



**Improved market shares and solid margins
in challenging conditions**

**Result 2013
7 February, 2014**

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

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3. Profit centres (incl. Russian operations)
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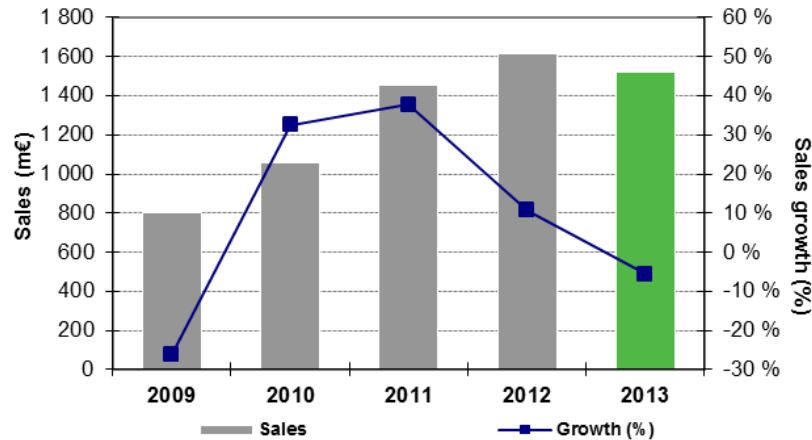


**Nokian Tyres Fastest on Ice 9 March, 2013:
New Nokian Hakkapeliitta 8 sets New World Record 335.713 km/h!**

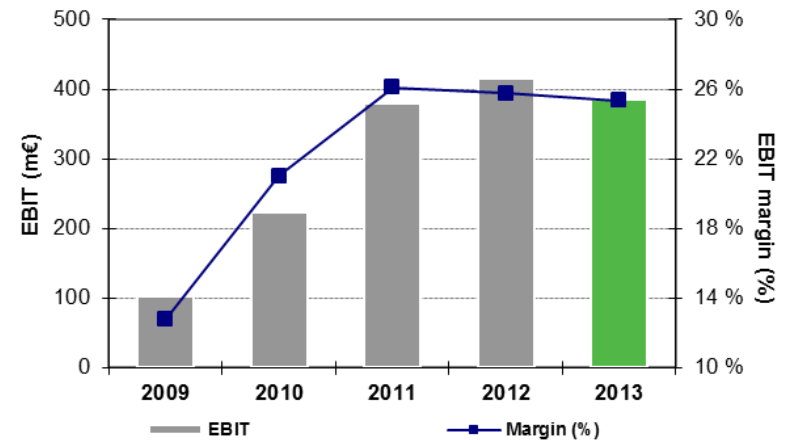
GENERAL OVERVIEW

Key figures 2009-2013

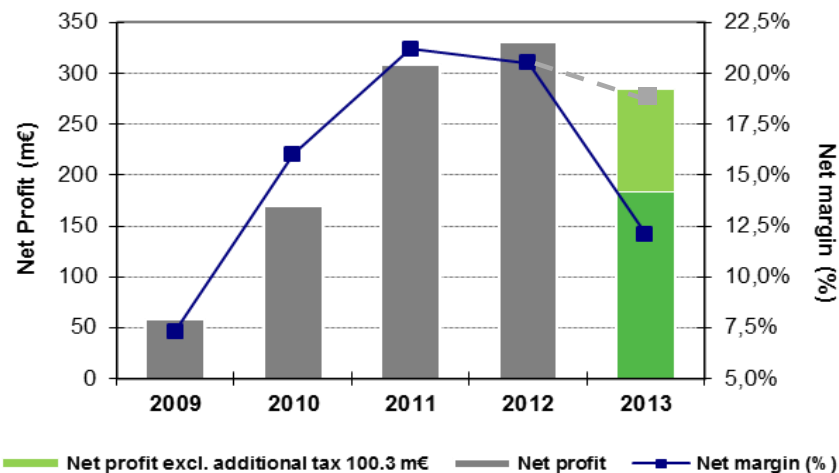
Net sales (m€) and Net sales growth (%)



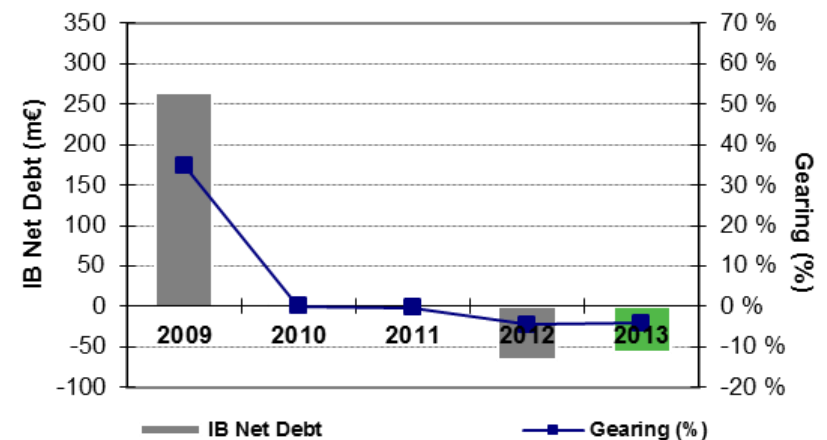
EBIT (m€) and EBIT margin (%)



Net profit (m€) and net margin (%)



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

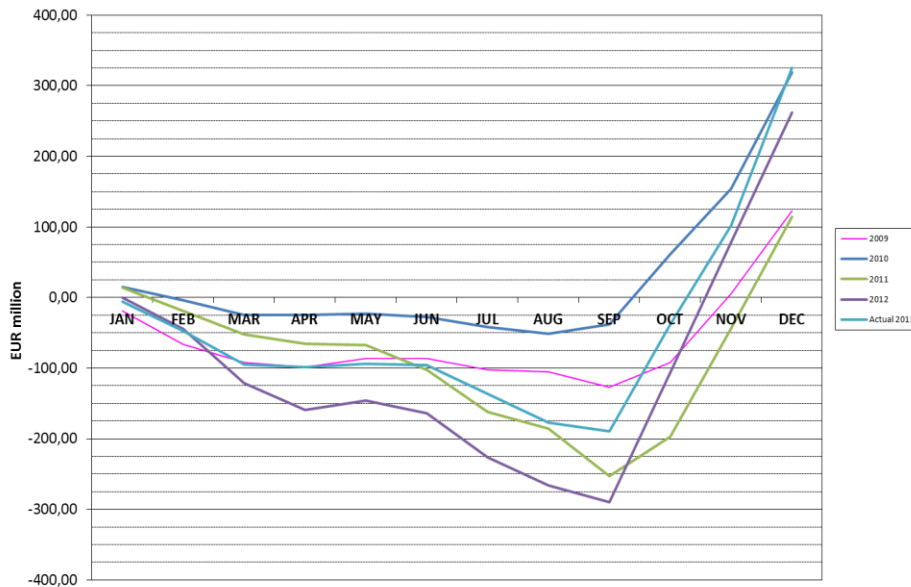


GENERAL OVERVIEW

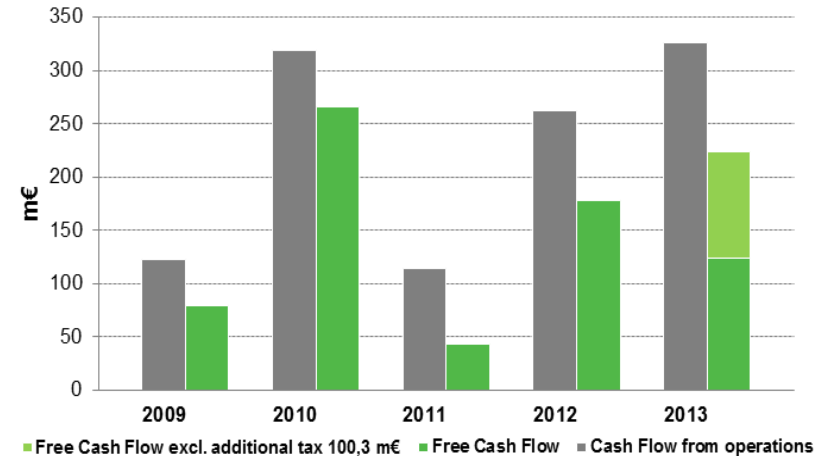
Group Operating Cash Flow and Free Cash Flow 2009-2013

- Cash flow from operations: 325.6 m€ in 2013
 - CapEx 83,6 m€ lower than previous year
 - Free cash flow 123.9 m€
 - Free cash flow 224.2 m€ excl. additional tax

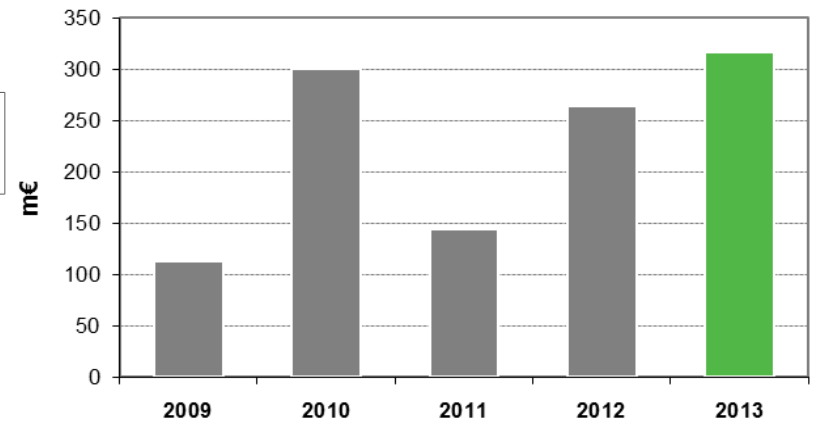
Monthly cumulative Group Cash flow from operations



Group Cash Flow From Operations and Free Cash flow



Manufacturing Cash flow from operations



GENERAL OVERVIEW OF 2013

Improved market shares and solid margins in challenging conditions

Key figures, EUR million

	10-12/13	10-12/12	Change%	2013	2012	Change%
Net sales	411.8	446.4	-7.7	1,521.0	1,612.4	-5.7
Operating profit	93.2 (*)	111.8	-16.6	385.5 (*)	415.0	-7.1
Profit before tax	57.7	104.2	-44.7	312.8	387.7	-19.3
Result for the period	-36.4 (**)	88.3	-141.2	183.7 (**)	330.9	-44.5
Earnings per share, EUR	-0.28	0.67	-141.3	1.39	2.52	-45.0
Equity ratio, %				67.6	71.2	
Cash flow from operations	515.9	552.0	-6.5	325.6	262.3	24.2
RONA,% (roll. 12 months)				20.2	23.0	
Gearing, %				-4.1	-4.5	

Summary

- Market share and market leadership improved in Russia and Nordic countries. In CE faster-than-market growth.
- Strong sales mix with new test-winning Hakkapeliitta range
- Good profitability
 - + Strong tailwind from raw material cost
 - + Increased share of Russian production
 - + Flat ASP in a tight pricing environment
- Industrial structure improving further: new lines 12 & 13 Russian capacity to > 15 million tyres by end 2013
- Expanding distribution
 - Vianor 1,206 stores in 27 countries, +169 stores in 2013
 - In Russia 3,300 stores within Nokian dealership programs
 - Nokian Authorized Dealers (NAD) network with 432 stores building up in Europe and China

*) Incl. bad debt provision of 8.4 m€ in Q4, (full year 14.3 m€)

**) Incl. additional tax of 100.3 m€ in Q4

Outlook 2014: Profitable growth

- Car tyre demand: growth in Nordics and CE, Russia flat
- Nokian Tyres sales targeted to grow in all main market areas
- Pricing environment 2014 tight for all tyre categories
- Further improved product offering with new Hakkapeliitta range supports winter tyre sales and ASP
- Raw material cost (€/kg) -5% full year 2014, tailwind of 22 m€ vs. 2013
- Profitability supported by improved cost structure and productivity on the back of increasing share of Russian production

Year 2014 guidance:

- In 2014, the company is positioned to show growth in Net sales and Operating profit.

MARKET OVERVIEW OF 2013

Signs of recovery in global economy and tyre business in H2

Car tyres

Challenging markets, positive signals going forward

- Signs of recovery in global economy
- Economies in the Nordic countries and Russia relatively stable
- New car sales in Russia -5%, Europe -2%, Nordics -3% yoy
- Car tyre demand picked up in Europe in H2; 2013 still -1% (winter -5%) yoy. Demand in Nordics -2%, in Russia premium -9% with weak summer tyre season.
- Pricing environment in 2013 challenging

Heavy tyres

Uncertainty continue in heavy tyres' markets

- Demand soft in all product groups
- Forestry and radial industrial tyre demand started to pick up in Q4/2013

Currencies

RUB weakened against EUR

- RUB weakened from EUR/RUB 40.33 to 45.32 during 2013

Raw material prices

Raw material prices stabilizing on current level

- Nokian Tyres' raw material cost (€/kg) down by 12.9% vs. 2012
- Raw material cost to decrease by 5% in 2014 vs. 2013, tailwind 22 m€

NOKIAN TYRES PERFORMANCE 2013

Winter tyre sales and market shares up, profitability intact

Sales and market position

Winter tyre sales and market share up in the core markets

- + Sales growth in Nordic countries and in winter tyres
- + Car tyres' market share improved in all markets
- + New Hakkapeliitta range a success in the markets
- + Test success continued, both in winter and summer tyres
- Sales down due to soft demand in CE (H1) and Russia (H2)

Profitability

Tailwind from decreasing raw material cost, improved productivity

- + Raw material cost down 12.9% yoy
- + Increasing share of Russian production improved productivity
- + Average Selling Price (€/kg) practically on par with 2012
- + Winter tyres 79% (74%) of sales volume in 2013 → supported mix and ASP
- Negative effect from weakened RUB rate
- Commissioning of the new factory in Russia increased depreciation
- Bad debt provision of 14.3 m€ booked in 2013
- Net profit hit by 100.3 m€ additional taxes in Finland from years 2007-2010

Production

Capacity increases continued

- + Line 12 in Russia commenced production in Q1/2013, line 13 installed in Q2/2013
- Utilization rate of production capacity down

Distribution

Vianor expanding as planned, new partner concepts booming

- + Vianor expanded to 1,206 stores in 27 countries; +169 stores in 2013
- + Nearly 3,300 tyre stores in Nokian dealership programs in Russia
- + Nokian Authorized Dealer (NAD) network comprises of 432 stores in Italy, Germany, Ukraine, Bulgaria and China

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 - Operating result per quarter
 - Gross sales by market area
 - Raw material cost development
3. Profit centres (incl. Russian operations)
4. Nokian Tyres going forward
5. Appendixes



Ari Nieminen and Aki Panula, Nokia factory.

