

Nokian Tyres plc Interim Report January–March 2022, April 27, 2022 at 2:00 p.m.

Nokian Tyres plc Interim Report January–March 2022:

War in Ukraine overshadowed Q1, operating environment highly uncertain, tire demand good

January–March 2022

- Net sales were EUR 416.5 million (341.8 in January–March 2021) and grew by 21.9%. With comparable currencies, net sales increased by 21.8%. The year began with good demand in all markets. In late February, the war in Ukraine started to impact on the operating environment.
- Segments operating profit was EUR 66.5 million (50.3), with minor negative currency impact. Operating profit was EUR 59.3 million (44.3).
- Segments earnings per share were EUR 0.38 (0.29). Earnings per share were EUR 0.34 (0.26).
- Cash flow from operating activities was EUR -114.3 million (-24.4).
- On March 30, the Board of Directors decided to change its dividend proposal from EUR 1.32 per share to EUR 0.55 (1.20) per share for the financial year 2021 to fund new capacity in Europe.
- The war in Ukraine and resulting sanctions cause significant uncertainty to Nokian Tyres operating environment. Nokian Tyres net sales and segments operating profit in 2022 are expected to decrease significantly compared to 2021.

War in Ukraine – Summary of Nokian Tyres' actions

On February 24, Russia started the war in Ukraine, which has caused high uncertainty related to Nokian Tyres' operating environment and manufacturing capacity.

On April 8, the EU announced new sanctions against Russia, which impact Nokian Tyres' business. The sanctions prohibit the import of tires from Russia to the EU, prohibit the export of certain raw materials from the EU to Russia, and limit transportation from and to Russia. The sanctions have a significant impact on Nokian Tyres' ability to manufacture tires in Russia, and ability to sell tires both in Russia and in the EU, specifically in Central Europe.

In 2021, Russia represented approximately 20% of Nokian Tyres' net sales, and approximately 80% of Nokian Tyres passenger car tires were produced in Russia. Of raw materials for tires produced in Russia, approximately half came from outside of Russia. Raw material availability and its logistics will have a significant impact on the company's capability to continue production in Russia.

Nokian Tyres is expediting its plans to invest in new production capacity in Europe, and continues to increase production capacity at its factories in Nokia, Finland and Dayton, US. According to the plan, in the future all tires sold in the Nordic countries will be produced in Nokia, and all tires sold in North America will be produced in Dayton and in Nokia.

The Heavy Tyres business of Nokian Tyres plc is not impacted by the ban to import tires from Russia to the EU, as all Nokian Tyres' heavy tires are produced in Finland. Sales and distribution of heavy tires to Russia were stopped due to the war. Nokian Tyres has never sold tires to the Russian army, and the Russian Federation is not a customer of Nokian Tyres.

Nokian Tyres has taken active measures, such as below, to manage the impacts of the war in Ukraine to its personnel and business:

Health and safety actions

- Continuously communicating about the situation in the organization and providing support to Nokian Tyres' employees
- Being in daily contact with the Ukrainian colleagues to help them and their families stay safe

- Donating to humanitarian efforts in Ukraine

Operational response actions

- Ensuring compliance with applicable sanctions regime
- Establishing a crisis management team and activating contingency plans to limit the operational and financial impacts, including shipping tires closer to customers, securing the raw material supply to the factories, and transferring production of selected key product lines from Russia to Finland and the US
- Taking care of the personnel and management in Ukraine and Russia
- Securing control of the asset base in Russia (March 31, 2022: EUR 476.1 million)
- Stopping investments into the Russian production, and stopping all heavy tire sales and distribution to Russia
- Expediting plans to diversify manufacturing footprint by investing in new production capacity in Europe and continuing to increase passenger car tire capacity in the Finnish and US factories
- Implementing cost measures by cutting and delaying activities and reducing discretionary spending

Financial response actions

- On March 30, the Board of Directors decided to change its dividend proposal to the Annual General Meeting to be held on April 28, 2022 from EUR 1.32/share to EUR 0.55/share (2021: EUR 1.20). The new dividend proposal cuts the total dividend payable to shareholders by EUR 106 million to fund the new capacity in Europe
- Taking measures to secure the company's liquidity and financial flexibility
- Leveraging the strong balance sheet to support the company in difficult times

Jukka Moisio, President and CEO:

“For the past two months, we have witnessed shocking events in Ukraine. We have followed the situation with great sadness and we, along with the whole international community, unequivocally condemn the war, which has caused unspeakable suffering to so many.

The war in Ukraine started to impact our operating environment in late February. However, the year began with good tire demand and in January–March, our net sales with comparable currencies increased by 21.9% and segments operating profit improved. The result was driven by price increases that we implemented in a wide range of markets and products to offset high raw material and other cost inflation.

At these difficult times, our first priority has been to help our Ukrainian colleagues and their families stay safe, and support all Nokian Tyres employees. To secure supply of our products, we immediately activated contingency plans in February, including shipping tires closer to our customers, securing the raw material supply, and transferring production of selected key product lines from Russia to our other factories. To reduce reliance on the Russian production and to diversify our manufacturing footprint, we have continued to increase capacity at our factories in Finland and in the US, and we are expediting our plans to invest in new capacity in Europe.

The war in Ukraine will significantly impact our financial results in 2022, especially starting from the third quarter. Due to high uncertainty and dynamic environment, it is impossible to estimate the ultimate impact on our overall performance at the moment. The sanctions have a significant impact on our ability to manufacture tires in Russia, and thus our ability to sell tires in Russia and in Central Europe.

Our short-term focus will be on adapting to the fast-changing, highly uncertain operating environment, maintaining control of our operations in Russia and securing cash flow. We have a strong product portfolio, and although there will be difficulties in the short term, we will do our utmost to ensure

supply of our products to customers. In the mid-term, adding new supply capability to Europe will be one of our key priorities. At the same time, the Board is evaluating long-term strategic paths in the changing operating environment.

I would especially like to thank all Nokian Tyres employees for their perseverance and resilience during this difficult time.”

