



Half year financial report 1–6/2017

August 8, 2017
President and CEO
Hille Korhonen

Strong first half of the year with solid full year expectations








1. General overview

- 2. Nokian Tyres financial performance
- 3. Business units
- 4. Nokian Tyres going forward



Market overview 1–6/2017

Russia's growth continued

	Nordic countries	Russia	Europe (incl. the Nordic countries)	North America
GDP growth (E2017)	+1.6% to +3.0%	+1.5% to 2.0%	+1.7%	+2.2%
New car sales	+2%	+7%	+5%	-9%
Car tyre* sell-in	-5%	+10% to 15%	-1%	Slightly up
Heavy tyre segments **				
Currency impact			-	



*) premium and mid-segment

**) Nokian Tyres core product segments

Nokian Tyres' performance 1–6/2017

Sales growth in all key markets

Sales & SOM	Nordic countries	Russia and CIS	Other Europe	North America
Net sales	+3.3%	+84.4%	+10.6%	+8.7%
Car tyre sales pcs	-	+	+	+
Car tyre SOM	+	+	+	+-

Profitability	
Currency effect to net sales, M€	+32.2
Car tyre ASP (€/pcs)	
Raw material cost	+20.4%
Fixed costs	
Car tyre production volume (pcs)	+13%
Car tyre productivity (kg/mh)	+2%

Distribution	Units	Change 1–6/17 (pcs)
Vianor equity	205	-7
Vianor total	1,506	+5
NAD + N-Tyre	1,741	+140

1. General overview

2. Nokian Tyres financial performance

- Summary
- Group operating profit
- Net sales by market area
- Raw material cost development
- Total investments

3. Business units

4. Nokian Tyres going forward



Summary 1–6/2017

Strong first half of the year with solid full year expectations

Key figures, EUR million	4–6 /17	4–6 /16	Change %	1–6 /17	1–6 /16	Change %	2016
Net sales	393.0	337.4	16.5	718.9	613.3	17.2	1,391.2
Operating profit	94.1	77.5	21.5	153.0	128.0	19.6	310.5
Operating profit %	24.0	23.0		21.3	20.9		22.3
Profit before tax	87.1	74.8	16.5	146.0	123.2	18.5	298.7
Profit for the period	71.1	61.3	16.0	116.4	101.2	15.1	251.8
Earnings per share, EUR	0.52	0.46	14.7	0.86	0.75	13.8	1.87
Equity ratio, %				76.4	72.0		73.8
Cash flow from operating activities	-5.9	21.3		-46.0	-40.0		364.4
Gearing, %				-2.6	6.6		-19.7
Interest-bearing net debt				-36.0	79.6		-287.4
Capital expenditure	42.6	25.3	68.4	60.0	44.4	35.0	105.6

- Strong performance in all main markets
- Net sales and operating profit improved
- Passenger Car Tyres showed strong growth
- Production volumes increased
- Raw material costs continued to go up
- Price increases have been implemented, the full effect will be seen from H2 onwards
- Foundation for future growth – product range renewed