FINANCIAL PERFORMANCE

Group Operating profit per quarter 2009-2013

2013

Net sales 1,521.0 m€,
(1,612.4 m€) -5.7%

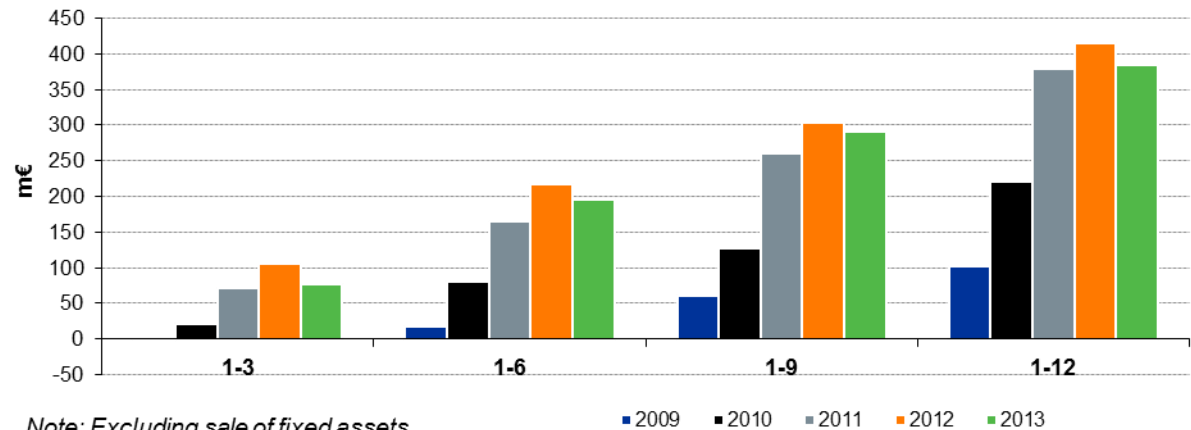
EBIT 385.5 m€,
(415.0 m€) -7.1%

10-12/2013

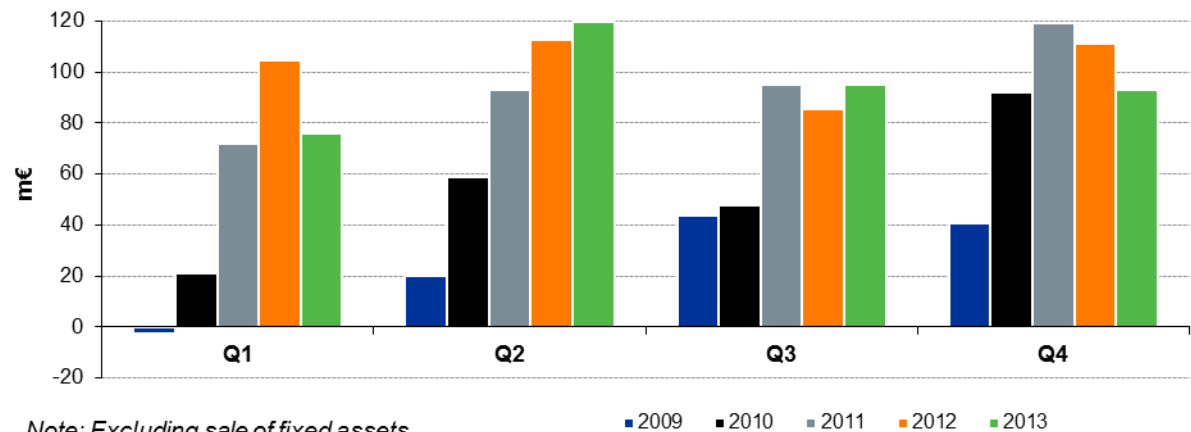
Net sales 411.8 m€,
(446.4 m€) -7.7%

EBIT 93.2 m€,
(111.8 m€) -16.6%

Cumulative Operating profit per review period (m€)



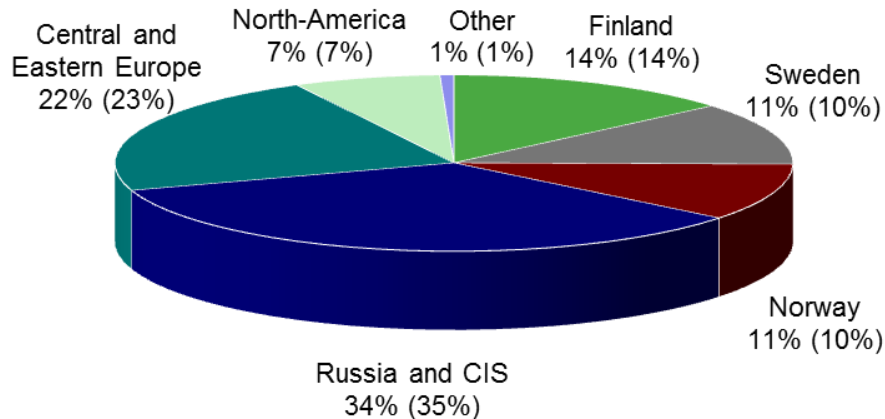
Group Operating profit per quarter (m€)



FINANCIAL PERFORMANCE

Gross sales by market area 2013

Sales of Nokian Tyres Group: 1,665.7 m€, -3.8%

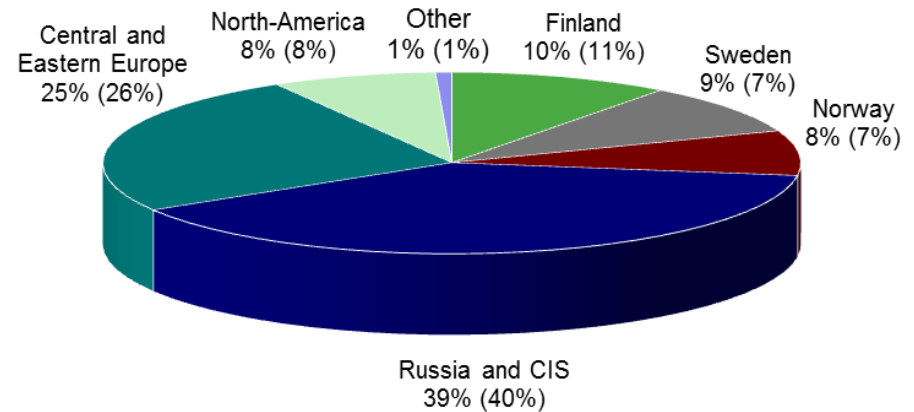


GROUP

Sales development in euros

■ Nordic countries	+1.5%
■ Russia and CIS	-4.9%
■ Other Europe	+5.8% (*)
■ North America	+0.1%

Sales of Manufacturing Units: 1,453.3 m€, -4.3%



MANUFACTURING

Sales development in euros

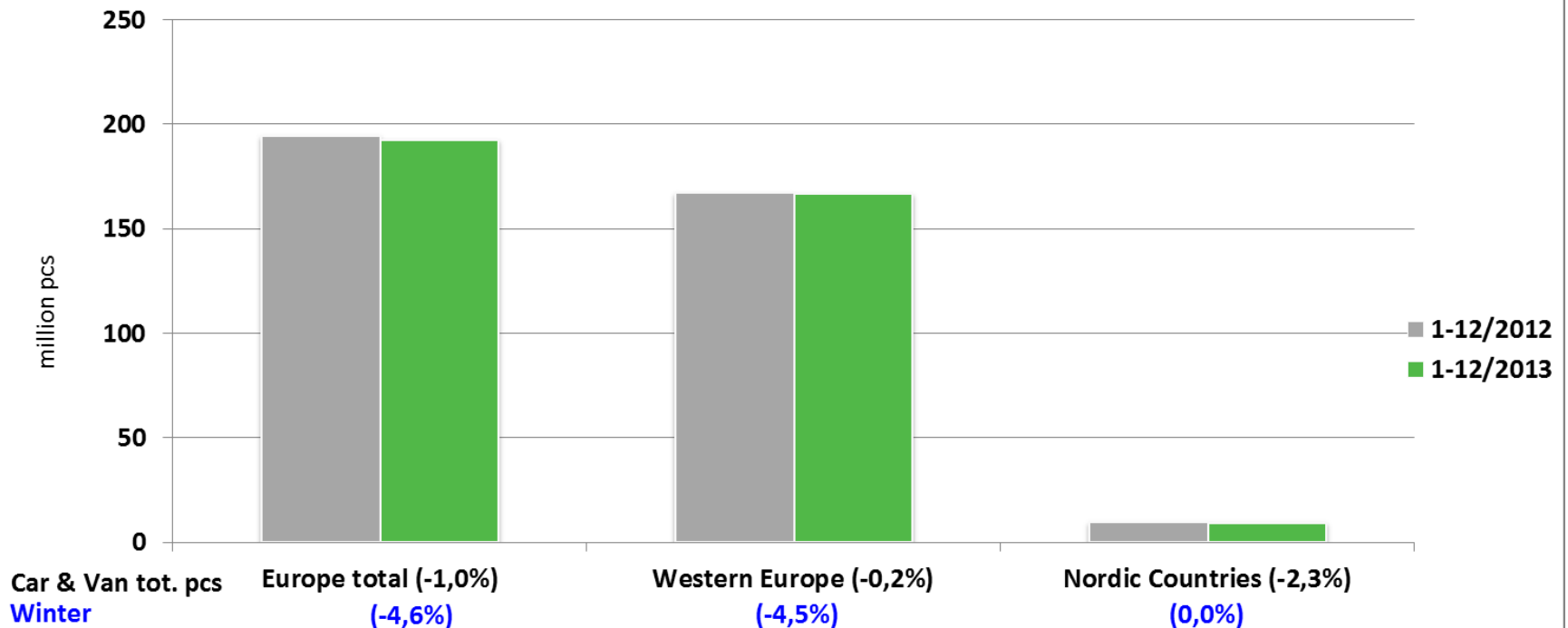
■ Nordic countries	+2.6%
■ Russia and CIS	-4.9%
■ Other Europe	+5.7% (*)
■ North America	+0.3%

*) Excluding contract manufacturing

EUROPEAN MARKET DATA ESTIMATES

Car tyre replacement market volume & Nokian Tyres market shares

**Car & Van Tyre Replacement Volume in Europe
1-12 2012/2013**



Nokian Tyres SOM%:

Car & Van tot.
Winter

3,7 -> 4,0
7,8 -> 9,1

3,8 -> 4,0
8,8 -> 10,3

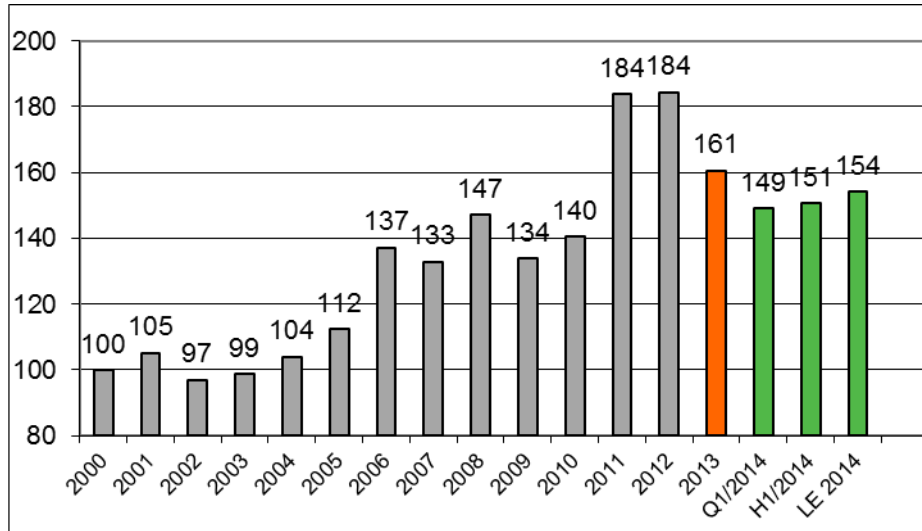
28,9 -> 30,4
34,2 -> 37,3

Source: Nokian
Tyres estimate

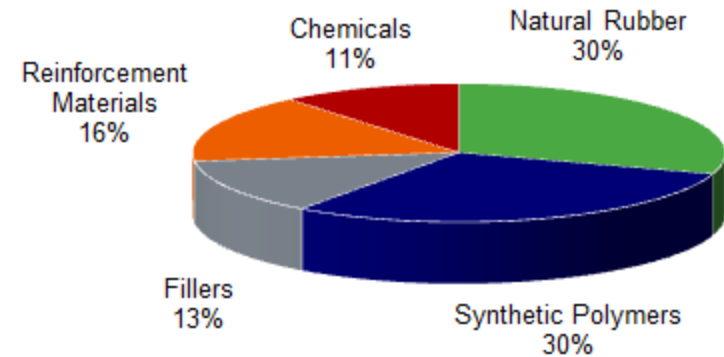
FINANCIAL PERFORMANCE

Raw material cost development

Raw material cost development index 2000-E2014



Value of raw material consumption (%)



Nokian Tyres raw material cost (€/kg)

- **Raw material cost**
 - decreased by 15.4% in Q4/2013 vs. Q4/2012
 - decreased by 16.1% in H2/2013 vs. H2/2012
 - decreased by 12.9% in 2013 vs. 2012
- **Raw material cost is estimated to**
 - Stay stable in Q1/2014 vs. Q4/2013
 - decrease by 16% in Q1/2014 vs. Q1/2013
 - decrease by 5% in 2014 vs. 2013

Estimated tailwind 22 m€ in 2014 vs. 2013

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 - Vianor and NAD
 - Heavy Tyres
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Stella Sharmatava and Anna Onufrieva,
Vsevolozhsk, Russia

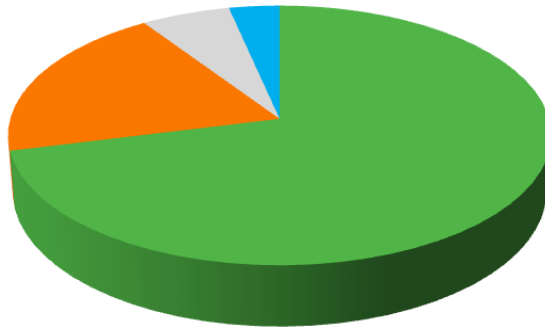
PROFIT CENTRES

General overview 2013

Net sales 1,521.0 m€; -5.7%

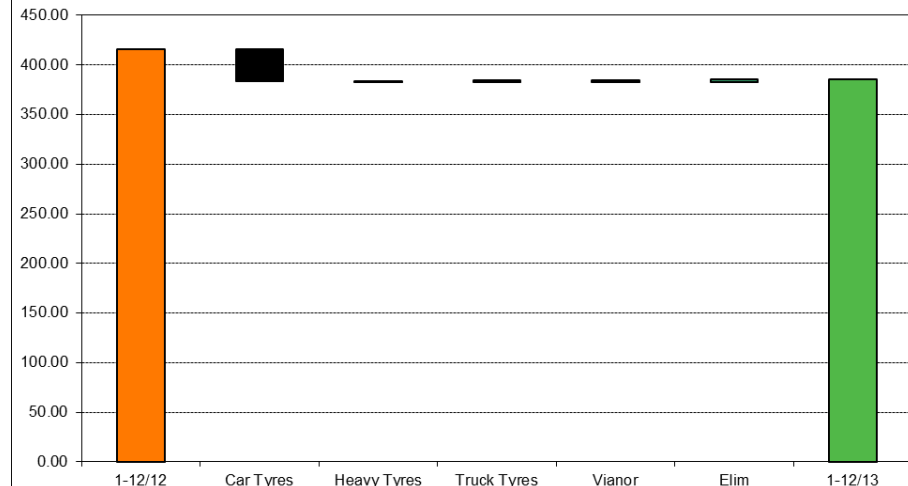
Share of sales

- Car Tyres 71% (72%)
- Vianor 20% (19%)
- Heavy Tyres 6% (6%)
- Truck Tyres 3% (3%)