Key figures

EUR million	1–3/2022	1–3/2021	Change	CC* Change	2021
Net sales	416.5	341.8	21.9%	21.8%	1,714.1
Operating profit	59.3	44.3			268.2
Operating profit %	14.2%	13.0%			15.6%
Profit before tax	57.6	43.7			258.2
Profit for the period	47.0	35.5			206.2
EPS, EUR	0.34	0.26			1.49
Segments operating profit	66.5	50.3			324.8
Segments operating profit %	16.0%	14.7%			19.0%
Segments EPS, EUR	0.38	0.29			1.84
Segments ROCE, %**	16.2%	10.6%			15.8%
Equity ratio, %	70.0%	66.8%			68.4%
Cash flow from operating activities	-114.3	-24.4			396.5
Gearing, %	3.1%	1.9%			-6.1%
Interest-bearing net debt	52.6	30.9			-98.7
Capital expenditure	14.1	17.1			119.6

* Comparable currencies

** Rolling 12 months

The definitions of alternative performance measures (non-IFRS figures) are presented in the report by the Board of Directors in Nokian Tyres Financial Review 2021.

FINANCIAL RESULTS IN JANUARY–MARCH 2022

Net sales in January–March 2022 increased by 21.9% and amounted to EUR 416.5 million (January–March 2021: 341.8). With comparable currencies, net sales increased by 21.8%. The year began with good tire demand in all markets. In late February, the war in Ukraine started to impact on the operating environment. Currency exchange rates affected net sales positively by EUR 0.3 million. Russian ruble had a negative impact, while all other main currencies had a positive impact.

Net sales by geographical area

EUR million	1–3/2022	1–3/2021	Change	CC* Change	2021
Nordics	135.0	133.3	1.3%	1.1%	684.9
Other Europe	106.7	83.5	27.7%	24.1%	464.8
Russia and Asia	94.3	79.2	19.1%	29.8%	335.6
Americas	80.5	45.7	75.9%	63.8%	228.9
Total	416.5	341.8	21.9%	21.8%	1,714.1

* Comparable currencies

Net sales by business unit

EUR million	1–3/2022	1–3/2021	Change	CC* Change	2021
Passenger Car Tyres	314.9	245.9	28.1%	28.4%	1,199.2
Heavy Tyres	66.4	57.1	16.4%	14.7%	254.0
Vianor	57.1	58.1	-1.8%	-1.8%	342.9
Other operations and eliminations	-22.0	-19.3	-13.8%		-81.9
Total	416.5	341.8	21.9%	21.8%	1,714.1

* Comparable currencies

Raw material unit costs (EUR/kg) in manufacturing, including inbound logistics cost, increased by 35% year-over-year, containing negative currency impact. Raw material unit costs increased by 4% from the fourth quarter of 2021.

Operating profit was EUR 59.3 million (44.3). The non-IFRS exclusions of EUR -7.1 million (-6.1) were related to the US factory ramp-up (-6.5).

Segments operating profit amounted to EUR 66.5 million (50.3) with negative currency impact of approximately EUR 4 million.

Segments operating profit by business unit

EUR million	1–3/2022	1–3/2021	2021
Passenger Car Tyres	74.2	52.8	298.7
Heavy Tyres	12.8	12.6	40.3
Vianor	-12.1	-9.8	4.1
Other operations and eliminations	-8.3	-5.2	-18.3
Segments operating profit total	66.5	50.3	324.8
Non-IFRS exclusions	-7.1	-6.1	-56.7

Financial items and taxes

Net financial expenses were EUR 1.7 million (0.6), including net interest expenses of EUR 1.8 million (2.0). Net financial expenses include an income of EUR 0.1 million (1.4) due to exchange rate differences. Segments profit before tax was EUR 64.8 million (49.7). Profit before tax was EUR 57.6 million (43.7) and taxes were EUR -10.6 million (-8.2). Segments profit for the period amounted to EUR 52.6 million (40.3). Profit for the period amounted to EUR 47.0 million (35.5). Segments earnings per share were EUR 0.38 (0.29), and earnings per share were EUR 0.34 (0.26).

Cash flow

In January–March 2022, cash flow from operating activities was EUR -114.3 million (-24.4). Working capital increased by EUR 198.3 million (increased by 87.3). Inventories increased by EUR 54.8 million (increased by 32.0) and receivables increased by EUR 79.9 million (increased by 78.8). Payables decreased by EUR 63.6 million (increased by 23.4). The increase in payables in the comparison period of January–March 2021 was due to a low level of payables at the end of 2020.

Investments

Investments in January–March 2022 amounted to EUR 14.1 million (17.1). Depreciations and amortizations totaled EUR 35.5 million (32.6).

Financial position on March 31, 2022

EUR million	March 31, 2022	March 31, 2021	Dec 31, 2021
Cash and cash equivalents	253.5	410.4	385.9
Interest-bearing liabilities	306.1	441.3	287.2
of which current interest-bearing liabilities	60.4	198.9	40.3
Interest-bearing net debt	52.6	30.9	-98.7
Unused credit limits*	791.7	548.2	811.7
of which committed	305.5	205.5	305.5
Gearing ratio, %	3.1%	1.9%	-6.1%
Equity ratio, %	70.0%	66.8%	68.4%

* The current credit limits including the EUR 500 million commercial paper program are used to finance inventories, trade receivables, and subsidiaries in distribution chains, thereby controlling the typical seasonality in the Group's cash flow.

Personnel

	1–3/2022	1–3/2021	2021
Group employees			
on average	5,048	4,727	4,941
at the end of the review period	5,293	4,982	4,915
in Finland, at the end of the review period	1,945	1,916	1,782
in Russia, at the end of the review period	1,655	1,550	1,612
in North America, at the end of the review period	422	268	391
Vianor (own) employees, at the end of the review period*	1,682	1,724	1,395

* Included in Group employee figures

BUSINESS UNIT REVIEWS

Passenger Car Tyres

EUR million	1–3/2022	1–3/2021	Change	CC* Change	2021
Net sales	314.9	245.9	28.1%	28.4%	1,199.2
Operating profit	67.0	46.0			263.4
Operating profit, %	21.3%	18.7%			22.0%
Segment operating profit	74.2	52.8			298.7
Segment operating profit, %	23.6%	21.5%			24.9%

* Comparable currencies

In January–March 2022, net sales of Passenger Car Tyres totaled EUR 314.9 million (245.9). With comparable currencies, net sales increased by 28.4%. The year began with good tire demand in all markets. Net sales increased in all main markets. Average Sales Price with comparable currencies improved. In late February, the war in Ukraine started to impact on the operating environment.

The share of sales volume of winter tires was 33% (35%), the share of summer tires was 43% (47%), and the share of all-season tires was 24% (18%).

Segment operating profit was EUR 74.2 million (52.8) driven by increased sales prices that more than offset higher raw material and other cost inflation.

Raw material unit costs (EUR/kg) in manufacturing, including inbound logistics cost, increased by 35% year-over-year, containing negative currency impact.

