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President and CEO

Nokian Tyres plc

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## JANUARY- SEPTEMBER 2008 IN BRIEF

### Strong sales and profit growth continued

m€	Q3/08	Q3/07	Change %	1-9/08	1-9/07	Change %	2007	5 year's average growth/year, % (*)
Net sales	282.8	236.0	+19.8	813.2	668.6	+21.6	1,025.0	+16.5
EBIT	71.9	51.6	+39.4	200.5	140.8	+42.4	234.0	+30.7
Profit before tax	67.5	46.4	+45.6	185.9	128.8	+44.4	213.8	+35.0
Net Profit	52.4	37.4	+40.0	151.5	107.5	+40.9	168.9	+36.3
EPS, €	0.42	0.30		1.22	0.88	+39.0	1.37	+32.8
Cash Flow II	-141.8	-89.6		-288.7	-213.8		105.6	
RONA, % (rolling 12 months)				26.0	22.9		24.2	
Gearing, %				63.6	60.9		14.3	

- strong sales growth and high car winter tyre share of sales
  - higher average prices due to good sales mix and price increases
  - full capacity utilization
  - capacity increase in Russia improved profitability
  - demand for forestry and truck tyres decreased due to weakened global economy
- outlook for 2008: full year results improve vs. 2007, but Q4 results below Q4/07

(\*contains years  
2004-2008 according  
to IFRS and previous  
years according to  
FAS

## GROUP OPERATING PROFIT PER QUARTER 2008

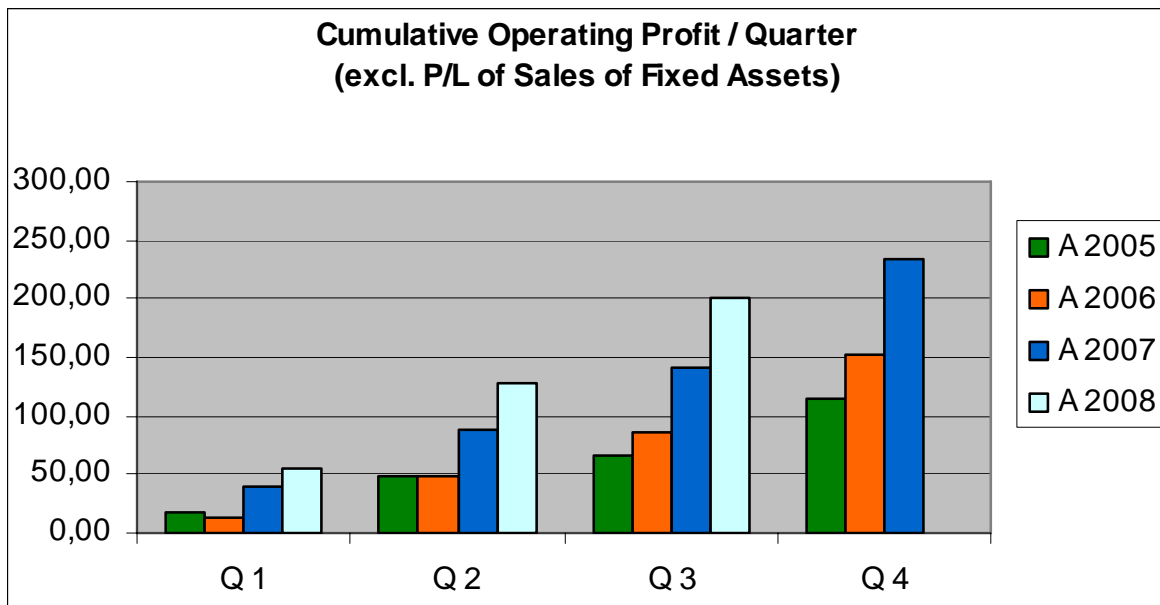
### Q1-Q3 2008

Net sales 813.2 m€

+21.6% (668.6 m€)

EBIT 200.5 m€, +42.4%

(140.8 m€)



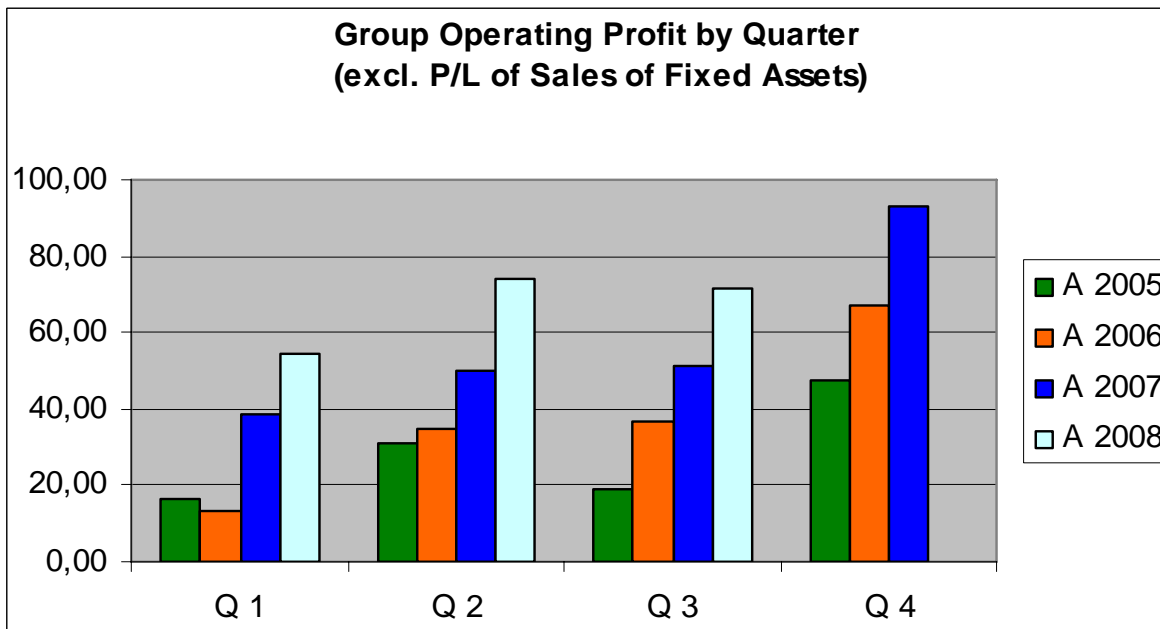
### Q3 2008

Net sales 282.8 m€

+19.8% (236.0 m€)

EBIT 71.9 m€, +39.4%

(51.6 m€)



**Car and van tyres – winter tyre demand increased in Russia and CIS and in North America**

- strong growth in car tyre replacement markets continued in Russia and in Ukraine
- positive development in the North American winter tyre markets; Quebec winter tyre legislation
- strongest growth in the demand for winter, SUV and UHP tyres
- tyre markets in Europe declined due to production cuts in car and tyre industry
- growth in the sales of new cars in Russia during Q3, but started to slow down considerably

**Heavy Tyres – forestry tyre demand declined**

- production of forestry machinery slowed down and decreased demand for forestry tyres
- strong demand for harbour and mining machinery tyres continued

**Raw material prices – vs. ASP**

- tyre manufacturers increased prices to compensate raw material price increases → peak in the raw material prices to be passed Q4/2008



Nokian Hakkapeliitta 5

295/30 R22

### **Sales and market position – strong sales growth continued**

- + good sales of car summer and winter tyres in all core markets
- + strongest sales growth in Russia and Ukraine
- + preseason sales of car winter tyres above expectations in North America and Nordic countries
- + increased sales of harbour, mining, industrial and agricultural tyres
- limited sales to Central Europe
- demand for forestry machinery tyres declined

### **Profitability – improvement by capacity increase in Russia**

- + higher average prices due to good sales mix and implemented price increases
- + benefits from the Russian operations lower costs
- + low tax rate due to Russian incentives
- weaker sales mix of heavy tyres
- share option costs in compliance with IFRS

### **Production volumes – grew as planned**

- + increased production volumes at the Russian factory
- lack of capacity limited sales growth of passenger car tyres

### **Service capacity – expanded network and services**

- + Vianor chain expanded by 42 new outlets in Q3/2008
- + improved delivery capacity of mining, harbour and other heavy special tyres

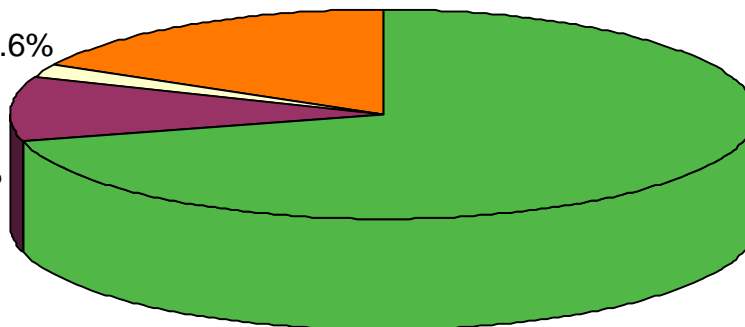
**SUMMARY OF NET SALES AND EBIT**

1-9/2008 vs. 1-9/2007  
Q3/2008 vs. Q3/2007

**Vianor** 21.5% (23.6%)  
**Net sales:** 191.8 m€ (170.4 m€); +12.6%  
**Q3: 64.5 m€ (56.2 m€); +14.7%**  
**EBIT:** -6.7 m€ (-3.4 m€); -94.3%  
**Q3: -2.2 m€ (-1.4 m€); - 55.8%**  
**EBIT margin:** -3.5% (-2.0%)  
**Q3: -3.4% (-2.5%)**

**Truck tyres** 2.7% (3.0%)  
**Net sales:** 24.4 m€ (21.3 m€); +14.6%

**Heavy tyres** 8.7% (10.2%)  
**Net sales:** 77.8 m€ (73.6 m€); +5.7%  
**Q3: 24.4 m€ (23.1 m€); +5.7%**  
**EBIT:** 15.5 m€ (16.9 m€); -8.6%  
**Q3: 4.1 m€ (5.0 m€); -18.9%**  
**EBIT margin:** 19.9% (23.0%)  
**Q3: 16.7% (21.8%)**