Group operating profit per quarter 2013–H1/2017

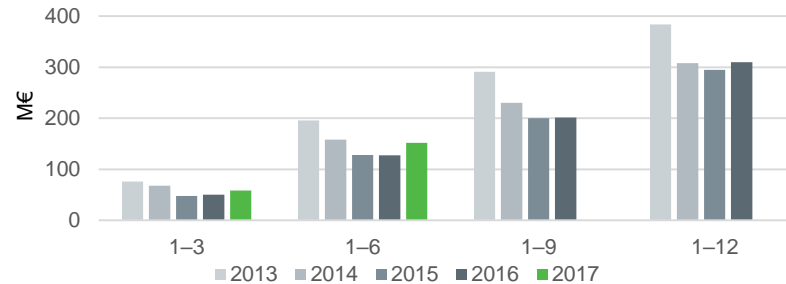
1-6/2017

- Net sales 718.9 M€ (613.3 M€), +17.2%
- EBIT 153.0 M€ (128.0 M€), +19.6%

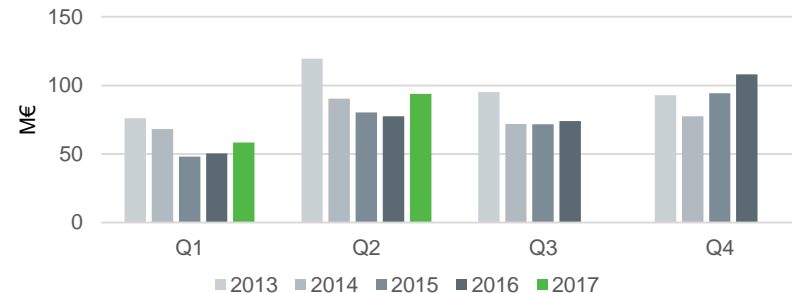
4-6/2017

- Net sales 393.0 M€ (337.4 M€), +16.5%
- EBIT 94.1 M€ (77.5 M€), +21.5%

Cumulative operating profit per review period

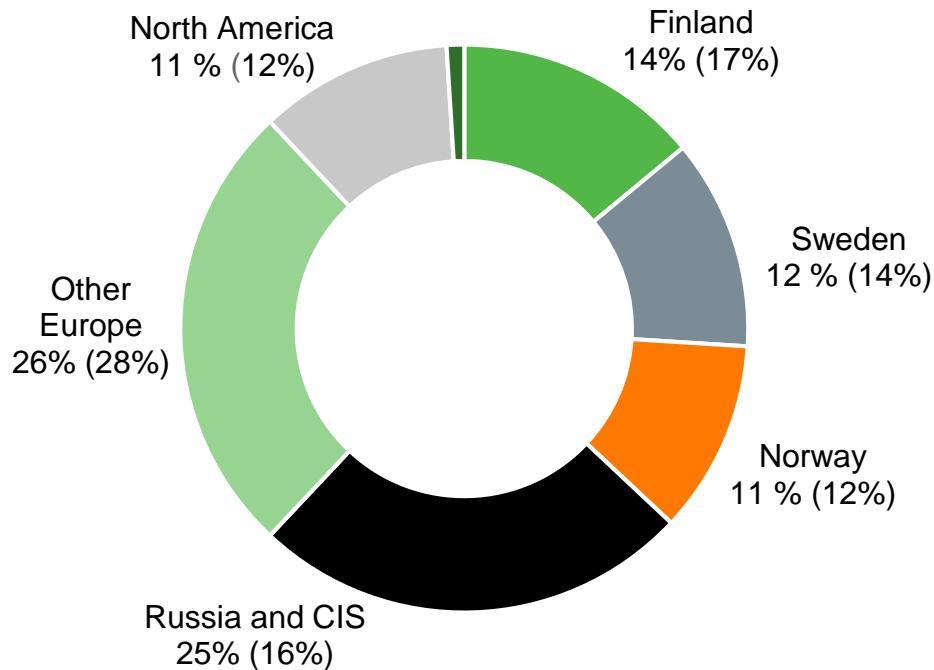


Group operating profit per quarter



Net sales by market area 1–6/2017

Share of Russia increased



Raw material cost development

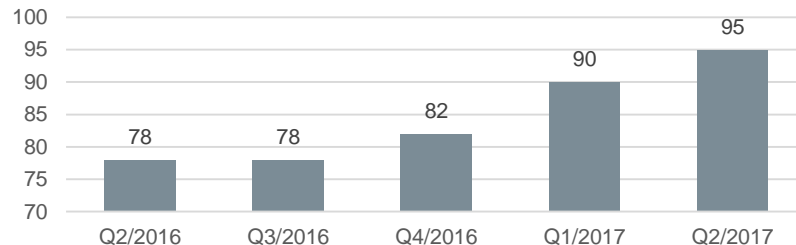
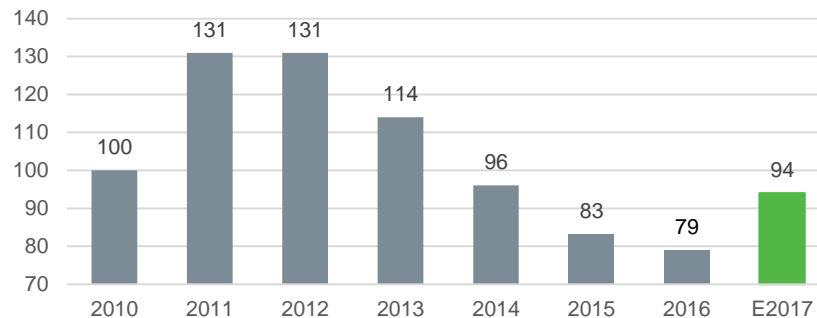
Increase continued in H1

Nokian Tyres' raw material costs (€/kg)

- increased by 20.4% in H1/2017 vs. H1/2016
- increased by 5.1% in Q2/2017 vs. Q1/2017
- is estimated to increase by approximately 20% in 2017 vs. 2016

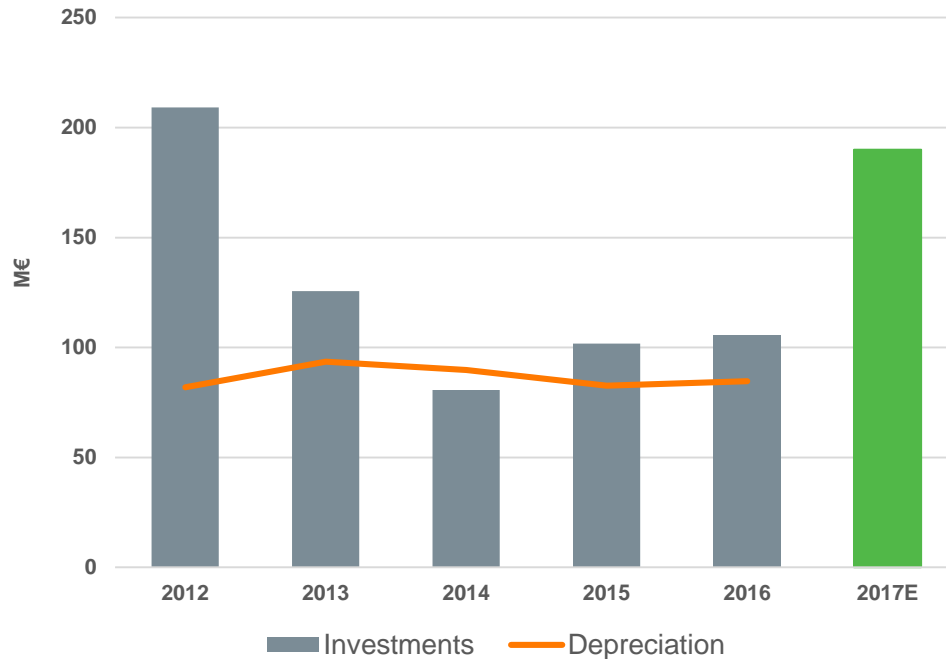
→ Estimated headwind in 2017 vs. 2016:
approximately 60 M€

Raw material cost development index 2010–E2017



Total investments 2017E: 190 M€

Investments 60.0 M€ in H1/2017 (44.4 M€ in H1/2016)



Investments 2017E:

Expansion of the Vsevolozhsk factory capacity and investments in the automation

- Capacity 15.5 M tyres → 17 M tyres
- Total 83 M€

Nokia factory and global development projects

- Total 78 M€

Heavy Tyres, sales companies and Vianor chain

- Total 29 M€

1. General overview
2. Nokian Tyres financial performance
- 3. Business units**
 - General overview
 - Passenger Car Tyres
 - Heavy Tyres
 - Vianor and branded distribution network
4. Nokian Tyres going forward



Business units 1–6/2017

Strong performance in Passenger Car Tyres

Passenger Car Tyres

- Net sales: 524.4 M€; +21.2%
- EBIT: 160.7 M€; +26.6%
- EBIT margin: 30.6% (29.4%)

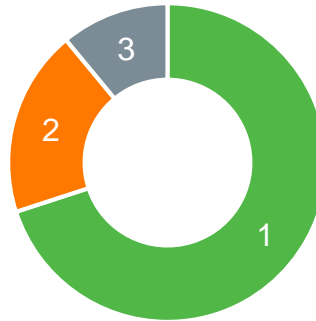
Vianor

- Net sales: 146.1 M€; +2.0%
- EBIT: -11.8 M€; -29.0%
- EBIT margin: -8.1% (-6.4%)

Heavy Tyres

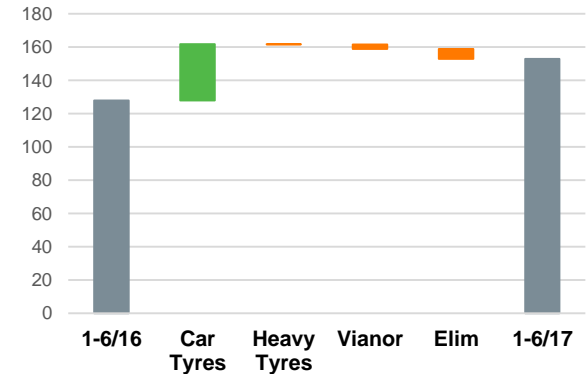
- Net sales: 83.8 M€; +9.8%
- EBIT: 14.8 M€; -1.2%
- EBIT margin: 17.7% (19.7%)

Net sales 718.9 M€



Business units	1-6/2017	1-6/2016
1. Passenger Car Tyres	70%	66%
2. Vianor	19%	22%
3. Heavy Tyres	11%	12%

EBIT 153.0 M€
EBIT Bridge by Business Units



Passenger Car Tyres

Growth in all markets, highest growth in Russia

Performance in 1–6/2017

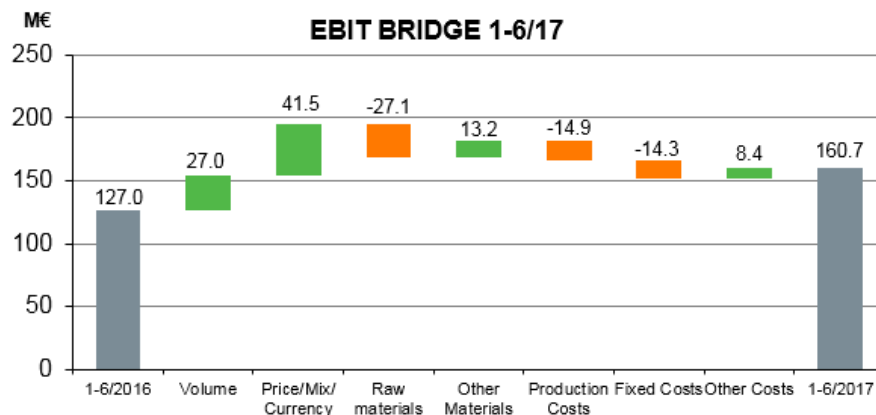
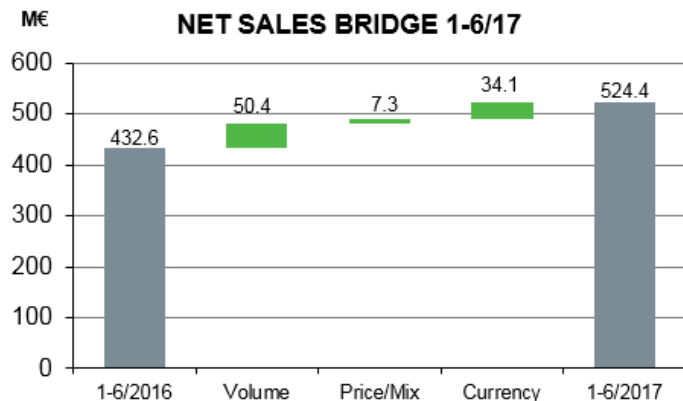
- + Net sales increased clearly mainly due to a significant net sales increase in Russia
 - + In North America, Other Europe, and the Nordic countries, net sales increased
 - + Price increases implemented in all markets
 - + ASP increased due to a positive currency impact, improved product mix and price increases
 - + Nokian Tyres excelled in tyre tests
 - + Production output increased by 13%
 - + Productivity improved by 2%
- The full effect of price increases will be seen from H2/2017 onwards due to the seasonality of Nokian Tyres' business model



