

The logo for Nokian Tyres, featuring the word "nokian" in a lowercase, sans-serif font with a registered trademark symbol, and the word "TYRES" in a bold, uppercase, sans-serif font below it. The logo is set against a solid green rectangular background.

nokian[®]
TYRES

A close-up, low-angle shot of the front of a dark-colored car, likely a truck or heavy-duty vehicle, driving on a road. The car's headlights are on, and the background is a blurred landscape under a bright sky. The text "WILL TO WIN" is overlaid in large, bold, black letters at the bottom of the image.

WILL TO WIN

ANNUAL REPORT 2011

WILL TO WIN



During more than one hundred years, many generations have worked for our Group. We have seen ups and downs, fought and won. We have made it through difficult situations and back to the road of success. We are joined by our strong belief in our abilities and in working together, the will to be the best in the world. We don't give up, and nothing is impossible for us. In 2011, this was proven by winning the world speed record for ice driving: We did it with our professional competence, entrepreneurial spirit and inventiveness, and above all with our will.





Safest tyres for northern conditions

We have an innate ability to understand clients operating in northern conditions, as well as their needs and expectations. We operate in growing markets and focus on tyre products and services that offer sustainable added value to our customers in northern conditions. Our range also provides the foundation for the company's profitable growth.

Year 2011: Strong growth

Key figures, IFRS

EUR million	2011	2010	Change%
Net sales	1,456.8	1,058.1	37.7
Operating profit	380.1	222.2	71.1
% net sales	26.1	21.0	
Profit before tax	359.2	208.8	72.0
% of net sales	24.7	19.7	
Return on capital employed (ROI), %	27.4	19.9	
Return on equity (ROE), %	29.1	20.0	
Interest bearing net debt	-3.6	0.7	-643.0
% of net sales	-0.2	0.1	
Gross investments	161.7	50.5	220.3
% of net sales	11.1	4.8	
Cash flow from operations	232.9	327.2	-28.8
Earnings/share, EUR	2.39	1.34	78.7
Cash flow per share (CFPS), EUR	1.80	2.58	-30.1
Shareholders equity per share, EUR	9.15	7.34	24.7
Equity ratio, %	63.2	68.4	
Personnel, average during the year	3,866	3,338	

Year 2011 in brief

- Demand of car tyres grew significantly in all Nokian Tyres' main markets. The group's Net sales grew by 37.7% and market shares increased in the Nordic countries, Russia and Central Europe.
- Order book was strong at the end of the year.
- The Average Selling Price of Nokian Tyres was up due to improved sales mix and price increases. Profitability was excellent despite the increase of the raw material cost.
- Nokian summer and winter tyres achieved magazine test victories, in both Nordic and Central European tyre categories.
- Nokian Tyres is the market leader in brand, price position and distribution in core markets. Position and profitability improved clearly in CE.
- Vianor tyre chain expanded to 910 stores in 23 countries. Addition of 139 stores in 2011.
- Production output (tons) was up by 47%; weekly output of car tyres increased from 250 to 360 kpcs/week during 2011. Two new lines (9 and 10) commenced production in Russia. A decision was made to build a new factory next to the current one in Russia.

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This report is a translation. The original, which is in Finnish, is the authoritative version.



Market and price leader in winter tyres in the Nordic countries and Russia

Nokian Tyres is the only tyre manufacturer in the world that focuses on products and services that facilitate safe transportation in northern conditions. The company's innovative passenger car, truck and heavy duty machinery tyres are mainly marketed in areas that have snow, forest and changing seasons that make driving conditions demanding. Nokian Tyres develops its products aiming at sustainable safety and environmental friendliness throughout the life cycle of the product.

Nokian Hakkapeliitta is a leading winter tyre brand in the Nordic countries and Russia. The image of quality, as well as market and price leadership combined with a strong distribution network and logistical competence,

are some of Nokian Tyres' key competitive advantages.

The products are mainly sold in the replacement market. The Group includes the Vianor tyre chain, which engages in retail and wholesale in Nokian Tyres' main markets. The company has its own plants in Nokia, Finland, and in Vsevolozhsk, Russia. From 2005 to 2011, Nokian Tyres invested approximately EUR 700 million in the plants that represent the absolute top in the field in terms of productivity and quality.

The company reported net sales in excess of EUR 1.4 billion in 2011 and had around 4,000 employees at the end of the year. Nokian Tyres plc's shares are quoted on NASDAQ OMX in Helsinki.

Strong year of growth

Dear reader,

The year 2011 was very successful for Nokian Tyres for a number of reasons. Our growth strategy, combined with strong demand, led to good results. In terms of our key indicators, we broke our previous records in sales, production output and results.

The world economy was characterised by insecurity and serious problems as a result of the European financial crisis. These factors and exceptionally high raw material costs presented challenges, which we managed to turn into our favour. Fortunately, the GDP in the company's core markets in Northern Europe and Russia continued to grow, and consumer confidence was at a good level. The car and tyre businesses were busy and grew throughout the year.

Our order book was strong and grew throughout the year. Our sales improved significantly in all our key markets and we won market shares especially in Russia and Central Europe. As expected, this development was strongest in Russia, which, boosted by the car business, represented approximately one-half of our growth. In addition to strong growth in our traditional core markets, we managed to improve our market position and profitability clearly in Central Europe, where our sales rose close to the Nordic and Russian levels. Our business now has three strong pillars, two of which, Russia and Central Europe, are providing strong growth.

The launching of a new winter tyre family scored magazine test victories in Central Europe, and the strong sales of Hakkapeliitta tyres in the home markets fuelled growth and improved the Average Selling Price. Improvements in the tyre range and the strong rise in raw material prices were successfully transferred to tyre prices. The biggest growth was reported in SUV tyres, which is also a product category with great potential for the future.

Our operations are characterised by distinct summer and winter seasons in consumer sales. Increasing our sales and achieving a good return on capital require a well-managed and controlled distribution chain. The Vianor chain, which represents a significant and growing part of our consumer sales, spearheaded our growth and expanded

through franchising and partnership agreements to comprise 910 outlets in 23 countries. During the last year, Vianor opened 139 new stores. Italy, Azerbaijan and Romania joined as new countries in the Vianor family.

Our production increased even faster than expected. Implementation of the new production lines in the Russian plant was brought forward. We adopted the use of a new generation of production technology which will significantly improve our productivity. Both of our plants were working at full capacity in late 2011, and we began the construction of a new, highly modern plant in Russia. The new plant will commence production in summer 2012 and secure the preconditions for growth during the coming years.

Major investments in the development of processes and supporting IT systems brought quick results and opened new opportunities for adding further efficiency and improving customer service.

As we move into 2012, our prospects for growth are good despite various uncertainty factors. Our finances are strong and the company is debt-free, which makes it possible to invest in growth. Our position is strong in our key markets and will strengthen further. Our product range is competitive, our productivity one of the best in the business, and our distribution network is expanding fast.

I would like to thank our consumer and distribution customers for the confidence they have shown in us, and our personnel for their perseverance in 2011. It is fantastic to see how profitable growth inspires all stakeholders to perform ever better. Our firm intention is to continue profitable growth and make the coming years even better than the last one.



Kim Gran







INFO

Read QR Code with your smart phone and read the story of Nokian Hakkapeliitta: www.nokiantyres.com/hakkapeliitta75

Fast and victorious forerunner of safety

Since the beginning, Nokian Hakkapeliitta has called north its home. On the Nordic snow and ice, we have been testing tyres under extreme conditions and at extreme speeds for years, all the while accumulating experience and widening our know-how. Nokian Tyres made the world's first winter tyre to conquer freezing temperatures already in 1934, and the first Hakkapeliitta tyre was launched two years later. Now, it is the most widely known winter tyre in the world and a legend all around the world in areas familiar with winter.

Hakkapeliitta winter tyres are forerunners of safety and masters of the world's most demanding winter conditions. With their unique innovations, Hakkapeliitta tyres have topped magazine tests decade after decade.

The history of Hakkapeliitta is colourful and celebrated. The worldwide public became aware of them in the legendary Monte Carlo rallies in the 1950s and 60s. Over the years, Hakkapeliitta tyres have offered their superior winter properties to the service of millions of safety-seeking drivers in over 50 countries.

Focus strategy

1 Northern conditions

We are the only tyre manufacturer in the world to focus on solutions and products that meet the special needs of customers in northern conditions. We market our products in all countries where there is snow, forests and demanding conditions caused by changing seasons.