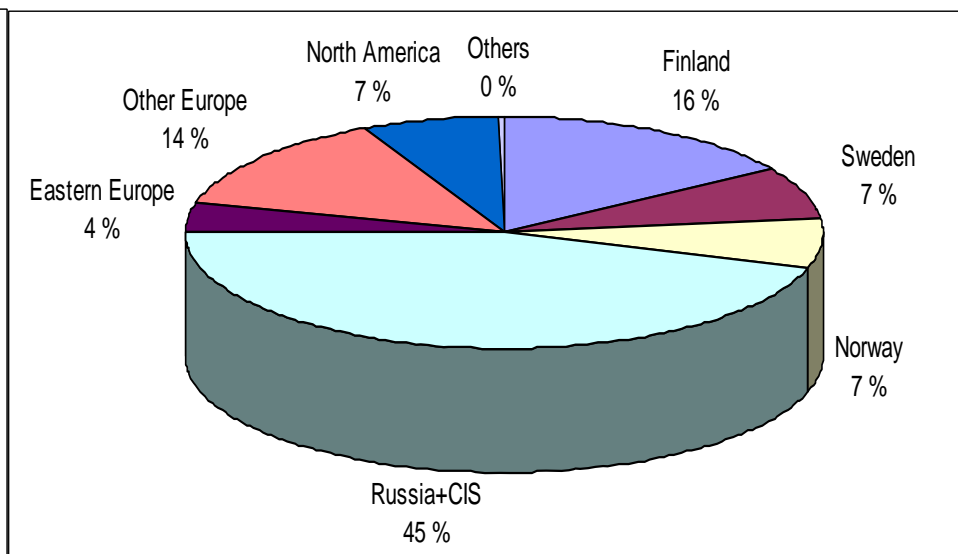
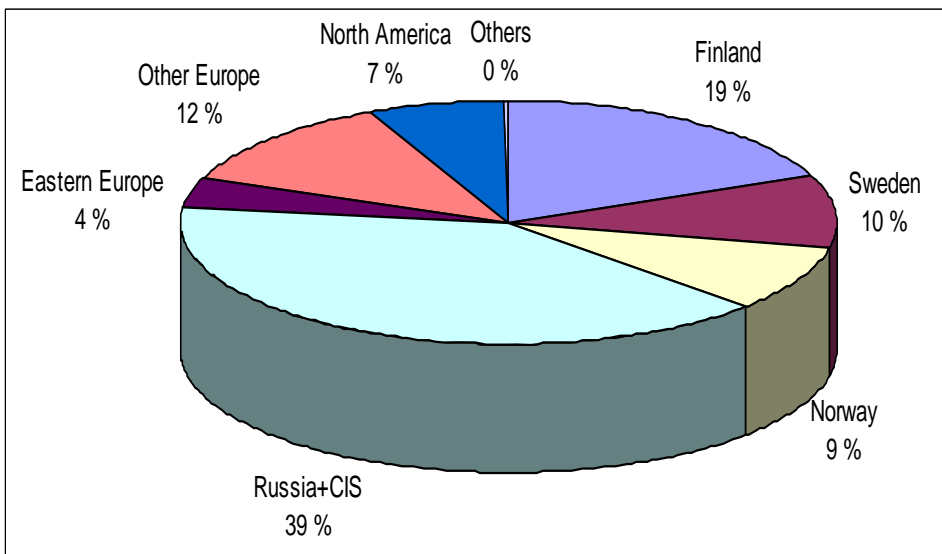


**Car tyres** 67.0% (63.3%)  
**Net sales:** 597.8 m€ (457.7 m€); +30.6%  
**Q3: 212.1 m€ (169.7 m€); +25.0%**  
**EBIT:** 201.7 m€ (137.8 m€); +46.4%  
**Q3: 72.9 m€ (54.2 m€); +34.4%**  
**EBIT margin:** 33.7% (30.1%)  
**Q3: 34.4% (32.0%)**

## GROSS SALES BY MARKET AREA JAN-SEP 2008

Sales of Nokian Tyres group 862,3 m€

Sales of Manufacturing units 758,2 m€



### Sales developed

-Nordic countries	+6.9%
-Russia and CIS	+54.1%
-Eastern Europe	-0.5%
-North America	+28.9%

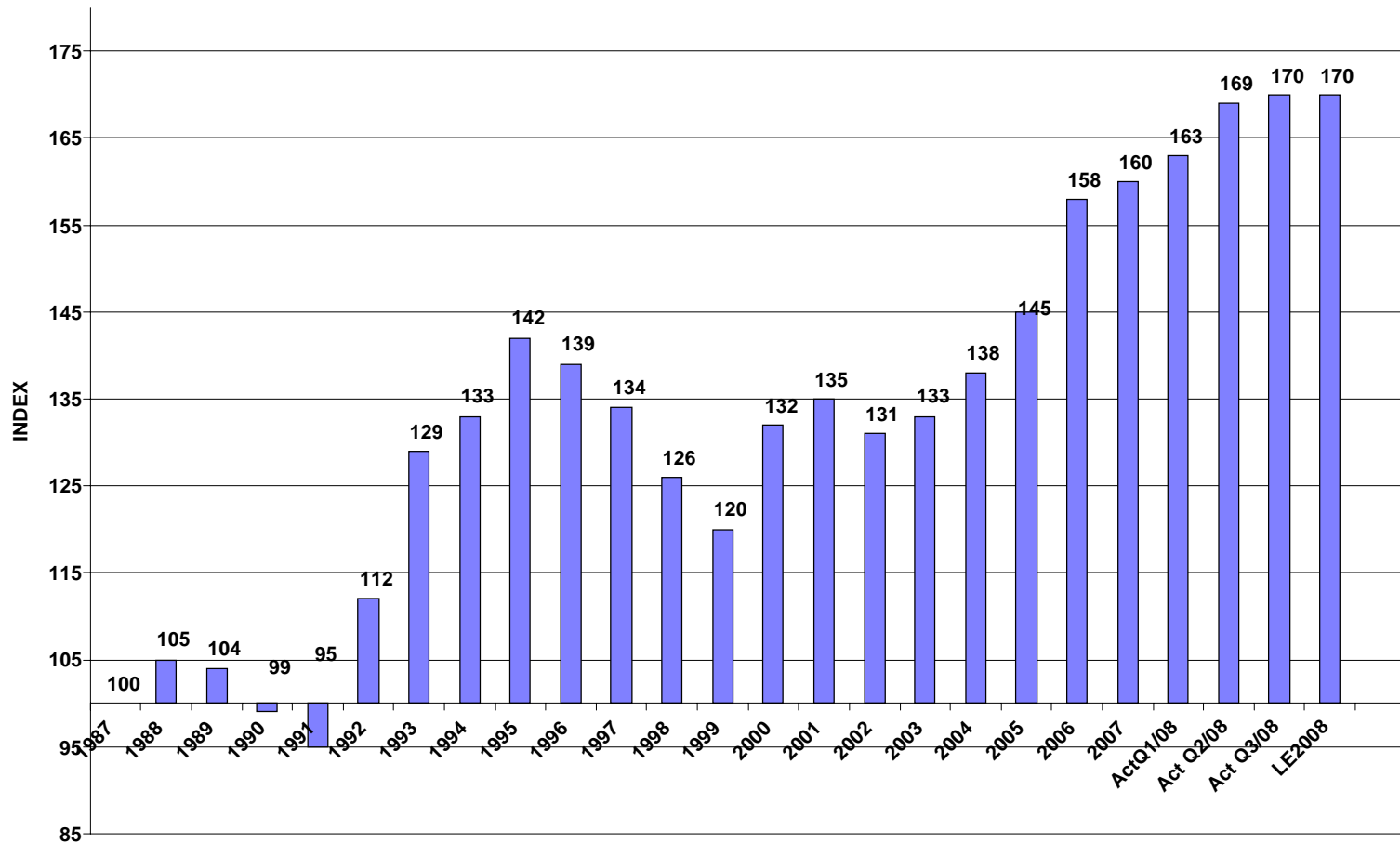
### Sales developed

-Nordic countries	+12.3%
-Russia and CIS	+53.8%
-Eastern Europe	-1.9%
-North America	+11.2%



# RAW MATERIAL PRICE INDEX 1987 - 2008

(1987=100)



- Raw material prices (euro/kg) increased 8% in 1-9/2008 vs.1-9/2007
- Raw material prices (euro/kg) increased approx. 10% in Q3/2008 vs. Q3/2007
- Raw material purchase prices (euro/kg) to increase approx. 10% in 2008 vs. 2007

**Net sales:** 597.8 m€ (457.7 m€); +30.6%

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**Q3:** 72.9 m€ (54.2 m€); +34.4%

**EBIT margin:** 33.7% (30.1%)

**Q3:** 34.4% (32.0%)

+ strong sales growth of summer and winter tyres in Russia and other CIS countries

+ positive sales development in North America

+ good sales mix with high share of winter tyres and new products

+ higher average prices

+ increased production volumes in Russia

+ top rankings in motor magazines' tyre tests in Nordic countries and Russia

- lack of capacity limited sales growth

### **TARGETS Q4/2008 – IMPROVE SALES AND CASH FLOW**

- sales growth in core markets
- ASP improvement
- full capacity utilization
- tough fixed cost control
- maximize cash flow
  - collect receivables
  - cut inventory

Year 2007:

Net sales 691.2 m€

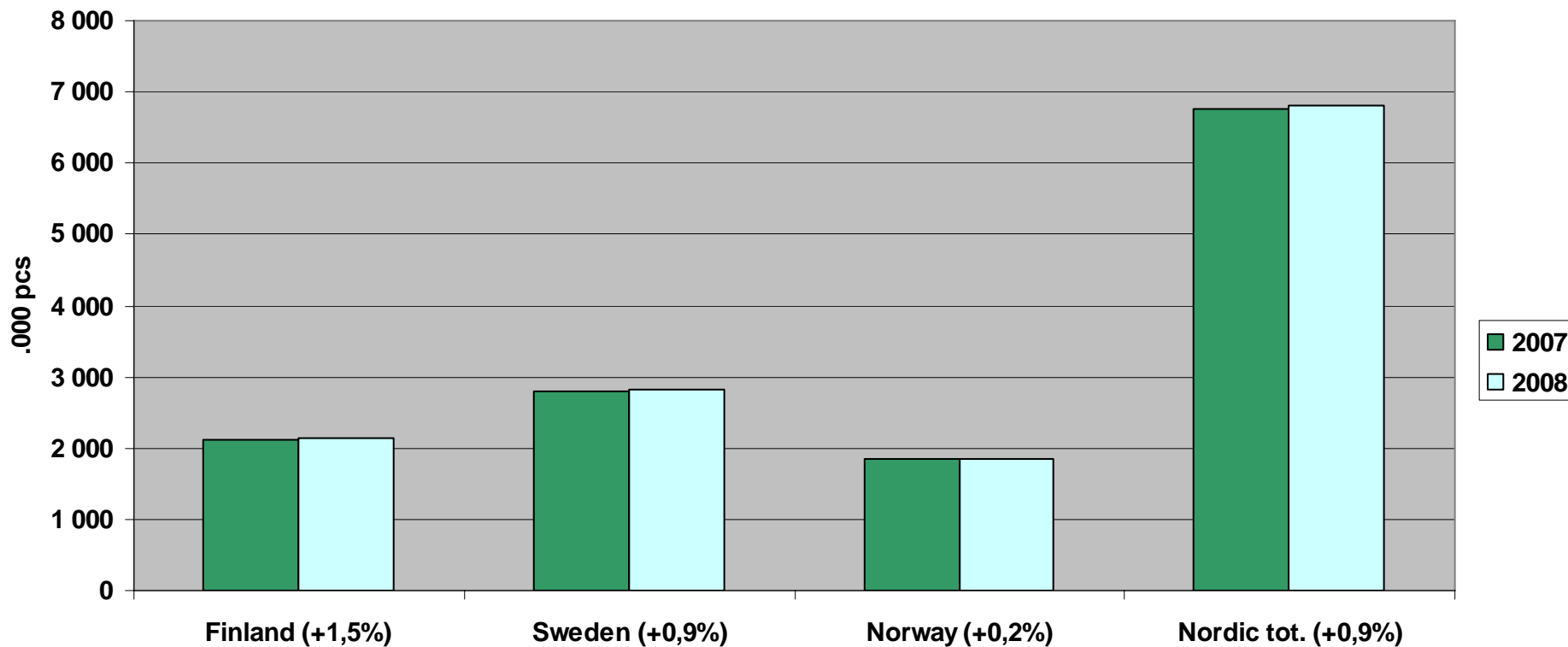
EBIT 212.0 m€

EBIT% 30.7



# CAR AND VAN TYRE VOLUME IN NORDIC COUNTRIES

1-9 2007/2008  
Replacement Market



**Nokian Tyres  
marketshare**

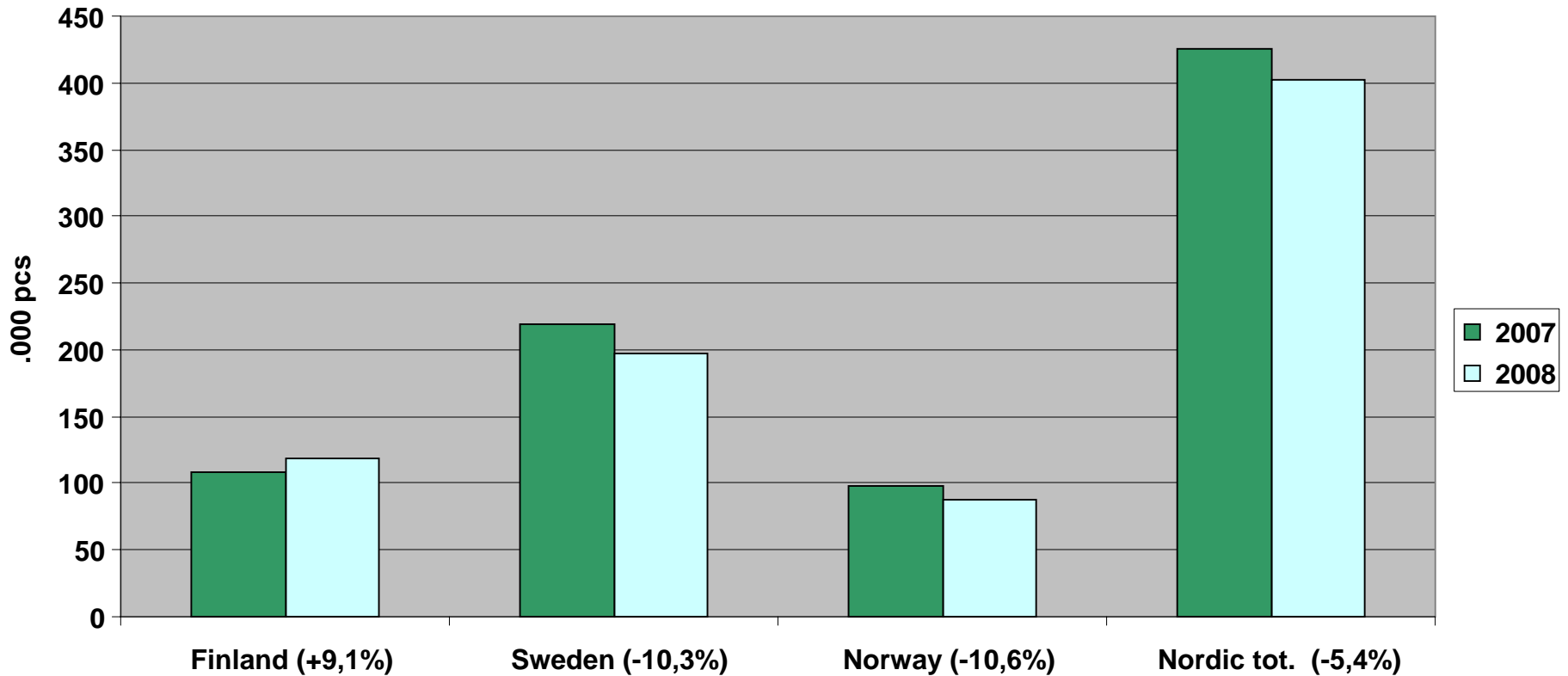
**+/-0**

**++**

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**SOM-% 25,6->27,2**

SOM= Nokian Tyres share of market

**NEW PASSENGER CAR REGISTRATIONS  
IN NORDIC COUNTRIES 1-9 2007/2008**

Source: Nokian Tyres

Magazine		Product	Rank	Positive	Overall
Za Rulem, 175/65 R14	RUS	Hakkapeliitta 5	1.	Braking on ice and snow; rolling resistance; lane change test.	
Vi Bilägare, 205/55 R16	S	Hakkapeliitta 5	1.	Especially good on ice and snow.	
Tekniikan Maaailma, 205/55 R16	FIN	Hakkapeliitta 5	1.	Grip in all winter conditions and winter handling.	Clear victory
Tuulilasi, 205/55 R16	FIN	Hakkapeliitta 5	1.	Good grip on ice and snow, handling.	
Motor, 205/55 R16	N	Hakkapeliitta 5	1.	Grip on ice and snow, handling.	
Auto, motor & sport, 205/55 R16	S	Hakkapeliitta 5	1.	Grip in all winter conditions and winter handling.	
Za Rulem, 195/65 R15	RUS	Hakkapeliitta 5	1.	Excellent winter properties.	
Tekniikan Maaailma, 235/65 R17	FIN	Hakkapeliitta 5 SUV	3.	Good grip on ice and snow, handling.	
Tekniikan Maaailma, 205/55 R16	FIN	Hakkapeliitta R	2. tie	Grip on ice and snow and winter handling.	Best tyre on snow and ice
Vi Bilägare, 205/55 R16	S	Hakkapeliitta R	1.	Balance, handling on ice, braking on wet roads.	Good
Za Rulem, 205/55 R16	RUS	Hakkapeliitta R	2.	Excellent winter properties and low rolling resistance.	
Teknikens Värld, 205/55 R16	S	Hakkapeliitta R SUV	2.	Good snow and ice properties.	
Za Rulem, 255/55 R18	RUS	Hakkapeliitta R SUV	1.	Best braking grip and handling, stability on winter roads, slush planing.	Clear victory
Auto, Motor und Sport, 225/55 R16	D	Nokian WR G2	6.	Good wet and dry properties.	Recommended
AutoBild, 225/45 R17	D	Nokian WR G2	8.	Low rolling resistance, good properties on snow.	Satisfied
ADAC, 195/65 R15	D	Nokian WR G2	9.-11.	Good on dry roads.	Recommended
Stiftung Warentest, 195/65 R15	D	Nokian WR G2	7.-9.	Good on snow and dry roads.	Satisfied
PowerCar, 225/45 R17	D	Nokian WR G2	6. tie	Traction on snow, braking on dry roads, handling on dry and wet roads.	
AutoBild, Sportscars, 215/45 R17	D	Nokian WR G2	5.	Braking and acceleration on snow, rolling resistance, handling on dry roads	Satisfied
Auto, motor & sport, 225/55 R16	S	Nokian WR G2	6.	Good wet and dry properties.	
AutoBild, Alles Allrad, 255/55 R18	D	Nokian WR G2 SUV	5.	Short braking distance on snow, low rolling resistance, comfortable.	
ProMobil, 225/70 R15	D	Nokian WR C	1.	Properties on snow and wet roads.	The most silent tyre

**Net sales:** 77.8 m€ (73.6 m€); +5.7%

**Q3:** 24.4 m€ (23.1 m€); +5.7%

**EBIT:** 15.5 m€ (16.9 m€); -8.6%

**Q3:** 4.1 m€ (5.0 m€); -18.9%

**EBIT margin:** 19.9% (23.0%)

**Q3:** 16.7% (21.8%)

+ sales growth of harbour, mining, agricultural and industrial tyres

+ improved delivery capacity

- declining cycle in forestry tyre demand

- weaker sales mix and ASP

- mix related lower productivity

### **TARGETS Q4/2008 – MAXIMIZE OUTPUT, SALES AND CASH FLOW**

- increase sales
- full utilisation of production capacity
- turn sales rapidly to harbour, mining, radial industrial replacement business
- cut inventory in forestry tyres

Year 2007:

Net sales 100.8 m€

EBIT 22.3 m€

EBIT% 22.1



**Nokian Forest Rider**

**Net sales:** 191.8 m€ (170.4 m€); +12.6%

**Q3:** 64.5 m€ (56.2 m€); +14.7%

**EBIT:** -6.7 m€ (-3.4 m€); -94.3%

**Q3:** -2.2 m€ (-1.4 m€); - 55.8 %

**EBIT margin:** -3.5% (-2.0%)

**Q3:** -3.4% (-2.5%)

Year 2007:

Net sales 278.5 m€

EBIT 8.4 m€

EBIT% 3.0

- + good season sales of summer tyres and related services
- + Vianor chain expanded; a total of 42 new Vianor shops opened in Q3
- start-up costs of new Vianor outlets weakened profits
- weaker demand for new truck tyres

### **TARGETS 2008 – IMPROVE RESULTS, CHANGING STRUCTURE AND CONCEPT**

- expand the network and the number of partners especially in Russia and CIS countries
- cut small and unprofitable workshops
- develop fast fit and other services
- improve seasonal wholesales and retail
- improve Vianor brand awareness in Russia and CIS countries
- improve EBIT and cash flow
- increase number of outlets > 500 by end 2008
- maximize sales, season management
- cut structure and costs in equity owned shops



**VIANOR GLOBALLY – September 30th****Target: increase number of outlets > 500 by the end of 2008****TOTAL: 469 OUTLETS**  
**(180 owned, 289 franchising/partner)**  
**Q3 2008 42 new outlets****NORDIC AND BALTIC COUNTRIES****Finland** 59 owned, 7 franchising  
**Sweden** 56 owned, 16 partners  
**Norway** 43 owned, 7 partners  
**Baltic** 5 owned, 14 partners**RUK-countries****Russia** 2 owned, 195 partner outlets  
**Ukraine** 33 partner outlets  
**Kazakhstan** 11 partner outlets**USA** 12 owned outlets**CENTRAL EUROPE****Switzerland** 3 owned outlets  
**Czech Republic** 5 partner outlets  
**Slovakia** 1 partner outlet

- Master franchising agreements made in Slovakia, Poland and Czech Republic
- Pending Belorussia, Moldova, Azerbaijan, Georgia



**NET SALES: 24.4 m€ (21.3 m€); +14.6%**

Year 2007: 32.8 m€

- + new distributor agreements in Russia
- + renewed and wider truck tyre range
- + increased sales in new markets i.e. in Russia and Eastern European countries

### **TARGETS 2008**

- increase sales further in Nordic countries, Russia and CIS
- improve off-take contract manufacture and logistics further



**Nokian Hakkapeliitta Truck E**  
NEW 2008

## CAPEX AND GROWTH PLAN FOR 2008 →

1-9/08: 114,2 m€ (83.1 m€)

**Total investments for 2008 162 m€**

**→ share of Russian investment approx. 110 m€**

### RUSSIA

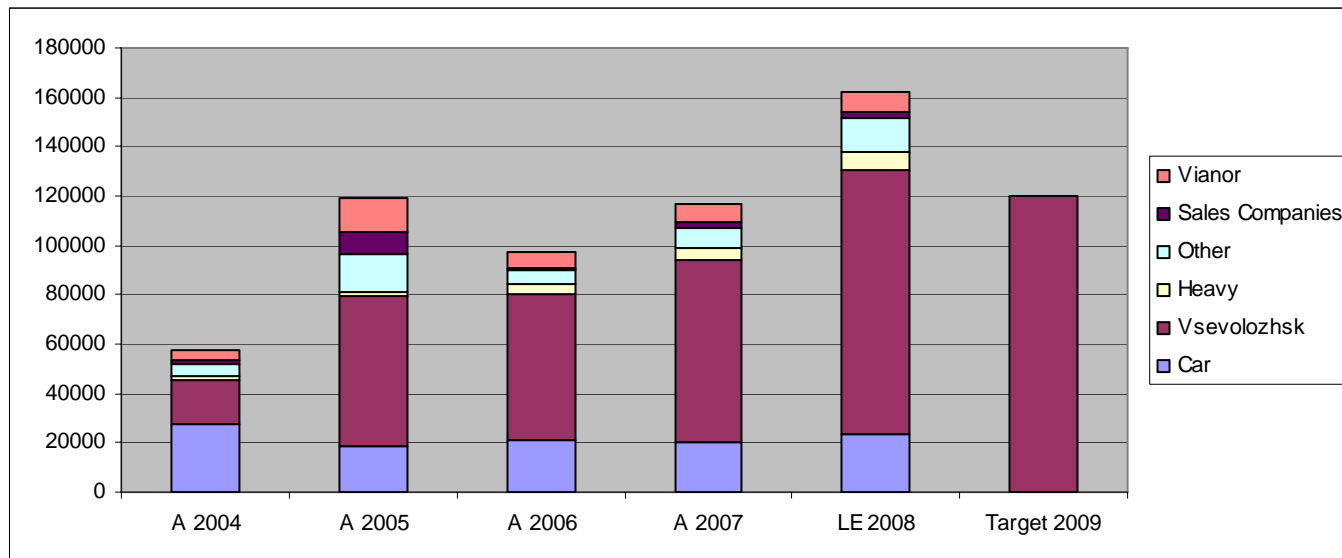
- Capacity ramp-up and investments
  - 4 → 7 lines (2008)
  - Mixing expansion
  - Office and warehouse expansion
  - lines 8-9 (2009); subject to market growth

### NOKIA, FINLAND

- Maintenance and upgrade investment
- Heavy tyres capacity increase
- Moulds and equipment for new products

### VIANOR EXPANSION

- Russia, CIS, East Europe
- Switzerland, N. America
- 2008: 4,5 m€



**ASSUMPTIONS**

- the financial crisis is increasingly impacting industrial activity and consumer demand
- demand for industrial goods and consumer durables i.e. housing, cars, consumer electronics, tyres is weaker than during the beginning of the year and in 2007
- sales of new cars has slowed down in Russia which will have a negative impact on winter tyre sales
- demand for winter tyres on replacement markets in Russia and other Nokian Tyres' core markets remain good and pre-season orders for summer tyres in Russia and Ukraine are at a very high level and growing strongly
- new winter tyre legislation to boost winter tyre sales in North America
- normal winter season in Nordic countries
- carry-over stock of car winter tyres and cuts in car and tyre manufacture in Western Europe
- forestry machinery production volumes to decrease further
- peak of raw material price increases passed → prices for 2009 decreasing

→ Nokian Tyres year 2008 raw material prices up by approx. 10 % yoy; offset by price increases

**NOKIAN TYRES**

- maximize winter season sales
- start strong summer preseason sales in Russia and CIS
- increase sales prices October 1<sup>st</sup>, 2008
- collect bulk of receivables in Q4
- outlook for 2008: full year results improve vs. 2007, but Q4 results below Q4/07

→ target for 2008 unchanged i.e. net sales to grow by approx. 15% to EUR 1,150 -1,200 billion



Nokian Hakka SUV



Nokian Hakka Z



Nokian WR G2



Nokian Hakkapeliitta R



Nokian Hakkapeliitta R SUV



Nokian Hakkapeliitta 5



Nokian Hakkapeliitta Sport Utility 5



Nokian Hakka H and Nokian Hakka V



Nokian Hakka C Cargo & Van



Nokian Forest Rider



Nokian Hakkapeliitta Truck E



Nordman NTR 72S

**Russia and other  
CIS countries**

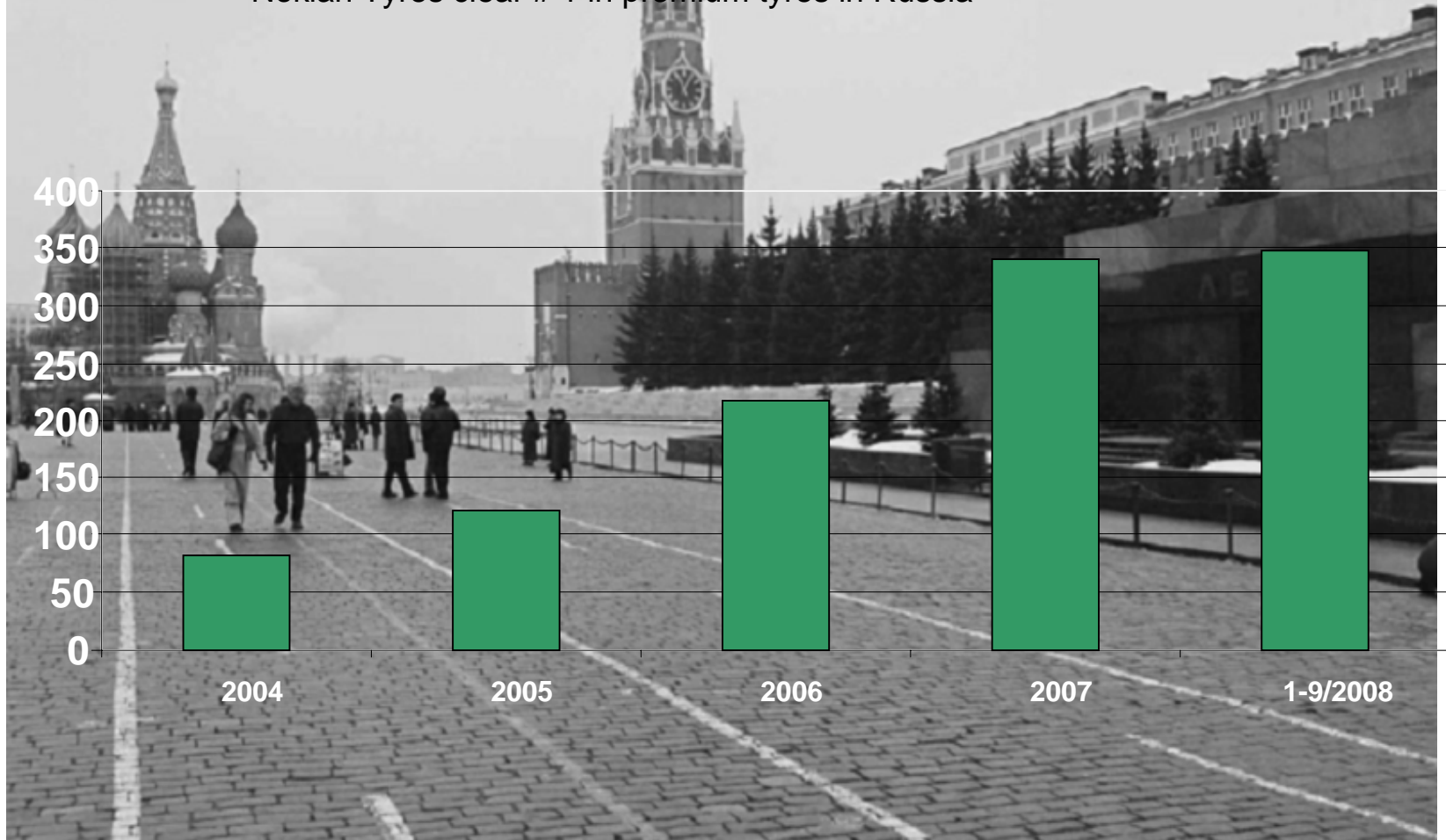
- financial crisis in Russia, high level of indebtedness of banks and Russian companies
- Russian state and state owned banks become increasingly strong
- consumer level demand remain very strong, lack of confidence cut supply to distribution
- tyre demand drivers
  - sale of new cars slow down 5-10% in 2009; recovery 2010
  - replacement market still very healthy and growing
  - proper and white winter required for short term success and risk management

**SALES DEVELOPMENT IN RUSSIA AND OTHER CIS COUNTRIES**

Sales 2007 340.3 MEUR with growth +56.9%.

