Strong results and improving market position

SWEDBANK
Helsinki Investor Trip
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President and CEO
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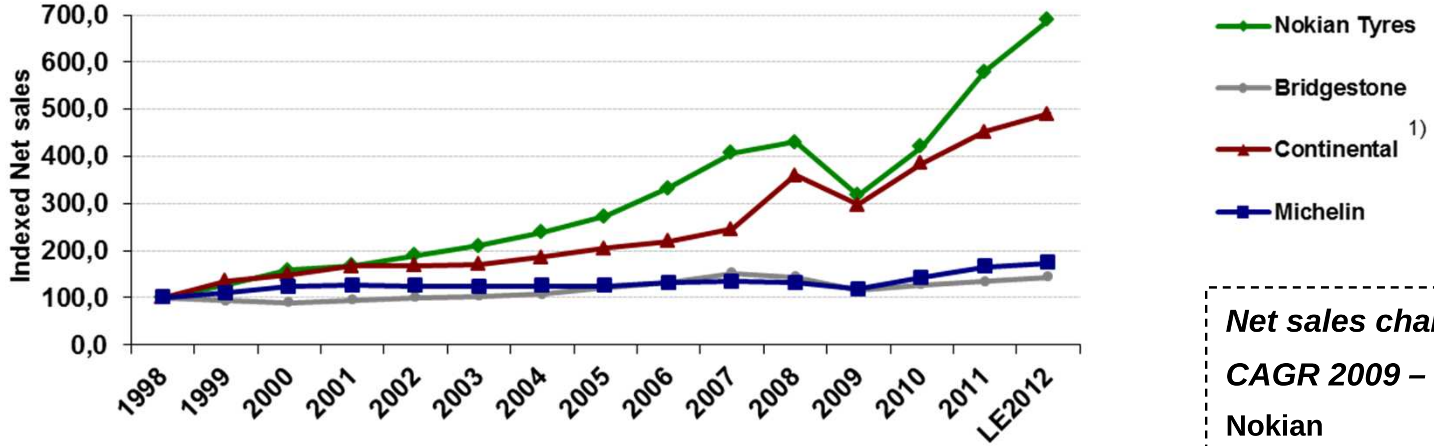
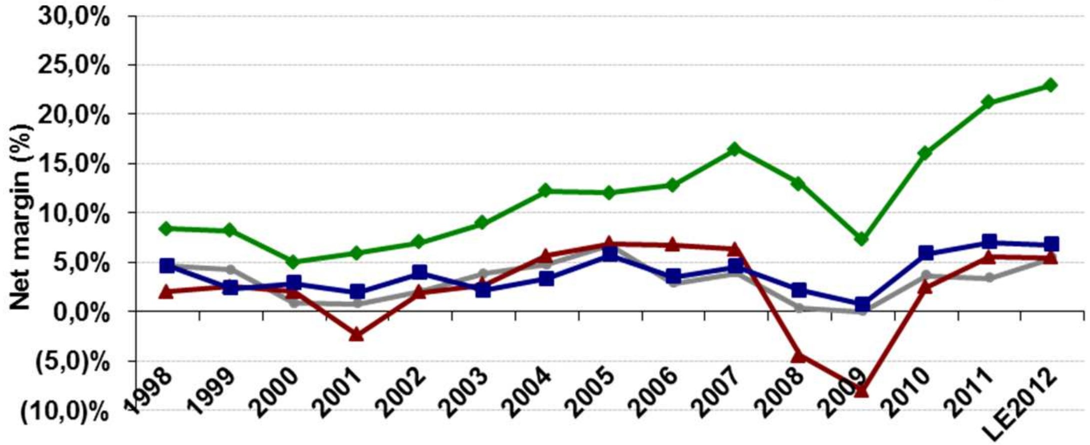
GENERAL OVERVIEW

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

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





Net sales change CAGR 2009 – E2012	
Nokian	**29.5%**
Michelin	**13.5%**
Bridgestone	**7.3%**
Continental	**18.0%**

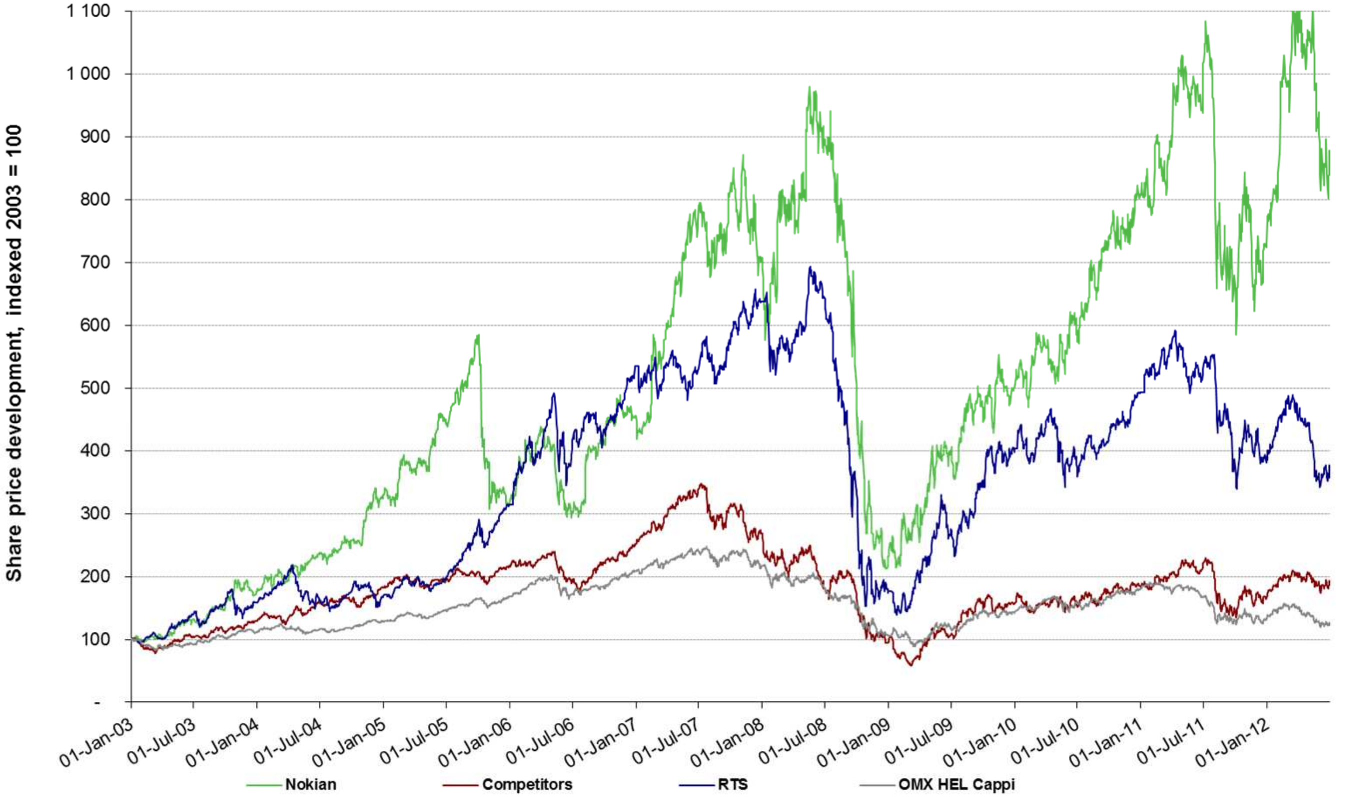
Net margin E2012	
Nokian	**23.0%**
Michelin	**6.8%**
Bridgestone	**5.5%**
Continental	**5.5%**