Production output (pcs) increased by 16% year-over-year. In January–March 2022, 76% (82%) of passenger car tires (pcs) were manufactured in Russia. To diversify manufacturing capacity, the company continued its actions to increase capacity at the factories in Finland and the US, and announced its investment plans in new production capacity in Europe.

In the review period, the company's Hakkapeliitta winter tire range extended with the Nordic non-studded Nokian Tyres Hakkapeliitta R5 for passenger cars and SUVs as well as the Nordic studded Nokian Tyres Hakkapeliitta C4 and Hakkapeliitta CR4 for vans and delivery vehicles.

Heavy Tyres

EUR million	1–3/2022	1–3/2021	Change	CC* Change	2021
Net sales	66.4	57.1	16.4%	14.7%	254.0
Operating profit	12.8	12.6			39.1
Operating profit, %	19.2%	22.0%			15.4%
Segment operating profit	12.8	12.6			40.3
Segment operating profit, %	19.2%	22.0%			15.9%

* Comparable currencies

In January–March 2022, net sales of Heavy Tyres totaled EUR 66.4 million (57.1). With comparable currencies, net sales grew by 14.7% driven by strong demand in all product segments and higher sales prices. Sales and distribution of heavy tires to Russia were stopped due to the war in Ukraine.

Segment operating profit was EUR 12.8 million (12.6) due to increased sales and production volume. Higher raw material and other cost inflation was to a large extent offset by price increases.

Raw material unit costs (EUR/kg) in manufacturing, including inbound logistics cost, increased by 35% year-over-year, containing negative currency impact.

In the review period, Heavy Tyres launched several new sizes for Nokian Tyres Ground Kare product family for wheeled excavators and backhoe loaders.

Vianor, own operations

EUR million	1-3/2022	1-3/2021	Change	CC* Change	2021
Net sales	57.1	58.1	-1.8%	-1.8%	342.9
Operating profit	-12.1	-9.1			-15.0
Operating profit, %	-21.3%	-15.6%			-4.4%
Segment operating profit	-12.1	-9.8			4.1
Segment operating profit, %	-21.3%	-16.9%			1.2%
Number of own service centers at period end	174	173			175

* Comparable currencies

In January–March 2022, net sales of Vianor totaled EUR 57.1 million (58.1). With comparable currencies, net sales decreased by 1.8%.

Segment operating profit was EUR -12.1 million (-9.8). The first quarter is seasonally low in Vianor, therefore negative in profitability. The summer tire season starts in the second quarter.

At the end of the review period, Vianor had 174 (173) own service centers in Finland, Sweden and Norway.

Segments Total to Nokian Tyres Total reconciliation

1-3/2022	Net sales	Cost of sales	SGA	Other operating income/expenses	Operating profit	Financial income/expenses	Taxes	Profit for the period
Segments Total	416.5	-287.5	-62.0	-0.4	66.5	-1.7	-12.2	52.6
US factory ramp-up		-6.6	-0.6		-7.1		1.5	-5.6
Non-operative items and others								
Total non-IFRS exclusion		-6.6	-0.6	0.0	-7.1	0.0	1.5	-5.6
Nokian Tyres Total	416.5	-294.1	-62.6	-0.4	59.3	-1.7	-10.6	47.0

* Nokian Tyres reports non-IFRS figures in addition to its IFRS-reported results. The Segments Total figures exclude costs related to the US factory ramp-up, goodwill impairment charges, restructuring and certain other items, which are not indicative of Nokian Tyres' underlying business performance.

SHARES AND SHAREHOLDERS

At the end of March 2022, the number of shares was 138,921,750.

Number of shares (million units)*	31.3.22	31.3.21
at the end of period	138.25	138.22
in average	138.23	138.22
in average, diluted	138.23	138.22

* Excluding treasury shares

Authorizations

In March 2021, the Annual General Meeting authorized the Board of Directors to resolve to repurchase a maximum of 13,800,000 shares in the company by using funds in the unrestricted shareholders' equity. The number of shares corresponds to approximately 9.9% of all shares in the company. The authorization will be effective until the next AGM, however at most until June 30, 2022.

In March 2021, the Annual General Meeting authorized the Board of Directors to resolve to offer no more than 13,800,000 shares through a share issue, or by granting special rights under Chapter 10, Section 1 of the Finnish Limited Liability Companies Act that entitle to shares (including convertible bonds), on one or more occasions. The Board may decide to issue new shares or shares held by the company. The maximum number of shares included in the proposed authorization accounts for approximately 9.9% of all shares in the company. The authorization will be effective until the next AGM, however at most until June 30, 2022.

The Board did not utilize the authorizations in January–March 2022.

Own shares

No share repurchases were made during the review period, and the company did not possess any own shares on March 31, 2022.

Nokian Tyres has an agreement with a third-party service provider concerning the share-based incentive program for key personnel. The third party owns Nokian Tyres' shares related to the incentive program until the shares are given to the participants of the program. On March 31, 2022, the number of these shares was 670,426, reported as treasury shares (March 31, 2021: 697,400). This number of shares corresponded to 0.48% (0.50%) of the total shares and voting rights in the company.

Trading in shares

A total of 102,499,695 (35,236,690) Nokian Tyres' shares were traded in Nasdaq Helsinki in January–March 2022, representing 74% (25%) of the company's overall share capital. The average daily volume in January–March 2022 was 1,626,979 shares (568,334). Nokian Tyres' shares are also traded on alternative exchanges.

Nokian Tyres' share price was EUR 14.78 (30.88) at the end of March 2022. The volume weighted average share price in January–March 2022 was EUR 19.68 (30.31), the highest was EUR 34.90 (32.85) and the lowest was EUR 11.10 (27.98). The company's market capitalization at the end of March 2022 was EUR 2.1 billion (4.3 billion).

At the end of March 2022, the company had 68,135 (57,363) registered shareholders. The percentage of Finnish shareholders was 39.8% (43.5%), and 60.2% (56.5%) were non-Finnish holders and foreign shareholders registered in the nominee register. Public sector entities owned 14.5% (14.8%), financial and insurance corporations 3.3% (7.3%), households 16.2% (14.2%), non-profit institutions 2.6% (3.5%), and private companies 3.2% (3.7%).