Sales growth 1-9 2008 54.1%.

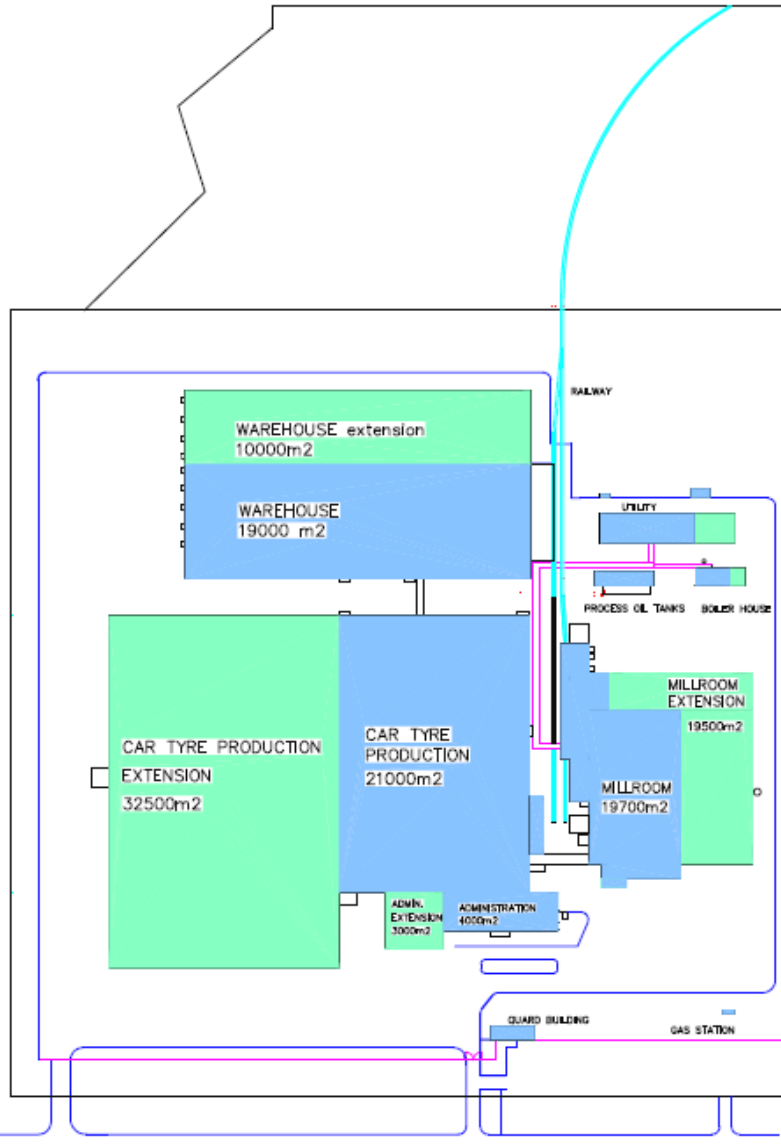
Nokian Tyres clear # 1 in premium tyres in Russia



- a total of six production lines operate in 3 shifts since 06/2008
- 7<sup>th</sup> line installed Q4/2008 → commissioned to full capacity Q1 – Q2/2009
- full process from raw material to finished product
- mixing house expansion proceeded as planned → additional mixing capacity in 2009
- expansion of the warehouse has started → first part of it to be taken into use during Q4/2008
- housing project, Hakkapeliitta Village → construction work on-going as planned
- total number of personnel working in Russia 30.9.2008: 671 (474)
  
- additional capacity 8-9 lines to be installed when market growth allows







**Capacity ramp-up and investments**

- phase II 4 → 10 million pcs 2007-2011 ~195 m€
- total investment 2008 110 m€

**Expansion 4 → 10 million tyres**

- construction work completed
- production lines 5 & 6 fully operational  
line 7 installation in Q4

