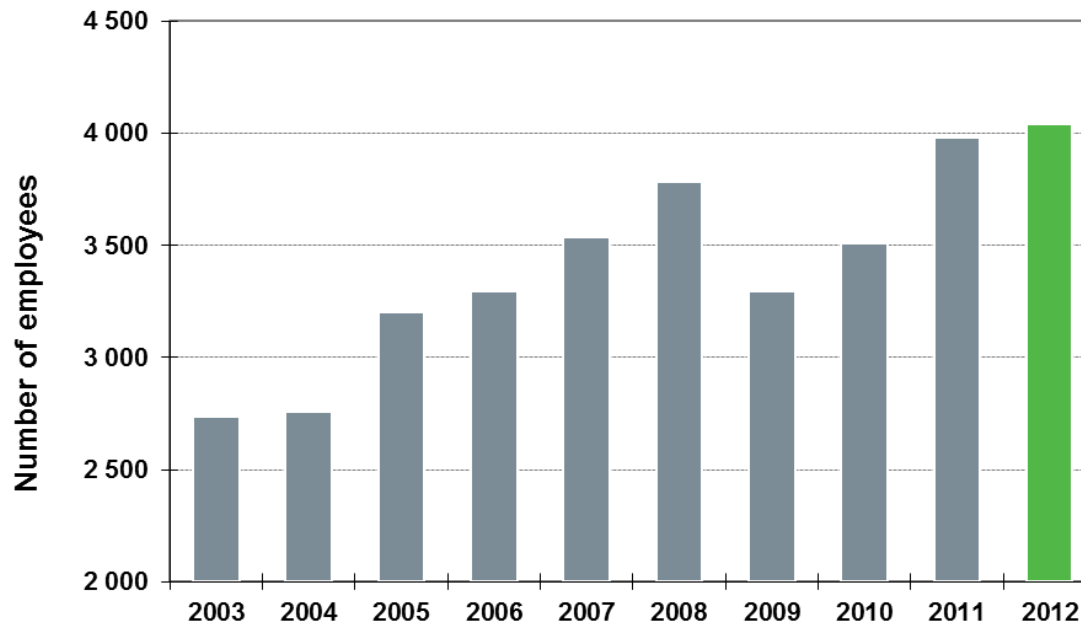
Source: Nokian Tyres 1/2013

APPENDIX

Personnel 31 December, 2012

Personnel at the end of the review period: 4,039 (3,981)

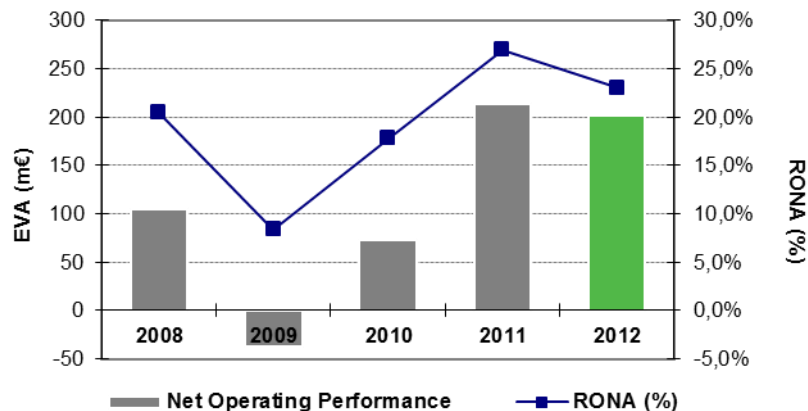
- Equity-owned Vianor: 1,362 (1,370)
- Russia: 1,252 (1,062)