Changes in ownership

Transaction date	Shareholder	Threshold	% of shares and voting rights	% of shares and voting rights through financial instruments	Total, %
February 9, 2022	BlackRock, Inc	Above 5%	4.85%	0.15%	5.00%
February 10, 2022	BlackRock, Inc	Below 5%	Below 5%	Below 5%	Below 5%
February 11, 2022	BlackRock, Inc	Above 5%	4.93%	0.09%	5.03%
February 15, 2022	BlackRock, Inc	Below 5%	Below 5%	Below 5%	Below 5%
February 24, 2022	BlackRock, Inc	Above 5%	4.87%	0.13%	5.00%
February 25, 2022	BlackRock, Inc	Below 5%	Below 5%	Below 5%	Below 5%
March 8, 2022	BlackRock, Inc	Above 5%	4.98%	0.16%	5.15%
March 9, 2022	BlackRock, Inc	Below 5%	Below 5%	Below 5%	Below 5%
March 14, 2022	BlackRock, Inc	Above 5%	5.36%	0.12%	5.49%
March 15, 2022	BlackRock, Inc	Below 5%	Below 5%	Below 5%	Below 5%
March 18, 2022	BlackRock, Inc	Above 5%	8.04%	0.07%	8.12%

Detailed information on notifications of change in shareholding can be found at www.nokiantyres.com/company/investors/share/flagging-notifications/.

Managers' transactions

Nokian Tyres announced managers' transactions on February 9, 10 and 22 as well as on March 4. Read more at www.nokiantyres.com/company/publications/releases/2022/managementTransactions/.

ANNUAL GENERAL MEETING 2022

The Annual General Meeting will be held on Thursday, April 28, 2022 with exceptional meeting procedures. In order to ensure the health and safety of the shareholders, employees and other stakeholders of the Company, the General Meeting will be organized without shareholders' and their proxy representatives' presence at the General Meeting venue.

The proposals for the Annual General Meeting, as well as the Notice to the AGM, are available on the Company's website at www.nokiantyres.com/company/investors/ir-services/ir-calendar/annual-general-meetings/. Nokian Tyres' Financial Statements, the Report of the Board of Directors, the Auditor's Report, and the Remuneration Report for the Company's governing bodies are available at www.nokiantyres.com/company/investors/ir-services/ir-calendar/annual-general-meetings/.

CORPORATE SUSTAINABILITY

In January, Nokian Tyres introduced the Nokian Tyres Green Step concept tire that is a masterpiece of sustainable innovation: 93% of the materials used in the tire are either recycled or renewable. Innovations made during the process of designing the Green Step will be incorporated in the future tires, moving the company closer to its goal: by the year 2030, 50% of all raw materials used in the tires made by Nokian Tyres will be recycled or renewable.

In April, Nokian Tyres published its Corporate Sustainability Report 2021. The report is available on the company's website at www.nokiantyres.com/company/sustainability/.

Sustainability as part of Nokian Tyres management remuneration

In February, Nokian Tyres plc's Board of Directors decided to include a climate related goal as part of the short-term incentive targets of the Group Management Team. Nokian Tyres develops and

manufactures premium tires for consumers and customers who value safety, sustainability and innovative products. Sustainability is at the heart of Nokian Tyres business and one of the five cornerstones of the company's strategy. According to the Company's Board of Directors, it is important that the Group Management Team targets include not only financial criteria, but also sustainability.

OTHER MATTERS

SHARE-BASED LONG-TERM INCENTIVE SCHEME 2022–2024 FOR THE MANAGEMENT AND SELECTED KEY EMPLOYEES OF NOKIAN TYRES PLC

In February, Nokian Tyres announced that the Board of Directors of Nokian Tyres plc had decided on a share-based long-term incentive scheme for the Company's management and selected key employees for years 2022–2024 as a continuation to the earlier plans decided in 2019, 2020 and 2021. The decision includes Performance Share Plan 2022 ("PSP 2022") as the main structure and Restricted Share Plan 2022 ("RSP 2022") as a complementary structure.

The purpose of the share-based incentive scheme is to align the goals of the Company's shareholders and key personnel in order to increase the value of the Company in the long term and to commit key personnel to the Company and its strategic targets.

Performance Share Plan 2022

The Performance Share Plan consists of annually commencing individual three-year Performance Periods, followed by the payment of the potential share reward. The commencement of each individual Performance Period is subject to a separate approval by the Board of Directors.

The Performance Period (PSP 2022–2024) commenced effective as of the beginning of 2022 and the potential share reward thereunder will be paid in the first half of 2025 provided that the performance targets set by the Board of Directors are achieved. The potential reward will be paid partly in shares of Nokian Tyres plc and partly in cash. Cash portion of the reward is intended to cover the taxes arising from the paid reward. Eligible to participate in PSP 2022–2024 are approximately 235 individuals, including the members of Nokian Tyres Management Team.

The potential share reward payable under the PSP 2022–2024 are based on the Segments Earnings Per Share (EPS) and Segments Return on Capital Employed (ROCE). The possible rewards paid based on the Performance Period of 2022–2024 will be a maximum of 513,742 gross shares.

If an employee's employment with Nokian Tyres terminates before the payment date of the share reward, said employee is not, as a main rule, entitled to any reward based on the plan.

Restricted Share Plan 2022

The purpose of the Restricted Share Plan is to serve as a complementary long-term incentive tool, used selectively for retention of Nokian Tyres key employees. It consists of annually commencing individual Restricted Share Plans, each with a three-year retention period after which the share rewards granted within the plan will be paid to the participants in shares of Nokian Tyres plc and partly in cash.

The commencement of each individual plan is subject to a separate approval by the Board of Directors.

A precondition for the payment of the share reward based on the Restricted Share Plan is that the employment relationship of a participant with Nokian Tyres continues until the payment date of the reward. In addition to this precondition, a financial performance criteria is applied to Nokian Tyres Management Team. The criteria is a threshold value for Return on Capital Employed (ROCE), which must be exceeded for a potential payment of a share reward based on the Restricted Share Plan 2022–2024.

The next plan (RSP 2022–2024) within the Restricted Share Plan structure commenced effective as of the beginning of 2022 and the potential share reward thereunder will be paid in the first half of

2025. The possible rewards paid based on RSP 2022–2024 correspond approximately to a maximum of 120,000 gross shares.

Other terms

Nokian Tyres applies a share ownership policy to the members of Nokian Tyres Management Team. According to said policy each member of the Management Team is expected to retain in his/her ownership at least 25% of the shares received under the share-based incentive programs of the Company until the value of his/her share ownership in the Company corresponds to at least his/her annual gross base salary.

The Board of Directors anticipates that no new shares will be issued based on the share-based incentive scheme and that the scheme will, therefore, have no dilutive effect on the registered number of the Company's shares.