	4–6 /17	4–6 /16	Change %	1–6 /17	1–6 /16	Change %	2016
Net sales, M€	276.4	230.1	20.1	524.4	432.6	21.2	981.1
Operating profit, M€	84.8	64.7	31.0	160.7	127.0	26.6	305.8
Operating profit, %	30.7	28.1		30.6	29.4		31.2

Passenger Car Tyres

Both sales and operating profit improved



Heavy Tyres

Net sales increased, profitability improved in Q2

Performance in 1–6/2017

- + Demand was good in most of Nokian Heavy Tyres' core product groups in the Western markets
 - + Sales of forestry and agricultural tyres were strong
 - + Sales increased especially in North America and in Other Europe
 - + New product sales developed well
 - + Increased sales volumes of own production
 - + ASP increased year-over-year mainly due to currency effects
 - + Price increases implemented in all markets
- Operating profit decreased slightly due to the raw material cost increases, timing of price increases and fixed costs, larger share of OE sales, and continued investments in future sales and production
 - The full effect of price increases will be seen from H2/2017 onwards



	4–6 /17	4–6 /16	Change %	1–6 /17	1–6 /16	Change %	2016
Net sales, M€	44.0	38.7	13.5	83.8	76.3	9.8	155.3
Operating profit, M€	9.1	6.1	50.1	14.8	15.0	-1.2	28.2
Operating profit, %	20.8	15.7		17.7	19.7		18.2

Heavy Tyres – new products

The New Nokian HTS G2 – High performance and reliability for container handling

- The 2nd generation of terminal tyres – high performance and reliability for material and container handling
- The new Nokian HTS G2 tyres have been designed to be even more rugged, efficient and safe, and tests confirm that Nokian has succeeded in all these areas
- Tyres are available either as L-4S slicks or with E-4 treads and have a multilayer, cross-ply structure that provides stability and a high load-bearing capacity
- Increased stability also means enhanced safety, as it prevents reach stackers from kneeling even when handling the heaviest loads



Heavy Tyres – new products

The new Nokian E-Truck series – Reliable, economical kilometers for every season and axle position

- Nokian E-Truck series of all-season truck and bus tyres is optimized for long and medium haul in regular weather conditions
- The tyres are perfectly balanced to work well in Central Europe as well as on Nordic main roads
- E-Truck products feature a special rubber compound for all-season use
- The optimized groove pattern enables low rolling resistance, and economical as well as ecological kilometers
- E-tread series of retreading materials complement the E-Truck series, and make it possible to squeeze up to even a million kilometers from one tyre



Heavy Tyres – new products

The new Nokian Hakkapeliitta City Bus – Durability and grip around the year

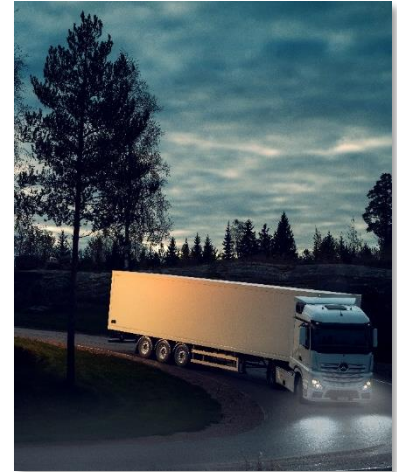
- Nokian Hakkapeliitta City Bus is designed to endure the wear and tear of city streets, and get there on time, even on snow and slush
- Full-fledged city tyre with a deep, aggressive tread pattern and reinforced sidewalls
- Quiet and comfortable to drive, which adds to safety and comfort
- Good grip even when worn with Spiral Sipe System
- Approved winter grip with the 3PMSF marking



Heavy Tyres – new products

The new Nokian Hakka Truck Steer – Stable steering and good mileage

- With Nokian Hakka Truck Steer Nokian Tyres sets out to create an optimized feature set for all-weather long and medium haul steering axle tyre
- New kind of tyre with good wear resistance, low rolling resistance, and grip on wet as well as snowy roads – all this while being pleasantly quiet
- Better grip by new type of sipe activator – called Oka
- New generation all-weather tread design with 3PMSF approval
- Extended mileage thanks to wide tread and even wear pattern
- Less stone trapping with the new stepped rock resistor



Performance in 1–6/2017

- + Net sales increased slightly year-over-year
- + The profit improvement program, including the network optimization, progressed according to plan
- Atypical summer tyre season
- Restructuring costs EUR 1.8 million
- The retail business environment continued to be very challenging



Equity operations	4–6 /17	4–6 /16	Change %	1–6 /17	1–6 /16	Change %	2016
Net sales, M€	89.8	89.4	0.4	146.1	143.2	2.0	334.8
Operating profit, M€	4.0*	5.5	-27.6	-11.8**	-9.2	-29.0	-8.1
Operating profit, %	4.5*	6.2		-8.1**	-6.4		-2.4
Equity stores, pcs				205	202		212

* Excluding non-recurring items: Operating profit EUR 5.8 million, operating profit percentage 6.5%.