Source: Results 1998-2011 (company websites) and 2012 consensus estimates for the peers as per Reuters 1 August 2012.

PLEASE NOTE: ESTIMATE 2012 IS BASED ON CONSENSUS ESTIMATES, NOT NOKIAN TYRES GUIDANCE.

GENERAL OVERVIEW

Comparing share price development to main indexes 1/2003 - 6/2012



Source: Reuters, as of 1 Aug 2012.

1) The composite consists of an indexed average values of the main peers of Nokian Tyres.

Nokian Tyres by Jun-29-2012	Last 9 years	Last 5 years	Last 3 years	LTM	L6M	L3M	Last month
High	37,88	37,88	37,88	37,88	37,88	37,88	30,49
Average	18,12	23,00	24,74	29,27	32,34	32,97	28,71
Low	4,08	7,23	12,05	19,89	25,82	27,27	27,27

GENERAL OVERVIEW
Strategy: Focusing as a cornerstone

Nordic conditions
- Winter & Forest
- High growth potential – in product segments and market areas
- Russia and CIS, Central Europe, Nordic countries and North America

Narrow product segments
- Special competence that gives added value to customers
- Winter tyres
- Light truck & SUV tyres
- Forestry, harbour and mining machinery tyres

Replacement markets
- Practically no sales to car manufacturers
- Sales mainly through specialised tyre dealers & outlets, car dealers etc.

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

GENERAL OVERVIEW
Strategy: Supporting elements

Investments in R&D, production, distribution and logistics

- Philosophy of sustainable safety
- Own production concentrates on high-margin key products
- New products make at least 25% of net sales annually
- Continuous improvement of processes, quality, productivity and logistics

Corporate culture

- Open and participatory culture, “Hakkapeliitta Spirit”
- Continuous personnel development
  - → Highly motivated working community
  - → Success of individuals and the company

”The original winter tyre”

STRATEGY
Development 1898-2011

Manufacturing → Distribution → Consumers

Manufacturing
- Suomen Gummitehdas was founded in 1898
- Nokia plant in 1904
- Russia plant in 2005

Distribution
- Since the late 1990's controlled distribution and contact to end users; a tool to improve market shares
  → Vianor tyre chain

Consumers
- In 2009 desire to be closer to consumers
- Electronic business, creating consumer relationship, improving interaction
  → "Close to customer"

GENERAL OVERVIEW OF 1-6/2012

Strong results and improving market position

Key figures, EUR million:

	4-6/12	4-6/11	Change%	1-6/12	1-6/11	Change%	2011
Net sales	413.8	338.8	22.1	798.0	628.0	27.1	1,456.8
Operating profit	112.7	93.3	20.8	217.7	165.6	31.5	380.1
Profit before tax	108.0	85.4	26.5	210.3	155.3	35.4	359.2
Profit for the period	95.4	74.2	28.6	182.9	136.6	34.0	308.9
Earnings per share, EUR	0.73	0.57	26.7	1.40	1.06	32.2	2.39
Equity ratio, %				62.8	70.2		63.2
Cash flow from operations	-42.5	-49.9	14.8	-163.9	-102.3	-60.3	114.1
RONA,% (roll. 12 months)				26.4	24.1		27.0
Gearing, %				25.9	20.0		-0.3

Summary

- Sales grew on all key markets, in Russia significantly
- Nokian Tyres' market shares up in Russia, Nordics and CE
- Improved sales mix and ASP with more winter tyres, SUV's and Russian sales
- Several test wins for new products supported price increases and improved price position in CE
- Successful cost control secured profitability
- Vianor expanded to 961 stores, addition of 51 in H1/2012
- Capacity increases: production output (tons) up by 27%, line 11 in Russia commenced production

Outlook: Profitable growth in a challenging environment

- The economies in Nokian Tyres' core markets relatively healthy
  → Good order book, Russia spearheading growth
- Increased uncertainty: Distributors limit risks by carrying low stock
  → Sales may shift from Q3 to Q4
- Raw material cost stabilizing and estimated to be the same in 2012 vs. 2011
- Capacity ramp-up proceed as planned:
  - First line in the new factory (11th in Russia) became operative in June
  - Production with line 12 to start in Q4/2012
- Profitability supported by:
  - Improved cost structure, higher sales volume, better mix & ASP
  - Increasing share of Russian production → productivity up
- **Year 2012 guidance:**
  - **In 2012, the company is positioned to improve Net sales and Operating profit compared to 2011.**

FINANCIAL PERFORMANCE
Group operating result per quarter 2008-2012

1-6/2012

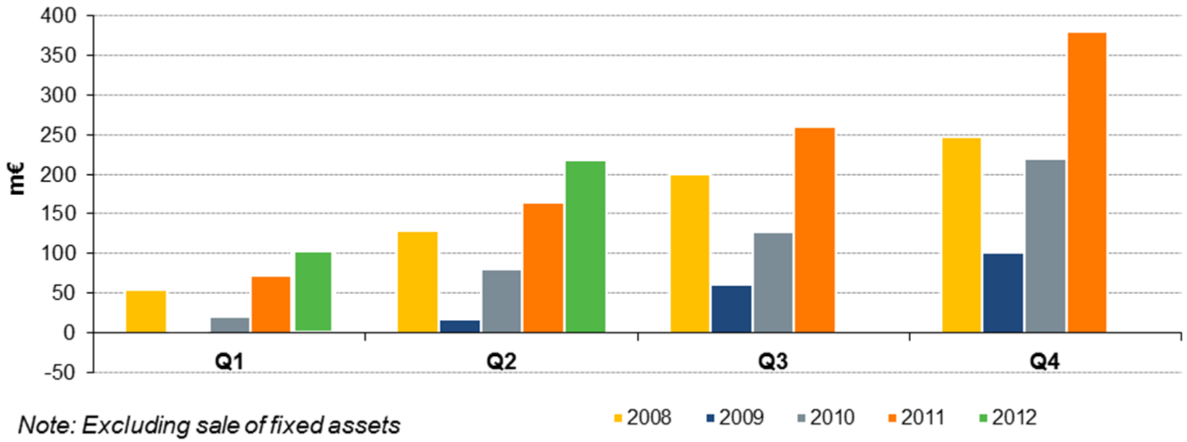
Net sales 798.0 m€

(628.0 m€), +27.1%

EBIT 217.7 m€

(165.6 m€), +31.5 %

Cumulative operating profit per quarter (m€)