2 Narrow product segments

For northern conditions we utilize our special competence in narrow special product segments like passenger car winter tyres and forestry tyres. Our other main products include light truck and SUV tyres as well as harbour and mining machinery tyres. We want our tyre users to experience the highest customer satisfaction in the world.

3 Replacement markets

All Nokian-branded passenger car tyres and approximately 60% of heavy tyres are sold to users in replacement markets through special tyre outlets, car dealers and other companies engaged in the tyre trade. This gives us a better pricing position.

Nokian Tyres' focus strategy is supported by:

Investments in product development, production, distribution and logistics

Product development is guided by a philosophy of sustainable safety, which entails the continued renewal of the product range with the objective of always being able to provide customers with value-added innovations.

- Own production concentrates on high-margin core products.
- New products should represent at least 25% of net sales annually.

- Consistent investment in continued improvement of quality, productivity and logistics.
- Distribution is developed by expanding the Vianor network and streamlining the processes.

Open and participatory corporate culture

A basic factor behind Nokian Tyres' success is the continuous process of personnel development, which is supported by an open and participatory corporate culture. The corporate culture aims to create a highly motivated working community that promotes the success of individuals and the company.






Key strategic objectives into 2016

- We offer our customers only the best. We know the end users of our tyres, their needs and wishes.
- We are the market leader in the Nordic countries. We have the highest customer loyalty and best services in the industry.
- We are market leaders in premium tyres in Russia and other CIS countries
- We have a globally strong position in core products
- We grow through a continuously improving product range and services. Profitable growth requires constant increase of capacity.
- We grow our profits through high productivity and the best customer processes in the industry
- Our personnel are skilled and inspired with entrepreneurial attitude. We reach our goals and results by working together.

Key objectives 2012–2013

Growth in Nokian Tyres’ core markets is expected to be stronger than the global market growth in 2012–2013. The target of Nokian Tyres is to continue to outperform competition in terms of growth and profitability and to further improve market position.

Development of our strategy 1898–2011

MANUFACTURING	DISTRIBUTION	CONSUMERS
<ul style="list-style-type: none"> ■ Suomen Gummitehdas was founded in 1898 ■ Nokia plant 1904 ■ Russia plant 2005 	<ul style="list-style-type: none"> ■ Since the late 1990’s controlled distribution and contact to end users; a tool to improve market shares → Vianor tyre chain 	<ul style="list-style-type: none"> ■ In 2009 desire to be closer to consumers ■ Electronic business, creating consumer relationship, improving interaction → “Close to customer”
		





Values that guide and support the strategy

Our company culture is called the Hakkapeliitta Spirit which includes the following values:

ENTREPRENEURSHIP = WILL TO WIN

We thirst for profit, we are quick and brave. We set ambitious objectives and perform our work with persistence and perseverance. We are dynamic and punctual, and we always make customer satisfaction our first priority.

INVENTIVENESS = THE WILL TO SURVIVE

We have the skill to survive and excel, even in the most challenging circumstances. Our competence is based on creativity and inquisitiveness, and the nerve to question the status quo. We are driven by a will to learn, develop and create something new.

TEAM SPIRIT = THE WILL TO FIGHT

We work in an atmosphere of genuine joy and action. We work as a team, relying on each other and supporting each other, offering constructive feedback when needed. We embrace differences, and we also encourage our team members to individually pursue winning performances.

Targets revealing the company values

Customer satisfaction

We have the industry's highest customer satisfaction rate in the Nordic countries, Russia and CIS countries, and the highest satisfaction rate in our core products globally. All our activities are geared to support the customer service personnel.

Personnel satisfaction

Nokian Tyres is a respected and attractive workplace. Our personnel are highly skilled and motivated. Our activities are characterised by our desire to continuously develop our personal skills as well as the company.

Shareholder satisfaction

We are the most profitable tyre manufacturer and tyre distributor in the industry. Our consistently good performance translates into good share price development and dividend policy.

The best processes in the business

Our key processes and our business network are efficient and represent the cutting edge in the industry. We uphold the principles of the responsible citizen in all of our activities.



Nokian Tyres' success factors

- Focus on expertise in Northern conditions
- Own specialised R & D and unique winter testing programme
- Focus on replacement markets, growing market areas and product segments
- Share of value added products more than 90% of own production and sales
- Production of core products in own state-of-the-art factories
- Rapidly renewing product range and innovative products
- Car winter tyre range most extensive in the world
- Skilled personnel and Hakkapeliitta Spirit
- Strong reputation, brand and pricing power in core markets
- Strong, controlled distribution channel in core markets
- Efficient logistics and seasonal management
- Direct contact with end users
- Special know-how in Russian and CIS markets

Tyre demand strengthened



Although the growth rate of the global economy started to slow down during 2011, drivers for growth in Nokian Tyres' core markets were still intact. Annual GDP growth averaged approximately 3% in the Nordic countries and over 4% in Russia. New car sales increased in the Nordic countries by approximately 8% and in Russia by 39% compared to 2010.

The replacement market sales volume for car tyres increased in the Nordic countries by an estimated 2%. In Europe the volume was up by 3% with summer tyre sales declining and winter tyre deliveries increasing by 15%. In Russia the tyre industry deliveries to distributors increased by over 30%, trailing the improving economy, lower stocks of distributors and strong consumer confidence.

The second consecutive true winter with heavy snowfall prolonged in spring 2011 in all Europe and in Russia, resulting in strong winter tyre consumer sales and leaving retailers with low inventories in the end of the season. Late snowfall in the autumn 2011 had only little negative impact on winter tyre sales to consumers in Nokian Tyres' core markets in Nordic countries and Russia. Tyre stocks were still relatively low in distribution. Summer tyre market declined in Europe but increased significantly in Russia.

The demand for special heavy tyres remained good in 2011 although order book for forestry tyres started to weaken in Q4. The demand for new and retreaded truck tyres remained solid in Nokian Tyres' core markets.

The prices for natural rubber and oil-based materials rose significantly from early 2009 to mid-2011 and some materials were in short supply. In early 2011 raw material costs continued to go up triggering additional price increases from the tyre industry. At the end of 2011 raw material prices dropped and availability came back to normal. The tyre industry raw material costs rose still slightly towards the end of the year due to stocks purchased with higher prices.

Nokian Tyres: 3 strong market areas

Solid position in the Nordic countries

Finland, Sweden and Norway accounted for some 38% of the net sales of Nokian passenger car tyres in 2011. The company is the market and price leader in the Nordic countries. Annual sales in these countries total some 10 million tyres for passenger cars and vans, 6 million of which are winter tyres. The markets usually grow around 1-3% a year, and there are around 80 competing brands. The countries also have legislation that requires winter tyres to be used during the winter months.



Business logic for tyre industry

Global sales of passenger car tyres were around USD 152 billion in 2010. The global market has been growing at an annual rate of 7%. The strongest growth has been registered in winter tyres, high-speed summer tyres and SUV tyres. Winter tyre regulations, according to the example set by the Nordic countries, have spread to many new geographical areas during the last few years.

Consumer sales of passenger car tyres are mainly affected by the sales volumes of new cars and by general consumer confidence. As for winter tyres, the weather also plays a role: the wintrier and slipperier the conditions, the greater the need for new winter tyres. Tyre manufacturers' sales to distributors are also influenced by the distributors' carry-over tyre stocks and by the price of financing.

The demand for heavy tyres and truck tyres is cyclical, mirroring the business trends in machinery manufacture and the general interest of companies to make investments.

Distinct seasonality a challenge for logistics

Nokian Tyres' core markets are characterised by strongly seasonal passenger car tyre sales. Most consumers buy their summer tyres during the few weeks around Easter. Winter tyre consumer sales take place from September to November, depending on the winter, and some 30% of winter tyres are sold in the ten days after the first snowfall. This poses big challenges to the production and delivery capacity, underlining the key part played by an extensive distribution network and efficient logistics and IT systems.

Tyre manufacturers aim to presell products with long payment terms to the delivery chain to ensure as high availability as possible for their own products at the beginning of the season and to be able to focus on replenishment deliveries during the season. What makes this challenging is forecasting sales and production months in advance, with typically over a thousand different combinations of tyre models and sizes.

Dealers typically sell more than one tyre brand. In order to succeed, tyre manufacturers must ensure regional scope but also guide dealers' product policies, since the nature of the industry is that retailers can greatly influence end users' tyre choices.

Productivity and pricing power – keys to success

Since the fixed costs of tyre manufacture are high, the relevant task to secure profitability is to make optimal use of the entire production capacity with as few interruptions as possible. Continued profitability growth, achieved through investments and process development, is also critical to the success of tyre makers. While wage and energy expenses vary depending on the country, raw material prices are nearly the same around the world.