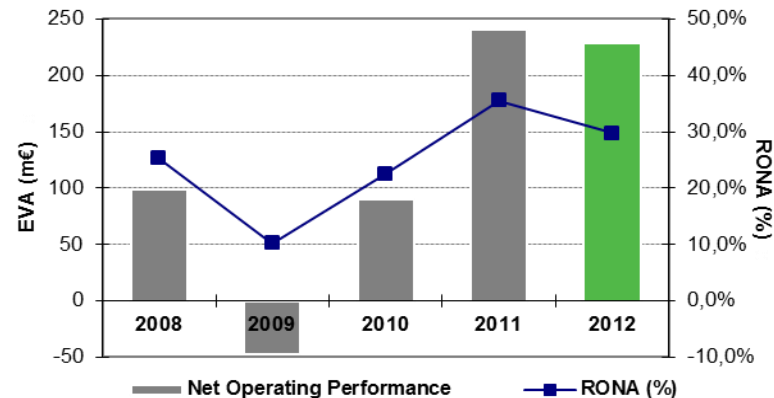
APPENDIX

RONA (%) and net operating performance (EVA) ¹⁾ 2008-2012

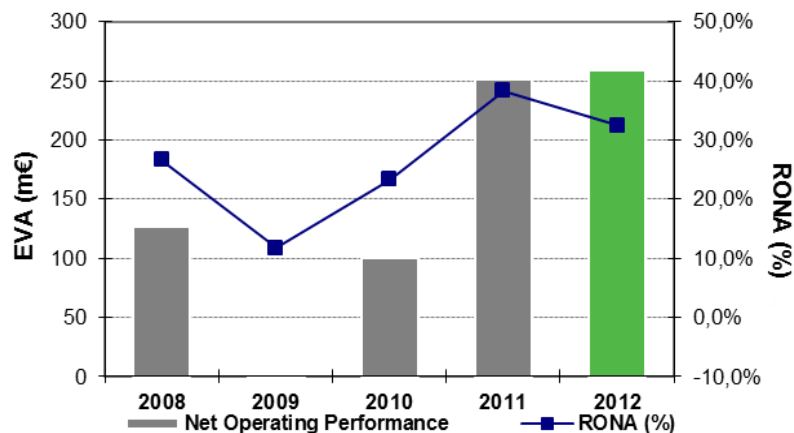
Group EVA (m€) and RONA (%)



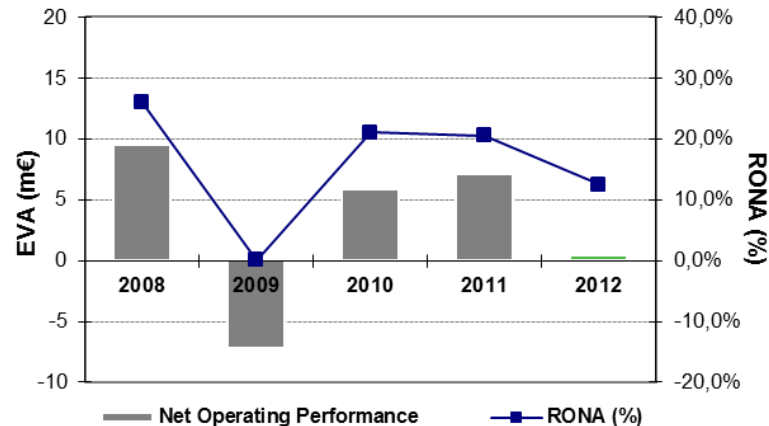
Manufacturing EVA (m€) and RONA (%)



Passenger Car Tyres EVA (m€) and RONA (%)



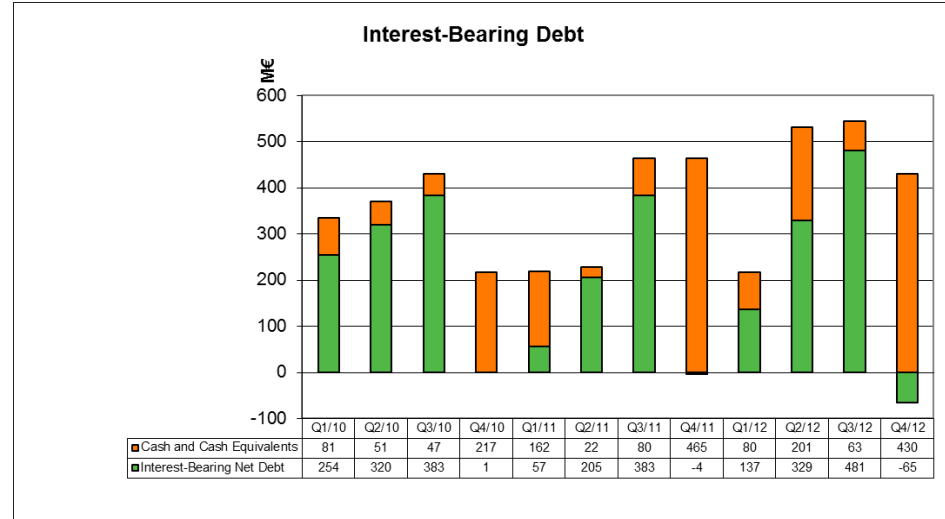
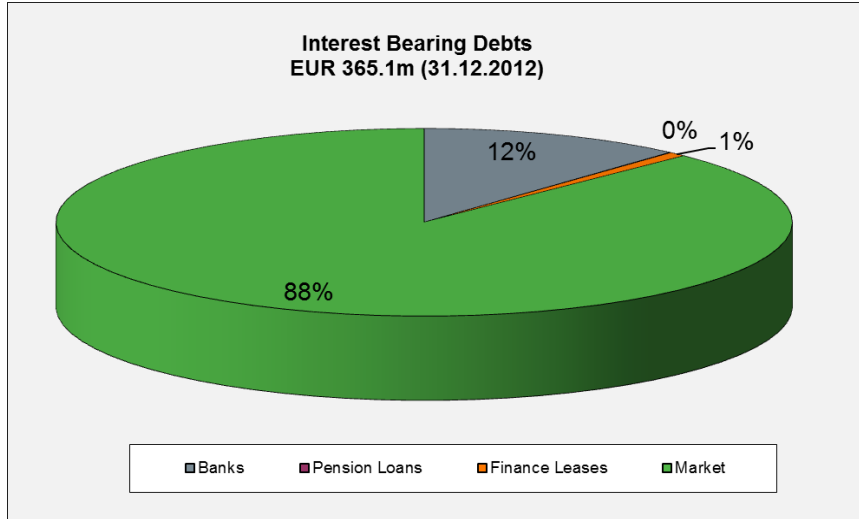
Heavy Tyres EVA (m€) and RONA (%)