EBIT 385.5 m€; -7.1%

EBIT Bridge by Profit Centers



Passenger Car Tyres

- **Net sales:** 1,137.0 m€; -6.8%
- **EBIT:** 378.5 m€; -7.8%
- **EBIT margin:** 33.3% (33.7%)
- **Key products:** studded and non-studded winter tyres, high-speed summer tyres

Vianor

- **Net sales:** 312.5 m€; -0.9%
- **EBIT:** -1.8 m€
- **EBIT margin:** -0.6% (-0.0%)
- 1,206 stores in 27 countries in Nokian Tyres' core markets
- 183 equity-owned stores consolidated in result

Heavy Tyres

- **Net sales:** 95.7 m€; -8.4%
- **EBIT:** 10.3 m€; -9.3%
- **EBIT margin:** 10.7% (10.8%)
- **Key products:** tyres for forestry, industrial and agricultural machinery

Truck Tyres

- **Net sales:** 54.0 m€; +2.2%
- **EBIT:** 10.1 m€; +17.6%
- **Key products:** truck tyres and retreading materials

PROFIT CENTRES

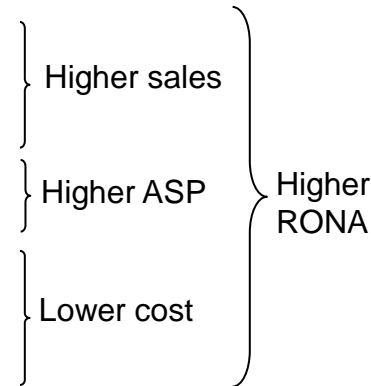
Car Tyres 2013: Successful new products, market shares up

Performance in 2013

- + Market share growth in Russia, Nordics and CE
- + Magazine test winning streak continued with winter and summer tyres
- + New Nokian Hakkapeliitta range a success in the markets
- + ASP €/kg almost flat -1.4% yoy despite tight pricing environment
- + Tailwind from decreasing raw material cost supported margins
- + Capacity increased with new lines 12 and 13 in Russia
- Sales decreased
 - Manufacturing contract with Bridgestone ended
 - RUB exchange rate development unfavourable
- Fixed costs increased due to depreciations from the new factory

Key actions and targets for 2014

- Increase 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
- Improve productivity and utilization of capacities
- Secure collection of receivables
- Limit fixed cost growth



→ **Beat market growth in car and SUV tyre sales, improve price position with new products, expand distribution, improve productivity and capacity utilization**

Net sales:

2013: 1,137.0 m€ (1,220.1 m€); -6.8%

10-12/2013: 271.6 m€ (304.2 m€); -10.7%

EBIT:

2013: 378.5 m€ (410.8 m€); -7.8%

10-12/2013: 75.3 m€ (94.1 m€); -20.1%

EBIT margin:

2013: 33.3% (33.7%)

10-12/2013: 27.7% (30.9%)



New Nokian Hakkapeliitta 8

MAGAZINE TESTS 2013

Test success continues – both in summer and in winter

WINTER TYRES, autumn 2013 – OVER 20 TEST VICTORIES

Nokian Hakkapeliitta 8 – New multiple test winner

- Studded winter tyre family for core markets: Ruler of the North
- Test victories in magazine tests, e.g.: Tekniikan Maailma, Tuulilasi (Finland); Auto, Motor & Sport, Aftonbaldet BIL, Vi Bilägare, Motorföraren (Sweden); Auto, Motor og Sport, NAF/Motor (Norway); AutoReview, Za Rulem, (Russia); AutoCentre (Ukraine); Autobild (Belarus)

New Nokian Hakkapeliitta R2 – Northern Comfort

- Non-studded winter tyre family for core markets
- Test victories in magazine tests, e.g.: Tuulilasi, Auto Bild (Finland); Vi Bilägare, Teknikens Värld, Auto, Motor & Sport (Sweden); AutoCentre (Ukraine), AutoBild (Belarus), Za Rulem (Russia), Auto, Motor og Sport (Norway), La Presse (Canada)

New Nokian WR SUV 3 – Ultimate snow and slush performance

- New high-performance SUV tyre for Central European winter
- Test victories e.g.: OFF Road, SUV Magazin (Germany)

Nokian WR D3 – Forget the Forecasts

- Reliable winter tyre for Central Europe
- Reached highest recommendation “good” by ADAC and Stiftung Warentest; “Highly recommended” by TCS and ÖAMTC, AutoZeitung; “Especially recommended” by Auto Motor und Sport; “Recommended” by AutoBild, autoTEST, Auto Bild allrad (Germany); Test winner, AutoBild (Belarus), Motor News (Ukraine), Auto Express (UK)

SUMMER TYRES, spring 2013

Nokian Hakka Blue

- Test victory: Tuulilasi (Finland)

Nokian Hakka Green and Nokian Hakka SUV

- Test victories: Za Rulem (Russia), Auto Centre (Ukraine)

Nokian Line – NEW

- Test victories or best reviews e.g.: Auto Bild, auto TEST, Auto, Motor & Sport, ADAC, Stiftung Warentest (Germany)



Nokian Hakkapeliitta 8: Superior test winner in Nordic countries and Russia

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



New Nokian Hakkapeliitta R2

Nokian Hakkapeliitta 8 SUV – Provides grip and durability like never before

- The Nokian Hakkapeliitta 8 SUV, the new studded tyre for SUVs, uses completely new innovations to tame the extremes of the Northern winter.
- The most modern stud technology (Nokian Eco Stud 8 Concept) in the business provides grip like never before on ice and snow.
- The durability of the sidewall is optimised by means of aramid fibres (Nokian Aramid Sidewall technology), widely used in the aerospace and defence industries.



Nokian Hakkapeliitta 8 SUV

Nokian Hakkapeliitta C3 – Winter grip and efficiency for professionals

- The new Nokian Hakkapeliitta C3 studded tyre makes life easier for heavy duty professionals. These durable studded tyres can master harsh winter conditions; in addition to the balanced winter grip that is synonymous with the Hakkapeliitta brand, it offers stable handling
- The new square steel stud ensures excellent winter grip
- The steel belt package and rubber compound, optimised for heavy use, provide structural durability and high-end performance for the rough Northern roads



Nokian Hakkapeliitta C3

Nokian Hakkapeliitta CR3 – Driving comfort for demanding professional use

- The new Nordic non-studded winter tyre, Nokian Hakkapeliitta CR3, is developed for versatile use on delivery vehicles and vans. It provides excellent winter grip and driving comfort.
- In addition to the extremely low rolling resistance, developments have also been made in handling on ice, snow, and wet roads.
- The new non-studded van tyre effectively utilises the Nokian Cryo Crystal Concept that was used to maximise the ice grip of the Nokian Hakkapeliitta R2 passenger car tyre.



Nokian Hakkapeliitta CR3

MAJOR REVAMP OF PRODUCT OFFERING 2013

Car tyres - examples of new products and innovations 1(2)

Nokian Hakkapeliitta 8 – Ruler of the North

- Nokian Hakkapeliitta 8 is a superior test winner in Nordics and Russia. Nokian Hakkapeliitta 8 – winter grip like never before – has won practically all winter tyre magazine tests
- 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.
- 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.

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 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 WR SUV 3 – Ultimate snow and slush performance

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

Nokian WR G3 – Forget the Forecast

- 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!



Nokian Hakkapeliitta 8



Nokian Hakkapeliitta R2



Nokian Hakkapeliitta R2 SUV

MAJOR REVAMP OF PRODUCT OFFERING 2013

Car tyres - examples of new products and innovations 2(2)

Nokian Hakka Black – Ultra high Performance summer tyre for core markets

- Cool performance for fast driving, stable and precise driving feel
- 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 Hakka Black

Nokian zLine – Ultra High Performance summer tyre 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



Nokian zLine

Nokian Line – Safety and top performance for wet roads

- Offers the best possible traction and precise handling especially for wet roads, for varying Central European driving conditions
- The new innovations maximize wet grip, the Cross-Block sipes and Surge Grooves
- The structural solutions and tread design were tailored to rise to the challenge of the different fast speeds in T, H, V and W speed categories

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



Nokian WR

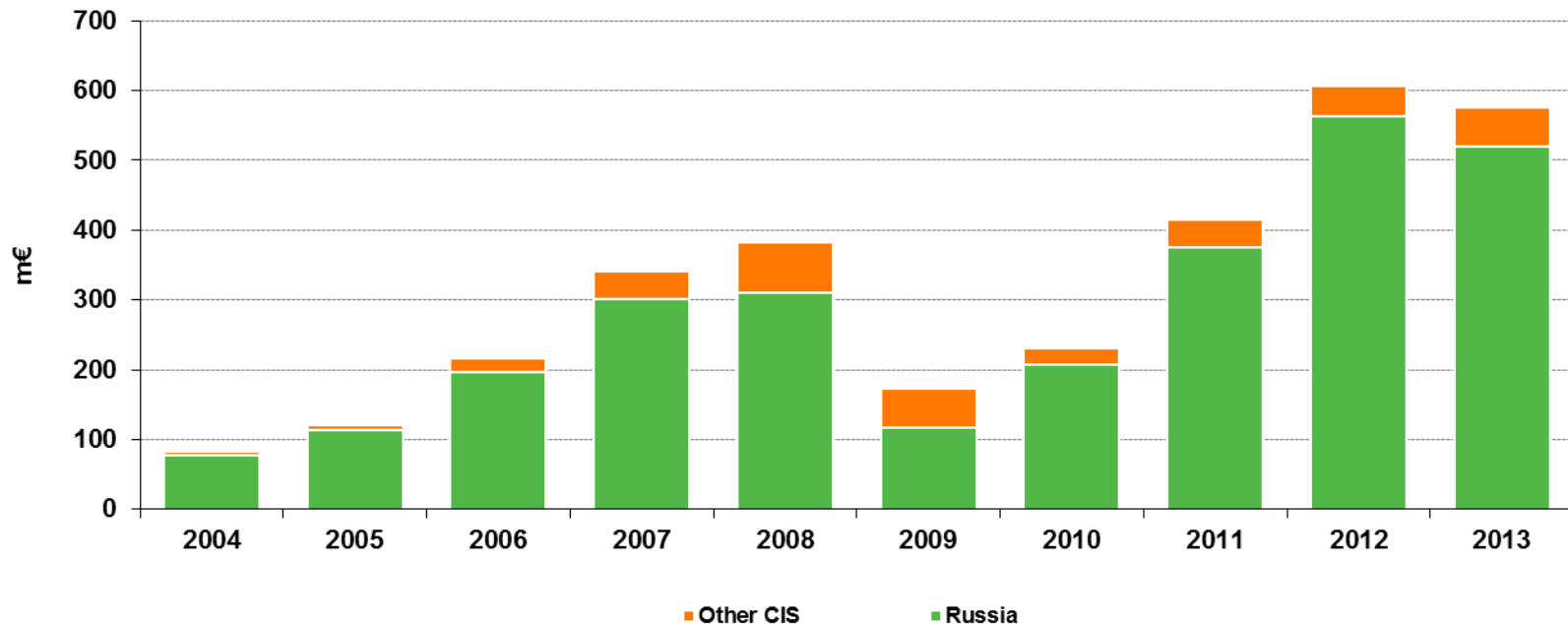
RUSSIA & CIS

Market shares and winter tyre sales up

- Sales in Russia in 2013 down by 7.6% to 520.1 m€ (563.0 m€)
 - GDP growth rate 1.3%, new car sales -5%
 - A+B segment tyre demand down 9%; summer --, winter +-0
- Sales in CIS (excluding Russia) 56.6 m€ (43.7 m€), up 29.5%.
- Nokian Tyres: Higher market share, improved supply capacity, expanding distribution

→ 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, Vianors and other partners: 621 Vianor stores (+88 in 2013) – in Russia nearly 3,300 retail partner points of sale



- Distributors (35)
- DSD current cities (Moscow, SPb, Samara/Togliatti, Yekaterinburg, Chelyabinsk, N.Novgorod, Omsk, Rostov-on-Don, Perm, Ufa, Orenburg, Kazan, Voronezh, Tyumen, Volgograd, Novosibirsk)
- 621 Vianor stores in 363 cities; +18 stores in Q4/2013

Nokian dealership programs include nearly 3,300 tyre stores and car dealers in Russia

Nokian Tyres' market position in Russia

- State-of-the-art and efficient factory in Russia
 - Close access to markets
 - Within customs zone (duty 18% in 2013 will decrease to 10% in 4 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 – 621 Vianor stores/ nearly 3,300 partner stores in Russia

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

Nokian Tyres' factories in Russia

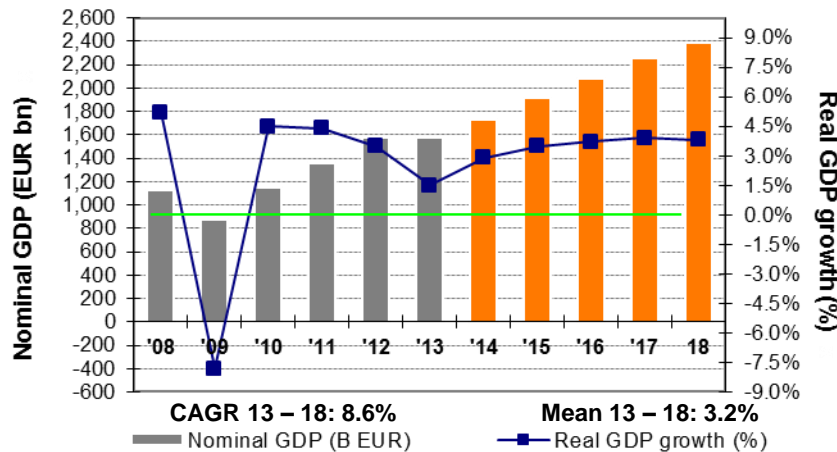
- At the beginning of 2013 annual capacity in Russia was 14 million tyres with 2 factories, 11 lines operating and line 12 installed
- Line 12 commenced production in Q1/2013
- Line 13 installed in Q2/2013 → Annual capacity to >15 million tyres by end 2013
- State-of-the art machinery, high automation level and European quality standards
- Vsevolozhsk factories export approximately 50% of its production to over 40 countries: Biggest consumer goods exporter in Russia
- Housing project, Hakkapeliitta Village – 343 flats for employees commenced in summer 2013
- Number of personnel in Russia on 31 December 2013: 1,319 (1,252)
- CAPEX by end 2013: 796 m€