** Excluding non-recurring items: Operating profit EUR -10.0 million, operating profit percentage -6.8%.

Nokian Tyres' branded distribution network

Vianor, NAD, N-Tyre – +145 stores in 1–6/2017

Vianor – 1,506 stores in 27 countries

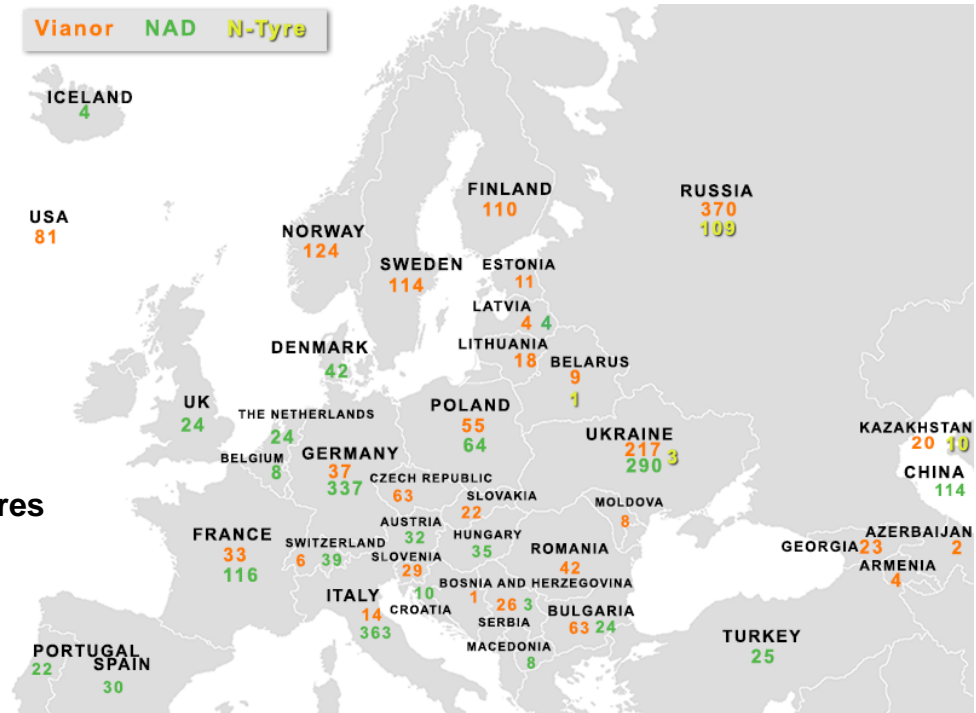
- 205 equity stores and 1,301 partners
- Equity stores -7, partner +12 vs. year-end 2016
- largest tyre chain in Nordic and Baltic countries:**
381 stores (-2 vs. year-end 2016)
- largest tyre chain in Russia and CIS:**
653 stores (-2 vs. year-end 2016)
- Central Europe:**
391 stores (+9 vs. year-end 2016)
- USA:**
81 stores (unchanged vs. year-end 2016)

Nokian Tyres Authorized Dealers (NAD) – 1,618 stores

- in 21 European countries and China
- increase of 137 stores vs. year-end 2016

N-Tyre – 123 stores

- in Russia and the CIS
- increase of 3 stores vs. year-end 2016



1. General overview
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4. **Nokian Tyres going forward**

Outlook 2017

Steadily on the growth track

Nokian Tyres' assumptions

- Markets
 - New car sales growth 4% in Europe
 - New car sales in Russia to increase by up to 10%
- Passenger car tyre markets
 - Demand in CE, North America, and the Nordic countries to grow
 - Demand in Russia (sell-in) to increase by 10–15%
- Raw material costs (€/kg) are estimated to increase by approximately 20% in 2017 compared with 2016
- Investments approximately 190 M€ in 2017
- Heavy tyre market demand stable in Nokian Tyres' core product groups
- Nokian Tyres financial position remains solid

Outlook 2017

- Nokian Tyres' position is expected to improve in all key markets. In Russia, the company expects to retain and further strengthen its market leader position in the A+B segments in 2017.
- New flagship products will strengthen Nokian Tyres' position in core markets.
- Price increases have been implemented in all markets, and the full effect of these increases will be seen from H2/2017 onwards due to the seasonality of Nokian Tyres' business model.
- Profitability supported by efficient cost structure and productivity on the back of high share of Russian production.

Year 2017 guidance (Updated)

- In 2017, with the current exchange rates, net sales and operating profit are expected to grow by at least 10% compared to 2016.



Thank you!

**Interim Report
January–September 2017**

November 1, 2017

www.nokiantyres.com/investors

Appendices

- International Group
- The investment of the third factory
- Biggest shareholders
- Share price development
- Competitor comparison
- Magazine tests
- Examples of new products
- Winter tyre regulations
- Personnel
- Raw material consumption
- Financing: Net financial expenses and interest-bearing debt
- Key figures



Appendix: International Group

Own production, test centers, sales companies and network



Nokia, Finland
– capacity 2.5 M tyres
– heavy tyres' own production



Vsevolozhsk, Russia
– capacity >15,5 M tyres

Own production and test centers

- Own production: Nokia, Finland and Vsevolozhsk, Russia
- Own test centers: Ivalo and Nokia

Sales companies

- Finland (parent company), Sweden, Norway, Russia, Ukraine, Kazakhstan, Germany, Switzerland, Czech Republic, Belarus, USA, Canada and China.

Vianor

- 1,506 stores in 27 countries
- Equity -7, partner +12 compared with year-end 2016.

NAD (Nokian Tyres Authorized Dealers)

- 1,618 stores
- 21 European countries and China
- Increase of 137 stores compared with year-end 2016.

N-Tyre

- 123 stores
- Russia and the CIS
- Increase of 3 stores compared with year-end 2016.

Appendix

Growth strategy supported by a third factory in North America

Stock exchange release

May 3, 2017

- The Board has made a principal decision on the investment in the third factory and authorized the management of the Company to sign a Letter of Intent with the respective authorities in the USA.
- The new factory will be located in Dayton (Rhea County), Tennessee, USA
- The annual capacity of the factory will be 4 million tyres with potential to expand in the future
- The total amount of the investment at this phase is approximately USD 360 million
- Construction is scheduled to begin in early 2018, and the first tyres are to be produced in 2020



Appendix

Biggest Shareholders registered in Finland as of June 30, 2017

Biggest Shareholders registered in Finland		Number of shares	Share of capital %	Change from previous month
1	Varma Mutual Pension Insurance Company	3,772,007	2.8	0
2	Ilmarinen Mutual Pension Insurance Company	2,744,035	2.0	+25,000
3	Odin Norden	1,031,217	0.8	0
4	The State Pension Fund	773,000	0.6	0
5	OP Investment Funds	610,000	0.4	+145,000
6	Evli Europe Fund	590,000	0.4	0
7	Nordea	540,272	0.4	+99,606
8	Schweizer Nationalbank	515,244	0.4	0
9	Svenska litteratursällskapet i Finland r.f.	494,700	0.4	0
10	Barry Staines Linoleum Oy	430,000	0.3	0
Biggest Shareholders total		11,500,475	8.5	
Foreign Shareholders ¹⁾		104,013,607	76.3	
Bridgestone Corporation ²⁾		20,000,000	14.7	

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

2) In the name of a nominee.

See flagging and shareholders:

www.nokiantyres.com/company/investors/share/flagging-notifications/

www.nokiantyres.com/company/investors/share/major-shareholders/

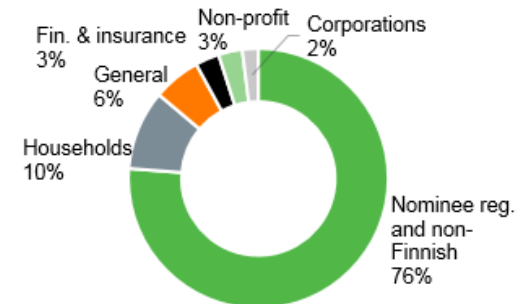
Options, outstanding as of June 30, 2017

2013A: 166,777 (56,756 in company's possession)

2013B: 1,131,376 (40,321 in company's possession)

2013C: 1,149,415 (136,005 in company's possession)