Payments for share-based plans that ended in 2021

In February, The Board of Directors of Nokian Tyres plc approved the share awards from the Restricted Share Plan 2019–2021.

The three-year restriction period of the Restricted Share Plan 2019–2021 ended after financial year 2021. 17 key employees participated in the share-based incentive plan, including members of the Management Team. The financial threshold value for Return on Capital Employed (ROCE) applied for the Management Team members was achieved. The rewards paid corresponded to a total of 46,600 Nokian Tyres plc gross shares. The rewards were paid in March 2022. The total number of shares of the Company did not change. A precondition for the payment of the share reward based on the Restricted Share Plan was that the employment relationship of a participant with Nokian Tyres continued until the payment date of the reward.

The targets for the Performance Period 2019–2021 (PSP 2019–2021) were not achieved and no share rewards will be paid to participants.

SIGNIFICANT RISKS AND UNCERTAINTIES AND ONGOING DISPUTES

Nokian Tyres' business and financial performance may be affected by several uncertainties. The Group has adopted a risk management policy, approved by the Board of Directors, which supports the achievement of strategic goals and ensures business continuity. The Group's risk management policy focuses on managing both the risks pertaining to business opportunities and the risks affecting the achievement of the Group's goals in the changing operating environment. The risk management process aims to identify and evaluate the risks and to plan and implement the practical measures for each risk. Nokian Tyres describes the overall business risks and risk management in its annual Corporate Governance Statement.

The war in Ukraine and resulting sanctions are severely impacting Nokian Tyres' operating environment and causing a number of risks for Nokian Tyres' business. These include, among others, ability to secure the safety of the personnel in Ukraine and Russia, the risk of losing control of operations in Russia, additional sanctions and counter-sanctions, ability to serve customers especially in Russia and in Central Europe, and ability to retain personnel. The Group's assets in Russia may also be subject to impairments and write-downs. The reported figures in January-March 2022 do not include any impairments or write-downs of assets related to the war in Ukraine.

In addition to the risks caused by the war in Ukraine, for example, the following risks could potentially have an impact on Nokian Tyres' business:

- Nokian Tyres is subject to risks related to consumer confidence and macroeconomic and geopolitical conditions. Political uncertainties may cause serious disruption and additional trade barriers and affect the company's sales and credit risk. Economic downturns may increase trade customers' payment problems and Nokian Tyres may need to recognize impairment of trade receivables.

- The tire wholesale and retail landscape is evolving to meet changing consumer needs. New technologies are fueling this with increasing digitalization. Failure to adapt to the changes in the sales channel could have an adverse effect on Nokian Tyres' financial performance.

- Nokian Tyres' success is dependent on its ability to innovate and develop new products and services that appeal to its customers and consumers. Despite extensive testing of its products, product quality issues and failure to meet demands of performance and safety could harm Nokian Tyres' reputation and have an adverse effect on its financial performance.

- Nokian Tyres' production facilities are located in Finland, Russia and the US. Any unexpected production or delivery breaks at these facilities would have a negative impact on the company's business. Interruptions in logistics could have a significant impact on production and peak season sales.

- Significant fluctuations in raw material prices may impact margins. Nokian Tyres sources natural rubber from producers in countries such as Indonesia and Malaysia. Although Nokian Tyres has policies such as the Supplier Code of Conduct and established processes to monitor the working conditions, it cannot fully control the actions of its suppliers. Nokian Tyres continues to expand its supplier portfolio to mitigate risks related to single source supplying. The non-compliance with laws, regulations or standards by raw material producers, or their divergence from practices generally accepted as ethical in the European Union or the international community, could have a material adverse effect on Nokian Tyres' reputation.

- Tire industry can be subject to risks caused by climate change, such as changes in consumer tire preferences, regulatory changes or impact of extreme weather events on natural rubber producers. Nokian Tyres is committed to reducing GHG emissions from its operations in order to combat climate change. Nokian Tyres calculates the GHG emissions from its operations annually and reduces them systematically. More detailed analysis on Nokian Tyres' climate change related risks and opportunities is provided at www.nokiantyres.com/company/sustainability/environment/climate-change-related-risks-and-opportunities/.

- Foreign exchange risk consists of transaction risk and translation risk. The most significant currency risks arise from the Russian ruble, the Swedish and Norwegian krona, and the US and Canadian dollar. Approximately 65% of the Group's sales are generated outside of the euro-zone.

- The availability of supporting information systems and network services is crucial to Nokian Tyres. Unplanned interruption in critical information systems or network services may cause disruption to the continuity of operations. Such systems and services may also be exposed to cyber attacks that could cause a leakage of confidential information, violation of data privacy regulations, theft of know-how and other intellectual property, production shutdown or damage to reputation.

- In May 2017, the Finnish Financial Supervisory Authority filed a request for investigation with the National Bureau of Investigation regarding possible securities market offences. In October 2020, the prosecutor announced the decision to press charges against a total of six persons who acted as Board members and the President & CEO of Nokian Tyres in 2015–2016. The prosecutor also requests a corporate fine of a maximum of EUR 850,000 to be imposed on the company. The prosecutor has also decided to press charges for suspected abuse of insider information against four persons who were employees of Nokian Tyres in 2015. All persons charged deny their involvement in any criminal activity. The trial related to these events started at the District Court of Helsinki in January 2022.

- The COVID-19 pandemic represents a short-term risk to Nokian Tyres' business and operating environment. The company has proactively taken preventive actions to minimize the impacts of the pandemic and to ensure business continuity. Despite these efforts, the uncertainty over the duration of the pandemic, the containment measures and the resulting slowdown in economic activity can have a negative impact on Nokian Tyres' operations and supply chain as well as the demand and pricing for the company's products.

Nokian Tyres' risk analysis also pays special attention on corporate sustainability risks, the most significant of which are related to product quality, safety, environment, and human rights. Analyses

and projects related to information security, data protection, and customer information are continuously a special focus area.

Tax disputes

In April 2021, Nokian Tyres received a decision from the Tax Administration concerning a tax audit for the tax years 2015–2016, according to which the company was obliged to pay a total of EUR 1.9 million additional taxes, punitive tax increase and late payment interest. Taxes have been paid and recognized in receivables. Nokian Tyres considers the tax authority's view unfounded and has appealed against the decision.

Routine tax audits in Nokian Tyres Group entities may possibly lead to a reassessment of taxes.

WAR IN UKRAINE – SUMMARY OF NOKIAN TYRES' ACTIONS

On February 24, Russia started the war in Ukraine, which has caused high uncertainty related to Nokian Tyres' operating environment and manufacturing capacity.