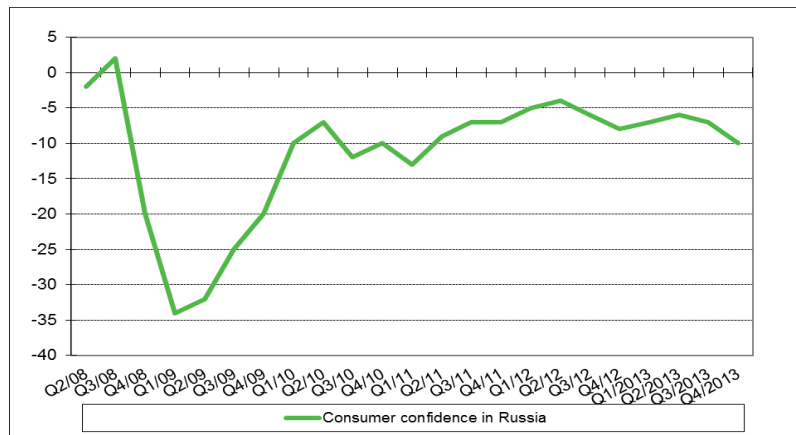
RUSSIA

Russia's economy growing, but with a slower pace

Russia's GDP growth



Consumer confidence in Russia



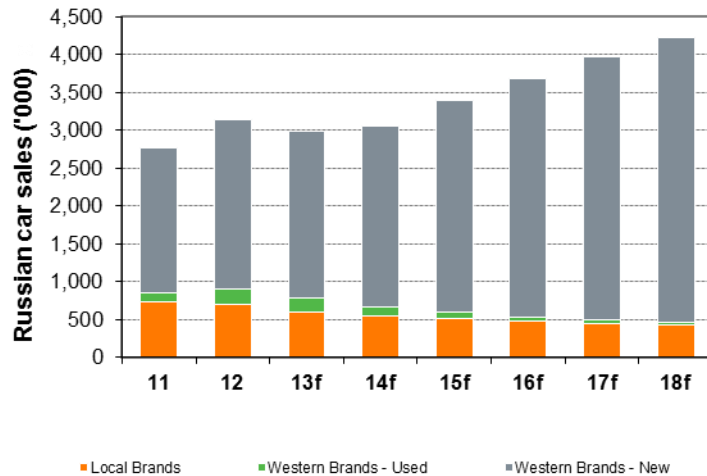
Major trends and expectations

- After a severe crisis of 2008-2009, Russia's economy grew by ~4% a year in 2010-2012
- In 2013 the economy clearly slowed down: the estimated real GDP growth in 2013 was a modest 1.3%, reflecting weaker investment and consumer consumption
- The growth is expected to speed up to 2.5-3.0% in 2014
- 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 2014-2016 is estimated at 3-4% a year
- Consumer confidence has stabilized and practically reached its normal level in 2013, although by the year-end it slightly declined; consumer spending and retail sales remain sluggish
- After the stabilization in 2012 - early 2013 the ruble devalued in late 2013, especially against the euro (down to 44-45 EUR / RUB), in early 2014 the devaluation continued, driven by the overall trend of weakening emerging markets' currencies and the unrest in the neighboring Ukraine; further expectations vary a lot, with some experts predicting continued devaluation of the ruble and some (e.g. EIU) expecting gradual strengthening of the ruble back to the level of 41-42 EUR / RUB

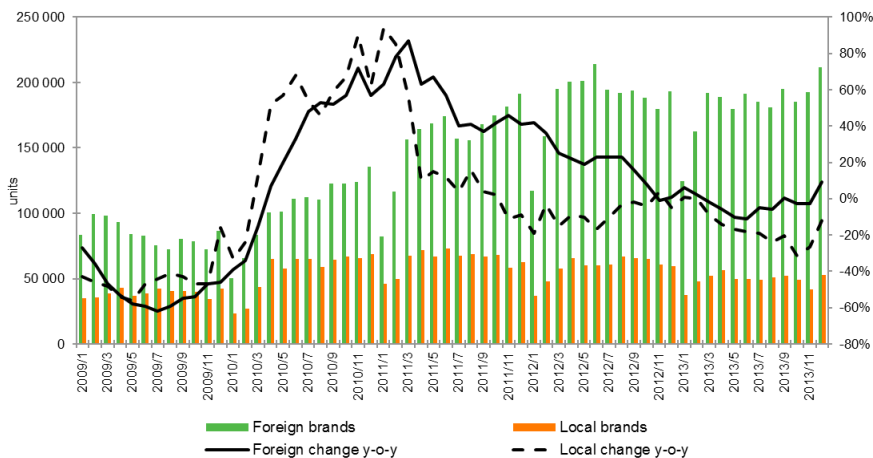
RUSSIA

Decline in car sales is turning into modest growth

Russian car sales forecast – base scenario



Monthly car sales



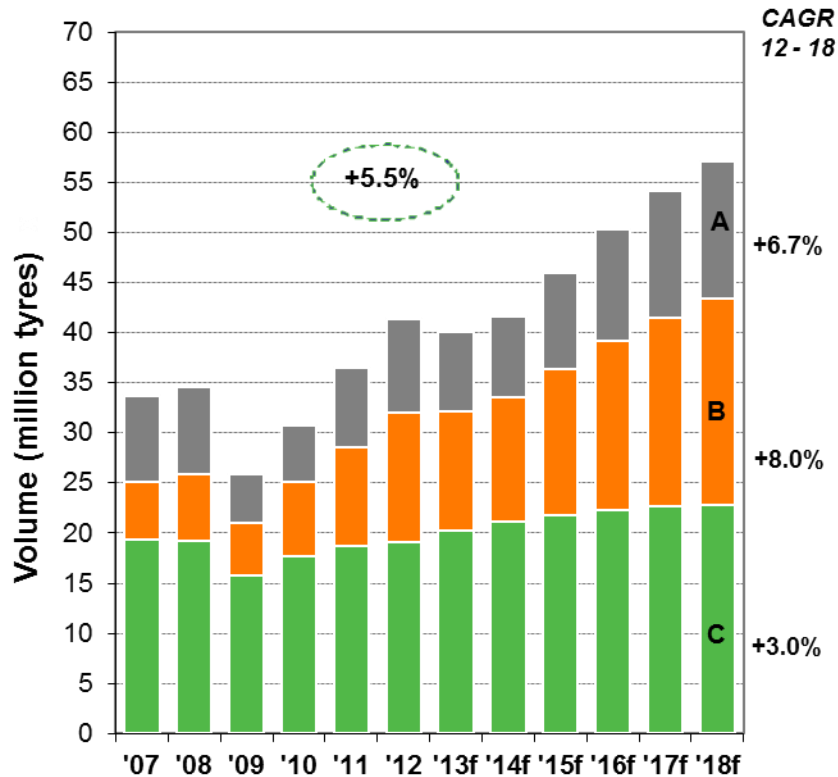
Car market summary

- Sales of new cars and LCVs in Russia continued to grow in 2012, albeit with a clearly declining growth in H2; full-year growth was 11% vs. 2011
- Year 2013 started quite slowly, as expected: the zero growth in Q1 turned into a decline in Q2; totally 5% less cars were sold in 2013 vs. 2012, in Dec the decline turned into modest growth of 4%
- As the result, the Russian new car and LCV market reached 2.78 million units sold in 2013
- The completed government program of subsidizing car loans has supported the car market in 2013, especially in the budget segment
- The first signs of market improvement are visible – dynamics is more positive now than a few months ago and the structure of the market is improving, with foreign brands / more expensive cars gaining share (the Lada brand shows a bigger decline than foreign brands)
- However, the growth is expected to be cautious, in line with the overall economy and consumer spending: for 2014 the baseline is the same result as in 2013, with both slight decline and growth still possible
- This slowdown of the car market 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

RUSSIA

Growth of tyre market slowed down, but potential still exists

Car and van tyre replacement market (volume)



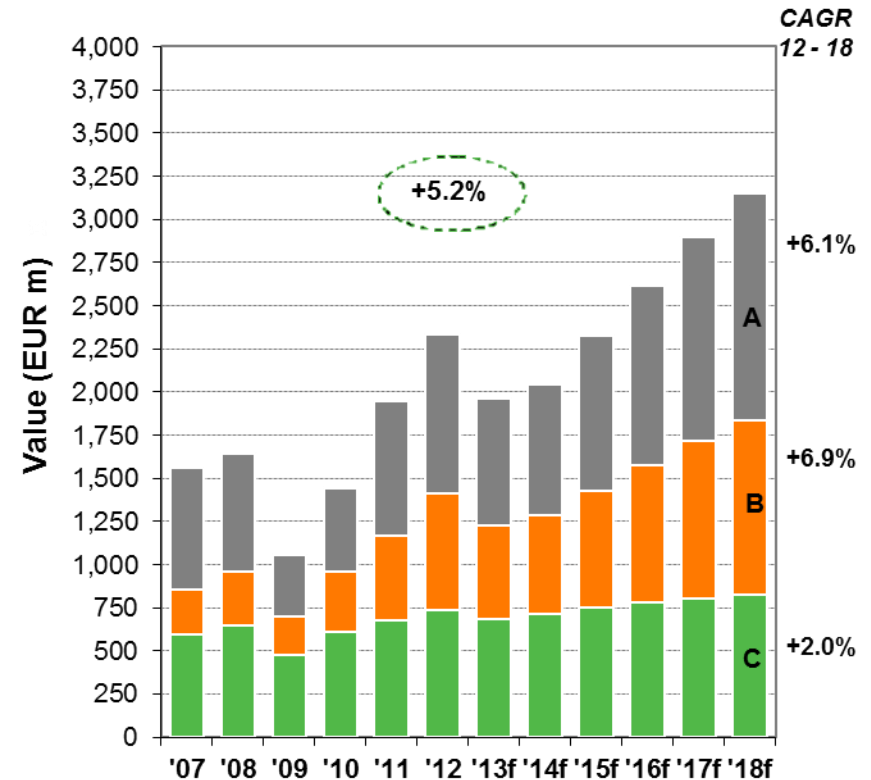
A+B volume -8.7% in 2013

Nokian increased market share to: winter 38%, total 31%

Note: Traditional segments / price positioning: index 100 = market leader; A: > 80; B: 60 – 80; C: <60; forecast unchanged from Oct 2013

Source: Nokian Tyres estimates January 2014

Car and van tyre replacement market (value)



PROFIT CENTRES

Vianor 2013: Network of shops expands

Performance in 2013

- + 1,206 stores in 27 countries; +169 stores in 2013
- + Strategic tasks to expand distribution and set market prices for Nokian products succeeded
- + 45 car service operations acquired and integrated to existing Vianor stores by the end of 2013
- + Service revenues increased
- Sales and EBIT negative due to the "black winter" until early 2014

Key actions and targets for 2014

- Improve tyre sales and market shares
 - Increase sales of car services, tyre hotels and other services
 - Increase e-commerce sales
 - Continue to expand the network and the number of partners
 - Target: 1,340 stores by the end of 2014
- Cement and improve market leader position as a distributor in Nokian Tyres' core markets

Equity-owned Vianor (183 stores)

Net sales:

2013: 312.5 m€ (315.3 m€); -0,9%

10-12/2013: 117.2 m€ (121.3 m€); -3.3%

EBIT:

2013: -1.8 m€ (0.0 m€); -445.1%

10-12/2013: 12.8 m€ (-11.8 m€); 8.7%

EBIT margin:

2013: -0.6% (0.0%)

10-12/2013: 10.9% (9.7%)



Vianor Friedrichshafen, Germany

EXPANSION OF DISTRIBUTION CHANNEL 2013

Vianor: *Foothold on core markets strengthening, +169 shops*

NAD: *New soft franchise launch, 432 shops*

Vianor – 1,206 stores in 27 countries

- 169 new stores in 2013; +45 in Q4/2013
- 183 equity-owned, 1,023 franchising/partners
- **Largest tyre chain in Nordic and Baltic countries:** 297 stores (+26 in 2013)
- **Largest tyre chain in Russia and CIS:** 621 stores (+88 in 2013) in 363 cities
- **Expansion to Central Europe:** 238 stores (+40 in 2013)

Vianor stores by segment

- Car tyres: over 1,100 stores
- Heavy tyres: over 260 stores
- Truck tyres: over 320 stores

Target 2014 → over 1,340 Vianor stores

Nokian Authorized Dealers (NAD)

- 2013: 432 stores in Italy, Germany, China, Bulgaria and Ukraine
- Estimate 2014: double the amount of stores

Vianor – Distribution spearhead for all product groups

NAD – Nokian Authorized Dealer



EXPANDING DISTRIBUTION

Nokian Authorized Dealers (NAD)

Requirements for NADs

- Minimum purchases from Nokian Tyres and a strong visibility in the store
- Professional tyre services
- Soft Nokian Tyres outdoor branding, indoors Nokian Tyres shop-in-shop

Benefits for NADs

- NAD terms and conditions
- Product seminars, launch events
- Advertising materials, web visibility

Target 2014

- To double the amount of stores from current 432



PROFIT CENTRES

Heavy Tyres 2013: Improved structure, recovering forestry tyre demand in Q4

Performance in 2013

- + Structural changes in manufacturing reduced manning and improved product quality, flexibility, and productivity
- + ASP was flat yoy despite challenging market situation
- + Lower raw material cost supported margins
- + Productivity improved
- + Forestry tyre order book started to grow in Q4
- Sales down due to weaker demand and machine building in Europe
- Production adjusted to demand; profitability suffered from lower utilization rate

Key actions and targets for 2014

- Increase sales, especially in forestry, radial and truck winter tyres
- Improve sales mix and share of replacement market sales
- Expand the distribution network, especially in Russia and CIS
- Accelerate development of new radial products
- Finalize factory modernization project
- Optimize production output

→ Increase sales, optimize production output and improve productivity

Net sales:

2013: 95.7 m€ (104.4 m€); -8.4%

10-12/2013: 25.1 m€ (25.9 m€); -2.8%

EBIT:

2013: 10.3 m€ (11.3 m€); -9.3%

10-12/2013: 2.7 m€ (1.4 m€); -91.2%

EBIT margin:

2013: 10.7% (10.8%)

10-12/2013: 10.8% (5.5%)



Nokian Mine L-5S

PROFIT CENTRES

Truck Tyres 2013: Market shares up in core markets

Performance in 2013

- + Sales and market share improved in Nordics and Russia
- + Wider range for premium & standard truck tyres
- + Operating profit on a healthy level

Net sales:

2013: 54.0 m€ (52.9 m€); +2.2%

10-12/2013: 14.8 m€ (14.6 m€); +1.6%

EBIT:

2013: 10.1 m€ (8.6 m€); +17.6%

Key actions and targets for 2014 (as part of Heavy Tyres profit centre)

- 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, improving market shares and expanding distribution**



Nokian Hakkapeliitta Truck D

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1. General overview
2. Nokian Tyres financial performance
3. Profit centres (incl. Russian operations)
4. Nokian Tyres going forward
 - Investments
 - Production plants
 - Outlook for 2014
5. Appendixes



Dmitry Maslatsov and Evgeniy Dubovitskiy, Vsevolozhsk

Investments in 2013

- 125.6 m€ (209.2 m€)