In the tyre industry, the country's market leader is usually the price leader as well. Pricing power is boosted by the strong brand, reputation of the products and the distribution, as well as good results in impartial tyre tests conducted by the car magazines.

Significant growth potential in Russia

Nokian Tyres is the market leader and the biggest manufacturer of premium tyres in Russia. In 2011, the share of Russia and the CIS countries rose to 27% of the total net sales of Nokian Tyres. Russia has no winter tyre legislation, but the climate conditions in Nokian Tyres' operating region require the use of winter tyres during the winter months. An estimated 36 million car and van tyres were sold in Russia in 2011. The market is estimated to grow by 15–20% yearly.

Central Europe on the upswing

With tyre markets continuously expanding and winter tyre legislation becoming more common, Central Europe has become one of Nokian Tyres' most important growth areas. The size of the European market, excluding the Nordic countries, was approximately 270 million car and van tyres in 2011. The total market growth is slow, but the winter tyre segment is growing faster. Nokian Tyres customises its tyres to meet the needs of consumers in different market areas. The friction tyres designed for Central and Eastern European winter conditions, as well as the summer tyres offered in the region, differ considerably from the products sold in the company's core markets.

Nokian Passenger Car Tyres

Growth story continues



The net sales of Nokian Passenger Car Tyres increased by 50% year-over-year to over EUR 1 billion. Operating profit was also record high, over EUR 365 million.

Nokian car tyres' sales increased in all market areas, especially in Russia. Among product groups the SUV winter tyres showed the strongest growth. Winter tyres' share of Nokian Tyres' total sales mix grew year-over-year to 77% of volume. Nokian car tyres' market share improved in the Nordic countries, Russia and Europe.

The new summer tyre range with the spearhead product Nokian Hakka Green, a tyre giving clear savings in fuel-consumption, was successfully launched. The autumn 2011 sales were boosted by several magazine test victories for Nokian Tyres in studded and non-studded Nordic winter tyres as well as in Central European winter tyres like the new Nokian WR D3.

Sales mix improved clearly, which together with successful price increases raised the Average Selling Price year-over-year, thus compensating for the raw material cost (EUR/kg) increase of 31% versus 2010.

Production output (pcs) grew by 47% compared with the previous year, boosted by the increased capacity in Russia with lines 9 and 10 coming on stream. The plant in Nokia has been back to 7 days/week full capacity as from August 2011. Productivity improved along with high utilization and capacity increases.

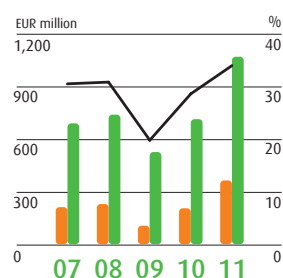
Fixed costs increased moderately compared to the sales growth which helped to improve margins. Inventories and receivables grew along with increased sales.

Construction of the new plant and warehouse next to the current ones in Russia started and has proceeded on schedule. The new plant is estimated to commence production with two additional production lines during 2012 and further capacity increase by two lines taking place during 2013-2014.

At the end of the year the order book was strong and the inventories were low in Nokian Tyres.



**Passenger car tyres:
Net sales, operating profit
and operating profit%**



Net sales	691.2	741.6	527.3	714.7	1071.1
Operating profit	212.2	230.0	106.2	205.5	365.1
Operating profit%	30.7	31.0	20.1	28.8	34.1

Special tyres for narrow, growing segments

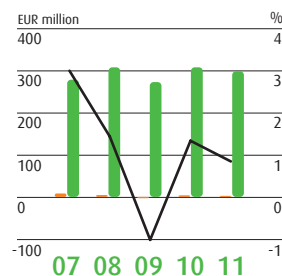
Nokian Passenger Car Tyres business unit develops, manufactures and markets summer and winter tyres for passenger cars, vans and SUVs. Key products include studded and non-studded winter tyres, as well as high-speed summer tyres. Winter tyres account approximately 80% of the unit's net sales. The Nordic countries, Russia and the CIS countries are the core markets, while Central and Eastern Europe,

the Alpine Region and North America constitute other important market areas.

All tyres are developed in Finland. The main products are manufactured in the company's own plants in Nokia, Finland, and Vsevolozhsk, Russia and are sold on replacement markets.



Vianor: Net sales, operating result and operating result%



Net sales	278.5	308.3	273.2	307.9	298.4
Operating result	8.4	4.4	-3.0	4.0	2.3
Operating result%	3.0	1.4	-1.1	1.3	0.8

Vianor Expanding distribution chain increased market shares

The Vianor tyre chain is the biggest and most extensive in its field in the Nordic countries, Russia and the CIS. At the end of 2011, the chain comprised 910 stores in 23 countries in Nokian Tyres' main markets. Nokian Tyres owns 179 Vianor stores, while the rest operate on a franchising or partnership principle.

Equity-owned Vianor stores sell passenger car, van and truck tyres, as well as heavy tyres. In addition to the Nokian brand, Vianor sells other leading tyre brands and a variety of automotive products, such as rims, batteries, and shock absorbers. Vianor's services include tyre changes and fitting, as well as oil changes, car service and tyre hotels, depending on the store. The goal is to make service sales a key part of Vianor's growth and profitability.

In its own tyre store network, Vianor's key objective is to maximise the sales of Nokian-branded tyres, to maintain the target price level, and to develop service concepts

and processes. Co-operation between Vianor and Nokian Tyres' manufacturing offers synergy benefits. Advanced data systems improve design, monitoring and reporting. Vianor offers Nokian Tyres a direct communication channel to the end user and provides valuable information for service development.

In 2011 the strongest sales growth was achieved in service and truck tyre sales. Vianor succeeded in its strategic goals acting as price leader and offering the best network of wholesale and retail for Nokian Tyres' products in core markets. Profitability was boosted by clear growth in service sales.

Vianor partners driving growth

The Vianor tyre chain spearheads the Group's growth in markets that are strategically important to Nokian Tyres. Vianor is the leading tyre chain in the regions where it operates, building a foundation for permanent market shares for the Group's products.

The Vianor concept offers several business-friendly services to entrepreneurs in the partner network; strong brands, training and technical support. Nokian Tyres provides Vianor stores with support for advertising and sales promotion and guarantee fast deliveries to them, especially in the peak season.

Vianor operates in 23 countries; most extensively in the Nordic countries, in Russia and in Ukraine. During the year Italy, Azerbaijan and Romania joined as new countries in the network. Expanding the partner franchise network will continue according to plans; the target is to have more than 1,000 stores by the end of 2012.

Nokian Heavy Tyres Strong performance in uncertain business environment

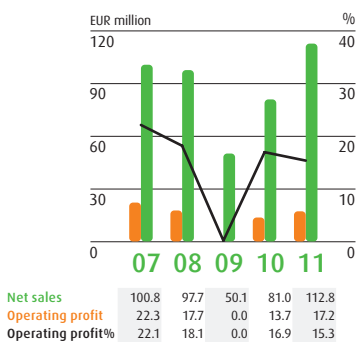
Demand for heavy tyres grew in 2011 due to the increased activity in machine building and a stronger replacement market. Sales of Nokian Heavy Tyres improved clearly in all product groups, especially in forestry, mining and harbour tyres. Sales in Russia improved clearly.

The production was at full utilization almost the whole year and volume (tons) increased by 26% compared to 2010. Further investments were taken to open bottlenecks in production and to increase capacity in 2012–2013 by approximately 20% from 2011 level.

The Beyond All-Steel Radial technology, a result of persistent product development, features a unique combination of the best features of traditional cross-ply and radial tyres. The sales of these novelty products started and they challenge the traditional all-steel products. The products have supreme stability, excellent durability and low rolling resistance. The new technology further strengthens the position of Nokian Heavy Tyres as a manufacturer of quality products.

Nokian Heavy Tyres successfully developed its distribution network. New distributor contracts and the number of Vianor Industrial stores to increased to 37 (14 new). They were established to meet the increasing customer demand for technical services.

**Nokian Heavy Tyres:
Net sales, operating profit
and operating profit%**



Market leadership in forestry tyres

Nokian Heavy Tyres manufactures high-quality special tyres. The key product groups are forestry tyres, harbour and mining tyres, special agricultural tyres and a variety of industrial tyres. The main products are manufactured at the plant in Nokia, Finland. The uniqueness of the products arise from familiarity with extreme driving conditions and respect for nature. Key markets include the Nordic countries, as well as Central and Southern Europe, the USA and Canada, Russia and the CIS countries. Nokian Heavy Tyres is known for its professional, flexible customer service – the best in its field.