On April 8, the EU announced new sanctions against Russia, which impact Nokian Tyres' business. The sanctions prohibit the import of tires from Russia to the EU, prohibit the export of certain raw materials from the EU to Russia, and limit transportation from and to Russia. The sanctions have a significant impact on Nokian Tyres' ability to manufacture tires in Russia, and ability to sell tires both in Russia and in the EU, specifically in Central Europe.

In 2021, Russia represented approximately 20% of Nokian Tyres' net sales, and approximately 80% of Nokian Tyres passenger car tires were produced in Russia. Of raw materials for tires produced in Russia, approximately half came from outside of Russia. Raw material availability and its logistics will have a significant impact on the company's capability to continue production in Russia.

Nokian Tyres is expediting its plans to invest in new production capacity in Europe, and continues to increase production capacity at its factories in Nokia, Finland and Dayton, US. According to the plan, in the future all tires sold in the Nordic countries will be produced in Nokia, and all tires sold in North America will be produced in Dayton and in Nokia.

The Heavy Tyres business of Nokian Tyres plc is not impacted by the ban to import tires from Russia to the EU, as all Nokian Tyres' heavy tires are produced in Finland. Sales and distribution of heavy tires to Russia were stopped due to the war. Nokian Tyres has never sold tires to the Russian army, and the Russian Federation is not a customer of Nokian Tyres.

Nokian Tyres has taken active measures, such as below, to manage the impacts of the war in Ukraine to its personnel and business:

Health and safety actions

- Continuously communicating about the situation in the organization and providing support to Nokian Tyres' employees
- Being in daily contact with the Ukrainian colleagues to help them and their families stay safe
- Donating to humanitarian efforts in Ukraine

Operational response actions

- Ensuring compliance with applicable sanctions regime
- Establishing a crisis management team and activating contingency plans to limit the operational and financial impacts, including shipping tires closer to customers, securing the raw material supply to the factories, and transferring production of selected key product lines from Russia to Finland and the US
- Taking care of the personnel and management in Ukraine and Russia
- Securing control of the asset base in Russia (March 31, 2022: EUR 476.1 million)

- Stopping investments into the Russian production, and stopping all heavy tire sales and distribution to Russia
- Expediting plans to diversify manufacturing footprint by investing in new production capacity in Europe and continuing to increase passenger car tire capacity in the Finnish and US factories
- Implementing cost measures by cutting and delaying activities and reducing discretionary spending

Financial response actions

- On March 30, the Board of Directors decided to change its dividend proposal to the Annual General Meeting to be held on April 28, 2022 from EUR 1.32/share to EUR 0.55/share (2021: EUR 1.20). The new dividend proposal cuts the total dividend payable to shareholders by EUR 106 million to fund the new capacity in Europe
- Taking measures to secure the company's liquidity and financial flexibility
- Leveraging the strong balance sheet to support the company in difficult times

MATTERS AFTER THE REVIEW PERIOD

Changes in ownership

Transaction date	Shareholder	Threshold	% of shares and voting rights	% of shares and voting rights through financial instruments	Total, %
April 13, 2022	Amundi Asset Management	Above 5%	5.17%		5.17%
April 14, 2022	Amundi Asset Management	Below 5%	4.30%		4.30%
April 14, 2022	JPMorgan Chase & Co.	Above 5%	5.90%	0.50%	6.40%

ASSUMPTIONS FOR 2022

Market situation	The Nordic countries	Russia	Europe (excl. the Nordic countries)	North America
New car sales in 1–3/2022 y-o-y	-19%	-28%	-10%	-15%
Car tire sell-in in 1–3/2022 y-o-y	0%	0%	7%	3%
Car tire demand E2022 (management estimate)	increase	decrease	increase	increase
Heavy tire segments* E2022 (management estimate)	at previous year's level	decrease	at previous year's level	at previous year's level

* Nokian Tyres' core product segments

The war in Ukraine and resulting sanctions are severely impacting Nokian Tyres' operating environment and causing significant uncertainty. Restrictions in manufacturing in Russia are estimated to have an adverse impact on the company's supply capacity, impacting sales especially in Russia and Central Europe, in particular in the second half of 2022.

In Russia, the sales of new cars are expected to decrease by up to 50% compared to 2021, due to the impact of sanctions, supply chain disruptions, increased prices and decreased purchasing power. The total replacement tire market sell-in in Russia in 2022 is expected to decrease by 20–25% compared to 2021, driven by the overall economic decline, lower disposable incomes, decreased new car sales and supply constraints.

The unpredictability in the development of the Russian ruble exchange rate causes uncertainty in 2022. The ruble has weakened in recent years and the average EUR/RUB was 72.5 in 2019, 82.7 in 2020, 87.2 in 2021, and 98.0 in January–March 2022.

Raw material and logistics costs are estimated to increase significantly in 2022.

The demand for Nokian Heavy Tyres' core products is estimated to continue strong in 2022. Aftermarket demand is expected to continue healthy and OEM demand is expected to grow from 2021 level. However, the war in Ukraine causes uncertainty, and supply chain constraints and component shortage may affect customers' ability to grow and invest in their business.

GUIDANCE FOR 2022

April 27, 2022:

The war in Ukraine and resulting sanctions cause significant uncertainty to Nokian Tyres operating environment. Nokian Tyres net sales and segments operating profit in 2022 are expected to decrease significantly compared to 2021.

February 28, 2022:

The war in Ukraine has caused significant uncertainty related to Russia. Therefore, the Board of Directors of Nokian Tyres plc decided on February 28, 2022 to withdraw the company's financial guidance for 2022 published on February 8, 2022.

Earlier guidance from February 8, 2022:

In 2022, Nokian Tyres' net sales with comparable currencies are expected to grow significantly and segments operating profit is expected to grow. The global car and tire demand is expected to grow. The COVID-19 pandemic continues to cause uncertainties, including cost inflation and availability challenges, in the whole automotive value chain. In addition, current geopolitical situation causes uncertainties in 2022.

Helsinki, April 27, 2022

Nokian Tyres plc
Board of Directors

The information hereinabove contains forward-looking statements relating to future events or future financial performance of the company. In some cases, such forward-looking statements can be identified by terminology such as "may", "will", "could", "expect", "anticipate", "believe", "estimate", "predict" or other comparable terminology. Such statements are based on the current expectations, known factors, decisions, and plans of the management of Nokian Tyres. Forward-looking statements always involve risks and uncertainties because they relate to events and depend on circumstances that may or may not occur in the future. Therefore, future results may even differ significantly from the results expressed in, or implied by, the forward-looking statements.