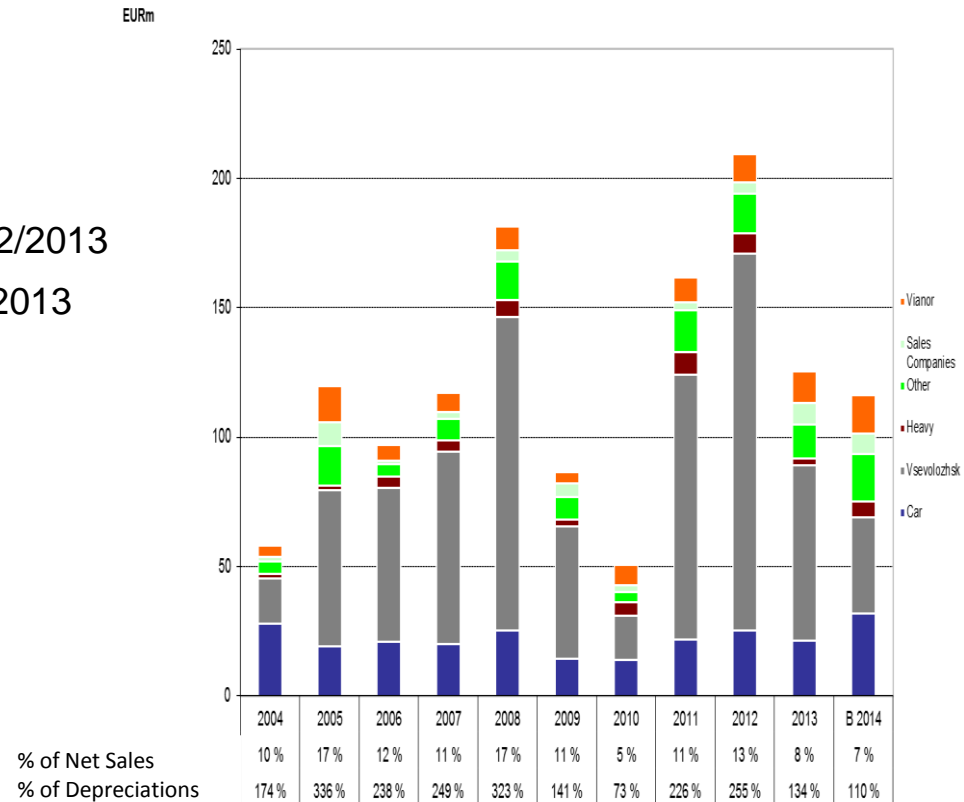
Russia

- Capacity ramp-up and investments
 - 12 lines in production since Q1/2013
 - Line 13 installed Q2/2013, in production H2/2013
 - Hakkapeliitta Village 2nd stage completed 2013

Estimated investment for 2014

- Approximately 116 m€
 - Russia: 42 m€

Nokian Tyres Capital expenditures (m€)



PRODUCTION PLANTS

Production capacity in 2013: 18 million tyres

Potential to increase output by 50% in existing factories



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

2012-2013:

- Car tyres 5-day shift system
- Temporary production cuts



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
- Own electricity generation

2013:

- Line 12 on stream in March 2013
- Line 13 installation in Q2/2013

NOKIAN TYRES GOING FORWARD

Outlook 2014: Profitable growth

Assumptions

- Core markets growing slowly
 - GDP growth 2013 in Russia 2.5-3.0%, Nordics 2%
 - New car sales growth in CE and Nordic countries
 - New car sales flat in Russia
 - Weakened RUB
- Price pressure limits ASP growth
- Raw material cost (€/kg) to decline
 - Cost to decrease by 16% in Q1/2014 vs. Q1/2013
 - Cost to decrease by 5% in 2014 vs. 2013
- Passenger car tyre markets
 - Demand in Nordic countries to grow 2-4%
 - Demand in CE countries to grow 5-8%
 - Demand in Russia & CIS to grow 0-3%
 - Demand improving for winter tyres long term; legislation in Europe, Russia & CIS
- Heavy tyre market demand
 - Demand to improve in Nokian core product groups
- Nokian Tyres financial position remains solid
 - Equity ratio 67.6% at the end of 2013
 - Undrawn facilities available
 - Convertible bond 150m€ due June 2014

Outlook 2014: Profitable growth

- Car tyre demand: growth in Nordics and CE, Russia flat
- Nokian Tyres sales targeted to grow in all main market areas
- Pricing environment 2014 tight for all tyre categories
- Further improved product offering with new Hakkapeliitta range supports winter tyre sales and ASP
- Raw material cost (€/kg) -5% full year 2014, tailwind of 22 m€ vs. 2013
- Profitability supported by improved cost structure and productivity on the back of increasing share of Russian production

Year 2014 guidance:

- In 2014, the company is positioned to show growth in Net sales and Operating profit.

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

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 - Board's proposals to AGM – Dividend
 - Board's proposals to AGM – Members of the Board of Directors, remuneration and auditor
 - 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

Nordic countries (FI,SE,NO): Market&price leader – gross sales 401 m€

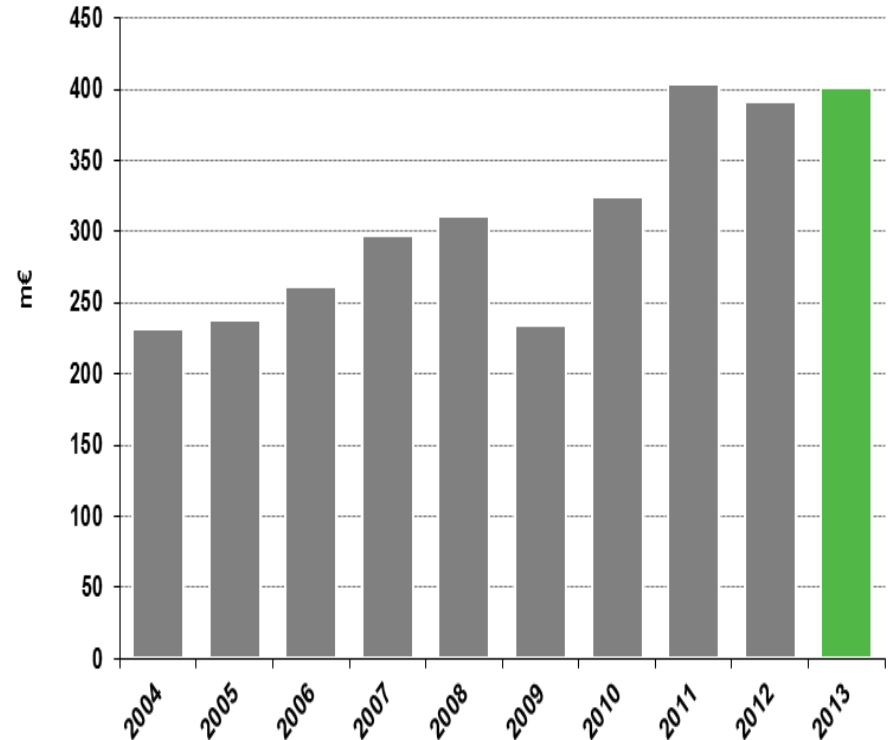
GENERAL

- 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/price leader with about 37% market share in winter tyres and roughly 20% in summer tyres
- Only local producer & best distribution network
- Strong role of own Vianor tyre chain; 271 stores
- Local player – product range and service specially designed for northern conditions
- The new Nokian Hakkapeliitta 8 studded tyre has dominated impartial winter tyre tests which has boosted sales.

Nokian Tyres (manufacturing) Sales in Nordic Countries



APPENDIX

Other Europe: Improving market position – gross sales 374 m€

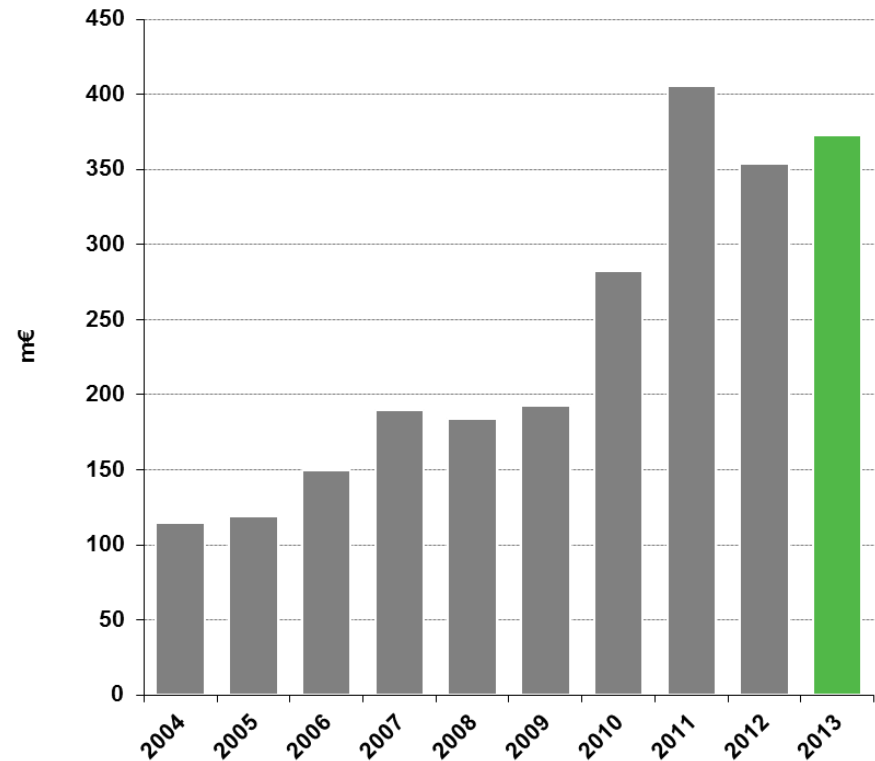
GENERAL

- Total of 32 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 1% in 2013

NOKIAN TYRES

- Nokian Tyres brand and price position improving
- Vianor expansion to Europe – 238 stores
- Improved availability and distribution
- Logistics and service centre with 24 hour service to main markets
- Tailored product range

**Nokian Tyres Manufacturing Sales in Other Europe,
(excl. contract manufacturing)**



APPENDIX

North America: Stable 2013 – gross sales 113 m€

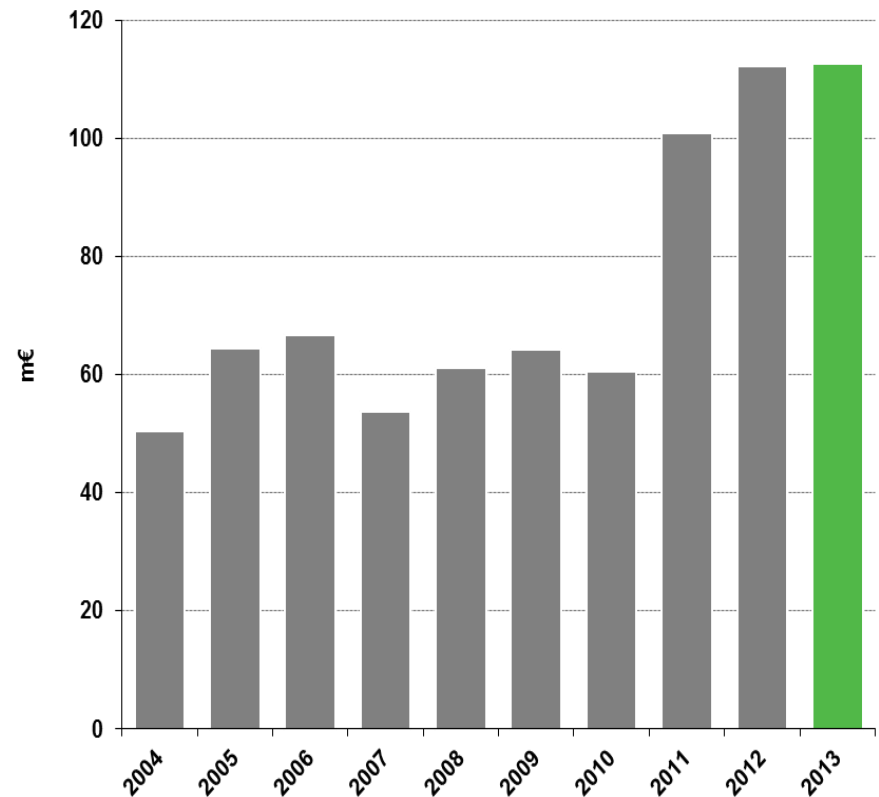
GENERAL

- Canada & US snow belt area
- Market potential for winter tyres twice that of the 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 – 50 stores in North America

Nokian Tyres (manufacturing) Sales in North America



APPENDIX: BOARD'S PROPOSALS TO AGM

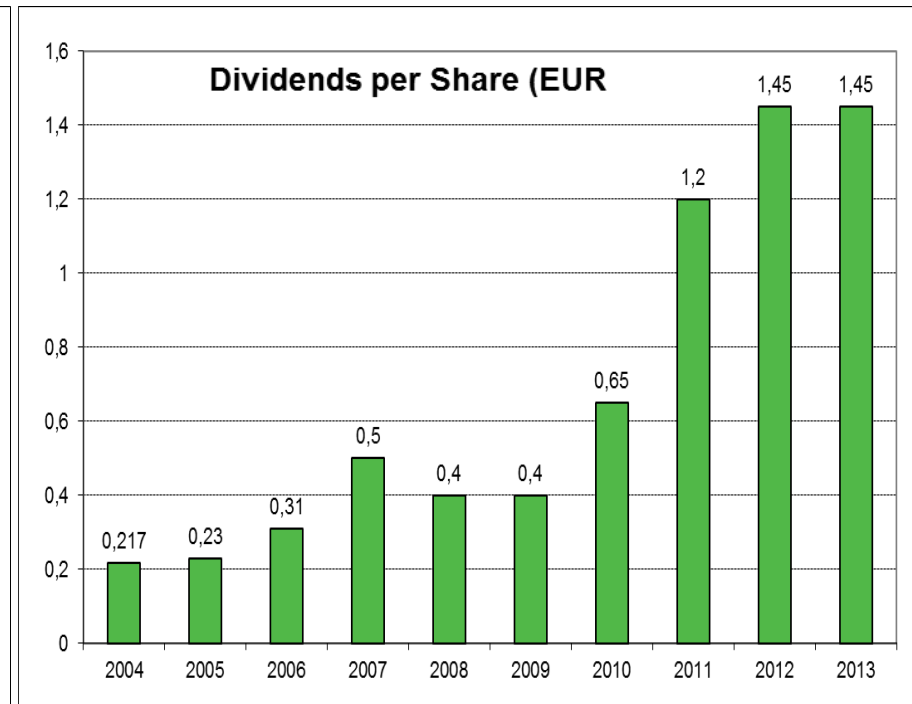
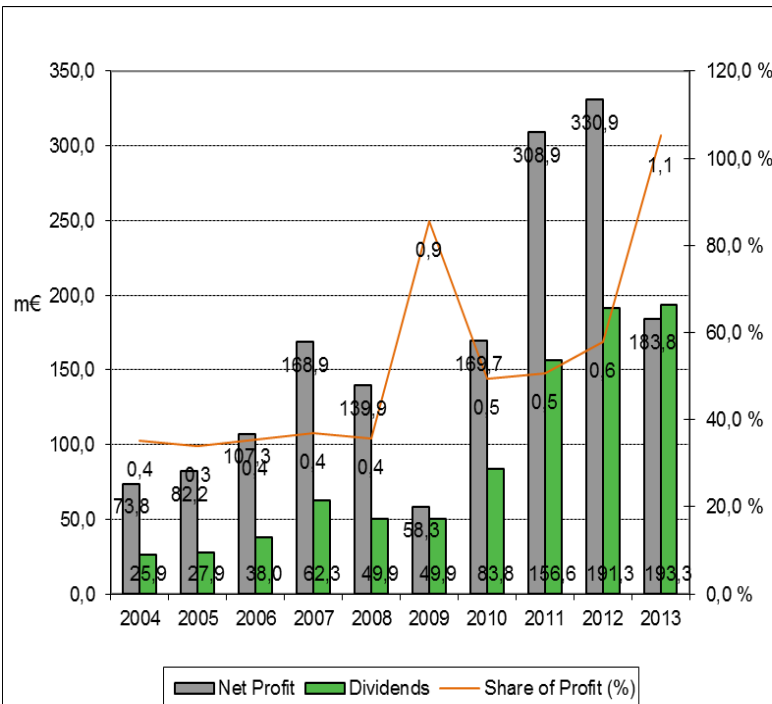
Dividend – Board's proposal 1.45 €/share