Nokian Heavy Tyres has a global market share of around 30% in forestry tyres. The company has designed special tyres for forestry machines deploying the CTL (cut-to-length) method invented in the Nordic countries in the 1960s, and it is the global market leader in this field. The company has the benefit of being closely located to the world's leading machine and equipment manufacturers, with which it co-operates closely in the field of product development and testing. In 2011 the Original Equipment tyre sales accounted for approximately 40% of the unit's net sales. The customers of Nokian Heavy Tyres appreciate tyres that are functional and economical overall. For them, economic hourly usage costs of tyres and machines are more important than low acquisition prices.

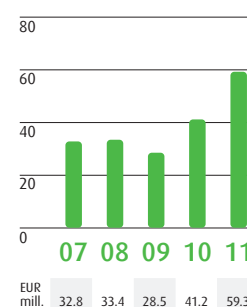
Tyres and retreads for demanding professional use

Nokian Truck Tyres focuses on tyres and retreading materials for demanding conditions. High-quality truck tyres are developed in Finland and manufactured as off-take contract manufacturing in plants whose level of quality satisfies the tough requirements of Nokian Tyres. Retreading materials, which are mainly used in truck tyres and tyres for industrial machinery, are manufactured at the plant in Nokia, Finland. Winter treads for truck tyres are the key retreading products. The core markets lie in the Nordic countries, while the biggest growth opportunities are found in Russia, other CIS countries, as well as Central and Eastern Europe.

Nokian truck tyres and Nokian Noktop retreading materials are designed for demanding professional use and changing conditions. Products are designed for and tested in demanding northern conditions, for example, at the Ivalo test centre in Northern Finland. New products, such as the Nokian Hakka-peliitta Truck product family, further improve the first-rate winter tyre selection.

Successful product development benefits from close and confidential co-operation with transport operators and companies. Tyres – both new and retreaded – must perform reliably, be durable and ensure excellent grip. A low rolling resistance reduces fuel consumption, which is particularly important in professional driving.

Nokian Truck Tyres: Net sales



Nokian Truck Tyres Wheels are rolling – sales are growing

Demand for truck tyres was strong in 2011. The net sales of Nokian Truck Tyres were up by 44% from the previous year. Nokian truck tyres' market share increased in the Nordic countries, in Russia as well as in Central and Eastern Europe due to an improved product range. Sales of retreading materials improved due to a higher utilization rate in the transport sector and improved market share in the Nordic countries.

In 2011 the focus was on streamlining logistics and improving the product range. The expansion to Russia, CIS and Eastern Europe utilizing the "Vianor Truck" service concept will continued.

Strong distribution in key role

Nokian Tyres has four core market areas: the Nordic countries, Russia and other CIS countries, Central and Eastern Europe as well as North America.

The main sales countries are served by the Group's own sales company or a representative with its own sales organisation. Nokian Tyres' dealers are strong players, who are often involved in tyre retail as well. Since Nokian-branded tyre sales are of great importance to their business, the dealers are willing and well prepared to support and build the Nokian brand. The Vianor tyre chain plays an important and growing role in the sales of Nokian-branded tyres, with a considerable part of the Group's sales handled through Vianor stores.

Nokian Tyres provides its dealers with a strong brand and innovative, continuously renewed, first-rate products, whose sales are profitable business for dealers. Enhanced customer service in peak seasons and the use of Vianor chain for deliveries ensure that dealers get the tyres they need even in the busiest weeks of the season when demand is at its highest.

Personal co-operation and ICT-solutions

Nokian Tyres carries out close and versatile co-operation with its dealers. The company's

strength lies in its flat sales organisation and its ability to quickly react to customer needs and changes in the market. The sales organisation assigns a dedicated contact person to each customer. The jointly and confidentially prepared annual sales and marketing plans include shared sales targets and any actions to be taken, along with their schedules. The parties are united by a strong sense of belonging to the Hakkapeliitta family.

A growing share of orders are being made through Nokian Tyres' web shops and ordering systems for distributors. These solutions enable ordering 24/7 as well as improve information flow and customer service.

Nokian Heavy Tyres operates selectively on the original equipment market and engages in close R&D co-operation with machine and equipment manufacturers. Long-term cooperation has provided customer service and logistics with unique insight into customer needs and wishes. In recent years, the company has developed comprehensive, customised service concepts, such as "Vianor Industrial" stores that specialise in heavy tyres, complete tyre-rim packages, targeted deliveries and electronic order systems.



WILL TO WIN

LUKÁS LIBAL, MARKETING MANAGER CENTRAL EUROPE

Will to Win comes naturally for us. It stands for northern thinking, overcoming your obstacles quickly and swiftly. It keeps us moving. When you give it your all and keep challenging yourself and the status quo every day, you will stay on top.

Own production ●

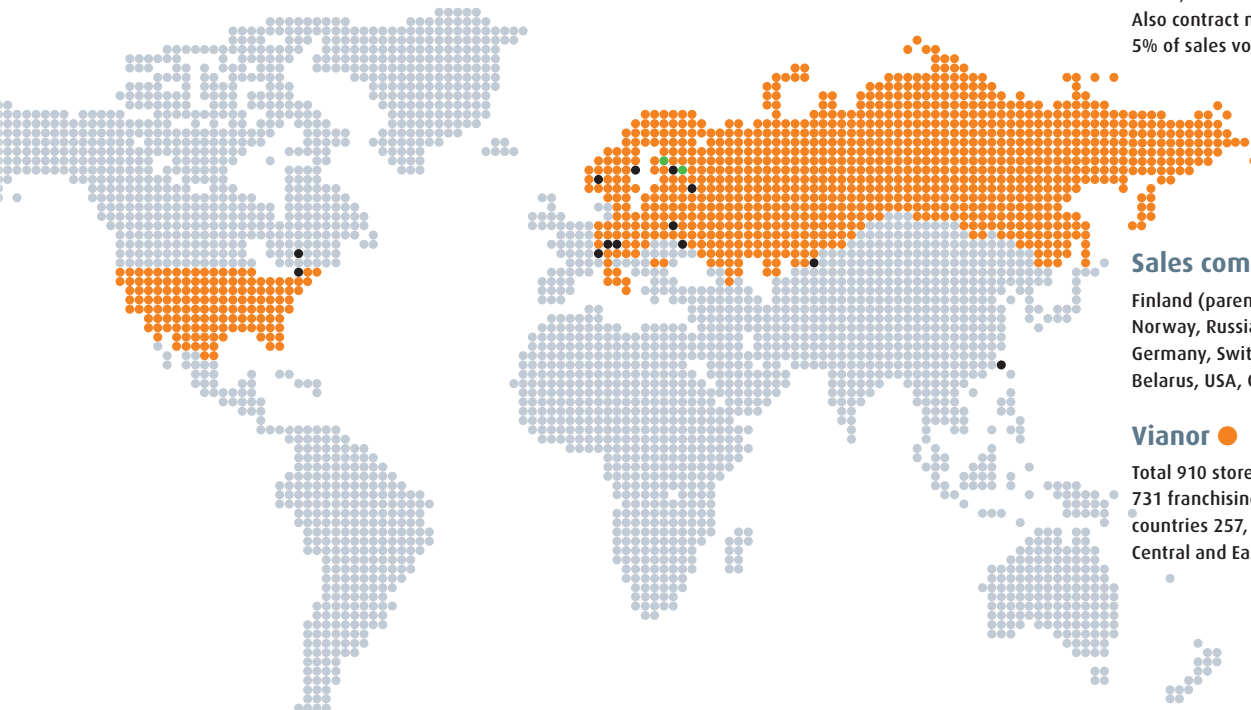
Nokia, Finland and Vsevolozhsk, Russia. Also contract manufacturing roughly 5% of sales volume in 2011.

Sales companies ●

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

Vianor ●

Total 910 stores in 23 countries (179 own and 731 franchising and partner). Nordic and Baltic countries 257, Russia and CIS countries 491, Central and Eastern Europe 146, USA 16 stores.



Master of demanding conditions

Nokian Tyres carries out persistent research and development work in order to provide consumers with safe, high-quality products for demanding northern conditions. Thorough, long-term product development supports the company's status as the manufacturer of the world's best winter tyres and special heavy tyres.

Nokian Tyres frequently renews its product range: new products account for at least 25% of the annual net sales. New products enable the company to strengthen its position and maintain its target prices and margins in tough competition.