Note: Excluding sale of fixed assets

4-6/2012

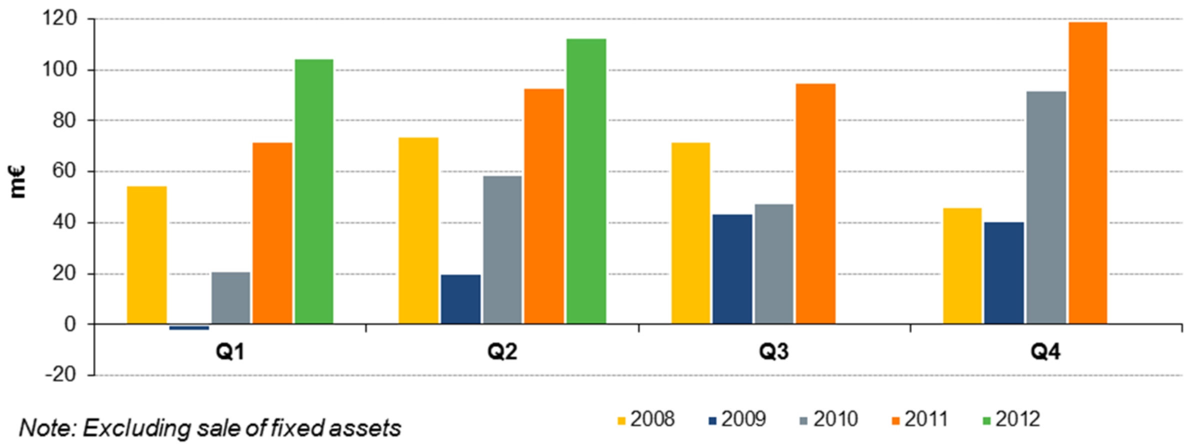
Net sales 413.8 m€

(338.8 m€), +22.1%

EBIT 112.7 m€

(93.3 m€), +20.8 %

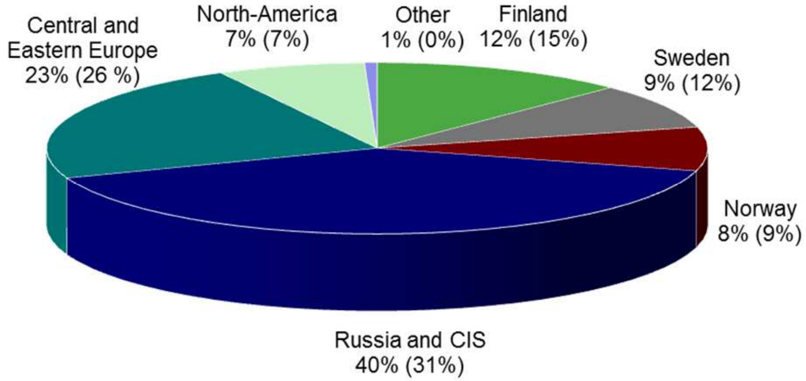
Group operating profit per quarter (m€)



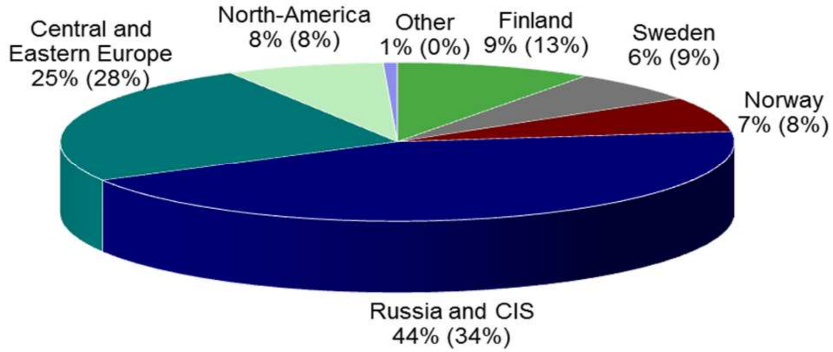
Note: Excluding sale of fixed assets

FINANCIAL PERFORMANCE
Gross sales by market area 1-6/2012

Sales of Nokian Tyres Group: 855.8 m€, +29.0%



Sales of Manufacturing Units: 780.1 m€, +30.6%



GROUP
Sales development in euros

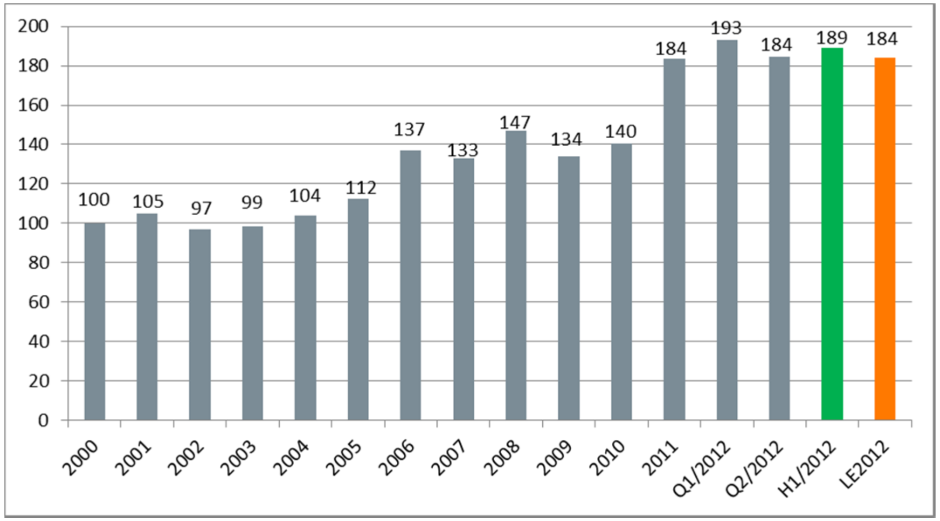
Nordic countries	+4.6%
Russia and CIS	+67.0%
Central and Eastern Europe	+15.4%
North America	+27.8%