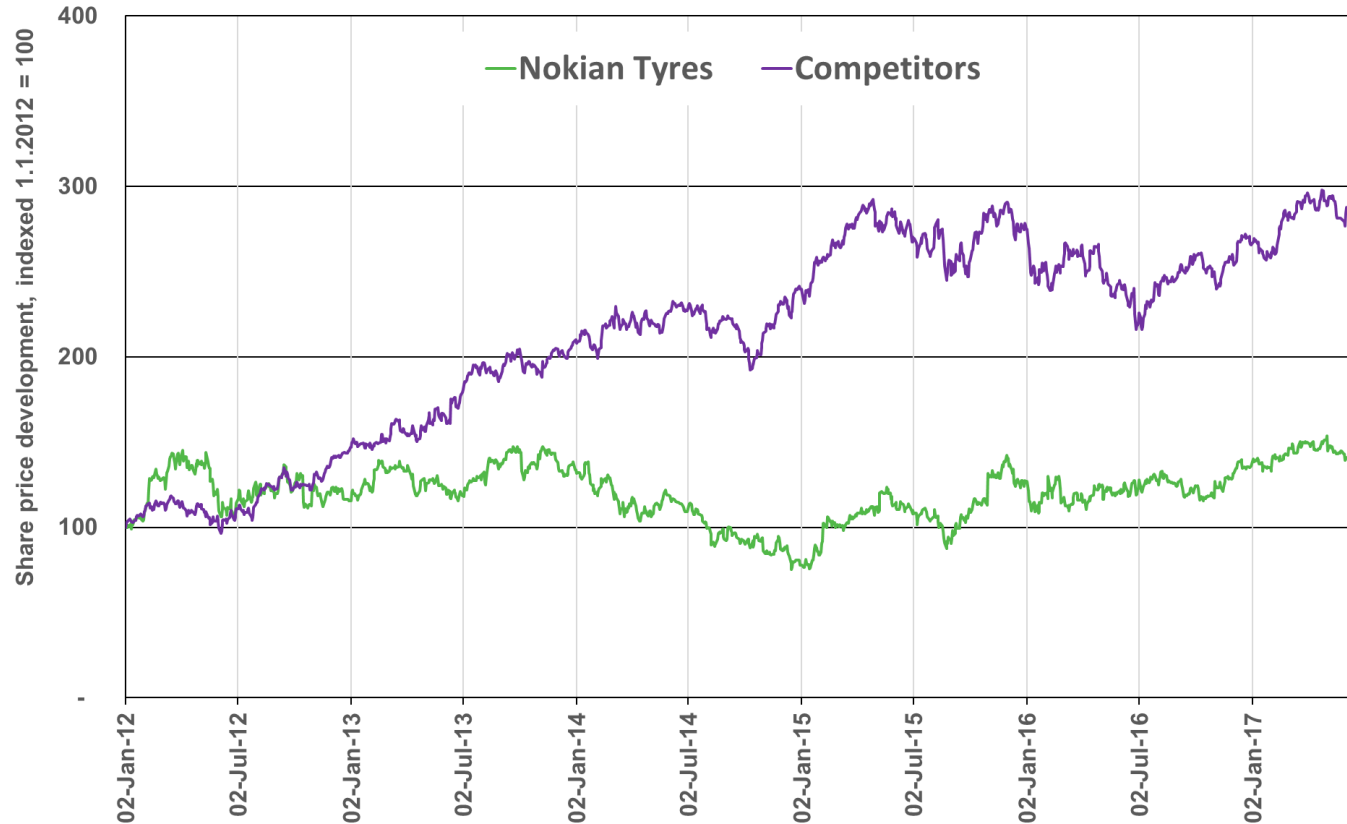
Division by Category as of June 30, 2017



Total number of shares: 136,315,634

Appendix

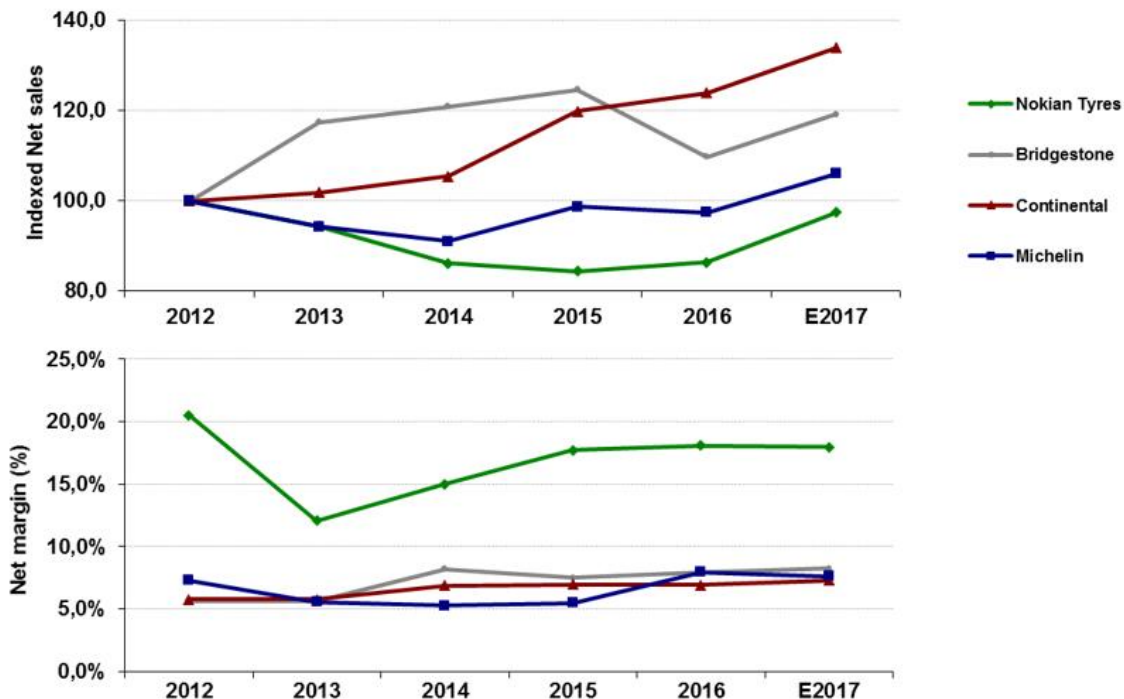
Indexed share price development 2012–Q2/2017



Appendix

Nokian Tyres the most profitable tyre producer

Nokian Tyres' profitability has been clearly better than that of the main peers during the past 5 years. The better profitability protects the company profits during recessions and potential downturns.



Net margin E2017

Nokian Tyres	18.0%
Bridgestone	8.2%
Michelin	7.6%
Continental	7.3%

Source: Consensus estimates for the peers as per Thomson Reuters July 3, 2017.

E2017 FIGURES ARE BASED ON CONSENSUS ESTIMATES, NOT NOKIAN TYRES GUIDANCE.

Appendix: Magazine tests autumn 2016

Test success for winter tyres

Winter tyres, autumn 2016

Nordic and Russia

- **Nokian Hakkapeliitta 8 studded winter tyre.** Test winner Tekniikan Maailma (shared), Tuulilasi (Finland), Vi Bilägare, Auto, Motor & Sport (Sweden), Za Rulem, Autoreview, Auto.mail.ru (Russia) and AutoCentre (Ukraine). Winner also in Sweden (Aftonbladet) and in Norway (Motor) by Test World test
- **Nokian Hakkapeliitta R2 non-studded winter tyre.** Test winner Auto, Motor & Sport (Sweden). 2nd place Tekniikan Maailma, Tuulilasi (Finland), Vi Bilägare, Aftonbladet (Sweden), Motor (Norway), Za Rulem (Russia)
- **Nokian Hakkapeliitta 8 SUV.** Test winner Tekniikan Maailma (Finland), Za Rulem (Russia) and Auto Bild Belarus
- **Nokian Hakkapeliitta R2 SUV.** Test winner Za Rulem (Russia), Auto Bild Belarus, AutoCentre (Ukraine), 2nd place Automobily (Kazakhstan), 3rd place Tekniikan Maailma (Finland)
- **Nokian Hakkapeliitta CR3.** Test winner Auto Bild Belarus
- **Nokian Hakkapeliitta C3.** Test winner Husbilet (Sweden)
- **Nokian Hakkapeliitta CR Van.** 2nd place Husbilet (Sweden)