**Expansion of mixing department**

- construction 2008; 22,000 m<sup>2</sup>
- 4 additional mixing lines 2008-2009

**Office expansion**

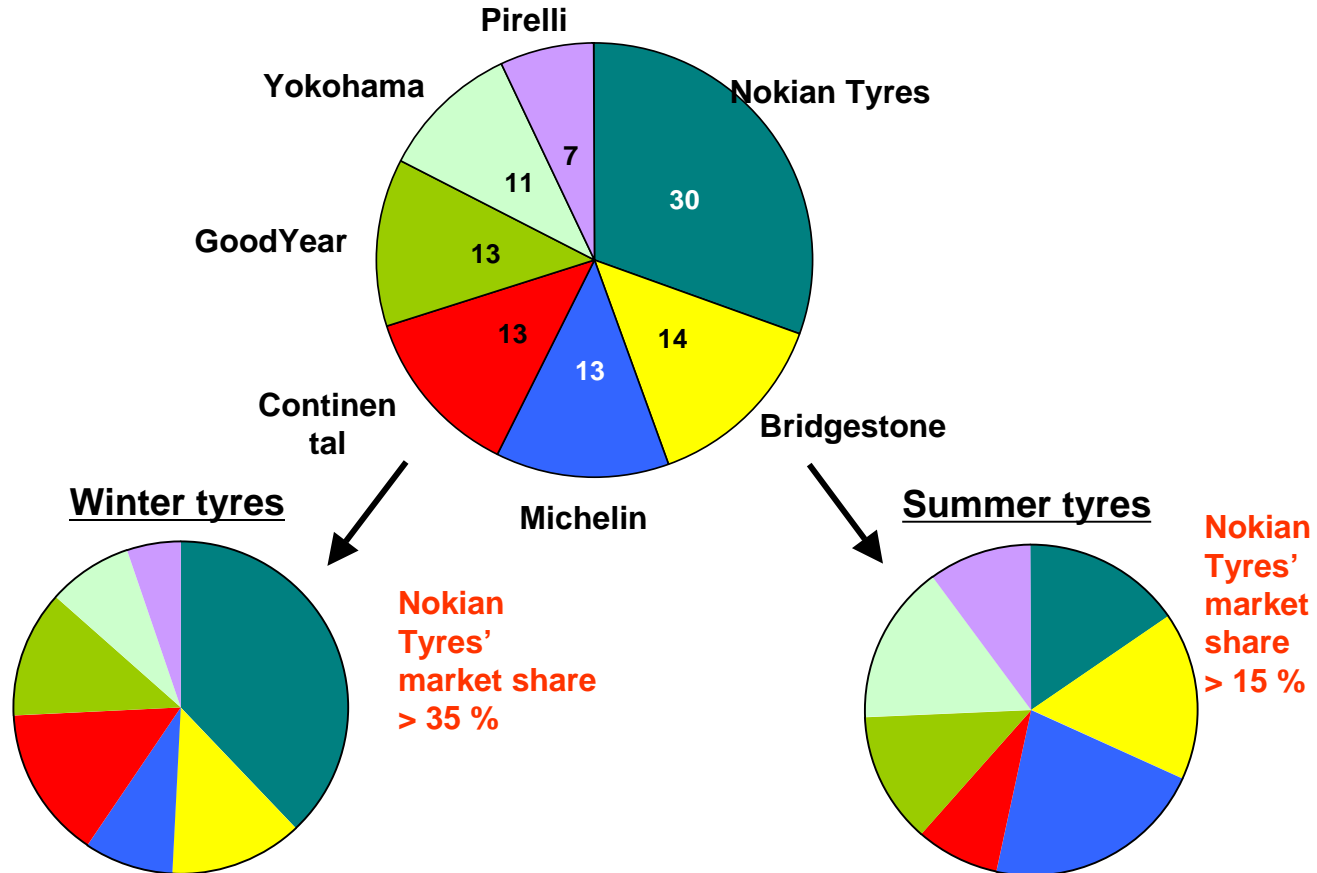
- 2008; 3,000 m<sup>2</sup>

**Warehouse expansion**

- end 2008; 10,000 m<sup>2</sup>

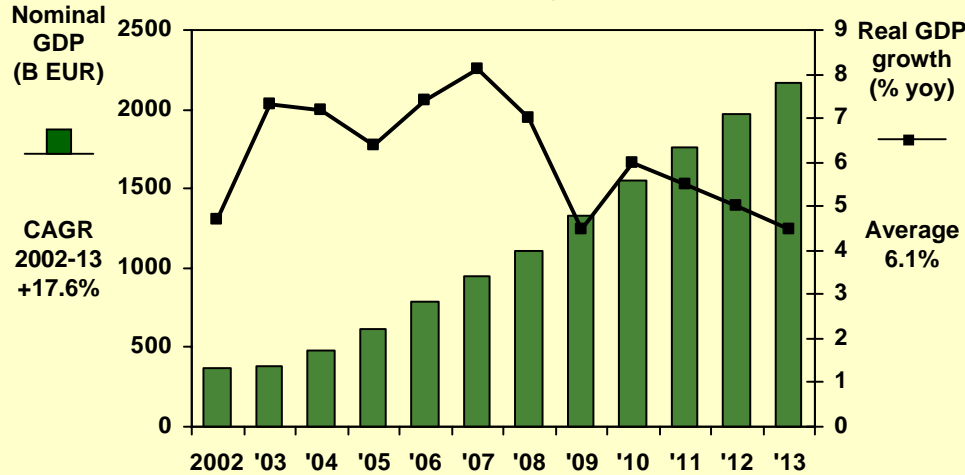
## PREMIUM SEGMENT MARKET SHARES IN RUSSIA 2007

Estimated replacement A-segment market shares 2007 by sell-in volume

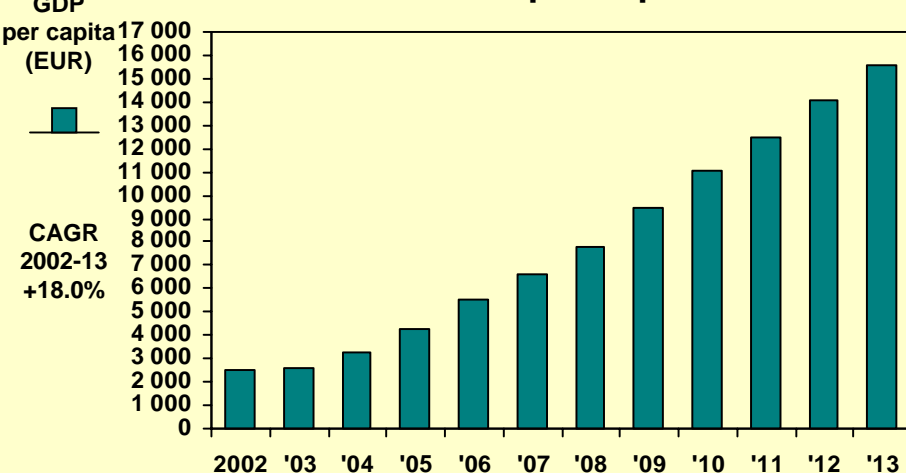


- clear market leader with more than 30% market share in premium car winter tyres
- distribution expanded through partner agreements and Vianor shops

**Russia's GDP growth**



**Russia's GDP per capita**



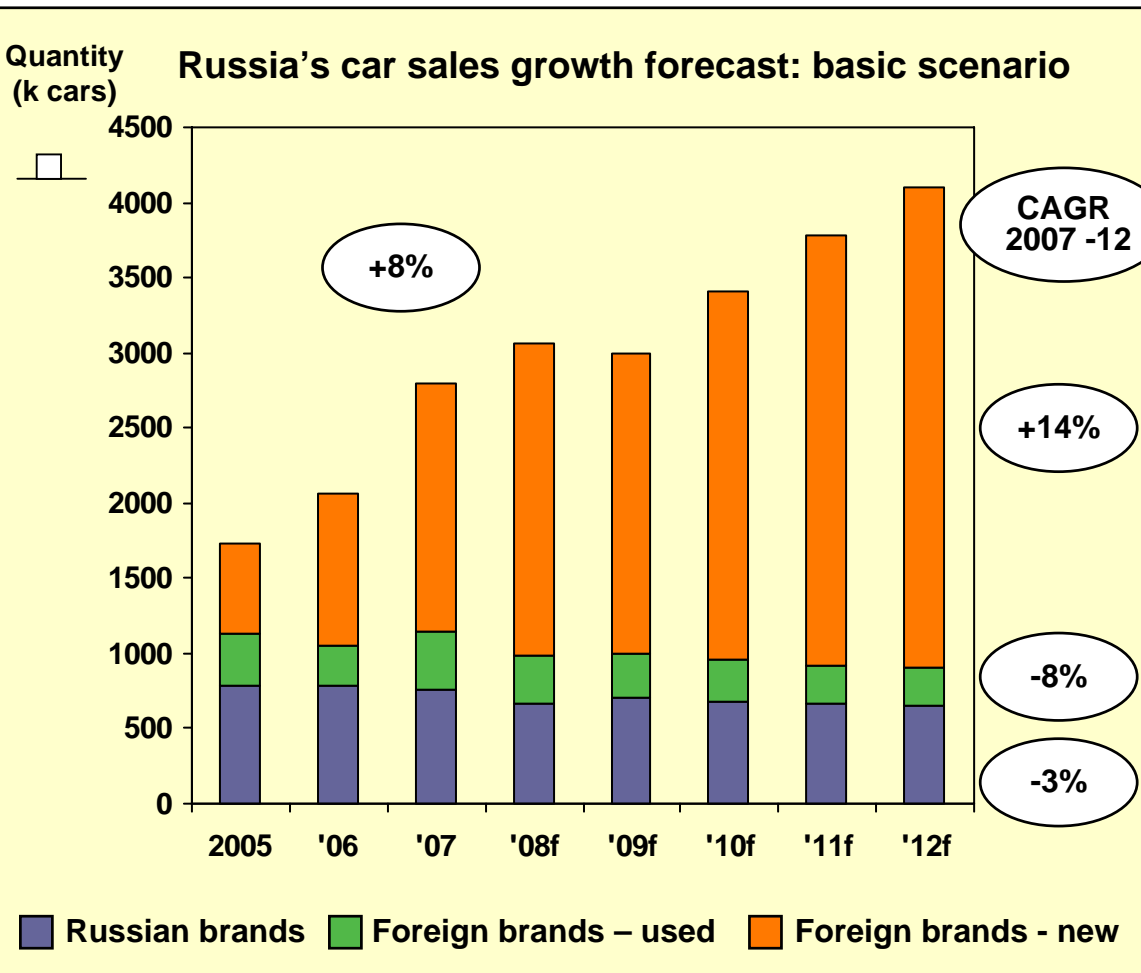
Major trends and expectations:

- Global financial crisis is expected to have a substantial, but short-term impact on Russia's economy through:
  - Lack of credit / increased interest rates to finance real-economy operations
  - Weaker consumer demand resulting from slower growth of disposable incomes
  
- GDP growth is estimated to slow down to 4.5% in 2009 – actual growth rate will depend primarily on commodity prices
  
- However, overall growth trend will continue: average GDP growth for 2008 – 13 is estimated at over 5% a year
  
- Consumers' purchasing power will continue to improve, although with a slowdown in 2009
  
- Real ruble appreciation will also continue, reflecting weaker Euro against US Dollar
  
- Overall, Russia is comparatively well positioned to survive the global financial turbulence due to strong reserves and solid economic and monetary policy

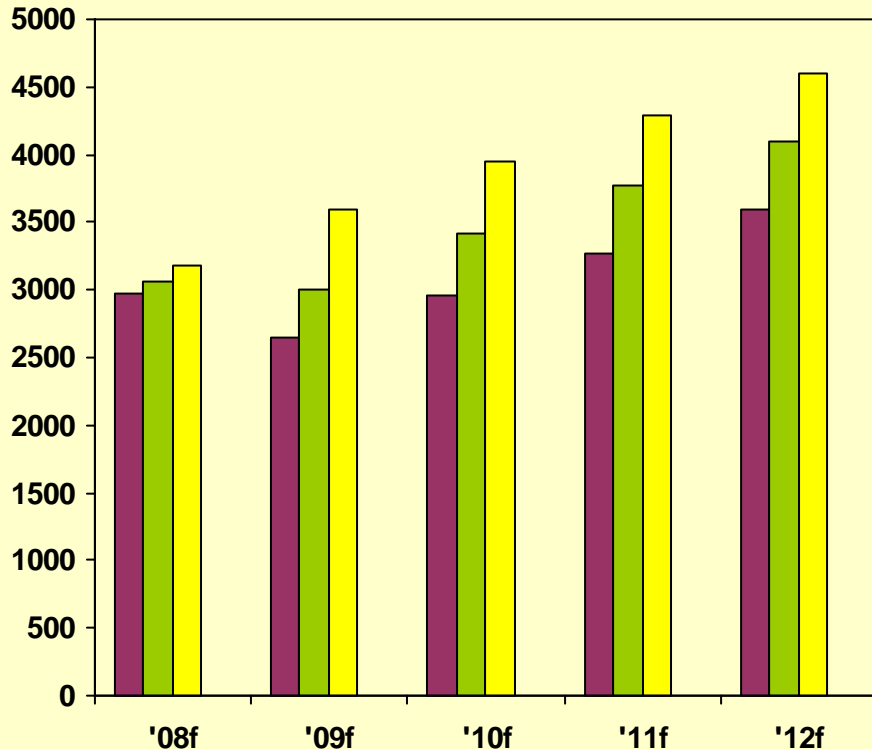
## CAR SALES EXPECTED TO SUFFER FROM CRISIS IN 2009...

### Car market highlights:

- New foreign-branded car sales in Russia increased in Jan – Sep 2008 by 40% vs. the same period of 2007 (source: AEB)
  - Growth in Sep 2008 was 22% vs. Sep 2007
- Despite sluggish expected growth in Q4 2008, annual increase in sales of foreign brands is forecasted to reach 25% and total market 10%
- Car sales have been severely hit by the financial crisis due to the lack of consumer credit and increased interest rates
- Decline of 5-10% is currently forecasted for 2009 in the basic scenario with recovery in 2010