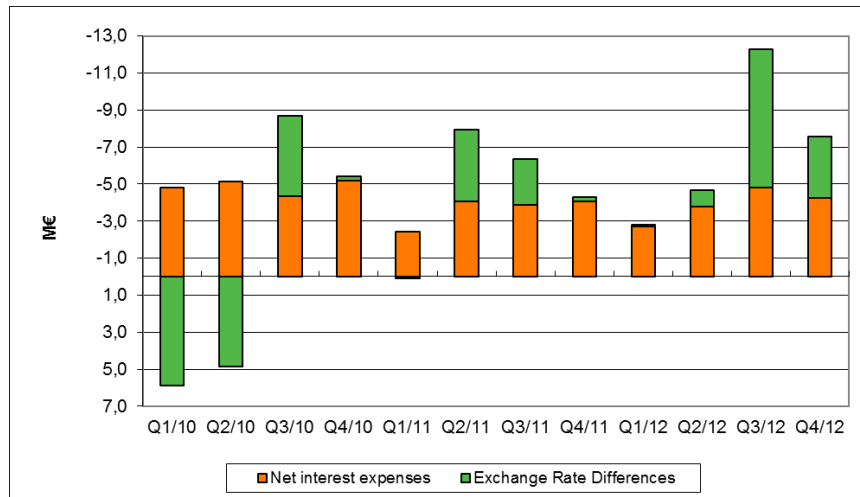
¹⁾ EVA is calculated based on 12% interest on capital employed.

APPENDIX

Financing: Loans on 31 December, 2012 and Net Financial Expense



Net Financial Expense Q4/2012: 7.6 m€ (Q4/2011: 4.3 m€)



APPENDIX

Consolidated Income Statement

Million euros	10-12/12	10-12/11	1-12/12	1-12/11		Change%
Net sales	446.4	482.5	1,612.4	1,456.8		10.7
Cost of sales	-248.8	-279.5	-900.7	-805.8		-11.8
Gross profit	197.6	203.0	711.7	651.0		9.3
Other operating income	0.7	0.3	1.9	1.8		9.5
Selling and marketing expenses	-71.1	-64.5	-238.5	-216.5		-10.2
Administration expenses	-10.2	-8.5	-34.7	-29.4		-18.2
Other operating expenses	-5.2	-11.2	-25.4	-26.8		5.3
Operating profit	111.8	119.1	415.0	380.1		9.2
Financial income	12.1	27.7	89.8	90.9		-1.2
Financial expenses	-19.7	-32.0	-117.1	-111.8		-4.7
Profit before tax	104.2	114.8	387.7	359.2		8.0
Tax expense (1)	-15.9	-20.5	-56.8	-50.3		-13.0
Profit for the period	88.3	94.2	330.9	308.9		7.1
Attributable to:						
Equity holders of the parent	88.3	94.2	330.9	308.9		
Non-controlling interest	0.0	0.0	0.0	0.0		
Earnings per share from the profit attributable to equity holders of the parent						
basic, euros	0.67	0.73	2.52	2.39		5.4
diluted, euros	0.66	0.71	2.46	2.32		5.8
1)Tax expense in the consolidated income statement is based on the taxable result for the period.						