Central Europe

- **Nokian WR D4 winter tyre.** Test winner Motor (Poland). 2nd place Auto Motor und Sport "Recommendable", Auto Zeitung "Highly recommended" and GTÜ "Very recommendable", 2nd place Auto Express (UK). ADAC "Satisfactory", ÖAMTC and TCS "Recommendable"
- **Nokian Weatherproof all-weather tyre.** Test winner ACE Lenkrad and ARBÖ "Highly recommendable". ADAC 3rd place "Sufficient", 2nd place Auto Express (UK), 2nd place shared ProMobil



Appendix: Magazine tests spring 2017

Test success for summer tyres

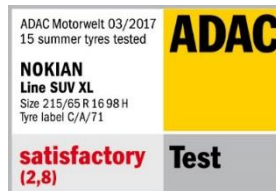
Summer tyres, spring 2017

Nordic, Russia and Kazakhstan

- **Nokian Hakka Blue 2.** Test winner in Finland (Tekniikan Maailma, Tuulilasi), Sweden (Aftonbladet) and Norway (Motor). Shared 1st place in Ukrainian AutoCentre and 3rd place in Swedish Vi Bilägare.
- **Nokian Hakka Green 2.** Test winner in Russia (shared 1st place of Za Rulem) and Ukraine (AutoCentre)
- **Nokian Hakka Black SUV.** Test winner in Kazakhstan (Automobil) and **Nokian Hakka Black 2nd** place of Vi Bilägare

Central Europe

- **Nokian Line.** ADAC “Satisfactory”, ÖAMTC and TCS “Recommended”
- **Nokian zLine.** Auto Zeitung “Very Recommended”, Autobild Sportscars “Good”
- **Nokian Line SUV.** ADAC 3rd position, “Satisfactory“, ACE, TCS and ÖAMTC “Recommended”
- **Nokian Weatherproof SUV.** Test winner of Firmenauto (2/2017)



Appendix: Passenger Car Tyres – new products

Nokian Hakkapeliitta 9 and Nokian Hakkapeliitta 9 SUV

- unique Double Stud Technology

- Extreme winter safety. The Nokian Hakkapeliitta 9 and Hakkapeliitta 9 SUV studded tyres adapt to all the challenges of winter and ensure easy and comfortable driving even on the worst winter days
- Nokian Hakkapeliitta 9 and 9 SUV premium winter tyres for Nordic countries, Russia and North America
- The unique, patented **Double Stud Technology** is at the heart of the new products
- The modern Nokian Hakkapeliitta 9 product range covers sizes from 14 inches to 20 inches.
- The extensive and modern selection for the flagship product will be available for the winter tyre season of autumn 2017



Extreme winter safety
Patented Double Stud Technology



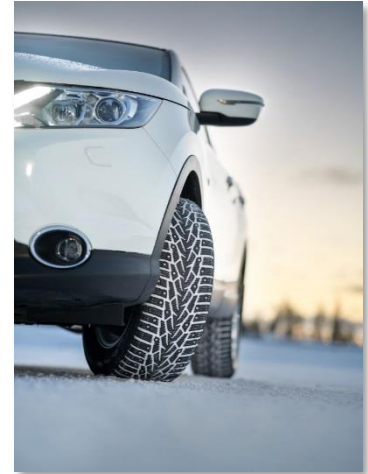
Nokian Hakkapeliitta 9

Appendix: Passenger Car Tyres – new products

Nokian Nordman 7 and Nokian Nordman 7 SUV

– simple reliability for varying winter weather

- Nokian Nordman tyres are a reliable choice for the varying Northern conditions offering an alternative to the premium products in terms of the price to quality ratio
- The key markets for Nokian Nordman studded tyres are in the Nordic countries, Russia and North America
- Offers safe and comfortable winter driving
- The reliable winter grip and soft road contact are ensured by **Air Claw Technology**
- The comprehensive size selection of these new products will be available to consumers in the autumn of 2017

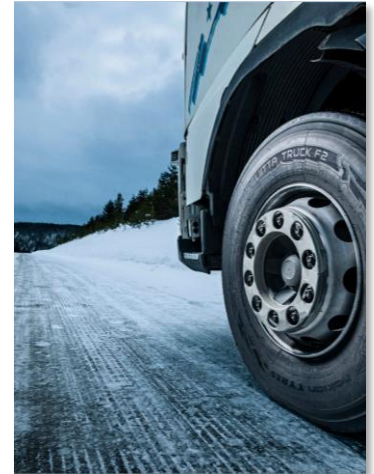


Nokian Nordman 7

Appendix: Heavy Tyres – new products

Nokian Hakkapeliitta Truck F2

- Nokian Hakkapeliitta Truck F2 represents the fourth generation of extreme winter specialized steer axle tyres for trucks & buses
- New type of Spiral Sipe System siping enables good grip even when worn
- Wide zig-zag shape grooves improve self-cleaning and grip on snow
- Improved groove design with larger stone ejectors prevent stones from penetrating the tread
- New type of shoulder design improves mobility in deep snow
- New, sleek sidewall design



Nokian Hakkapeliitta Truck F2

Appendix: Nokian Tyres – new products

Nokian Hakkapeliitta 44 – at home in harsh winter conditions

- Robust Nokian Hakkapeliitta 44 winter tyre is the newest top-of-the-line product resulting from the cooperation between Nokian Tyres and Arctic Trucks
- The Nokian Hakkapeliitta 44 is especially designed for Arctic Trucks' heavy SUV-type 4x4 vehicles
- Vehicles are used in the harshest environments of the world: such as glaciers, Antarctica, and the northern part of Eurasia
- **Nokian Tyres Polar Expedition tread compound** combines first class winter grip with durability excelling in extreme cold weather
- Novelty is available exclusively through Arctic Trucks and Nokian Tyres



Nokian Hakkapeliitta 44

Appendix

Winter tyre regulations in Europe and Russia

	Austria	Bosnia Herzegovina	Croatia	Czech Republic	Estonia	Finland	France	FYR of Macedonia	Germany	Hungary	Iceland	Italy	Latvia	Lithuania	Luxembourg	Montenegro	Norway	Poland	Portugal	Romania	Russian Federation	Serbia	Slovakia	Slovenia	Spain	Sweden	Switzerland	Turkey
Within a specified a time frame		●	● ¹⁾		●	●		●			●		●	●			● ³⁾				●	●	●	●				●
Within a specified time frame and during specified weather conditions	●		● ¹⁾	● ²⁾					●						●	●				●						●		
When indicated by a road sign (winter tyre and/or snow chain)				● ²⁾			●			●		●						●	●						●		●	

1) On major roads, regardless of weather conditions, on other roads, in wintry weather conditions

2) Both equally valid

3) Sufficient grip requirement; de facto mandatory winter tyres

Source: Nokian Tyres 6/2017

Appendix

Winter tyre regulations in USA

	Alabama	Alaska	Arizona	Arkansas	California	Colorado	Connecticut	Delaware	District Of Columbia	Florida	Georgia	Hawaii	Idaho	Illinois	Indiana	Iowa	Kansas	Kentucky	Louisiana	Maine	Maryland	Massachusetts	Michigan	Minnesota	Mississippi	Missouri
Winter tyres are legally mandatory																										
Winter tyres are recommended		●				●	●	●	●				●	●	●	●				●	●	●	●	●		
Winter tyres are mandatory if there is a specific road sign						●																				
Studded tyres are permitted		●	●	●	●	●	●	●	●		●		●	(*)	●	●	●	●		●	(*)	●		(*)		●
	Montana	Nebraska	Nevada	New Hampshire	New Jersey	New Mexico	New York	North Carolina	North Dakota	Ohio	Oklahoma	Oregon	Pennsylvania	Rhode Island	South Carolina	South Dakota	Tennessee	Texas	Utah	Vermont	Virginia	Washington	West Virginia	Wisconsin	Wyoming	
Winter tyres are legally mandatory																										
Winter tyres are recommended	●	●		●	●		●		●	●		●	●	●		●			●	●		●	●	●	●	
Winter tyres are mandatory if there is a specific road sign																										
Studded tyres are permitted	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●		●	●	●	●	●		●	

Source: Nokian Tyres 6/2017

(*) The use is restricted on special use / special regions.