Nokian Tyres makes considerable inputs into R&D and adds many new products to its range every year. Approximately one-half of the R&D inputs are used for product testing. The development of a brand-new passenger car tyre takes two to four years.

DID YOU KNOW...

Nokian Tyres' test driver Janne Laitinen blazed at the speed of 331.610 kilometres per hour on the ice of the Gulf of Bothnia in March, 2011. For this amazing world record run, the world's leading winter tyre manufacturer equipped the car with Nokian Hakkapeliitta 7 studded tyres.

Testing at high speeds in demanding conditions forms an important part of our winter tyre development. Testing boundaries can teach us new things. Extreme speeds emphasise the role of top-quality tyres; when driving at exceptionally high speeds on slippery ice, the tyres must provide maximal grip, excellent structural durability and handling properties that are in line with the car's high power.

The acceleration and durability formula is demanding. At the speed of 331 km/h, the vehicle moves over 92 metres per second.

Forerunner of winter safety

Nokian Hakkapeliitta tyres have achieved several victories in independent winter tyre tests over the years. Hakkapeliitta tyres have done particularly well in snow and ice grip, the main elements of good winter safety.

In addition to top-rate safety features, tyres are expected to be economical and comfortable. Development work continuously aims to reduce rolling resistance. Tyres with a low rolling resistance can save up to 0.5 litres of fuel per one hundred kilometres and thus reduce the amount of harmful emissions. A precise, accurate driving response makes driving more pleasant and safe. Silent tyres do not strain the environment with loud noise, or the driver with inside noise.

The company has acted as a bold frontrunner in environmental friendliness by being the first tyre manufacturer in the world to introduce tyres that are made using only purified, low-aromatic oils. The search for innovative, environmentally friendly solutions is based on the principle of sustainable development: the tyre must retain its properties nearly intact throughout its life cycle.

Unique testing expertise

Intensive testing under authentic winter conditions, as well as understanding the winter and all the elements and features of a tyre, comes naturally to Nokian Tyres. The company's own 700-hectare test centre in Ivalo, Lapland, focuses on demanding winter testing from October to May. New test tracks were opened in 2011 to enable even more efficient and versatile testing.

Thanks to state-of-the-art equipment and professional R&D teams and test drivers, tests in Ivalo cover every possible extreme situation in winter driving. Thorough testing in the Finnish Lapland is what makes Nokian Tyres the world-leading expert in northern conditions.

The continuously enhanced test centre next to the tyre plant in Nokia offers flexible, unique conditions to utilise the latest technology, such as the high-speed camera, as well as slush planing tests that were started by Nokian Tyres before any other tyre manufacturer in the world. In order to get comprehensive results, tyres are also tested on foreign tracks. The grip limits are stretched and crossed in order to achieve the key goal of development: safety.





WILL TO WIN

JUHA PIRHONEN, PRODUCT DEVELOPMENT MANAGER

It's all about attitude; the passion and creativity, persistence and skill to develop and manufacture the ultimately best product that has no flaws. We have that kind of enthusiasm and experience, and it is reflected in our way of working. The outcome is directly translated into driving safety.

High technology, new innovations and test success



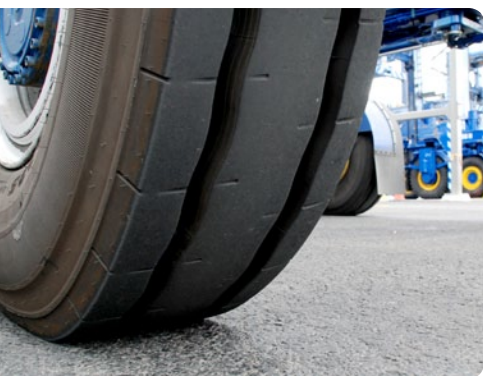
Nokian Hakka Blue Top performance for wet roads

The Nokian Hakka Blue summer tyre can masterfully handle the rapidly changing road conditions in the summer. Tailor-made for northern roads, the newest member of the Hakka summer tyre range offers the best possible traction and precise handling for wet roads. The new innovations, the Dry Touch Sipe and Swoop Grooves, give Nokian Hakka Blue excellent grip and allow it to stop nearly a metre shorter than traditional summer tyres from a speed of 80 km/h (50 mph) on a rain-soaked road.



Nokian WR A3 and Nokian WR D3 Forget about weather forecasts

These environmentally friendly top products feature nanotechnology, canola oil and the solid winter expertise of Nokian Tyres to guarantee that they work reliably in the typically varying winter conditions of Central Europe. The Nokian WR D3, with an arrow-shaped tread pattern, is a durable alternative for medium-sized and small family cars and drivers who value safe, economic driving. Magazine tests praised the Nokian WR D3 for its excellent winter properties. The new Nokian WR D3 took first place in the winter tyre tests of the German magazine Sport Auto (11/2011) and the Auto Plus magazine published in France (12/2011). It was rated "very recommendable" by such renowned German magazines as Auto, Motor und Sport (21/2011) and Auto Zeitung (20/2011). The Nokian WR A3, on the other hand, is optimised for larger and more powerful vehicles with a special emphasis placed on the tyre's sensitive driving response, even at higher speeds.



Nokian HTS Straddle and Beyond All-Steel Radial -technology – Extreme stability

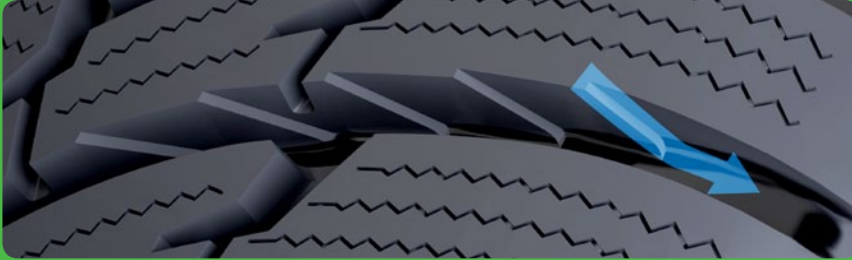
The revolutionary Beyond All-Steel Radial technology challenges All-Steel special tyres. This future technology is a unique combination of the best features of traditional cross-ply and radial tyres: supreme stability, excellent durability and a low rolling resistance. Utilising this advanced technology, the Nokian HTS Straddle offers unyielding stability and excellent wear resistance for straddle carriers labouring in ports and goods terminals.



Nokian Hakkapeliitta 7 and Nokian Hakkapeliitta R Test winners' superiority

The most successful northern winter tyres continued their solid track record in impartial magazine tests, bringing home victories from Finland, Sweden and Russia. According to Tekniikan Maaailma (17/2011), the studded Nokian Hakkapeliitta 7 is "the number one choice for drivers seeking optimal winter grip". The Swedish Vi Bilägare (14/2011) featured the studless Hakkapeliitta R in a comparison test and stated: "excellent driving properties on ice and equally superior on snow."

New innovations



Slush Blower – Safety in slushy conditions

Slush is an even more dangerous element for drivers than ice or aquaplaning. The slanting, staggered front edge of the block enhances wet and ice grip. This new innovation is called Slush Blower, because it actually blows water and slush away from the grooves of Nokian WR D3 tyres and thus efficiently prevents slush planing and aquaplaning.



3D self-locking siping – Precise driving response

The 3D Lock Sipe featured on the WR A3 locks the outer shoulder area's blocks together during contact with the road, which makes the structure sturdier and enhances the tyre's driving response. The blocks cannot move when driving; instead, they support each other. This reduces unnecessary sipe movement, which enhances the tyre's resistance against wear and tear even in poor road conditions.



Dry Touch Suction Sipe – Maximised wet grip

The unique suction sipe effectively sucks the water out from between the tyre and the road and routes it to the main grooves of the tyre. This allows the Hakka Blue to achieve maximum contact on the road and establish a firm grip on the dryer road surface. The sipe shape ensures that the firm tyre has excellent wet grip, even when worn. The sipe is larger at the bottom, which means that as the tyre wears, the groove volume increases.



DID YOU KNOW...

ERA (Electric Race About) built by students of Helsinki Metropolia University of Applied Sciences is an electric car registered for on-road use. Its energy consumption is minimal: only 14.5 kWh, equal to 1.6 litres of fuel per one hundred kilometres, and it has no CO₂ emissions at all. The acceleration of this lightly rolling car is supported by the Nokian Z G2 tyres designed for high speeds.