Quantity (k cars) **Russia's car sales growth forecast: three scenarios**

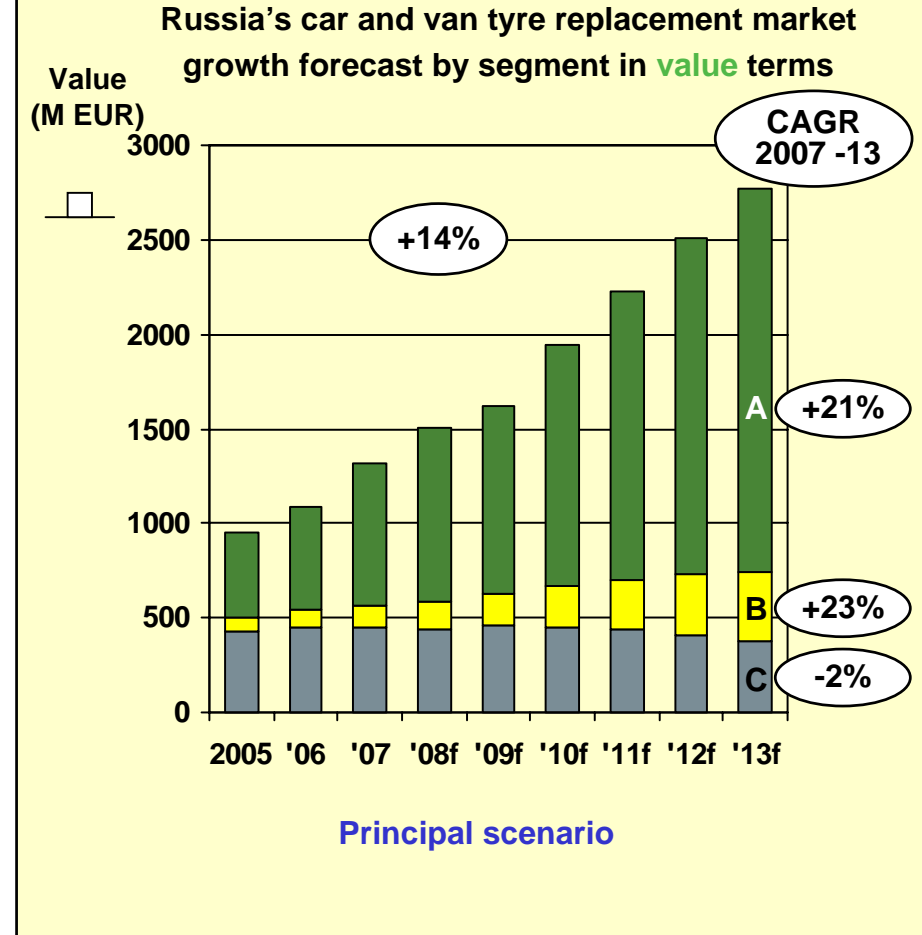
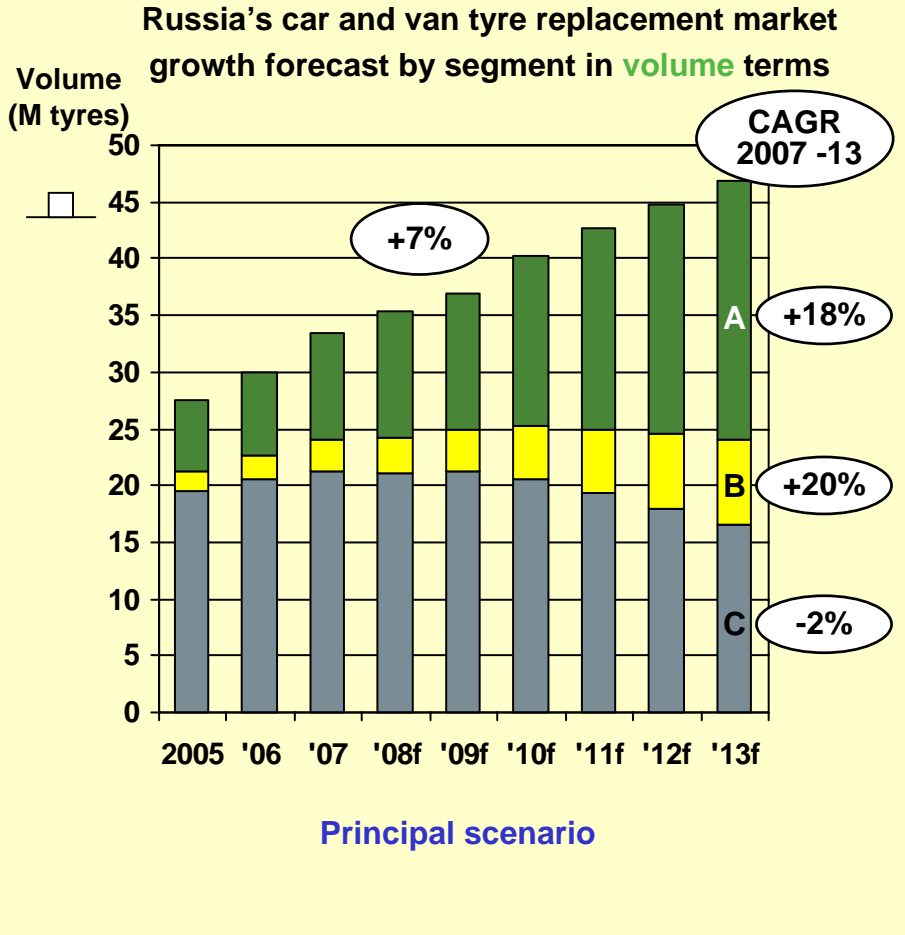


Growth scenarios: ■ Pessimistic ■ Basic ■ Optimistic

Factors Affecting Car Market Growth in 2009 - 2010:

- Availability of liquidity, injected into the financial system by the Central Bank and Government, to a wider group of banks to provide consumer credit
- Ability of car manufacturers to provide subsidized financing to consumers through their inhouse banks
- Degree of financial crisis' impact on the real economy and consumer demand through disposable incomes

Source: Nokian Tyres estimates



Note: Assumed segments' price positioning: index 100 = market leader; A: > 80; B: 60 – 80; C: < 60  
Only replacement market included

Source: Nokian Tyres estimates

## FOREIGN AUTOMAKERS' ASSEMBLY PLANTS IN RUSSIA

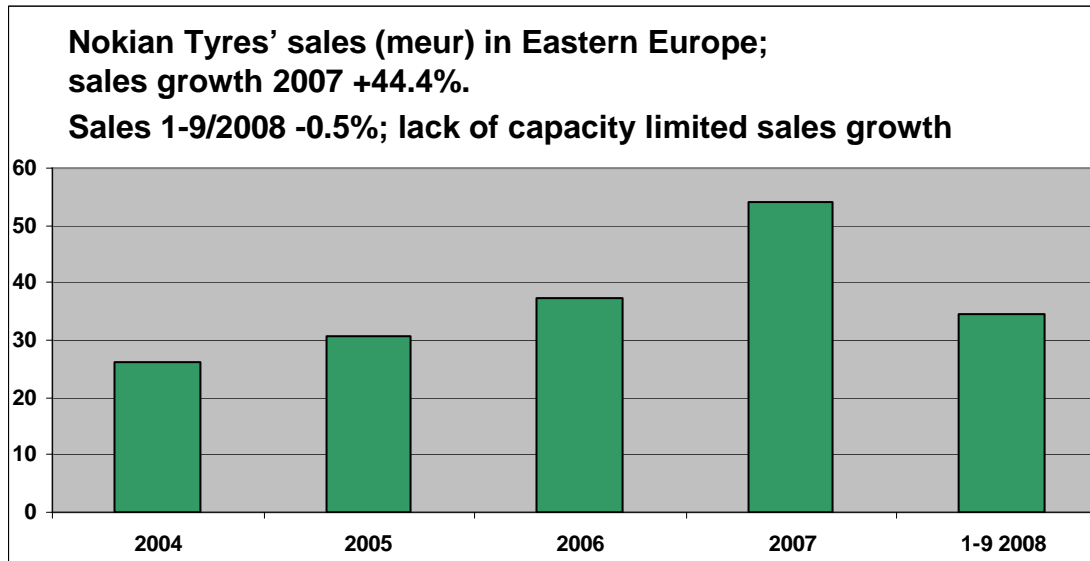
<u>Company</u>	<u>Assembly plant in Russia</u>	<u>Location</u>	
GM-AvtoVAZ	Yes	Togliatti	
Ford	Yes	Vsevolozhk	
Avtoframos (Renault 94%)	Yes	Moscow	
Kia-SOK JV	Yes	Izhvesk (Izh-Avto)	
Volkswagen	Yes	Kaluga region	Production started in November 2007
Toyota	Yes	St. Petersburg	Production started in December 2007
GM	Started construction in June 2006	St. Petersburg	Full-scale production to start in November 2008
Bogdan	Started construction in December 2006	Nizhny Novgorod region	Production to start in 2010
Nissan	Started construction in July 2007	St. Petersburg	Production to start in 2009
Volvo Trucks	Started construction in October 2007	Kaluga region	Production to start in 2009
Iveco	Started construction in November 2007	Nizhny Novgorod region	Production to start in 2008
Peugeot-Citroën, Mitsubishi (joint plant)	Started construction in June 2008	Kaluga region	Production to start in 2011
Hyundai	Construction started in June 2008	St. Petersburg	Production to start in 2011
Suzuki	Construction to begin in 2008	St. Petersburg	Production to start in 2010

### Strengthen sales and distribution

- Kazakhstan and CIS countries
- Hungary, Czech Republic, Slovak Republic, Ukraine
- launch of new products
- sales companies in Ukraine and Kazakhstan
- logistic centres in Ejpvovice in Czech Republic
- Vianor expanded in Ukraine and Kazakhstan
- Vianor signed franchisees in Poland and Czech Republic

### Production capacity in CEE & Central Asia

- JV in Kazakhstan to build a greenfield tyre factory
- **project stopped for the time being due to financial crisis**
- **the income recognition of technical support halted**





**Shareholders**

**Share price development**

**Key figures Q3 and 1-9 2008**

## MAJOR SHAREHOLDERS September 30th 2008

	MAJOR SHAREHOLDERS September 30, 2008	Number of shares	% of share capital	Change from previous month
1	Varma Mutual Pension Insurance Company	5 370 657	4,3	50 000
2	Ilmarinen Mutual Pension Insurance Company	3 207 000	2,57	-50 000
3	OP Investment Funds	1 649 049	1,32	536 097
4	The State Pension Fund	1 450 000	1,16	280 000
5	Tapiola Mutual Pension Insurance Company	908 000	0,73	100 000
6	Etera Mutual Pension Insurance Company	845 000	0,68	300 000
7	Odin FundsOdin Investment funds	652 500	0,52	47 100
8	Nordea	613 530	0,49	38 149
9	Barry Staines Linoleum Oy	450 000	0,36	0
10	The Finnish Cultural Foundation	446 000	0,36	0
	<b>Major shareholders total</b>	<b>15 591 736</b>	<b>12</b>	
	Total amount of shares	124 831 190		
	<b>Bridgestone Europe NV/SA (in the name of a nominee)</b>	<b>20 000 000</b>	<b>16</b>	

OWNERSHIP BY CATEGORY, %	30.9.2008	30.6.2008	31.3.2008	31.12.2007	30.9.2007
Foreign shareholders (*	72,0	75,2	74,0	72,4	69,3
Public organisations	10,7	10,3	9,9	10,6	10,9
Private individuals	8,4	7,8	8,2	8,7	9,0
Financial institutions	4,4	2,6	3,5	3,6	5,6
Non-profit organisations	2,9	2,7	3,0	3,2	3,5
Corporations	1,5	1,3	1,4	1,5	1,7
(* includes also shares registered in the name of a nominee)					