Appendix

Winter tyre regulations in Canada

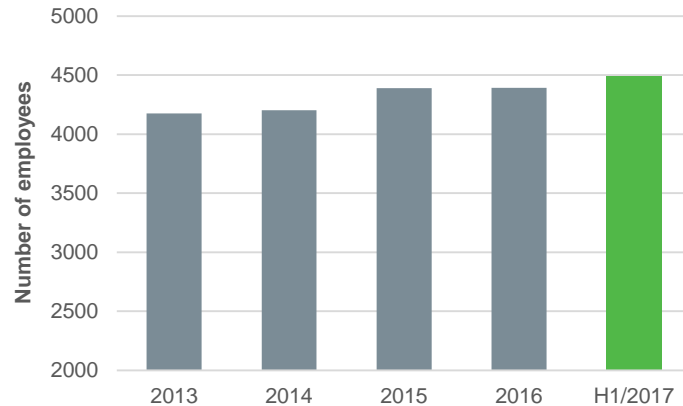
	British Columbia	Alberta	Saskatchewan	Manitoba	Ontario	Northern Ontario	Quebec
Winter tyres are legally mandatory							●
Winter tyres are recommended	●	●	●	●	●	●	●
Winter tyres are mandatory if there is a specific road sign	●						
Studded tyres are permitted	●	●	●	●		●	●
	New Brunswick	Nova Scotia	Prince Edward Island	Newfoundland	Yukon	Northwest Terr.	
Winter tyres are legally mandatory							
Winter tyres are recommended	●	●	●	●	●	●	
Winter tyres are mandatory if there is a specific road sign							
Studded tyres are permitted	●	●	●	●	●	●	

Source: Nokian Tyres 6/2017

Appendix

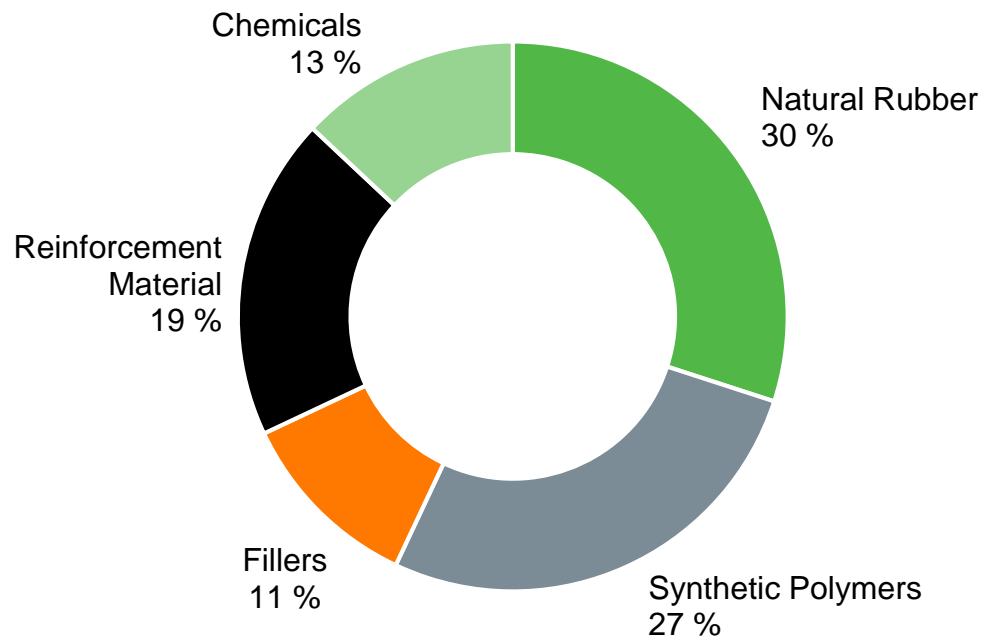
Personnel June 30, 2017

- Nokian Tyres Group: 4,495 (4,266)
- Finland: 1,715 (1,616)
- Russia: 1,430 (1,352)
- Equity-owned Vianor: 1,635 (1,661)



Appendix

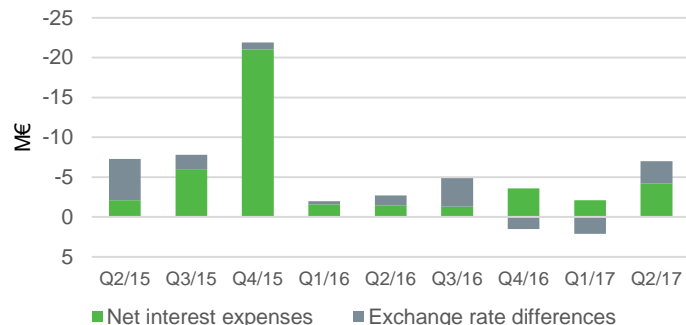
Value of raw material consumption (%)



Appendix

Financing: Net financial expenses and interest-bearing debt

Net financial expenses per quarter



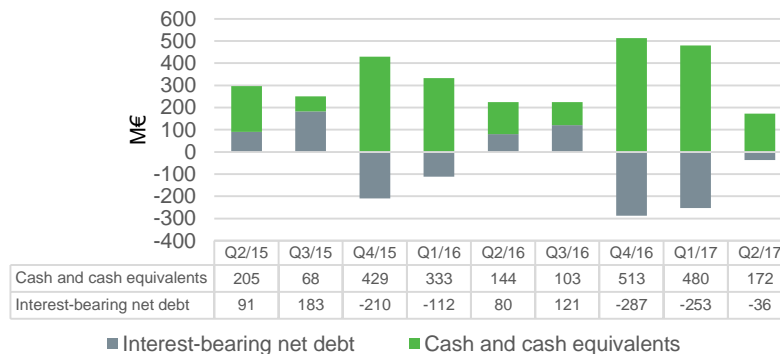
- = Expenses, + = Income

Exchange rate differences in net financial items (M€)
1-6/2017

	RUB	NOK	SEK	USD	CAD	Other	Total
Underlying 1)	-23.7	-1.7	-0.6	-1.1	-1.1	-1.1	-29.2
Hedging	23.8	0.6	0.6	1.0	0.9	0.2	27.2
Hedging cost	-0.4	-0.2	0.0	-0.1	-0.2	0.0	-0.8
Total	-0.3	-1.2	0.1	-0.2	-0.3	-0.9	-2.8