The car accelerates from zero to one hundred km/h in six seconds, and its top speed is 244 km/h. This full-blooded sports car started its career in electric car rally racing very successfully: it achieved second place in the Automotive X-prize 2010 in the USA and won the Michelin Bibendum Challenge 2011 race in Germany. Tyres play an important role in electric cars, because they consume a significant part of the car's energy. The lower the tyres' rolling resistance, the longer the electric car's operating range. One of the greatest challenges in tyre development is the ability to combine a low rolling resistance with the tyre's safety features.



The heart and soul of our operations: a skilled and motivated staff

All members of our organisation are offered opportunities for professional growth, development and career moves. The staff's activity, initiative and internal entrepreneurship provide good support for developing the Group's competence and strategy. A staff of healthy, inventive and inspired people is a basic prerequisite for all of our operations.

The professional competence and well-being of our employees are very important for us. We support their development by offering various language courses, tailored training and degree programmes, as well as joint network training. The company considers competence development to be a long-term activity that foresees future needs.

Leadership development supports growth

One good example of our systematic competence development is the Future Leadership project, launched in 2010. The first pilot training of this leadership culture development and internationalisation project took place in the autumn of 2011. The goal is to enhance and unify the international leadership culture and practices throughout the Group to support our growth and strategy implementation in every unit. The training contents are based on an international survey conducted among our managers, as well as the company's wishes and needs.

Further competence development measures implemented in 2011 include an extensive skills survey among our R&D and maintenance staff, and developing the Hakkapeliitta eAcademy portal to better respond to our needs.

Investing in occupational well-being

In addition to training, the personnel's well-being at work is supported by a wide range of sports offerings, versatile club activities, personnel events, as well as individual and work-time arrangements. A workgroup for occupational well-being matters, comprising representatives of company management and different personnel groups, was established at the Nokia site in autumn 2011. The workgroup was set up to ensure a wide coverage of the thoughts and development suggestions of the entire work community and to support the employees' ability to work.

Personnel well-being, as well as collaboration between units, are monitored with performance appraisals and annual surveys focusing on well-being at work and on customer satisfaction. In 2011, we enhanced the method of processing, interpreting and



WILL TO WIN

IRINA KUZMINA, HRD MANAGER

For me, the will to win means setting ambitious targets and striving to achieve them: "Nothing is impossible!" In the rapidly changing world, it is important that we keep improving and developing our activities and stay alert to keep up with the changes. I also see will as taking responsibility and showing initiative. We must bravely raise issues, make improvement suggestions and take responsibility for implementing new practices.

utilising the results of the well-being survey. It is a key tool in developing our work community and management.

Inventiveness back on a record-breaking track

Inventiveness activities have long traditions at Nokian Tyres and are an important part of the company culture. They enable employees to influence their own work and working environment, in addition to supporting management and the work of supervisors. The goal of inventiveness activities is to encourage employees to actively participate in the company's operations and in the development of their own work, while also making wide-ranging use of the staff's potential for ideas.

In 2011, inventiveness activities took a turn towards new records. The most active departments recorded more than 70 ideas per employee into the inventiveness system. The Nokia site was the most active in idea generation, but the Vsevolozhsk site also doubled its idea volume in 2011.



Growing production improved efficiency

Capacity building continues

Nokian Tyres' two own production plants are located in Nokia, Finland and in Vsevolozhsk near St. Petersburg, Russia.

In connection with the Head office, the Nokian plant manufactures passenger car tyres, heavy tyres and truck tyre treads. Product development and the manufacture of prototypes and test batches happen centrally in Nokia. The annual production capacity of the Nokian plant at the end of 2011 was around 5 million passenger car tyres and 15 thousand tonnes of heavy tyres. From Nokia the products are delivered mainly to western markets.

The ultra-modern plant in Vsevolozhsk was brought into use in 2005. At the end of 2011 10 production lines were in operation and the annual capacity was around 11 million passenger car tyres. Tyres from Vsevolozhsk are sent to over 35 countries, and Nokian Tyres is the largest exporter of consumer goods in Russia.

Total weekly output of car tyres grew from 250 to 360 kpcs/week during 2011. The production is being expanded further; construction of the new plant and warehouse next to the current ones in Russia started and has proceeded on schedule. The new plant is estimated to commence production with two additional production lines during 2012, and further capacity increase by two lines taking place during 2013–2014. This will increase the annual car tyre capacity further by 5–6 million tyres.

The production costs of tyres are clearly lower in Russia than in Finland and other western countries. Production in Russia has been supported by tax relief based on the amount of investment and the location of the factory within customs barriers (in Russia, imported tyres have a customs duty of 20%).

In addition to its own production facilities, the company has contract manufacturing in companies whose quality level meets Nokian Tyres' high requirements. The share of contract manufacturing in manufacturing operations sales in 2011 was approximately 5%.



Responsible corporate citizenship – today and tomorrow

The key values Nokian Tyres pursues in its operations are promoting safety, showing respect for the environment, fostering well-being and ensuring high quality. Responsibility translates into safe and environmentally friendly products, the most advanced production processes in the industry, and personnel safety and well-being.

In the beginning of 2011, a new corporate quality department was formed, and environmental, health and safety (EHS) management was clarified so that it now covers the protection of the environment, company staff, and property. EHS management aims at preventing accidents in all areas, ensuring uninterrupted production and overseeing good corporate citizenship. The development of operations relies on the best possible practices and advanced solutions, and takes into account human values in addition to financial considerations. Measures promoting safety include risk management, continuous process development and new investments.

The EHS operations manual is an important tool. The plant in Nokia, Finland, is certified for compliance with the EU's EMAS (EcoManagement and Audit Scheme) regulation. Furthermore, the plants in Nokia and in Vsevolozhsk, Russia, as well as the Swedish sales company Nokian Däck, are certified for compliance with the international ISO 14001 environmental standard and the ISO 9001 quality standard.

Work for top quality and the environment

In 2011, we made extensive investments in developing the high quality of our products and activities. Quality-related activities were centralised in the new quality department, and the new department's role and expertise was reinforced throughout the Group, especially at the two production plants. The modern production machinery, featuring new, integrated automatic metering and securing functions forms an excellent foundation for producing even, high quality. In addition, we have made significant inputs in developing our employees' skills and quality-related attitudes. We conduct various surveys to monitor and prognosticate our customers' needs. We want to offer every customer a high-quality overall customer and user experience.

The starting point in our environmental protection activities is the life-cycle thinking: we assume responsibility for the environmental impact of our activities and products throughout their life cycle. The

environmental friendliness of our products and processes is a significant focus area for us.

Thanks to its sustained development efforts in safety and environmental issues, Nokian Tyres can be considered a frontrunner in the tyre industry. It was the world's first tyre manufacturer to discontinue the use of high-aromatic oils in rubber compounds back in 2005, and its example has helped to speed up the adoption of purified, low-aromatic oils in tyre manufacture in Europe. The import and sales of tyres containing HA oils has been prohibited in the European Union as of the beginning of 2010.

The tyres manufactured by Nokian Tyres represent the cutting edge in terms of safety and environmental impacts during use, as proven in a number of independent comparison tests. We are committed to responding to the challenges brought about by climate change. The company will make every effort in its product development and manufacture to fight climate change while not, however, compromising safety. Today and tomorrow.



Supporting common well-being

Environmental and safety perspectives have played a crucial role in our product development, manufacture and marketing from the very beginning. As a socially responsible corporation, we look after our personnel, clients, economy, environment and the quality and safety of our products. In all our operations, we follow international responsibility recommendations.

We believe that even small deeds matter. We have built apartments for our employees at our Russian plant and a day-care centre for their children. In 2011, we supported the development of future expertise by donating EUR 300,000 to Finnish universities. We work as a partner corporation with the Taivalkunta school in Nokia, which emphasises entrepreneurship in its education. In addition to corporate cooperation, in autumn, we encouraged a safe school journey by presenting the pupils with safety vests. We also support different kinds of sporting events, of which especially swamp and snow soccer represent the same northern inventiveness, team spirit and entrepreneurship that we at Nokian Tyres possess.

The Hakkapedia service, which we launched in the Nordic countries in 2011, is an interactive, constantly developing map service that focuses on traffic safety. It's free for everybody, and it informs its users on dangerous stretches of road, new road works and other surprising conditions that test the safety and patience of road users. Nokian Tyres is also involved in the tyre recycling company Suomen Rengaskierrätys Oy. The company takes care of the collecting and recycling of used tyres in all of Finland.