APPENDIX

Consolidated Other Comprehensive Income

Million euros	10-12/12	10-12/11	1-12/12	1-12/11
Profit for the period	88.3	94.2	330.9	308.9
Other comprehensive income, net of tax:				
Gains/Losses from hedge of net investments in foreign operations	-0.5	-7.5	-13.4	-2.9
Cash flow hedges	0.2	-1.0	0.5	-1.4
Translation differences on foreign operations	-3.9	21.3	33.9	-7.6
Total other comprehensive income for the period, net of tax	-4.2	12.8	21.0	-11.9
Total comprehensive income for the period	84.1	107.0	351.9	297.0
Total comprehensive income attributable to:				
Equity holders of the parent	84.1	107.0	351.9	297.0
Non-controlling interest	0.0	0.0	0.1	0.0

APPENDIX

Key Ratios

KEY RATIOS	31.12.12	31.12.11		Change%
Equity ratio, %	71.2	63.2		
Gearing, %	-4.5	-0.3		
Equity per share, euro	10.89	9.15		19.0
Interest-bearing net debt, mill. euros	-65.2	-3.6		
Capital expenditure, mill. euros	209.2	161.7		
Depreciation, mill. euros	81.9	71.6		
Personnel, average	4,083	3,866		
Number of shares (million units)				
at the end of period	131.96	129.61		
in average	131.24	129.12		
in average, diluted	137.39	135.70		

APPENDIX: Consolidated Statement Of Financial Position

Million euros	31.12.12	31.12.11
Non-current assets		
Property, plant and equipment	692.5	560.4
Goodwill	67.9	63.8
Other intangible assets	26.4	22.6
Investments in associates	0.1	0.1
Available-for-sale		
financial assets	0.3	0.3
Other receivables	18.2	17.9
Deferred tax assets	5.4	5.4
Total non-current assets	810.8	670.4
Current assets		
Inventories	314.9	324.0
Trade receivables	375.7	335.3
Other receivables	75.6	74.0
Current tax assets	12.3	7.6
Cash and cash equivalents	430.3	464.5
Total current assets	1,208.9	1,205.5
Equity		
Share capital	25.4	25.4
Share premium	181.4	181.4
Translation reserve	-61.0	-81.5
Fair value and hedging reserves	-1.5	-2.0
Paid-up unrestricted equity reserve	79.3	35.4
Retained earnings	1,213.2	1,027.2
Non-controlling interest	0.3	0.3
Total equity	1,437.2	1,186.1
Non-current liabilities		
Deferred tax liabilities	34.9	31.2
Provisions	0.1	0.0
Interest bearing financial liabilities	323.1	207.6
Other liabilities	3.5	2.5
Total non-current liabilities	361.7	241.2
Current liabilities		
Trade payables	75.5	88.4
Other current payables	85.7	91.4
Current tax liabilities	13.2	13.5
Provisions	4.3	1.8
Interest-bearing financial liabilities	42.0	253.4
Total current liabilities	220.8	448.5
Total assets	2,019.6	1,875.9

APPENDIX: Consolidated Statement Of Cash Flows

Million euros	1-12/12	1-12/11
Cash flows from operating activities:		
Cash generated from operations	486.6	272.2
Financial items and taxes	-97.9	-39.3
Net cash from operating activities	388.7	232.9
Cash flows from investing activities:		
Net cash used in investing activities	-203.4	-158.3
Cash flows from financing activities:		
Proceeds from issue of share capital	43.9	27.4
Change in current financial receivables and debt	-233.7	239.6
Change in non-current financial receivables and debt	126.5	-8.9
Dividends paid	-156.6	-83.7
Net cash from financing activities	-219.9	174.3
Net change in cash and cash equivalents	-34.5	248.9
Cash and cash equivalents at the beginning of the period	464.5	216.6
Effect of exchange rate changes	0.3	-0.9
Cash and cash equivalents at the end of the period	430.3	464.5
	-34.5	248.9