Dividend:

- Parent company's distributable funds 407.8 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 2013

Annual General Meeting on 8 April, 2014

- Record date 11 April, 2014
- Payment Date 25 April, 2014



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

- Seven members
- Five current Board members to continue:
Kim Gran, Hille Korhonen, Hannu Penttilä, Risto Murto and Petteri Walldén
- New members: Raimo Lind and Inka Mero

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 9 April to 30 April 2014, 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 proposed not 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

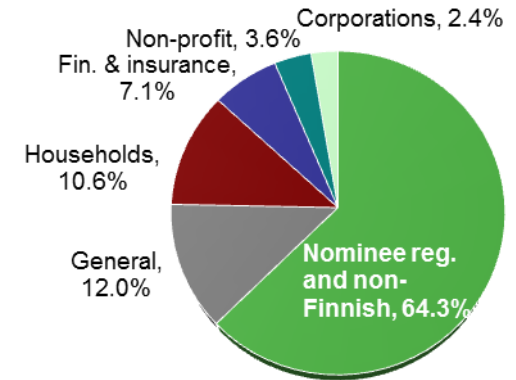
APPENDIX

Major shareholders as of 31 December, 2013

		Number of Shares	Share of Capital (%)	Change from previous month
Major Domestic Shareholders				
1	Varma Mutual Pension Insurance Company	9000000	6,75	0
2	Ilmarinen Mutual Pension Insurance Company	3218947	2,42	-173000
3	Nordea	2403780	1,8	192383
4	Nordea Nordenfonden	1562554	1,17	60838
5	OP Investment Funds	1366186	1,02	-135000
6	The State Pension Fund	1200000	0,9	-10700
7	Mandatum Life Insurance Company Limited	1110000	0,83	0
8	Tapiola Mutual Pension Insurance Company	1100000	0,83	0
9	Svenska litteratursällskapet i Finland r.f.	742100	0,56	0
10	Schweizer Nationalbank	709968	0,53	-2425
Major Domestic Shareholders total		22 413 535	16,8	
Foreign Shareholders ¹⁾		85 720 892	64,3	
Bridgestone Corporation ²⁾		20,000,000	15,0	

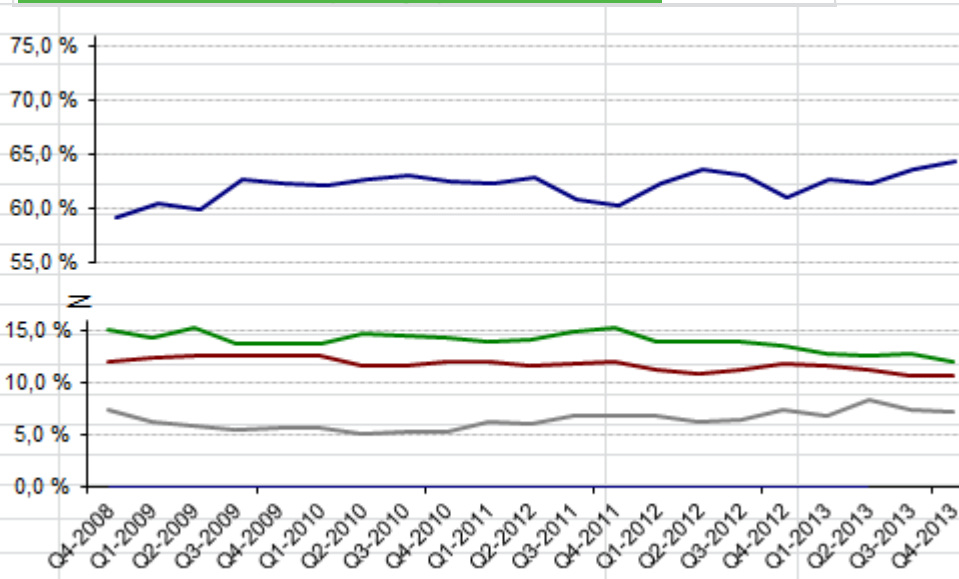
1) Includes also shares registered in the name of a nominee; 2) In the name of a nominee.

Division by Category as of 31 December, 2013



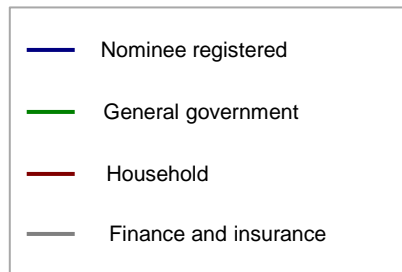
Total number of shares: 133,287,096

Shareholder development by category Q4/2008 - Q4/2013



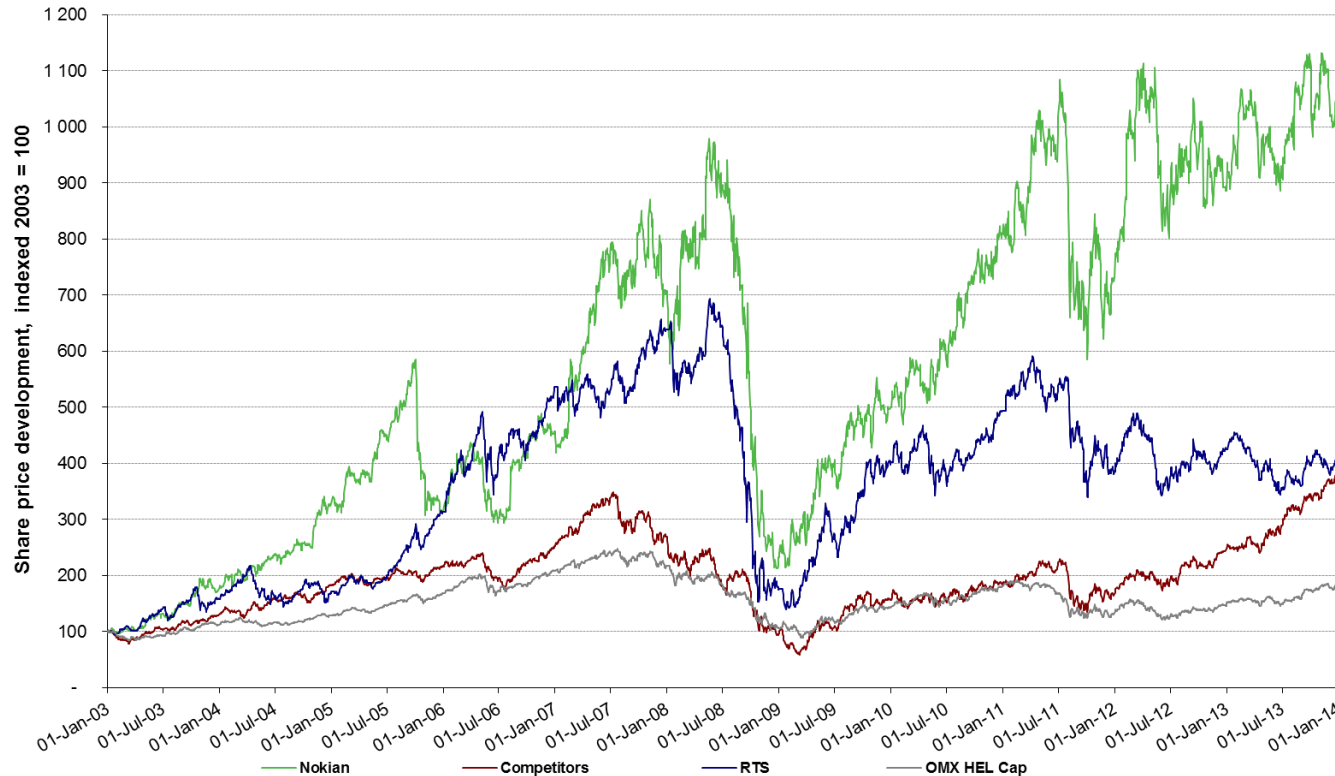
Note: Options, outstanding (31 December, 2013)

2010A: 266,394 (77,689 in company's possession)
 2010B: 1,339,960 (126,890 in company's possession)
 2010C: 1,340,000 (94,130 in company's possession)
 2013A: 1,150,000 (82,634 in company's possession)



APPENDIX

Comparing share price to main indexes 1/2003 – 31 Jan 2014



Nokian Tyres, +821%

Competitors, +280% ¹⁾

RTS, +262%

OMX Hel Cap, +77%

Source: Thomson Reuters, as of 3 Feb 2014. The composite consists of an indexed average values of the main peers of Nokian Tyres.

Nokian Tyres by Jan-31-2014

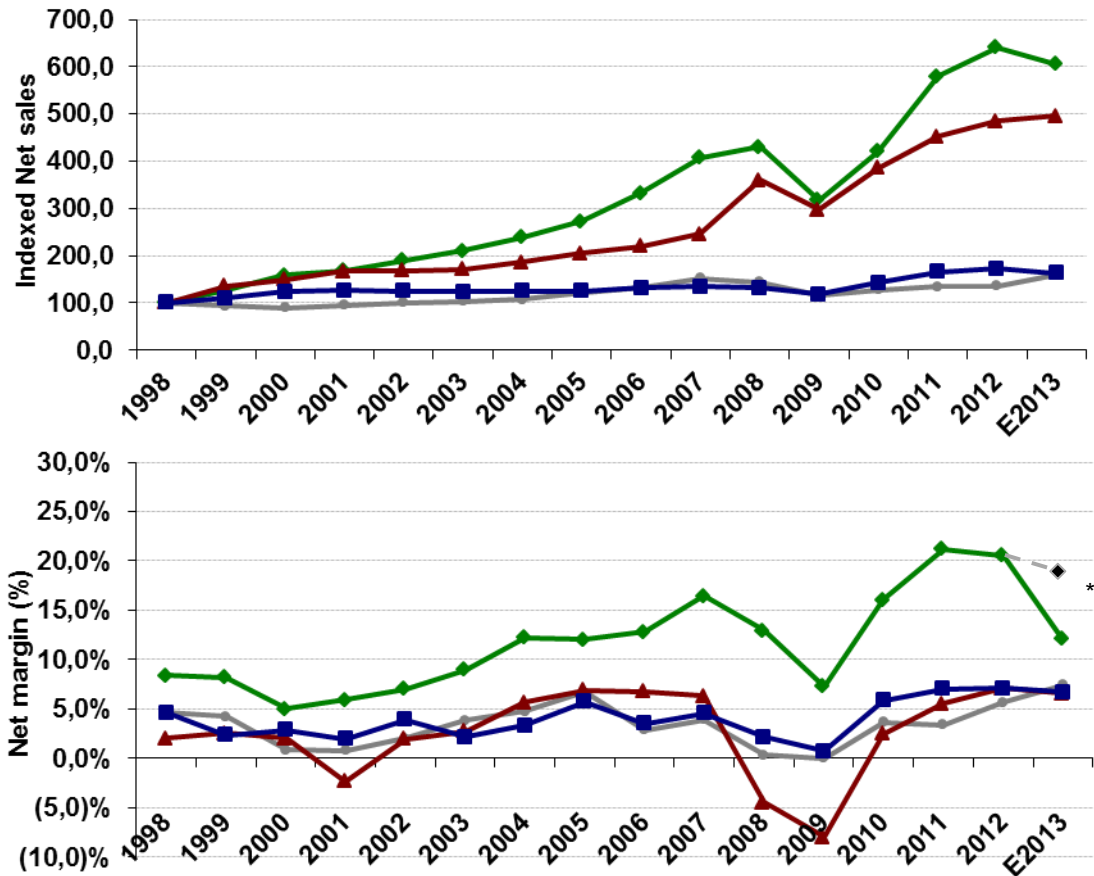
	Last 10 years	Last 5 years	Last 3 years	LTM	L6M	L3M	Last month
High	38,46	38,46	38,46	38,46	38,46	38,46	36,08
Average	21,31	25,89	31,82	34,55	35,75	35,43	33,97
Low	6,13	7,36	19,89	30,10	31,30	31,30	31,30

APPENDIX

Competitor comparison 1998-E2013

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 15 years. The clearly better profitability protects the company profits during recessions and potential downturns.



—◆— Nokian Tyres

—■— Bridgestone

—▲— Continental ¹⁾

—■— Michelin

Net sales change

CAGR 2010 – E2013

Nokian (act.)	12.9%
Michelin	4.5%
Bridgestone	7.9%
Continental	8.7%

Net margin E2013

Nokian (act.) *	12.1%
Michelin	6.7%
Bridgestone	7.4%
Continental	6.6%










Source: Results 1998-2012 (company websites) and 2013 consensus estimates for the peers as per Thomson Reuters 29 Jan 2014.






COMPETITORS' FIGURES 2013 ARE BASED ON CONSENSUS ESTIMATES, NOKIAN TYRES ON ACTUAL FIGURES.







*) Nokian Net Result 2013 affected by disputable additional taxes of 100.3 MEUR in Finland concerning years 2007-2010









APPENDIX - Test wins autumn 2013 1(2)

Winter 2013	Magazine	Position	Comments
CENTRAL EUROPE			
	ADAC 10/2013 Germany	„Good“ Nokian WR D3 185/60R15 T	Well balanced tyre properties. Best tyre on dry asphalt. Good on snow and wet asphalt.
	auto motor und sport 20/2013 Germany	*Especially recommended* Nokian WR D3 225/50R17 V	Top braking scores, exact driving behaviour on dry asphalt and safe on snow.
	Autozeitung 21/2013 Germany	2nd place *Sehr empfehlenswert* Nokian WR D3 195/65R15	Very balanced performance and gives it the highest points on snow. It also reached top points in dry braking and is described as very stable in the wet handling course.
	Stiftung Warentest 10/2013 Germany	„Good“ Nokian WR D3 185/60R15 T	Good: wet road, snow, dry road, ice, wear, fuel consumption.
	TCS 10/2013 Switzerland	„Highly recommended“ Nokian WR D3 185/60R15 T	Very balanced tyre. Top rating on dry road. Good on wet road and on snow.
	ÖAMTC 10/2013 Austria	„Highly recommended“ Nokian WR D3 185/60R15 T	The best on dry road, good on the wet and on snow.
	Der ROAD 10/2013 Germany	Test winner Nokian WR SUV 3 235/65R17	Unbeatable on snow and ice. Convincing on asphalt, reaching the best overall grade in wet properties. Very predictable in dry handling.
	SUV MAGAZIN 5/2013 Germany	Test winner „sehr empfehlenswert“ Nokian WR SUV 3 235/65R17	Unbeatable on snow and ice. Convincing on asphalt, reaching the best overall grade in wet properties. Very predictable in dry handling.