Interim condensed consolidated financial statements

This Interim Report has been prepared in accordance with IFRS compliant recognition and measurement principles and the same accounting policies as in the most recent annual financial statements, but it has not been prepared in compliance with all requirements set out in IAS 34 'Interim Financial Reporting'.

Accounting implications of the effects of COVID-19 and war in Ukraine

The Group has assessed the potential accounting implications of decreased economic activity as a result of the COVID-19 pandemic. The preparation of financial statements requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expenses. The COVID-19 pandemic has not had a significant effect on the financial values of assets or on the impairments made in 2021. Goodwill impairments in 2021 were not related to COVID-19.

The COVID-19 pandemic continues to cause uncertainties, including cost inflation and availability challenges, in the whole automotive value chain.

The war in Ukraine is severely impacting Nokian Tyres' operating environment and causing a number of risks for Nokian Tyres' business. These include, among others, the risk of losing control of operations in Russia, ability to serve customers especially in Russia and in Central Europe, and ability to retain personnel. The Group's assets in Russia may also be subject to impairment and write-down. The reported figures do not include any impairments or write-downs of assets related to the war in Ukraine. Nokian Tyres Management Team is continuously following the situation.

The interim report figures are unaudited.

NOKIAN TYRES CONDENSED

CONSOLIDATED INCOME STATEMENT	1-3/22	1-3/21	1-12/21	Change %
Million euros				
Net sales	416.5	341.8	1,714.1	21.9
Cost of sales	-294.1	-239.1	-1,162.1	-23.0
Gross profit	122.4	102.7	552.0	19.2
Other operating income	0.5	1.2	2.9	-57.4
Sales, marketing and R&D expenses	-42.9	-42.7	-197.3	-0.6
Administration	-19.7	-16.3	-89.1	-21.0
Other operating expenses	-1.0	-0.7	-0.3	-36.2
Operating profit	59.3	44.3	268.2	34.0
Net financial items	-1.7	-0.6	-10.0	-199.0
Result before tax	57.6	43.7	258.2	31.9
Tax expense	-10.6	-8.2	-52.0	-30.2
Result for the period	47.0	35.5	206.2	32.2
Attributable to:				
Equity holders of the parent	47.0	35.5	206.2	
Earnings per share from the result attributable to the equity holders of the parent:				
basic, euros	0.34	0.26	1.49	32.2
diluted, euros	0.34	0.26	1.49	32.2

CONSOLIDATED OTHER COMPREHENSIVE INCOME	1-3/22	1-3/21	1-12/21
Million euros			
Profit for the period	47.0	35.5	206.2
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	5.8	-	-
Cash flow hedges	2.8	0.4	4.4
Translation differences on foreign operations	-14.2	34.0	54.5
Total other comprehensive income for the period, net of tax	-5.6	34.4	58.9
Total comprehensive income for the period	41.3	69.9	265.1
Total comprehensive income attributable to:			
Equity holders of the parent	41.3	69.9	265.1

**CONSOLIDATED STATEMENT OF
FINANCIAL POSITION**

	31.3.22	31.3.21	31.12.21
Million euros			
Non-current assets			
Property, plant and equipment	854.1	837.2	870.9
Right of use assets	153.2	146.7	153.5
Goodwill	65.5	79.5	65.3
Other intangible assets	20.2	22.5	21.7
Investments in associates	0.1	0.1	0.1
Non-current financial investments	2.9	2.7	2.9
Other receivables	6.5	6.2	6.2
Deferred tax assets	29.4	23.8	21.6
Total non-current assets	1,131.9	1,118.7	1,142.1
Current assets			
Inventories	469.9	368.2	415.1
Trade receivables	430.5	409.0	357.4
Other receivables	118.9	77.7	83.1
Cash and cash equivalents	253.5	410.4	385.9
Total current assets	1,272.8	1,265.3	1,241.4
Total assets	2,404.6	2,384.0	2,383.5
Equity			
Share capital	25.4	25.4	25.4
Share premium	181.4	181.4	181.4
Treasury shares	-16.6	-18.2	-17.6
Translation reserve	-401.4	-413.4	-393.0
Fair value and hedging reserves	4.4	-2.5	1.6
Paid-up unrestricted equity reserve	238.2	238.2	238.2
Retained earnings	1,648.9	1,581.1	1,591.5
Total equity	1,680.4	1,592.0	1,627.6
Non-current liabilities			
Deferred tax liabilities	36.5	34.3	37.8
Interest-bearing liabilities	245.7	242.5	246.9
Other liabilities	0.8	0.9	0.9
Total non-current liabilities	283.0	277.6	285.7
Current liabilities			
Trade payables	155.9	132.4	172.6
Other current payables	219.1	176.8	251.6
Provisions	5.9	6.3	5.8
Interest-bearing liabilities	60.4	198.9	40.3
Total current liabilities	441.2	514.4	470.3
Total equity and liabilities	2,404.6	2,384.0	2,383.5

Changes in working capital arising from operative business are partly covered by EUR 500 million domestic commercial paper programme.

Interest-bearing liabilities include EUR 118.6 million of non-current and EUR 39.5 million of current lease liabilities.

Assets excluding tax and financial items include MEUR 476.1 of assets located in Russia and Belarus.