The Group employs nearly 4,000 people all over the world. It's always been important for us to operate in an ethical and moral manner, taking others into account. In 2011, we reviewed the rules, instructions and operating policies of the company and compiled them into ethical guidelines involving the whole Group. We have followed these principles for many years, such as purchasing raw materials from internationally trustworthy suppliers, and looking into their commitment to environmental matters during the procurement process. The purpose of common ethical guidelines is to support even better corporate citizenship and sustainable development.



WILL TO WIN

PASI TUUTTI, ICT-MANAGER

Nokian Tyres offers inspiring, diverse tasks, and successfully completing these tasks as a team encourages us to strive for further top performance.



1
Kim Gran
 year of birth: 1954
 President and CEO.
 Bachelor of Science in
 Economics.
 With the company
 from 1995.

2
Alexej von Bagh
 year of birth: 1968
 Vice President, CEO of
 Vianor. Master of
 Science (Eng.).
 With the company
 from 1995.

3
Esa Eronen
 year of birth: 1957
 Vice President,
 Production Service.
 Technology Engineer.
 With the company
 from 1988.

4
Sirkka Hagman
 year of birth: 1958
 Vice President, HR and
 EHS. Master of Science;
 Licentiate of Administrative
 Science.
 With the company
 from 1980.

5
Rami Helminen
 year of birth: 1966
 Vice President,
 Passenger Car Tyres.
 Master of Economic
 Sciences.
 With the company
 from 1990.

6
Teppo Huovila
 year of birth: 1963
 Vice President, Quality
 Master of Science, MBA.
 With the company
 from 1989.

7
Kari-Pekka Laaksonen
 year of birth: 1967
 Vice President, Sales and
 Logistics. (until 31.12.2011)
 Master of Science (Eng.).
 With the company
 from 2001.

8
Anne Leskelä
 year of birth: 1962
 Vice President, Finance
 and Control & IR.
 Master of Economic
 Sciences.
 With the company
 from 1997.



9
Raimo Mansikkaoja
 year of birth: 1962
 Vice President, Business
 Development.
 Master of Science, MBA.
 With the company
 from 1995.

10
Heikki Mattsson
 year of birth: 1960
 Vice President, ICT
 With the company
 from 2010.

11
Andrei Pantioukhov
 year of birth: 1972
 Russian operations,
 General Manager, Vice
 President. MBA.
 With the company
 from 2004.

12
Jarmo Puputti
 year of birth: 1965
 Director, Nokian Heavy
 Tyres Ltd. Master of
 Science (Eng.).
 With the company
 from 2008.

13
Manu Salmi
 year of birth: 1975
 Vice President,
 Procurement. Master
 of Military Sciencis,
 M.Sc. Economics.
 With the company
 from 2001.

14
Hannu Teininen
 year of birth: 1960
 Vice President, Truck
 tyres. (Until 31.12.2011)
 Vice President, Sales and
 Logistics starting 1 Jan, 2012
 Engineer, MBA.
 With the company
 from 1984.

15
Antti-Jussi Tähtinen
 year of birth: 1965
 Vice President,
 Marketing &
 Communications.
 Master of Arts.
 With the company
 from 2005.



INFO

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[www.nokiantyres.com/
 top-management](http://www.nokiantyres.com/top-management)



Petteri Walldén

Year of birth: 1948
 Master of Science (Engineering).
 Member of the Board since 2005 and
 Chairman. Chairman of the Nomination
 and Remuneration Committee.
 Independent of the company.
 Shares: 11 938 pcs.
 Other simultaneous positions of
 trust: Chairman of the Board:
 Puukeskus Holding Oy
 Member of the Boards:
 Alteams Oy, Comptel Oyj, Kuusakoski
 Group Oy, Mesera Oy, One Nordic
 Holding AB, SE Mäkinen Logistics Oy
 and Teleste Oyj



Kim Gran

Year of birth: 1954
 Bachelor of Science in Economics.
 President and CEO of Nokian Tyres
 plc. Member of the Board since 2002.
 Shares: 19 000 pcs; stock
 options, pcs: 2007C 60 000, 2010A
 90 000; 2010B 90 000.
 Other simultaneous positions of trust:
 Chairman of the Board of the
 Rubber Manufacturer's Association;
 Member of the Boards: Finnish
 Russian Chamber of Commerce
 (FRCC), Konecranes plc, Chemical
 Industry Federation of Finland (Vice
 Chairman) and YIT Plc.
 Member of the Supervisory Board:
 Ilmarinen



Hille Korhonen

Year of birth: 1961
 Licentiate of Science (Technology).
 VP operations, Fiskars Corporation.
 Member of the Board since 2006.
 Member of the Nomination and
 Remuneration Committee.
 Independent of the company.
 Shares: 4 669 pcs.
 Other simultaneous positions
 of trust: Member of the Board:
 Lassila & Tikanoja



Hannu Penttilä

Year of birth: 1953
 Master of Laws. CEO, Stockmann plc.
 Member of the Board since 1999.
 Member of the Nomination and
 Remuneration Committee.
 Independent of the company.
 Shares: 6 297 pcs.
 Other simultaneous positions of trust:
 Chairman of the Boards: Jääkiekon
 SM-liiga Oy, Lindex AB, Seppälä Oy,
 Suomen Pääomarahhoitus Oy and Oy
 Stockmann Russia Holding AB
 Member of the Board: HC Ässät Pori Oy
 Member of the Supervisory Board:
 Mutual Insurance Company Kaleva, Varma
 Mutual Pension Insurance Company and
 Luottokunta (Vice Chairman)



Benoît Raulin

Year of birth: 1967
 Masters in Finance and Management
 Vice President, Finance and Procure-
 ment, Bridgestone Europe
 Member of the Board since 2011.
 Shares: -
 Full-time position: Vice President,
 Finance and Procurement, Bridge-
 stone Europe
 Key positions of trust:
 Appointed as a Managing Director:
 Bridgestone France S.A.S. (sales
 division), Bridgestone Deutschland
 GmbH, and Bridgestone Austria
 GmbH.
 Member of the Boards: Bridgestone
 Italia S.p.A.; Bridgestone Hispania
 S.A.; Bridgestone UK Ltd.



Alexsey Vlasov

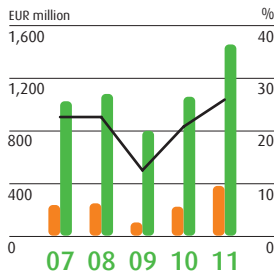
Year of birth: 1957
 Medical doctor. Vice President,
 Synttech Group. Member
 of the Board since 2006.
 Independent of the company.
 Shares: 4 669 pcs.



INFO

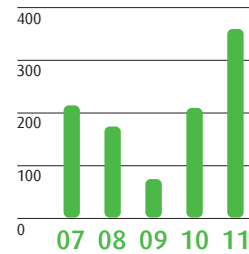
Read QR Code with
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 look details of Board of
 Directors including main
 positions of trusts as well
 as main job experience at
[www.nokiantyres.com/
 board-of-directors](http://www.nokiantyres.com/board-of-directors)

Net sales, operating profit and operating profit%



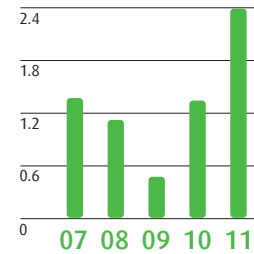
	07	08	09	10	11
Net sales	1,025.0	1,080.9	798.5	1,058.1	1,456.8
Operating profit	234.0	247.0	102.0	222.2	380.1
Operating profit%	22.8	22.8	12.8	21.0	26.1

Profit before tax



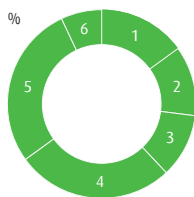
Year	07	08	09	10	11
EUR mill.	213.8	173.8	73.5	208.8	359.2

Earnings per share



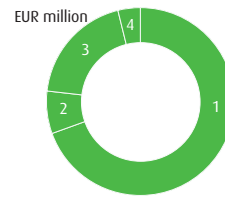
Year	07	08	09	10	11
EUR	1.37	1.12	0.47	1.34	2.39

Net sales by market area 2011 (2010)



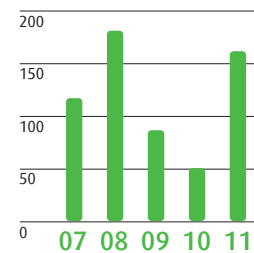
1. Finland	15%	(18%)
2. Sweden	12%	(14%)
3. Norway	11%	(13%)
4. Russia & CIS	27%	(21%)
5. Central and Eastern Europe	28%	(26%)
6. North America	7%	(9%)

Net sales by profit centre 2011 (2010)