Options, free (September 30th, 2008)

2004B: 223,053 pcs (of which 19,200 pcs in company's possession)

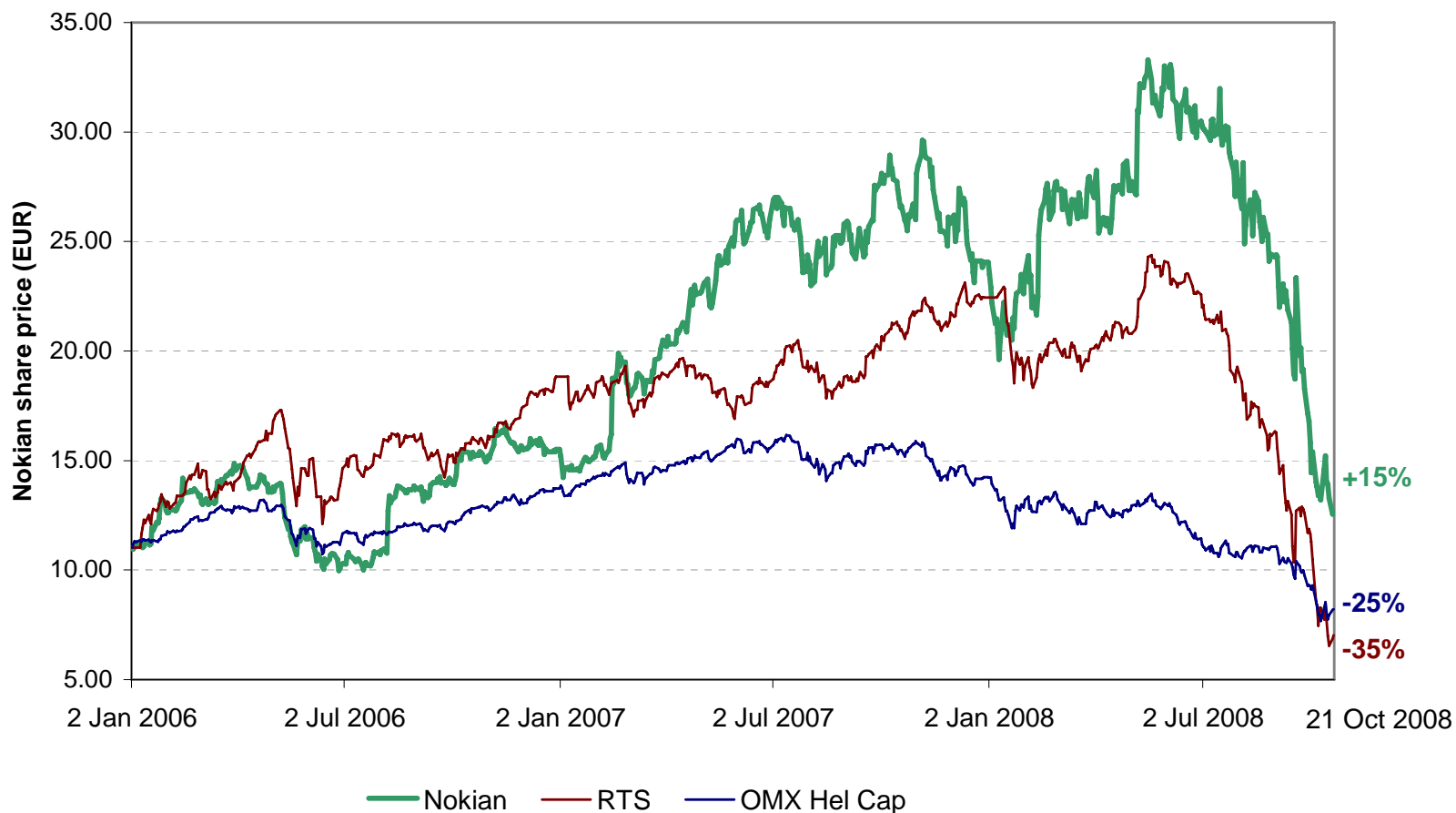
2004C: 244,579 pcs (of which 7,424 pcs in company's possession)

2007A 2,250,00; 2007B 2,250,000 and 2007C 2,250,000

## VALUATION UPDATE

### *Comparing share price development to main indexes*

***Nokian Tyres' share price has to large extent followed the Russian RTS index since the beginning of 2006. The correlation has been especially strong during the past 6 months.***



CONSOLIDATED INCOME STATEMENT									
Million euros		7-9/08	7-9/07	1-9/08	1-9/07	Last 12 months	1-12/07		Change %
Net sales		282,8	236,0	813,2	668,6	1 169,6	1 025,0		21,6
Cost of sales		-150,9	-133,1	-435,9	-372,5	-632,5	-569,1		17,0
Gross profit		131,9	103,0	377,3	296,1	537,1	455,8		27,4
Other operating income		0,4	0,5	1,0	1,4	1,9	2,4		-31,5
Selling and marketing expenses		-47,0	-40,5	-143,3	-124,4	-198,3	-179,4		15,2
Administration expenses		-6,5	-5,1	-17,9	-16,0	-25,4	-23,5		11,6
Other operating expenses		-6,9	-6,3	-16,6	-16,3	-21,6	-21,3		1,8
Operating profit		71,9	51,6	200,5	140,8	293,7	234,0		42,4
Financial income		5,3	7,3	27,2	20,9	69,4	63,1		30,2
Financial expenses		-9,8	-12,5	-41,8	-32,9	-92,2	-83,3		27,0
Profit before tax		67,5	46,4	185,9	128,8	270,9	213,8		44,4
Tax expense (1)		-15,1	-8,9	-34,5	-21,3	-58,0	-44,9		61,7
Profit for the period		52,4	37,4	151,5	107,5	212,9	168,9		40,9
Attributable to:									
Equity holders of the parent		52,4	37,4	151,5	107,5	212,9	168,9		
Minority interest		0,0	0,0	0,0	0,0	0,0	0,0		
Earnings per share from the profit attributable to equity holders of the parent									
basic, euros		0,42	0,30	1,22	0,88	1,73	1,37		39,0
diluted, euros		0,43	0,29	1,17	0,84	1,68	1,31		40,0
1) Tax expense in the consolidated income statement is based on the taxable profit for the period.									

SEGMENT INFORMATION	7-9/08	7-9/07	1-9/08	1-9/07	1-12/07	Change %
Million euros						
Net sales						
Passenger car tyres	212,1	169,7	597,8	457,7	691,2	30,6
Heavy tyres	24,4	23,1	77,8	73,6	100,8	5,7
Vianor	64,5	56,2	191,8	170,4	278,5	12,6
Others and eliminations	-18,2	-13,0	-54,2	-33,2	-45,6	-63,2
Total	282,8	236,0	813,2	668,6	1 025,0	21,6
Operating result						
Passenger car tyres	72,9	54,2	201,7	137,8	212,0	46,4
Heavy tyres	4,1	5,0	15,5	16,9	22,3	-8,6
Vianor	-2,2	-1,4	-6,7	-3,4	8,4	-94,3
Others and eliminations	-2,8	-6,3	-10,0	-10,5	-8,7	5,1
Total	71,9	51,6	200,5	140,8	234,0	42,4
Operating result, % of net sales						
Passenger car tyres	34,4	32,0	33,7	30,1	30,7	
Heavy tyres	16,7	21,8	19,9	23,0	22,1	
Vianor	-3,4	-2,5	-3,5	-2,0	3,0	
Total	25,4	21,9	24,7	21,1	22,8	
Cash Flow II						
Passenger car tyres	-142,6	-77,1	-244,1	-186,1	102,3	-31,2
Heavy tyres	-4,0	2,5	-7,9	5,2	21,0	-252,3
Vianor	-13,1	-8,5	-30,3	-19,2	-5,6	-58,0
Total	-141,8	-89,6	-288,7	-213,8	105,6	-35,1

CONSOLIDATED BALANCE SHEET	30.9.08	30.9.07	31.12.07
Non-current assets			
Property, plant and equipment	493,3	399,3	419,9
Goodwill	54,9	52,8	52,8
Other intangible assets	13,8	7,6	7,5
Investments in associates	0,1	0,1	0,1
Available-for-sale financial assets	0,3	0,2	0,2
Other receivables	14,0	8,6	12,8
Deferred tax assets	27,8	25,7	17,7
Total non-current assets	604,2	494,3	511,0
Current assets			
Inventories	275,0	225,3	193,2
Trade receivables	598,1	434,7	225,3
Other receivables	101,2	61,4	67,7
Cash and cash equivalents	13,8	10,3	158,1
Total current assets	988,0	731,6	644,3
Equity			
Share capital	25,0	24,7	24,7
Share premium	155,0	146,6	149,0
Translation reserve	-14,7	-7,8	-12,8
Fair value and hedging reserves	0,1	0,0	0,0
Retained earnings	655,2	486,1	551,9
Minority interest	0,0	0,0	0,0
Total equity	820,6	649,6	712,8
Non-current liabilities			
Deferred tax liabilities	28,0	28,6	30,1
Interest-bearing liabilities	295,6	298,5	248,7
Other liabilities	2,2	1,8	2,4
Total non-current liabilities	325,8	328,8	281,1
Current liabilities			
Trade and other payables	204,9	139,2	148,9
Provisions	1,1	1,0	1,1
Interest-bearing liabilities	239,8	107,3	11,4
Total current liabilities	445,8	247,5	161,4
Total assets	1 592,2	1 225,9	1 155,4

KEY RATIOS				30.9.08	30.9.07		31.12.07		Change %
Equity ratio, %				51,6	53,1		61,8		
Gearing, %				63,6	60,9		14,3		
Equity per share, euro				6,57	5,27		5,76		24,8
Interest-bearing net debt, mill. euros				521,6	395,5		102,0		
Capital expenditure, mill. euros				114,2	83,1		117,1		
Depreciation and amortisations, mill. euros				40,8	34,7		47,1		
Personnel, average				3 766	3 414		3 462		
Number of shares (million units) at the end of period				124,83	123,31		123,70		
in average				124,54	122,81		122,95		
in average, diluted				132,40	128,15		129,09		

# Trust the Natives