CONSOLIDATED STATEMENT OF CASH FLOWS	1-3/22	1-3/21	1-12/21
Million euros			
Result for the period	47.0	35.5	206.2
Adjustments for			
Depreciation, amortisation and impairment	35.5	32.6	157.5
Financial income and expenses	1.7	0.6	10.0
Gains and losses on sale of intangible assets, other changes	-0.4	-0.6	12.9
Income Taxes	10.6	8.2	52.0
Cash flow before changes in working capital	94.4	76.2	438.6
Changes in working capital			
Current receivables, non-interest-bearing, increase (-) / decrease (+)	-79.9	-78.8	-22.0
Inventories, increase (-) / decrease (+)	-54.8	-32.0	-70.8
Current liabilities, non-interest-bearing, increase (+) / decrease (-)	-63.6	23.4	98.3
Changes in working capital	-198.3	-87.3	5.5
Financial items and taxes			
Interest and other financial items, received	0.6	0.3	1.7
Interest and other financial items, paid	-2.2	-1.3	-9.1
Income taxes paid	-8.8	-12.2	-40.2
Financial items and taxes	-10.4	-13.3	-47.6
Cash flow from operating activities (A)	-114.3	-24.4	396.5
Cash flow from investing activities			
Acquisitions of property, plant and equipment and intangible assets	-14.1	-17.1	-119.6
Proceeds from sale of property, plant and equipment and intangible assets	0.4	1.2	1.7
Other cash flow from investing activities	0.0	0.0	-0.8
Cash flow from investing activities (B)	-13.6	-15.9	-118.7
Cash flow from financing activities:			
Change in current financial receivables, increase (-) / decrease (+)	0.0	0.0	1.4
Change in non-current financial receivables, increase (-) / decrease (+)	0.2	-0.2	0.4
Change in current financial borrowings, increase (+) / decrease (-)	20.0	-40.7	-203.4
Change in non-current financial borrowings, increase (+) / decrease (-)	-0.2	-0.4	-0.9
Payment of lease liabilities	-10.1	-7.1	-38.5
Dividends received	0.0	-	0.0
Dividends paid	-13.7	-6.5	-158.7
Cash flow from financing activities (C)	-3.8	-54.8	-399.8
Change in cash and cash equivalents, increase (+) / decrease (-) (A+B+C)	-131.7	-95.0	-122.0
Cash and cash equivalents at the beginning of the period	385.9	504.2	504.2
Effect of exchange rate fluctuations on cash held	-0.6	1.3	3.7
Cash and cash equivalents at the end of the period	253.5	410.4	385.9

Cash flow from operating activities include MEUR -43.8 of cash flow from Russia and Belarus.

**CONSOLIDATED STATEMENT OF CHANGES
IN EQUITY**

A = Share capital
 B = Share premium
 C = Treasury shares
 D = Translation reserve
 E = Fair value and hedging reserves
 F = Paid-up unrestricted equity reserve
 G = Retained earnings
 H = Total equity

Million euros	Equity attributable to equity holders of the parent							
	A	B	C	D	E	F	G	H
Equity, 1 Jan 2021	25.4	181.4	-18.2	-447.5	-2.8	238.2	1,544.9	1,521.3
Result for the period							35.5	35.5
Other comprehensive income, net of tax:								
Cash flow hedges					0.4			0.4
Net investment hedge								-
Translation differences				34.0				34.0
Total comprehensive income for the period				34.0	0.4		35.5	69.9
Dividends paid							0.0	0.0
Share-based payments							0.7	0.7
Other changes								-
Total transactions with owners for the period							0.7	0.7
Equity, 31 Mar 2021	25.4	181.4	-18.2	-413.4	-2.5	238.2	1,581.1	1,592.0
Equity, 1 Jan 2022	25.4	181.4	-17.6	-393.0	1.6	238.2	1,591.5	1,627.6
Result for the period							47.0	47.0
Other comprehensive income, net of tax:								
Cash flow hedges					2.8			2.8
Net investment hedge				5.8				5.8
Translation differences				-14.2				-14.2
Total comprehensive income for the period				-8.4	2.8		47.0	41.3
Dividends paid							0.0	0.0
Share-based payments			1.0				1.0	2.0
Other changes							9.5	9.5
Total transactions with owners for the period			1.0				10.5	11.5
Equity, 31 Mar 2022	25.4	181.4	-16.6	-401.4	4.4	238.2	1,648.9	1,680.4

SEGMENT INFORMATION	1-3/22	1-3/21	1-12/21	Change %
Million euros				
Net sales				
Passenger car tyres	314.9	245.9	1,199.2	28.1
Heavy tyres	66.4	57.1	254.0	16.4
Vianor	57.1	58.1	342.9	-1.8
Other operations and eliminations	-22.0	-19.3	-81.9	-13.8
Total	416.5	341.8	1,714.1	21.9
Operating result				
Passenger car tyres	67.0	46.0	263.4	45.7
Heavy tyres	12.8	12.6	39.1	1.6
Vianor	-12.1	-9.1	-15.0	-33.7
Other operations and eliminations	-8.3	-5.2	-19.3	-59.5
Total	59.3	44.3	268.2	34.0
Operating result, % of net sales				
Passenger car tyres	21.3	18.7	22.0	
Heavy tyres	19.2	22.0	15.4	
Vianor	-21.3	-15.6	-4.4	
Total	14.2	13.0	15.6	

NET SALES BY GEOGRAPHICAL AREA	1-3/22	1-3/21	1-12/21	Change %
Million euros				
Nordics	135.0	133.3	684.9	1.3
Other Europe	106.7	83.5	464.8	27.7
Russia and Asia	94.3	79.2	335.6	19.1
Americas	80.5	45.7	228.9	75.9
Total	416.5	341.8	1,714.1	21.9

Russia and Belarus accounted for MEUR 90.7 (76.1) of net sales in Russia and Asia in the first quarter of 2022.

CONTINGENT LIABILITIES	31.3.22	31.3.21	31.12.21
Million euros			
For own debt			
Pledged assets	6.4	5.7	6.3
Other own commitments			
Guarantees	3.1	3.0	3.1

DERIVATIVE FINANCIAL INSTRUMENTS	31.3.22	31.3.21	31.12.21
Million euros			
INTEREST RATE DERIVATIVES			
Interest rate swaps			
Notional amount	100.0	100.0	100.0
Fair value	0.0	-3.2	-1.9
FOREIGN CURRENCY DERIVATIVES			
Currency forwards			
Notional amount	467.0	401.6	426.5
Fair value	19.4	1.4	-2.2
Currency options, purchased			
Notional amount	9.0	11.8	17.7
Fair value	0.2	0.0	0.1
Currency options, written			
Notional amount	18.0	21.0	35.3
Fair value	-0.1	-0.3	-0.1
Interest rate and currency swaps			
Notional amount	75.0	75.0	75.0
Fair value	14.8	13.9	11.1
ELECTRICITY DERIVATIVES			
Electricity forwards			
Notional amount	6.3	4.4	5.2
Fair value	5.4	0.1	3.8

IFRS 16 LEASES

Million euros

Balance sheet effects	31.3.22	31.3.21	31.12.21	
Fixed assets				
Right to use	153.2	146.7	153.5	
Total	153.2	146.7	153.5	
Equity & Liability				
Non-current liability	118.6	114.2	118.5	
Current liability	39.5	35.2	39.4	
Total	158.1	149.4	157.9	
P&L effects	1-3/22	1-3/21	1-12/21	Change %
Reversed rents	11.2	7.1	39.6	58.7
Depreciations	-10.6	-7.9	-37.6	-35.5
Finance costs	-1.1	-0.8	-4.0	-38.6
Total	-0.5	-1.6	-2.0	66.8