MANUFACTURING
Sales development in euros

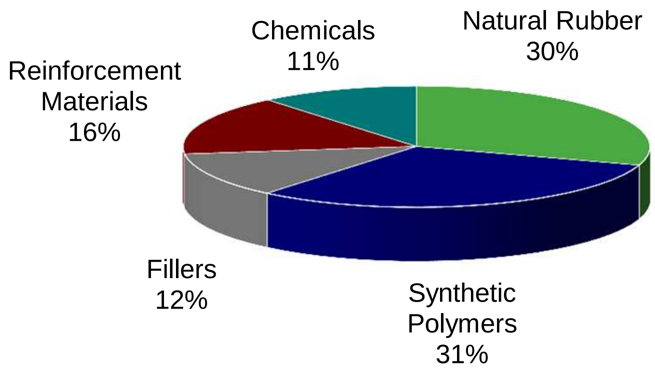
Nordic countries	+0.7%
Russia and CIS	+67.0%
Central and Eastern Europe	+15.6%
North America	+29.6%

FINANCIAL PERFORMANCE
Raw material cost development

Raw material cost development index 2000-E2012



Value of raw material consumption (%)

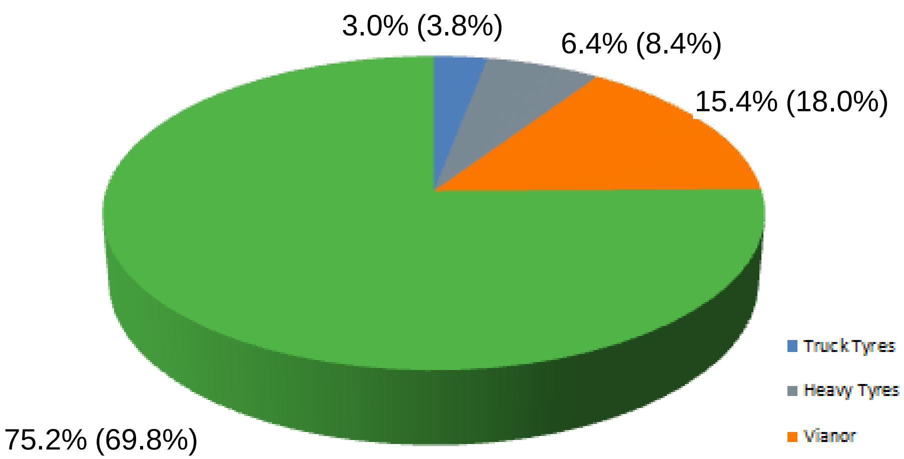


Nokian Tyres raw material cost (€/kg)

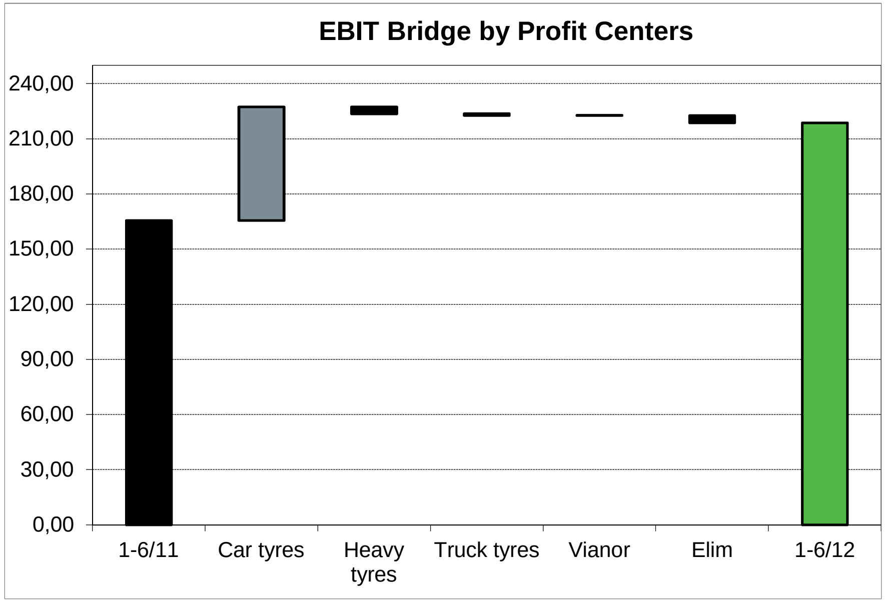
- **Raw material cost**
  - increased by 2.9% in Q2/2012 vs. Q2/2011
  - decreased by 4.3% in Q2/2012 vs. Q1/2012
  - increased by 9.1% in H1/2012 vs. H1/2011
- **Raw material cost is estimated to**
  - decrease by 2% in Q3/2012 vs. Q2/2012
  - decrease by 5.5% in H2/2012 vs. H2/2011
  - be the same in full year 2012 vs. 2011

PROFIT CENTRES
General overview 1-6/2012

Net sales 798.0 m€; +27.1%



EBIT 217.7 m€; +31.5%



Passenger Car Tyres
- **Net sales:** 633.0 m€; +35.1%
- **EBIT** 228.7 m€; +36.2%
- **EBIT margin:** 36.1% (35.9%)
- **Key products**: studded and non-studded winter tyres, high-speed summer tyres

Heavy Tyres
- **Net sales:** 53.6 m€; -5.5%
- **EBIT:** 6.3 m€; -36.6%
- **EBIT margin:** 11.9% (17.7%)
- **Key products:** tyres for forestry, industrial and agricultural machinery

Truck Tyres
- **Net sales:** 25.3 m€; -2.0%
- **Key products:** truck tyres and retreading materials

Vianor
- **Net sales**: 129.4 m€; +7.3%
- **EBIT:** -7.2 m€; +1.0%
- **EBIT margin**: -5.5% (-6.0%)
- 961 stores in 24 countries in Nokian Tyres' core markets

PROFIT CENTRES

Passenger Car Tyres 1-6/2012: Russia spearheads sales growth

Performance in 1-6/2012

- \+ Strong sales in all market areas, significant growth in Russia
- \+ Healthy growth from SUV and winter tyre sales
- \+ Healthy order book
- \+ Market share up in Russia, Nordic countries and CE
- \+ Magazine test wins for summer tyres both in Nordic and CE
- \+ Improved sales mix and previous year's price increases → ASP up
- \+ Production (pcs) up by 29% vs. H1/2011
- \+ Productivity up trailing the higher production volume
- \+ Capacity increase projects proceeded as planned
- \- Raw material cost increased 9.1% YOY
- \- Distributors' carry-over stocks built up