RUSSIA			
	За рулем 9/2013	Test winner Nokian Hakkapeliitta 8 175/65R14	Best grip on ice & snow, deep snow ability, best fuel consumption, handling and stability on asphalt. Best tyres in almost all characteristics.
	За рулем 9/2013	Test winner Nokian Hakkapeliitta R2 175/65R14	Best winter gripping, low fuel consumption, high comfort level, good asphalt stability. Tyres are leaders in almost all points.
	Автoreview 18/2013	Shared 1st place Nokian Hakkapeliitta 8 205/55R16	Best grip on ice and snow, handling on ice and snow, best braking on dry asphalt, best rolling resistance (lowest fuel consumption) – this feature was not included to the mandatory test program.
	За рулем 10/2013	Test winner Nokian Hakkapeliitta 8 205/55R16	Best grip on ice, acceleration on snow, braking on the dry asphalt, good handling on winter road (ice & snow), high average of deep snow ability & comfort. Best tyres almost in all aspects, are good to all winter roads and off-roads.
	Автoreview 19/2013	Test winner Nokian Hakkapeliitta R2 205/55R16	Excellent grip on ice and snow. Best braking performance on wet and dry asphalt. Has the lowest rolling resistance in the test.
UKRAINE			
	Auto Centre 41/2013	Test winner Nokian Hakkapeliitta 8 205/55R16	Excellent grip. The safest tyre on ice. Perfect handling on the winter roads.
	Auto Centre 41/2013	2nd place Nokian Hakkapeliitta R2 205/55R16	Excellent handling and grip on snowy and ice road, even during fast maneuvers. Low rolling resistance.
	Auto Centre 42/2013	Test winner Nokian Hakkapeliitta 8 195/65R15	Perfect grip on icy and snowy road. Excellent handling on ice. Stable and logical driving behavior.
	Auto Centre 42/2013	Test winner Nokian Hakkapeliitta R2 195/65R15	Perfect grip on ice and snow. Excellent handling on dry asphalt.





Winter 2013	Magazine	Position	Comments
FINLAND			
	Tekniikan Maailma 16/2013	Test winner Nokian Hakkapeliitta 8 205/55R16	Amazing tyre on ice. Grip and handling are excellent on icy road, and properties are excellent also on snow.
	Tekniikan Maailma 16/2013	2 nd place Nokian Hakkapeliitta R2 205/55R16	Excellent on ice, braking on ice is even better than the winner of the test. Special recognition from quietness. Lowest rolling resistance.
	Tuulilasi 12/2013	Test winner Nokian Hakkapeliitta 8 205/55R16	Best handling properties on ice and snow. Best grade in handling test on wet surface. Logical and calm in various driving situations. The most silent tyre in the test.
	Tuulilasi 13/2013	Test winner Nokian Hakkapeliitta R2 205/55R16	Excellent and reliable driving behaviour on demanding winter roads. Good grip properties in winter conditions. Lowest fuel consumption.
	Auto Bild Suomi 20/2013	Test winner Nokian Hakkapeliitta R2 205/55R16	Set a new norm for the winter grip. Lowest fuel consumption.

SWEDEN			
	Vi Bilägare 13/2013	Test winner Nokian Hakkapeliitta 8 205/55R16	Very good winter grip. Best tyre in the test on ice, snow, and bare roads, very good handling and steering.
	Auto, Motor & Sport 21/2013	Test winner Nokian Hakkapeliitta 8 205/55R16	Truly enjoyable to drive, very good on ice and snow, precise and quick steering, impressive braking power on dry surface.
	Auto, Motor & Sport 22/2013	Test winner Nokian Hakkapeliitta R2 205/55R16	Excellent grip on ice and snow. Slush planning no problem. Short braking distance on asphalt.
	Vi Bilägare 14/2013	Test winner Nokian Hakkapeliitta R2 205/55R16	Excellent handling on ice and snow. The best Nordic non studded tyres in slush. Lowest fuel consumption in test.
	Teknikens Värld 22/2013	Test winner Nokian Hakkapeliitta R2 205/55R16	Set a new norm for the winter grip for this kind of tyre. Lowest rolling resistance on the test.
	Aftonbladet Bil 2013-10-17	Test winner Nokian Hakkapeliitta 8 205/55R16	The tyre is supreme on ice, even insanely good. Top-notch grip on snow, as well.
	Motorföraren 8/2013	Test winner Nokian Hakkapeliitta 8 205/55R16	Very good handling on ice and snow, precise and quick reaction to steering. Very good braking on dry surfaces.






NORWAY			
	NAF/Motor 7/2013	Test winner Nokian Hakkapeliitta 8 205/55R16	The tyre has excellent grip on ice, and its performance was excellent in all of the subtests. The tyre steers well and it has good overall winter characteristics.
	Auto Motor og Sport 8/2013	Test winner Nokian Hakkapeliitta 8 205/55R16	This tyre was fastest on the handling track, and it was a pure pleasure to drive the car... Nokian winter tyres traditionally behaves well on snow. The response is quick, on steering as well as on acceleration.
	Auto Motor og Sport 10/2013	Test winner Nokian Hakkapeliitta R2 205/55R16	Strengthened behavior on asphalt without weakening the winter properties. The grip on both ice and snow is top class. Lowest rolling resistance.
BELARUS			
	AutoBild 10/2013	Test winner Nokian Hakkapeliitta 8 Best studded tyre 205/55R16	Best acceleration and braking on ice. High-class driving properties on snow. Low rolling resistance and effective slushplaning prevention.
	AutoBild 10/2013	Test winner Nokian Hakkapeliitta R2 Best studded tyre 205/55R16	Best handling on ice. Lowest rolling resistance. Effectively resist slushplaning.
	AutoBild 10/2013	Test winner Nokian WR D3 Best Central European winter tyre 205/55R16	Best braking on snow. Best results in slushplaning prevention. Low rolling resistance.
GREAT BRITAIN			
	Auto Express 45/2013	Test winner Nokian WR D3 225/45R17	Effective in all conditions. Excellent on snow. Top for fuel economy.
CANADA			
	La Presse	Test winner Nokian Hakkapeliitta R2 SUV 225/65R17	Awesome grip on ice and snow. Excellent drivability on ice and snow. Good driving properties on dry surfaces.

APPENDIX - Test wins spring 2013 1(2)

Spring 2013	Magazine	Position	Comments
CENTRAL EUROPE			
	Auto Bild 9/2013 Germany	1 st place shared "Exemplary" Nokian Line 195/65R15	Well-balanced premium tyre with outstanding braking abilities, low rolling noise, good comfort.
	auto TEST 4/2013 Germany	„auto TEST test winner 2013“ Nokian Line 195/65R15 V	Well-balanced premium tyre with outstanding braking abilities, low rolling noise, good comfort.
	ADAC 3/2013 Germany	„Good“ Nokian Line 185/60R15	Very well-balanced tyre, good on wet surfaces, relatively low fuel consumption.
	Stiftung Warentest 3/2013 Germany	„Good“ Nokian Line 185/60R15	Good for wet surface, dry surface, wear resistance, fuel consumption.
	Auto Motor und Sport 6/2013 Germany	“Especially recommended” 2 nd place Nokian Line 205/55R16 V	Very good traction, harmonious driving behaviour, excellent braking.
	AUTO 8/2013 Germany	„Especially recommended” 2 nd place Nokian Line 205/55R16 V	Very good traction, harmonious driving behaviour, excellent braking.

Spring 2013	Magazine	Position	Comments
CENTRAL EUROPE			
	gute Fahrt 3/2013 Germany	„Very good -“ gute Fahrt recommendation Nokian Line 205/55R16 V	Great on wet surfaces, handling and braking „Very good”; on dry surfaces good stability and steering reaction. Good comfort, too.
	Firmenauto 4/2013 Germany	“especially recommended” 2 nd place Nokian Line 205/55R16 V	Very good traction, harmonious driving behaviour, excellent braking.
	ÖAMTC 3/2013 Austria	„Highly recommended” Nokian Line 185/60R15	Very good fuel consumption, good on dry surfaces and in the wet.
	TCS 3/2013 Switzerland	„Highly recommended” Nokian Line 185/60R15	Very balanced tyre, good in all safety relevant disciplines.
	Konsument 3/2013 Austria	„GUT” Nokian Line 185/60 R15	Good for wet roads, dry roads, wear-resistance, fuel consumption.

APPENDIX - Test wins spring 2013 2(2)

Spring 2013	Magazine	Position	Comments
RUSSIA			
	Za Rulem 3/2013 Russia	Testwinner Nokian Hakka Green 185/60R14	Best braking properties on wet road. Excellent handling properties and steering accuracy. Economical and low noise level.
	Za Rulem 4/2013 Russia	Testwinner Nokian Hakka SUV 215/65R16	Very good grip properties both on wet and dry road surfaces. Stable and safe driving properties on all weather conditions. Low fuel consumption.
FINLAND			
	Tuulilasi 4/2013 Finland	1 st place shared Nokian Hakka Blue 205/55R16	Best handling properties both on dry and wet surfaces. Magnificent driving comfort. Easy to drive in all conditions.
	Tekniikan Maailma 5/2013 Finland	2nd place Nokian Hakka Blue 205/55R16	Excellent handling properties on wet road. Ranked best on dry surface. Comfortable and silent.
SWEDEN			
	Aftonbladet BIL 3/2013 Sweden	2nd place shared Nokian Hakka Blue 205/55R16	Best handling properties both in dry and wet surfaces. Silent and very good driving comfort.

Spring 2013	Magazine	Position	Comments
NORWAY			
	NAF/Motor 2/2013 Norway	2nd place shared Nokian Hakka Blue 205/55R16	Best handling properties both in dry and wet surfaces. Excellent in extreme situations.
UKRAINE			
	Auto Centre 12/2013 Ukraine	Testwinner Nokian Hakka Green 195/65R15	Best handling properties both on dry and wet surfaces. Top level grip properties both wet and dry conditions. Best rolling resistance.
	Auto Centre 13/2013 Ukraine	Testwinner Nokian Hakka SUV 215/65R16	Highly recommended. Clear number one on all wet condition tests. Extremely good grip properties on wet and dry conditions. Safe and accurate driving properties on all road surfaces.

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 12/2013

APPENDIX

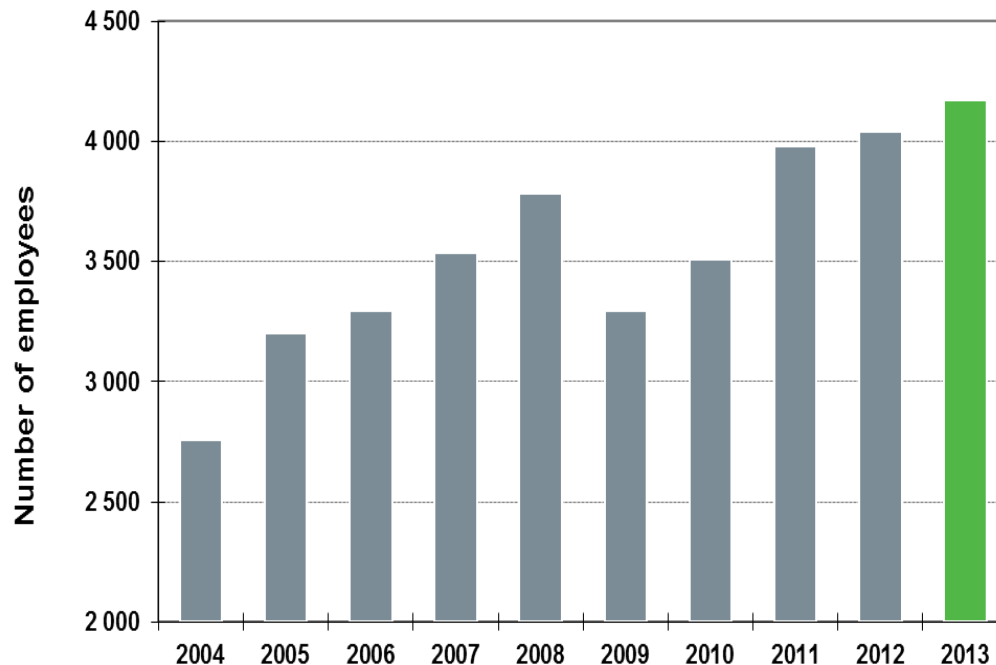
Personnel 31 December, 2013

Personnel at the end of the review period

- Nokian Tyres Group: 4,170 (4,039)
- Equity-owned Vianor: 1,480 (1,362)
- Russia: 1,319 (1,252)



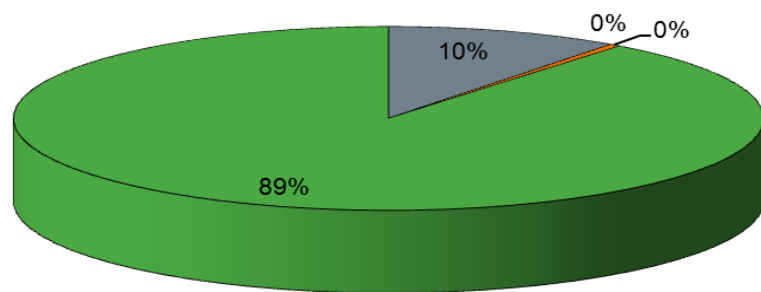
Natalia Belichenko, Nadezhda Nikiforova and Alexandra Mizintseva, Vsevolozhsk



APPENDIX

Financing: Loans on 31 December 2013, Net Financial Expenses and currency effect

Interest Bearing Debts
EUR 368.1 m€ (31.12.2013)

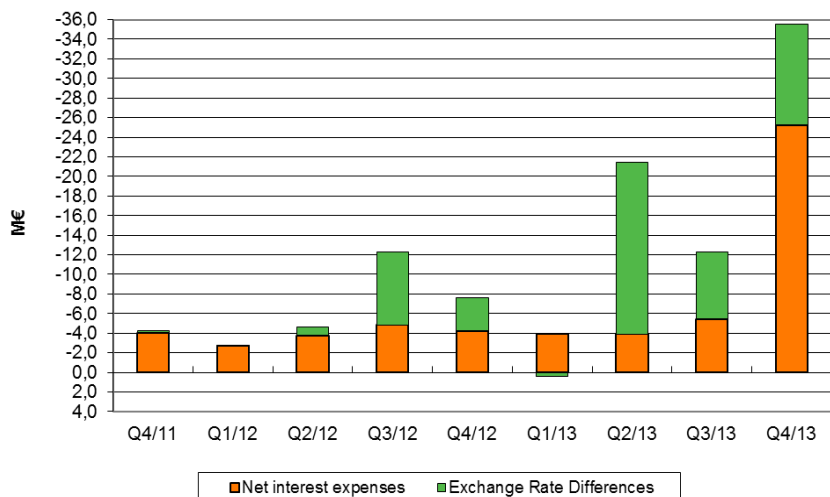


■ Banks ■ Pension Loans ■ Finance Leases ■ Market

Interest-Bearing Debt



Net Financial Expenses Q4/2013: 35.6 m€ (Q4/2012: 7.6 m€)