1) AP, AR, Internal loans/deposits

Interest-bearing debt



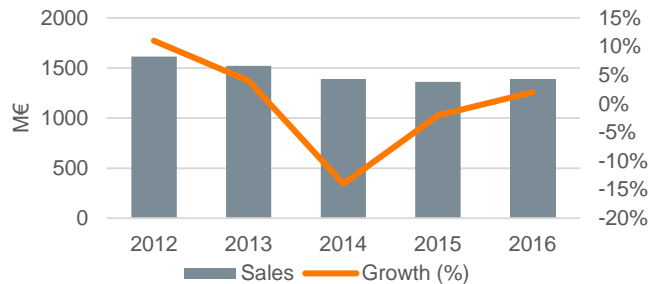
Interest-bearing debt 136.4 M€
(June 30, 2017)



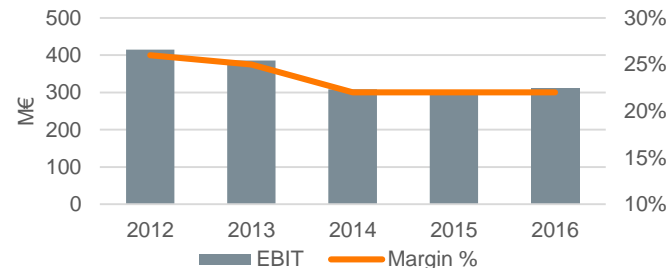
Appendix

Key figures 2012–2016

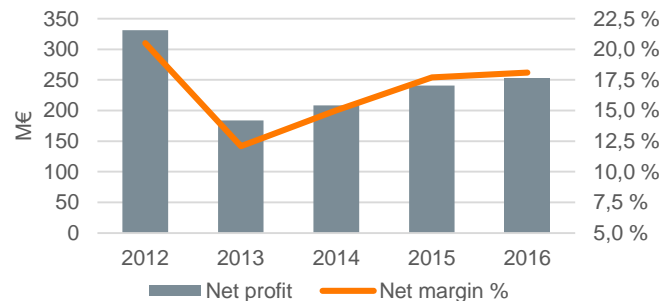
Net sales and net sales growth



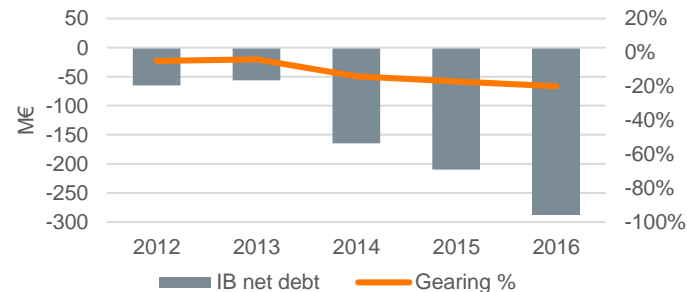
EBIT and EBIT margin



Net profit and net margin

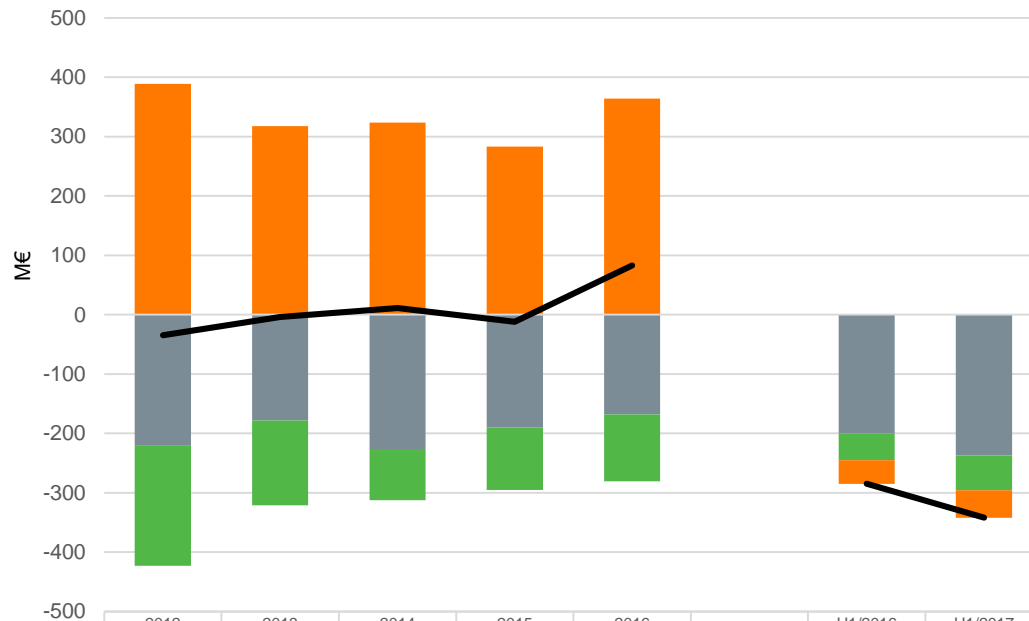


Interest-bearing net debt and gearing



Appendix

Cash flow from operating activities 2012–H1/2017

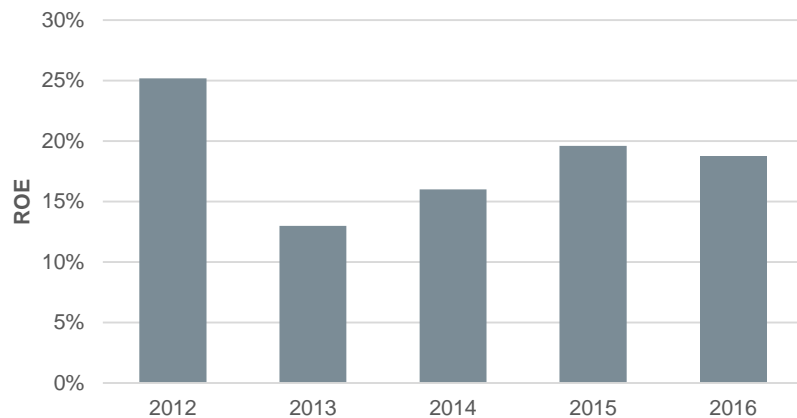


	2012	2013	2014	2015	2016		H1/2016	H1/2017
Cash flow from operating activities	389	318	323	283	364		-40	-46
Cash flow from investing activities	-203	-143	-85	-105	-113		-45	-59
Cash flow from financing activities	-220	-178	-228	-190	-168		-200	-237
Change in cash and cash equivalents	-35	-4	11	-12	83		-285	-342

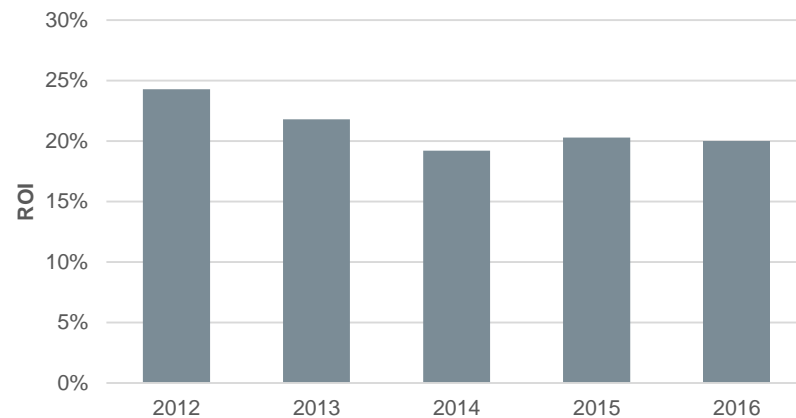
Appendix

ROE and ROI 2012–2016

Return on equity



Return on capital employed





Thank you!

**Interim Report
January–September 2017**

November 1, 2017

www.nokiantyres.com/investors