***Net sales**:*
1-6/2012: 633.0 m€ (468.5 m€); +35.1%
4-6/2012: 317.1 m€ (238.8 m€); +32.8%
EBIT:
1-6/2012: 228.7 m€ (168.0 m€); +36.2%
4-6/2012: 110.0 m€ (83.9 m€); +31.1%
***EBIT margin**:*
1-6/2012: +36.1% (+35.9%)
4-6/2012: +34.7% (+35.2%)

Key actions and targets for 2012

- Increase sales, especially in Russia
- Improve market shares in core markets
- Optimize logistics, winter season management
- Improve sales mix & service level
- Defend brand and price position
- Increase production in Russia, lines 11&12 ramp-up
- Improve productivity
- Secure collection of receivables

Higher sales
Higher ASP
Lower cost
Higher RONA

→ **Focus on optimizing supply capacity & logistics for growing deliveries and controlling inventories & trade receivables**

New Nokian Hakka Blue, multiple test winner in the core markets.

MAGAZINE TESTS

Test success continues – both in summer and in winter

SUMMER TYRES, spring 2012

Nokian Hakka Blue – Wet Performer

Summer tyre for core markets

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

Nokian Hakka Green – Naturally safe

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

Nokian Z G2 – Cool Performer

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

Nokian H summer tyre for CE

- Test victory: Autozeitung

WINTER TYRES, autumn 2011

Nokian Hakkapeliitta 7 – Next generation studded tyre

- Studded winter tyre family for core markets. Test victories in magazine tests, e.g.:
  - Tuulilasi (Finland), Vi Bilägare (Sweden)
  - AutoReview (Russia), Auto Centre (Ukraine)

Nokian Hakkapeliitta R – Safe and reliable friction tyre

- Rolls lightly and gives excellent grip. Test victories:
  - Tuulilasi (Finland), Vi Bilägare (Sweden)
  - Za Rulem (Russia), Auto Centre (Ukraine)

Nokian WR D3 – for Central European winter

Test victories e.g.:
- Sport Auto (Germany)
- Tekniikan Maailma (Finland)
- Aftonbladet (Sweden)
- Auto Centre (Ukraine), Auto Plus (France)

Nokian Hakka Blue

Nokian Hakkapeliitta 7

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

RUSSIA & CIS
Strong sales growth

- Sales in Russia in 1-6/2012 grew by 70.1% to 327.9 m€ (192.8 m€)
  - Good economic situation and continued growth in new car sales
  - Improved production and supply capacity of Nokian Tyres
- Sales in CIS (excluding Russia) increased to 14.1 m€ (12.0 m€)

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

RUSSIA & CIS:
Distributors, DSD-warehouses and Vianor stores 30 June, 2012

- Distributors (34)
- DSD current cities (Moscow, SPb, Samara/Togliatti, Yekaterinburg, Chelyabinsk, N.Novgorod, Omsk, Rostov-on-Don, Perm, Ufa, Orenburg, Kazan, Voronezh, Tyumen, Volgograd)
- 505 Vianor stores in 297 cities

RUSSIA

Nokian Tyres is the strongest player in Russia

Nokian Tyres' market position in Russia

- State-of-the-art and efficient factory in Russia
  - Close access to markets
  - Within customs zone (duty 20% for import, will gradually decrease to 10% in 5 years)
- Clear market and price leader in core product categories
- Widely recognised and strong brand – both company (Nokian Tyres) and products (Hakkapeliitta, Nordman)
- Strong distribution chain covering all of Russia – based on long-term and close customer relationships
- Only global producer with a controlled tyre distribution network – 505 Vianor stores in Russia and CIS

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

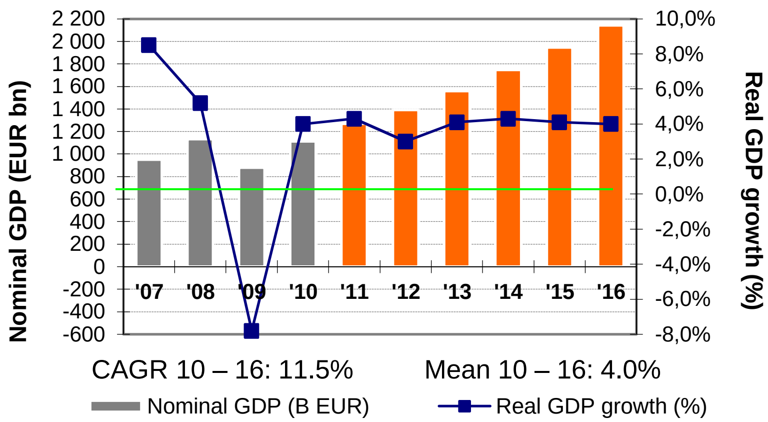
Nokian Tyres' factory in Russia

- At the beginning of 2012 annual production capacity in Russia was 11 million tyres with 10 lines operating
- New plant installations in schedule, line 11 on stream since June 2012, line 12 operative during Q4/2012
  → Annual capacity increase of ~3 million tyres by the end of 2012. Two more lines to be installed in 2013-2014.
- State-of-the art machinery, high automation level and European quality standards
- Vsevolozhsk factory exports approximately 50% of its production to 40 countries:
  Biggest consumer goods exporter in Russia
- Housing project, Hakkapeliitta Village –
  phase II construction in 2012-2013
- Number of personnel in Russia on 30 June, 2012: 1,187 (965)