APPENDIX

Consolidated Statement Of Changes In Equity

Equity attributable to equity holders of the parent								
Million euros	A	B	C	D	E	F	G	H
Equity, Jan 1st 2011	25.4	181.4	-71.1	-0.6	8.0	793.9	0.0	937.2
Profit for the period						308.9	0.0	308.9
Other comprehensive income, net of tax:								
Cash flow hedges				-1.4				-1.4
Net investment hedge			-2.9					-2.9
Translation differences			-7.6					-7.6
Total comprehensive income for the period			-10.5	-1.4		308.9	0.0	297.0
Dividends paid						-83.7		-83.7
Exercised warrants					27.4			27.4
Share-based payments						8.1		8.1
Total transactions with owners for the period					27.4	-75.7		-48.3
Change in non-controlling interest							0.3	0.3
Equity, Dec 31st 2011	25.4	181.4	-81.5	-2.0	35.4	1,027.2	0.3	1,186.1
Equity, Jan 1st 2012	25.4	181.4	-81.5	-2.0	35.4	1,027.2	0.3	1,186.1
Profit for the period						330.9	0.0	330.9
Other comprehensive income, net of tax:								
Cash flow hedges				0.5				0.5
Net investment hedge			-13.4					-13.4
Translation differences			33.9				0.0	33.9
Total comprehensive income for the period			20.5	0.5		330.9	0.1	351.9
Dividends paid						-156.6		-156.6
Exercised warrants					43.9			43.9
Share-based payments						11.8		11.8
Total transactions with owners for the period					43.9	-144.8		-100.9
Equity, Dec 31st 2012	25.4	181.4	-61.0	-1.5	79.3	1,213.2	0.3	1,437.2

A = Share capital

B = Share premium

C = Translation reserve

D = Fair value and hedging reserves

E = Paid-up unrestricted equity reserve

F = Retained earnings

G = Non-controlling interest

H = Total equity

APPENDIX

Segment Information

Million euros	10-12/12	10-12/11	1-12/12	1-12/11		Change%
Net sales						
Passenger car tyres	304.2	338.4	1,220.1	1,071.1		13.9
Heavy tyres	25.9	29.5	104.4	112.8		-7.4
Vianor	121.3	117.3	315.3	298.4		5.7
Other operations	19.4	19.9	66.7	73.8		-9.7
Eliminations	-24.4	-22.5	-94.1	-99.3		5.3
Total	446.4	482.5	1,612.4	1,456.8		10.7
Operating result						
Passenger car tyres	94.1	103.1	410.8	365.1		12.5
Heavy tyres	1.4	3.0	11.3	17.2		-34.3
Vianor	11.8	13.0	0.0	2.3		-98.2
Other operations	-2.9	-3.7	-5.5	-1.1		-392.5
Eliminations	7.3	3.7	-1.6	-3.4		52.2
Total	111.8	119.1	415.0	380.1		9.2
Operating result, % of net sales						
Passenger car tyres	30.9	30.5	33.7	34.1		
Heavy tyres	5.5	10.3	10.8	15.3		
Vianor	9.7	11.1	0.0	0.8		
Total	25.0	24.7	25.7	26.1		
Cash Flow II						
Passenger car tyres	491.9	306.1	258.4	151.9		70.1
Heavy tyres	18.4	24.4	8.2	5.2		57.1
Vianor	30.5	18.9	-1.4	-23.3		94.0
Total	552.0	367.3	262.3	114.1		129.8

APPENDIX

Contingent Liabilities

CONTINGENT LIABILITIES	31.12.12	31.12.11
Million euros		
FOR OWN DEBT		
Mortgages	1.1	1.1
Pledged assets	0.2	0.1
OTHER OWN COMMITMENTS		
Guarantees	3.4	3.3
Leasing and rent commitments	84.8	99.2
Purchase commitments	3.0	2.8
DERIVATIVE FINANCIAL		
INSTRUMENTS	31.12.12	31.12.11
Million euros		
INTEREST RATE DERIVATIVES		
Interest rate swaps		
Notional amount	40.1	41.3
Fair value	-1.3	-1.4
FOREIGN CURRENCY DERIVATIVES		
Currency forwards		
Notional amount	538.4	651.0
Fair value	-1.3	-10.7
Currency options, purchased		
Notional amount	9.5	-
Fair value	0.1	-
Currency options, written		
Notional amount	19.1	-
Fair value	-0.1	-
Interest rate and currency swaps		
Notional amount	20.0	-
Fair value	-0.2	-
ELECTRICITY DERIVATIVES		
Electricity forwards		
Notional amount	13.3	16.5
Fair value	-1.9	-1.9

APPENDIX

Definitions Of Consolidated Key Financial Indicators

Earnings per share, euro:

Result for the period attributable to the equity holders of the parent / Average adjusted number of shares during the period

Earnings per share (diluted), euro:

Result for the period attributable to the equity holders of the parent / Average adjusted and diluted number of shares during the period

- The share options affect the dilution as the average share market price for the period exceeds the defined subscription price.

Equity ratio, %:

$\text{Total equity} \times 100 / (\text{Total assets} - \text{advances received})$

Gearing, %:

$\text{Interest-bearing net debt} \times 100 / \text{Total equity}$

Equity per share, euro:

Equity attributable to equity holders of the parent / Adjusted number of shares on the reporting date

Operating margin:

Operating result, % of net sales

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