■ Net interest expenses ■ Exchange Rate Differences

Net financial items/exchange rate difference (mEUR)

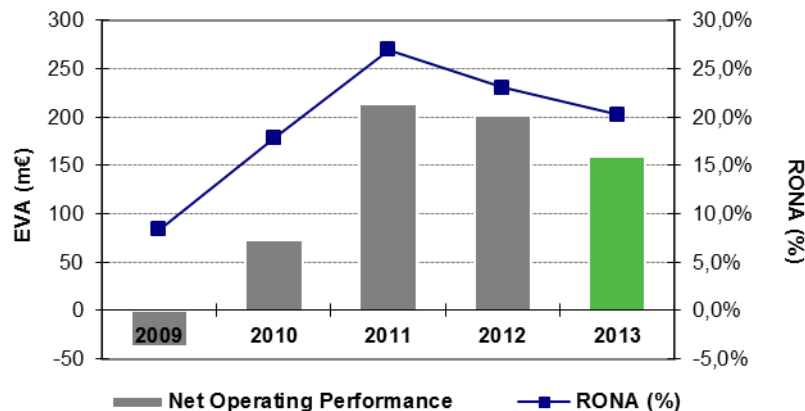
	RUB	NOK	SEK	USD	CAD	other	Total
Underlying 1)	-39,6	-6,1	-3,6	-1,0	-1,7	-5,6	-57,6
Hedging	28,2	3,4	1,6	0,7	1,2	2,9	37,9
Hedging cost	-11,6	-0,6	-0,7	0,0	-0,1	-1,6	-14,6
Total	-22,9	-3,2	-2,7	-0,3	-0,6	-4,4	-34,2

1) AP, AR, Internal loans/deposits

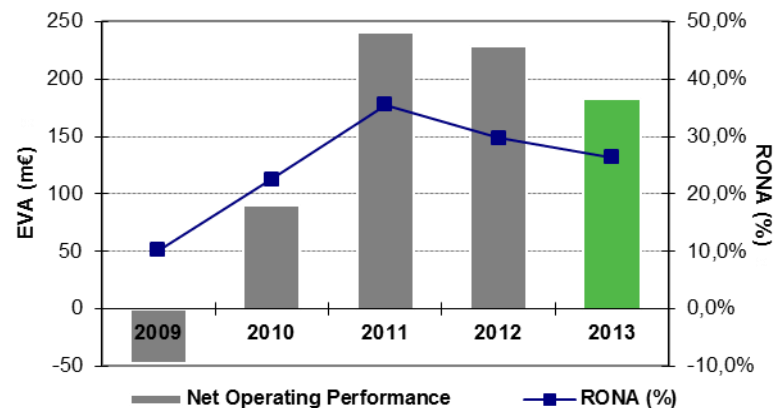
APPENDIX

RONA (%) and Net operating performance (EVA) ¹⁾ 2009-2013

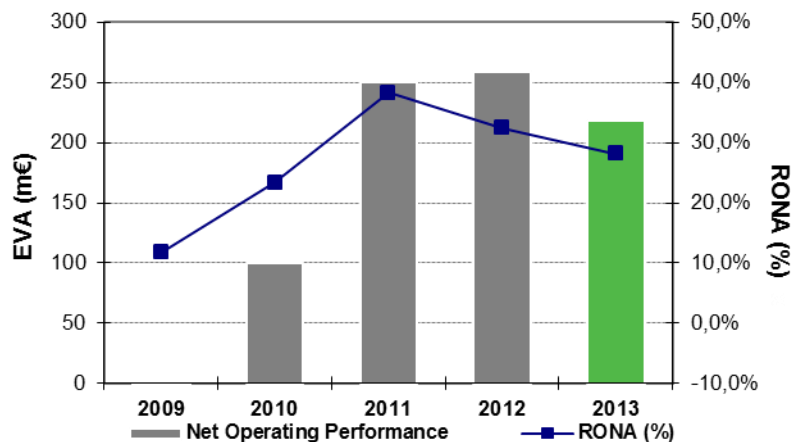
Group EVA (m€) and RONA (%)



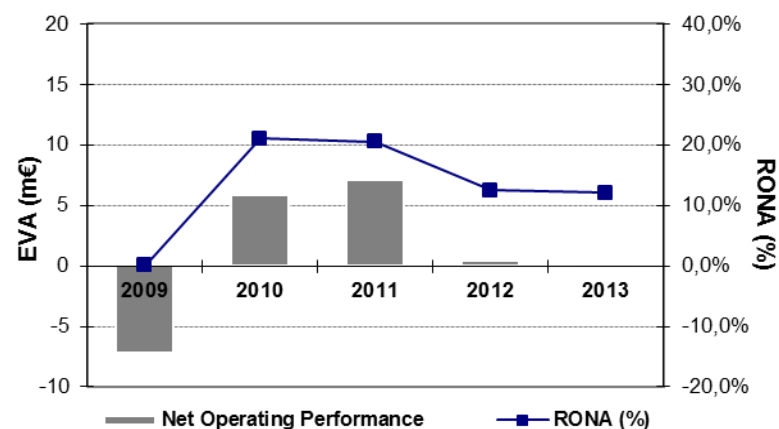
Manufacturing EVA (m€) and RONA (%)



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

Consolidated Income Statement

Million euros		10-12/13	10-12/12	1-12/13	1-12/12		Change
							%
Net sales		411.8	446.4	1,521.0	1,612.4		-5.7
Cost of sales		-223.5	-248.8	-819.9	-900.7		9.0
Gross profit		188.4	197.6	701.0	711.7		-1.5
Other operating income		1.3	0.7	3.9	1.9		
Selling and marketing expenses		-71.9	-71.1	-249.1	-238.5		-4.4
Administration expenses		-9.7	-10.2	-36.6	-34.7		-5.4
Other operating expenses		-14.9	-5.2	-33.8	-25.4		-33.1
Operating profit		93.2	111.8	385.5	415.0		-7.1
Financial income		36.4	12.1	104.3	89.8		16.2
Financial expenses (1		-71.9	-19.7	-177.0	-117.1		-51.2
Profit before tax		57.7	104.2	312.8	387.7		-19.3
Tax expense (2 (3		-94.1	-15.9	-129.1	-56.8		-127.1
Profit for the period		-36.4	88.3	183.7	330.9		-44.5
Attributable to:							
Equity holders of the parent		-36.4	88.3	183.8	330.9		
Non-controlling interest		0.0	0.0	-0.1	0.0		
Earnings per share from the profit attributable to equity holders of the parent							
basic, euros		-0.28	0.67	1.39	2.52		-45.0
diluted, euros		-0.30	0.66	1.39	2.46		-43.5
1) Financial expenses in 10-12/13 and 1-12/13 contain EUR 20.2 million expensed punitive interests for tax reassessment decisions on years 2007-2010.							
2) Tax expense in 10-12/13 and 1-12/13 contains EUR 80.1 million expensed additional taxes with punitive tax increases for tax reassessment decisions on years 2007-2010.							
3) Otherwise tax expense in the consolidated income statement is based on the taxable result for the period.							

APPENDIX

Consolidated Other Comprehensive Income

Million euros		10-12/13	10-12/12	1-12/13	1-12/12
Profit for the period		-36.4	88.3	183.7	330.9
Other comprehensive income, items that may be reclassified subsequently to profit and loss, net of tax:					
Gains/Losses from hedge of net investments in foreign operations		0.0	-0.5	-1.9	-13.4
Cash flow hedges		0.5	0.2	0.8	0.5
Translation differences on foreign operations		-20.5	-3.9	-65.6	33.9
Total other comprehensive income for the period, net of tax		-20.0	-4.2	-66.7	21.0
Total comprehensive income for the period		-56.4	84.1	117.0	351.9
Total comprehensive income attributable to:					
Equity holders of the parent		-56.4	84.1	117.1	351.9
Non-controlling interest		0.0	0.0	-0.1	0.1

APPENDIX

Key Ratios

KEY RATIOS			31.12.13	31.12.12		Change
						%
Equity ratio, %			67.6	71.2		
Gearing, %			-4.1	-4.5		
Equity per share, euro			10.45	10.89		-4.1
Interest-bearing net debt,						
mill. euros			-56.4	-65.2		
Capital expenditure,						
mill. euros			125.6	209.2		
Depreciation, mill. euros			93.5	81.9		
Personnel, average			4,194	4,083		
Number of shares (million units)						
at the end of period			133.29	131.96		
in average			132.65	131.24		
in average, diluted			137.62	137.39		

APPENDIX

Consolidated Statement Of Financial Position

Million euros			31/12/2013	31/12/2012					
					Non-current liabilities				
					Deferred tax liabilities			36.1	34.9
Non-current assets					Provisions			0.1	0.1
Property, plant and equipment			683.8	692.5	Interest bearing financial liabilities			185.8	323.1
Goodwill			69.9	67.9	Other liabilities			3.5	3.5
Other intangible assets			24.7	26.4	Total non-current liabilities			225.4	361.7
Investments in associates			0.1	0.1	Current liabilities				
Available-for-sale					Trade payables			65.8	75.5
financial assets			0.3	0.3	Other current payables			189.4	85.7
Other receivables			11.3	18.2	Current tax liabilities			4.0	13.2
Deferred tax assets			8.8	5.4	Provisions			3.1	4.3
Total non-current assets			798.8	810.8	Interest-bearing financial liabilities			182.4	42.0
					Total current liabilities			444.7	220.8
Current assets					Total assets			2,062.9	2,019.6
Inventories			322.1	314.9					
Trade receivables			404.8	375.7	Changes in net working capital arising from operative business are partly covered				
Other receivables			98.8	75.6	by EUR 350 million domestic commercial paper programme.				
Current tax assets			13.8	12.3					
Cash and cash equivalents			424.6	430.3					
Total current assets			1,264.1	1,208.9					
Equity									
Share capital			25.4	25.4					
Share premium			181.4	181.4					
Translation reserve			-128.5	-61.0					
Fair value and hedging reserves			-0.7	-1.5					
Paid-up unrestricted equity reserve			97.1	79.3					
Retained earnings			1,217.9	1,213.2					
Non-controlling interest			0.2	0.3					
Total equity			1,392.8	1,437.2					

APPENDIX

Consolidated Statement Of Cash Flows

Million euros			1-12/13	1-12/12
Cash flows from operating activities:				
Cash generated from operations			424.4	486.6
Financial items and taxes			-106.9	-97.9
Net cash from operating activities			317.6	388.7
Cash flows from investing activities:				
Net cash used in investing activities			-143.4	-203.4
Cash flows from financing activities:				
Proceeds from issue of share capital			17.8	43.9
Change in current financial receivables and debt			-40.7	-233.7
Change in non-current financial receivables and debt			36.6	126.5
Dividends paid			-191.9	-156.6
Net cash from financing activities			-178.1	-219.9
Net change in cash and cash equivalents			-4.0	-34.5
Cash and cash equivalents at the beginning of the period			430.3	464.5
Effect of exchange rate changes			-1.8	0.3
Cash and cash equivalents at the end of the period			424.6	430.3
			-4.0	-34.5

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 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
Change in non-controlling interest							0.3	1,437.2
Equity, Dec 31st 2012	25.4	181.4	-61.0	-1.5	79.3	1,213.2	0.3	1,437.2
Equity, Jan 1st 2013	25.4	181.4	-61.0	-1.5	79.3	1,213.2	0.3	1,437.2
Profit for the period						183.8	-0.1	183.7
Other comprehensive income, net of tax:								
Cash flow hedges				0.8				0.8
Net investment hedge			-1.9					-1.9
Translation differences			-65.6					-65.6
Total comprehensive income for the period			-67.5	0.8		183.8	-0.1	117.0
Dividends paid						-191.9		-191.9
Exercised warrants					17.8			17.8
Share-based payments						12.9		12.9
Total transactions with owners for the period					17.8	-179.1		-161.3
Equity, Dec 31st 2013	25.4	181.4	-128.5	-0.7	97.1	1,217.9	0.2	1,392.8

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		10-12/13	10-12/12	1-12/13	1-12/12		Change
							%
Net sales							
Passenger car tyres		271.6	304.2	1137.0	1220.1		-6.8
Heavy tyres		25.1	25.9	95.7	104.4		-8.4
Vianor		117.2	121.3	312.5	315.3		-0.9
Other operations		19.1	19.4	68.1	66.7		2.2
Eliminations		-21.2	-24.4	-92.3	-94.1		1.9
Total		411.8	446.4	1,521.0	1,612.4		-5.7
Operating result							
Passenger car tyres		75.3	94.1	378.5	410.8		-7.8
Heavy tyres		2.7	1.4	10.3	11.3		-9.3
Vianor		12.8	11.8	-1.8	0.0		-4,450.8
Other operations		-3.5	-2.9	-3.0	-5.5		45.5
Eliminations		6.0	7.3	1.5	-1.6		190.8
Total		93.2	111.8	385.5	415.0		-7.1
Operating result, % of net sales							
Passenger car tyres		27.7	30.9	33.3	33.7		
Heavy tyres		10.8	5.5	10.7	10.8		
Vianor		10.9	9.7	-0.6	0.0		
Total		22.6	25.0	25.3	25.7		
Cash Flow II							
Passenger car tyres		460.3	491.9	297.1	258.4		14.9
Heavy tyres		11.0	18.4	15.0	8.2		83.0
Vianor		31.1	30.5	7.4	-1.4		634.1
Total		515.9	552.0	325.6	262.3		24.2

APPENDIX

Changes in property, plant and equipment and contingent liabilities

Million euros			31.12.13	31.12.12
Opening balance			692.5	560.4
Capital expenditure			155.2	202.3
Decrease			-22.6	-8.3
Depreciation for the period			-85.1	-75.4
Exchange differences			-56.3	13.6
Closing balance			683.8	692.5
CONTINGENT LIABILITIES			31.12.13	31.12.12
Million euros				
FOR OWN DEBT				
Mortgages			1.1	1.1
Pledged assets			0.2	0.2
Guarantees				
The amount of debts with security				
ON BEHALF OF OTHER COMPANIES				
Guarantees				
OTHER OWN COMMITMENTS				
Guarantees			3.3	3.4
Leasing and rent commitments			63.3	84.8
Purchase commitments			2.0	3.0

APPENDIX

Derivative Financial Instruments

Million euros			31.12.13	31.12.12	
INTEREST RATE DERIVATIVES					
Interest rate swaps					
Notional amount			0.0	40.1	
Fair value			0.0	-1.3	
FOREIGN CURRENCY DERIVATIVES					
Currency forwards					
Notional amount			225.8	538.4	
Fair value			1.9	-1.3	
Currency options, purchased					
Notional amount			110.3	9.5	
Fair value			2.4	0.1	
Currency options, written					
Notional amount			110.3	19.1	
Fair value			-0.9	-0.1	
Interest rate and currency swaps					
Notional amount			20.0	20.0	
Fair value			0.1	-0.2	
ELECTRICITY DERIVATIVES					
Electricity forwards					
Notional amount			12.3	13.3	
Fair value			-2.8	-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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Thank you!