RUSSIA

Russia's economy recovering, but shadowed by global uncertainty

Russia's GDP growth



Consumer confidence in Russia

Source: RosStat, EIU and Nokian Tyres estimates July 2012

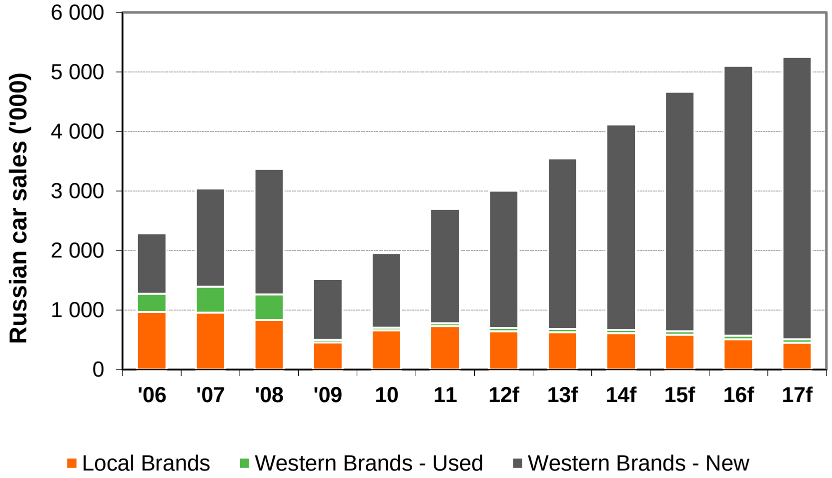
Major trends and expectations

- Russia's economy has clearly recovered from the severe crisis of 2008 - 2009
- Economy grew by ~4% a year in 2010-2011
- Recovery has kept momentum in 2012, backed by high oil and commodity prices
  - Annual real GDP growth estimate in H1/2012 is 4.5%
- Overall growth trend is likely to continue unless major external shocks (e.g. collapse of oil prices) take place: in the base scenario, average GDP growth for 2012-2016 is estimated at >4% a year
- However, some uncertainty has spread in the economy, fueled by the global financial turmoil
- The internal political situation has stabilized and the new government is pursuing a responsible economic policy aimed at ensuring macroeconomic and financial stability
- Consumer confidence has stabilized and practically reached its normal level
- Ruble exchange rate has fluctuated in 2012: in early 2012 it strengthened against major currencies and in Q2 somewhat weakened reflecting the lower oil prices and uncertain prospects of the world economy

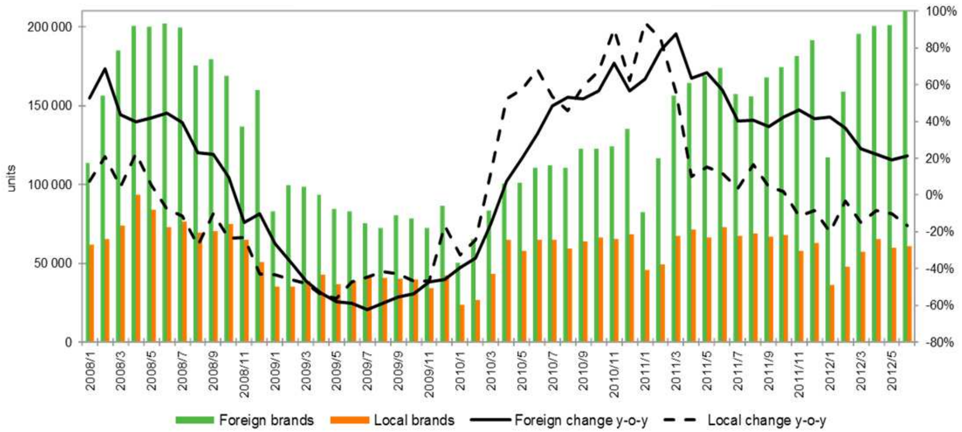
RUSSIA

Car sales steadily on a growth track

Russian car sales forecast – base scenario



Monthly car sales



Source: AEB; IHS Global Insight; Nokian Tyres estimates Jul 2012

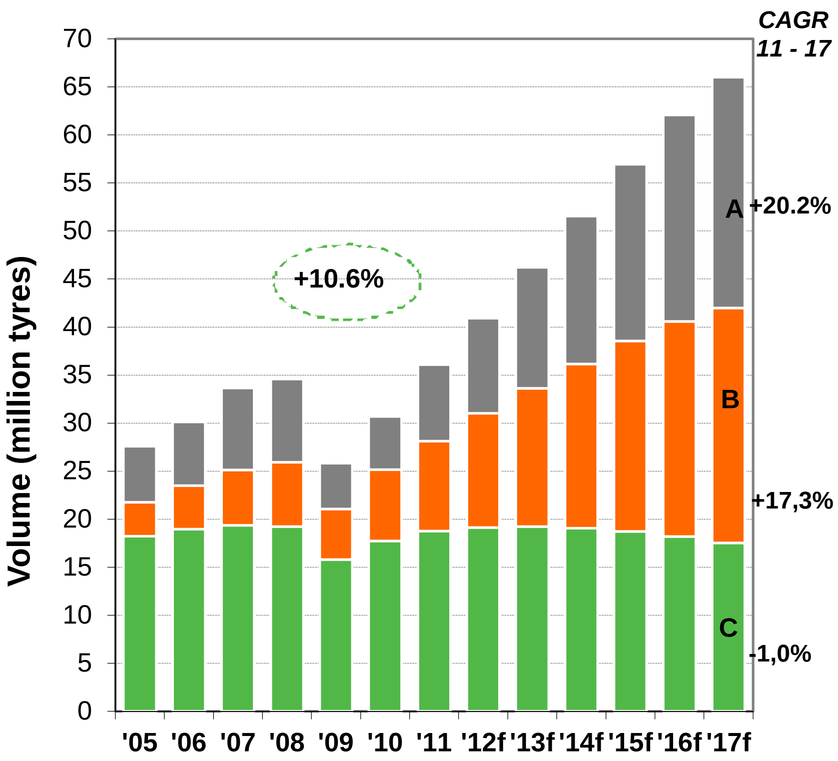
Car market summary

- Sales of new cars and LCVs in Russia increased by 39% in 2011 vs. 2010
- In H1/2012 growth continued, albeit its pace has slowed down
  - The whole H1/2012 showed a 14% total increase vs. H1/2011 and June +10% compared to the same month last year
  - However, the structure of demand is changing towards more expensive brands: during H1/2012 sales of foreign brands increased by 24% whereas local brands lost 10% compared to the same period last year
- Due to rapid recovery of demand the lack of cars continues, as manufacturers have limited quotas for Russia
  - Long lead times remain for many popular brands and models (3 – 6 months, mostly for budget cars and new models)
  - This deferred demand will continue to positively affect sales throughout 2012
- The car market is forecasted to exceed 3 million cars and LCVs in 2012, showing a 10 - 15% growth
- Financing of car purchases continues supporting car sales, with the share of sales financed by banks and car manufacturers reaching its pre-crisis level (up to 50%)

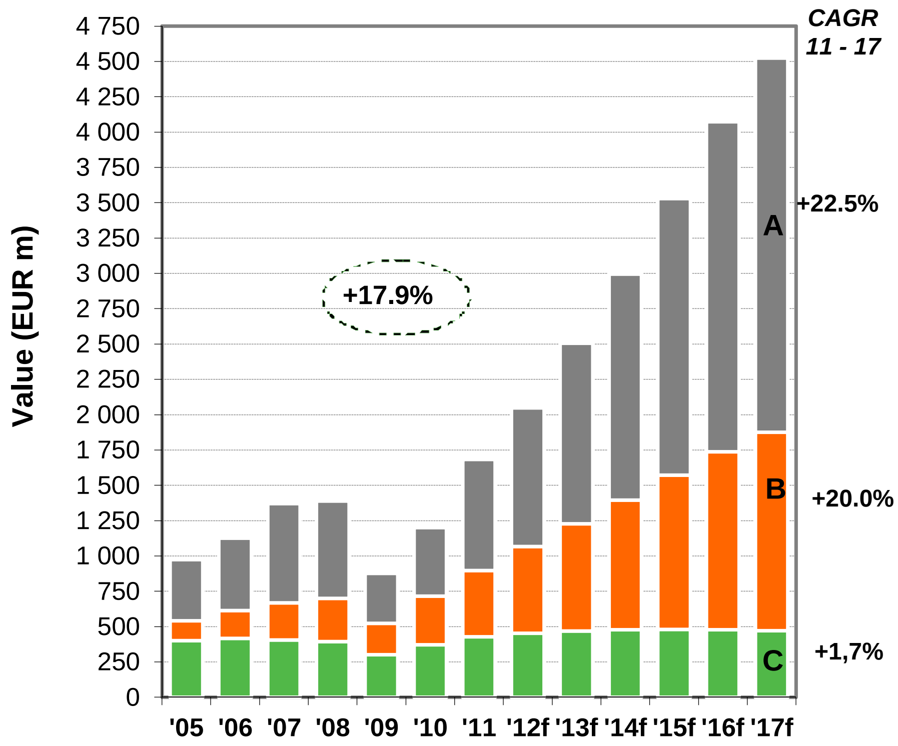
RUSSIA

Tyre market has passed 2008 level and continues to grow

Car and van tyre replacement market (volume)



Car and van tyre replacement market (value)



Note *Traditional segments / price positioning: index 100 = market leader; A: > 80; B: 60 – 80; C: <60*
Source *Nokian Tyres estimates July 2012*

PROFIT CENTRES
Vianor 1-6/2012:
Service sales increasing, network expanding as planned

Performance in 1-6/2012

+ Expansion to 961 stores in 24 countries; +51 stores in H1/2012. New country: Serbia
+ Equity-owned stores' sales improved, especially in tyre retail, car services and tyre hotel services
+ 19 car service operations were acquired and integrated to existing Vianor stores

Key actions and targets for 2012

- Improve tyre sales and market shares
- Increase sales of car services, tyre hotels and other services
- Increase e-commerce sales
- Continue to expand the network and the number of partners.
  Target: over 1,000 stores by the end of 2012

→ Cement and improve market leader position as a distributor in Nokian Tyres' core markets

Equity-owned Vianor (180 stores)
Net sales:
1-6/2012: 129.4 m€ (120.6 m€); +7.3%
4-6/2012: 79.4 m€ (78.7 m€); +0.9%
EBIT:
1-6/2012: -7.2 m€ (-7.2 m€); +1.0%
4-6/2012: 3.2 m€ (5.9 m€); -45.3%
EBIT margin:
1-6/2012: -5.5% (-6.0%)
4-6/2012: +4.0% (+7.5%)

Vianor store in Germany

EXPANSION OF DISTRIBUTION CHANNEL

Vianor 1-6/2012: Foothold on core markets strengthening

Vianor – 961 stores in 24 countries

- 51 new stores in H1/2012
- 180 equity-owned, 781 franchising/partners
- Largest tyre chain in Nordic and Baltic countries:
  267 stores (+10 in H1)
- Largest tyre chain in Russia and CIS:
  505 stores (+14 in H1) in 297 cities
- Expansion to Central Europe:
  165 stores (+19 in H1)

Vianor stores by segment:

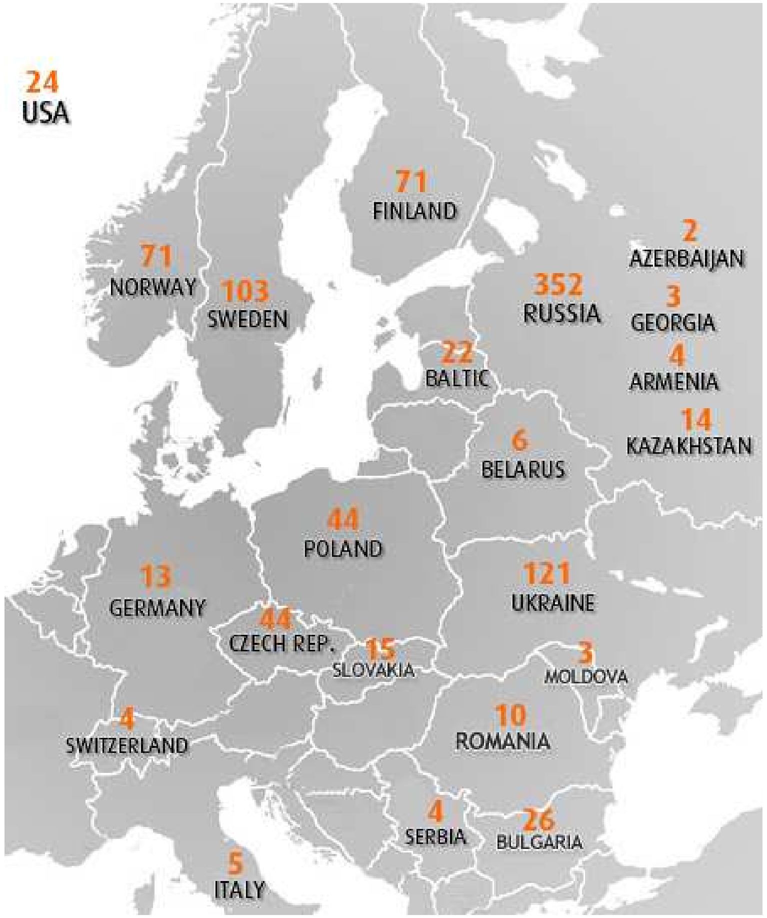
- Car tyres: over 870 stores
- Heavy tyres: nearly 200 stores
- Truck tyres: over 250 stores

Vianor expansion H1/2012:

- New country: Serbia

Target 2012 → over 1,000 Vianor stores

Vianor – Distribution spearhead for all product groups



PROFIT CENTRES

Heavy Tyres 1-6/2012: Profitability down along with utilization rate

Performance in 1-6/2012

+ Sales of mining and radial agricultural tyres increased
+ Sales in Russia and North America grew clearly
+ Sales mix and ASP improved
+ Inventories reduced back to optimal level
– Total sales down due to weaker forestry tyre demand
– Production adjusted to demand: volume down by 15% vs. H1/2011
– Profitability suffered from lower utilization rate and the ramp-up of new machinery
– Order book weaker YOY

Net sales:
1-6/2012: 53.6 m€ (56.7 m€); -5.5%
4-6/2012: 26.5 m€ (28.3 m€); -6.1%
EBIT:
1-6/2012: 6.3 m€ (10.0 m€); -36.6%
4-6/2012: 2.6 m€ (4.6 m€); -44.3%
***EBIT margin**:*
1-6/2012: +11.9% (+17.7%)
4-6/2012: +9.6% (+16.2%)

Key actions and targets for 2012

- Improve sales mix and share of replacement market sales
- Maximize sales of radial products
- Expand the distribution network, especially in Russia and CIS
- Improve service concepts and logistics (i.e. Vianor Industrial)
- Accelerate development of new radial and BAS products
- Ramp-up of new machinery, improve productivity
- Optimize use of capacity

→ Focus to increase sales to replacement market, expand the Vianor industrial network, launch new products and improve productivity with new machinery

Nokian Mine L-5S

PROFIT CENTRES
Truck Tyres 1-6/2012: Downturn in sales, market shares improved

Performance in 1-6/2012

+ Sales increased in the Nordic countries
+ Market share improved in the Nordic countries and CE
+ Wider range for premium & standard truck tyres
– Order book declined in CE trailing weak demand

Net sales:
1-6/2012: 25.3 m€ (25.8 m€); -2.0%
4-6/2012: 12.7 m€ (15.3 m€); -16.8%

Key actions and targets for 2012

- Optimize off-take contract manufacturing
- Increase sales in Nordic countries, Russia and CIS
- Reduce tyre inventory and trade receivables
- Expand in Eastern Europe utilising the “Vianor truck” concept
- Utilize the combination of new & retreaded tyres as a sales concept
- Utilize the stronger winter product range (incl. Hakkapeliitta truck tyres)

→ Focus on increasing sales efforts, improving market shares, controlling tyre inventory and trade receivables

Nokian Hakkapeliitta Truck F

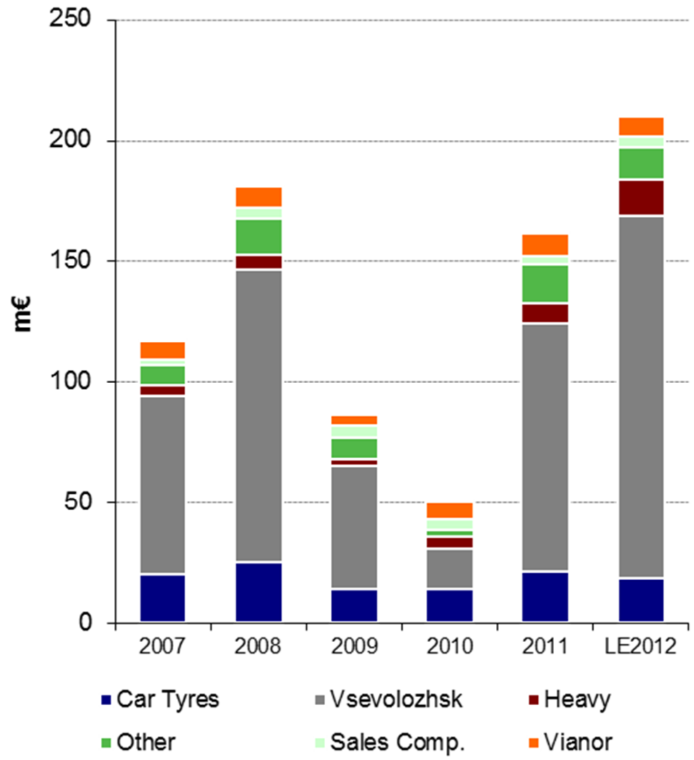
NOKIAN TYRES GOING FORWARD
Significant investments in 2012 to secure strong profitable growth

Investments in 1-6/2012
- 109.8 m€ (52.6 m€)

Russia
- Capacity ramp-up and investments
  - 11 lines installed and in production
  - Production line 12 to be installed in Q4/2012
  - Hakkapeliitta Village 2nd stage started

Estimated investments for 2012
- Approximately 210 m€
  - Russia 150 m€
  - Nokia plant 32 m€ (automation, moulds, ICT, R&D)
  - Heavy Tyres 15 m€
  - Sales companies and Vianor 13 m€

Nokian Tyres Capital expenditures (m€)



NOKIAN TYRES GOING FORWARD

Production: 2012 planned combined output 16.5 million car tyres

Nokia, Finland

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

2010:

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

2011:

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

2012:

- Car tyres to 5-day shift system at the end of Q2

Vsevolozhsk, Russia

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

2010:

- Lines 7 and 8 were taken into use

2011:

- Lines 9 and 10 & new technology into use

2012:

- New factory next to the current one
- 2 new lines, total annual capacity increase ~3 million tyres

2013-2014:

- 2 new lines, additional ~ 3 million tyres

NOKIAN TYRES GOING FORWARD

Outlook for 2012: Sales to improve with improving market position

Assumptions

- Markets: Russia & CIS growing, Nordic countries flat, CE down
  - GDP growth Russia 4%, Nordic 0-2%
  - In Russia strong consumer confidence, increasing sales of new cars
  - Currencies on Nokian core markets expected to be stable
- ASP to increase single digits
- Raw material cost (€/kg) estimations
  - Cost estimated to decrease in H2/2012 vs. H1/2012
  - Cost estimated to be the same in 2012 vs. 2011
- Passenger car tyre operation environment
  - Carry-over distributor inventories
  - Demand improving for winter tyres, legislation in Europe
- Heavy tyre market demand
  - Demand in 2012 softer than in 2011
- Nokian Tyres financial position remains solid
  - No major loans due for payment in 2012
  - Equity ratio 62.8% in H1/2012
  - Undrawn facilities available

Outlook: Profitable growth in a challenging environment

- The economies in Nokian Tyres' core markets relatively healthy
  → Good order book, Russia spearheading growth
- Increased uncertainty: Distributors limit risks by carrying low stock
  → Sales may shift from Q3 to Q4
- Raw material cost stabilizing and estimated to be the same in 2012 vs. 2011
- Capacity ramp-up proceed as planned:
  - First line in the new plant (11th in Russia) became operative in June
  - Production with line 12 to start in Q4/2012
- Profitability supported by:
  - Improved cost structure, higher sales volume, better mix & ASP
  - Increasing share of Russian production → productivity up
- **Year 2012 guidance:**
  - **In 2012, the company is positioned to improve Net sales and Operating profit compared to 2011.**


nokian TYRES
Enjoy the water.