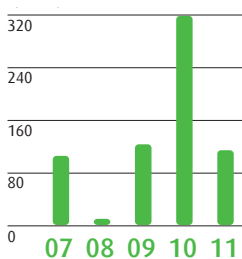
1. Passenger Car Tyres	1,071.1	(714.7)
2. Heavy Tyres	112.8	(81.0)
3. Vianor	298.4	(307.9)
4. Truck Tyres	59.3	(41.2)

Gross investment



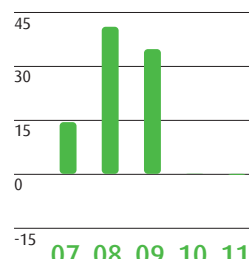
Year	07	08	09	10	11
EUR mill.	117.1	181.2	86.5	50.5	161.7

Cash flow from operations



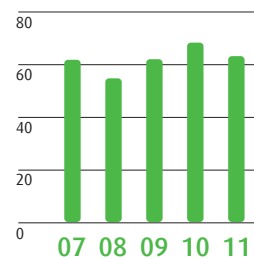
Year	07	08	09	10	11
EUR mill.	105.6	9.5	123.1	318.8	114.1

Gearing



Year	07	08	09	10	11
%	14.3	41.0	34.8	0.1	-0.3

Equity ratio



Year	07	08	09	10	11
%	61.8	54.8	62.0	68.4	63.2

EUR million	1.1.–31.12.	Notes	2011	2010
Net sales		(1)	1,456.8	1,058.1
Cost of sales		(3)(6)(7)	-805.8	-604.0
Gross profit			651.0	454.1
Other operating income		(4)	1.8	4.3
Selling and marketing expenses		(6)(7)	-216.5	-192.9
Administration expenses		(6)(7)	-29.4	-27.6
Other operating expenses		(5)(6)(7)	-26.8	-15.8
Operating profit			380.1	222.2
Financial income		(8)	90.9	96.3
Financial expenses		(9)	-111.8	-109.7
Profit before tax			359.2	208.8
Tax expense ⁽¹⁾		(10)	-50.3	-39.1
Profit for the period			308.9	169.7
Attributable to:				
Equity holders of the parent			308.9	169.7
Non-controlling interest			0.0	0.0
Earnings per share (EPS) for the profit attributable to the equity holders of the parent:		(11)		
Basic, euros			2.39	1.34
Diluted, euros			2.32	1.32
CONSOLIDATED OTHER COMPREHENSIVE INCOME				
Result for the period			308.9	169.7
Other comprehensive income, net of tax				
Gains/Losses from hedge of net investment in foreign operations ⁽²⁾		(10)	-2.9	-17.9
Cash flow hedges		(10)	-1.4	-0.6
Translation differences on foreign operations			-7.6	37.0
Other comprehensive income for the period			-11.9	18.5
Total comprehensive income for the period			297.0	188.2
Total comprehensive income attributable to:				
Equity holders of the parent			297.0	188.2
Non-controlling interest			0.0	0.0

1) Tax expense in the consolidated income statement is based on the taxable result for the period.

2) In 2009-2011 the Group had internal loans that were recognised as net investments in foreign operations in accordance with IAS 21 'The Effects of Changes in Foreign Exchange Rates'.

EUR million	31.12.	Notes	2011	2010
ASSETS				
Non-current assets				
Property, plant and equipment		(12)(13)	560.4	483.6
Goodwill		(2)(14)	63.8	58.8
Other intangible assets		(14)	22.6	19.7
Investments in associates		(16)	0.1	0.1
Available-for-sale financial assets		(16)	0.3	0.3
Other receivables		(15)(17)	17.9	20.6
Deferred tax assets		(18)	5.4	22.3
			670.4	605.2
Current assets				
Inventories		(19)	324.0	210.6
Trade and other receivables		(20)(29)	409.3	328.5
Current tax assets			7.6	10.7
Cash and cash equivalents		(21)	464.5	216.6
			1,205.5	766.3
Total assets		(1)	1,875.9	1,371.6
EQUITY AND LIABILITIES				
Equity attributable to equity holders of the parent				
		(22)(23)		
Share capital			25.4	25.4
Share premium			181.4	181.4
Translation reserve			-81.5	-71.1
Fair value and hedging reserves			-2.0	-0.6
Paid-up unrestricted equity reserve			35.4	8.0
Retained earnings			1,027.2	793.9
			1,185.9	937.2
Non-controlling interest				
			0.3	0.0
Total equity			1,186.1	937.2
Liabilities				
Non-current liabilities				
		(24)		
Deferred tax liabilities		(18)	31.2	39.3
Provisions		(25)	-	0.1
Interest-bearing financial liabilities		(26)(27)(29)	207.6	204.2
Other liabilities			2.5	1.9
			241.2	245.5
Current liabilities				
Trade and other payables		(28)	186.1	165.2
Current tax liabilities			7.2	8.5
Provisions		(25)	1.8	2.2
Interest-bearing financial liabilities		(26)(27)(29)	253.4	13.0
			448.5	189.0
Total liabilities		(1)	689.7	434.4
Total equity and liabilities			1,875.9	1,371.6

EUR million	1.1.–31.12.	Notes	2011	2010
Cash flows from operating activities:				
Cash receipts from sales			1,379.7	1,066.0
Cash paid for operating activities			-1,107.5	-693.3
Cash generated from operations			272.2	372.7
Interest paid			-12.4	-42.9
Interest received			3.7	0.8
Dividends received			0.0	0.0
Income taxes paid			-30.6	-3.3
Net cash from operating activities (A)			232.9	327.2
Cash flow from investing activities:				
Acquisitions of property, plant and equipment and intangible assets			-159.8	-54.4
Proceeds from sale of property, plant and equipment and intangible assets			3.1	22.1
Acquisitions of Group companies, net of cash acquired		(2)	-1.9	-1.3
Change in Non-controlling interest			0.3	
Net cash used in investing activities (B)			-158.4	-33.7
Cash flow from financing activities:				
Proceeds from issue of share capital		(22)	27.4	34.7
Change in current financial receivables			0.0	-0.5
Change in non-current financial receivables			0.1	-6.2
Change in financial current borrowings			239.6	-29.2
Change in financial non-current borrowings			-9.0	-89.0
Dividends paid			-83.7	-50.7
Net cash from financing activities (C)			174.3	-141.0
Net increase in cash and cash equivalents (A+B+C)			248.8	152.6
Cash and cash equivalents at the beginning of the period			216.6	62.5
Effect of exchange rate fluctuations on cash held			-0.9	1.5
Cash and cash equivalents at the end of the period		(21)	464.5	216.6
			248.8	152.6

Annual General Meeting

The Annual General Meeting of Nokian Tyres plc will be held at Tampere Hall, in Tampere, Finland; address Yliopistonkatu 55 on Thursday 12 April 2012, starting at 4 p.m. Registration of attendants and the distribution of ballots will begin at 3 p.m.

Shareholders registered by no later than 29 March 2012 in the company's shareholder register, which is maintained by Euroclear Oy are entitled to attend the Annual General Meeting. Shareholders who wish to attend must register by 10:00 am on 5 April 2012 either in writing to Nokian Tyres plc, P.O. Box 20, FI-37101 Nokia, by phone at +358 10 401 7641, by fax at +358 10 401 7799, or by internet www.nokiantyres.com/AGM2012.

The Annual Report, including the company's annual accounts, the Report of the Board of Directors and the Auditors Report is available on the company's website no later than 19 March 2012.

Financial Statements and the Board proposals will be available for one week prior to the Annual General Meeting at the company's headquarters.

Dividend payment

The Board of Directors proposes to the Annual General Meeting that a dividend of EUR 1.20 per share be paid for the financial year 2011.

The record date for the dividend payment will be 17 April 2012 and the dividend payment date 3 May 2012, provided that the Board's proposal is approved.

Share register

Share holders are requested to notify any changes in their contact information to the bookentry register in which they have a bookentry securities account.

Financial reports

Nokian Tyres will publish financial information in Finnish and in English as follows:

- Interim Report for three months on 9 May 2012
- Interim Report for six months on 8 August 2012
- Interim Report for nine months on 30 October 2012
- Financial Statements Bulletin 2012 on February 2013
- Annual Report 2012 on March 2013

Nokian Tyres publishes its Interim Reports, Financial Statements Bulletin and Annual Report on the internet www.nokiantyres.com.

Principles of investor relations

The goal of Nokian Tyres' investor relations is to regularly and consistently provide the stock market with essential, correct, sufficient and up-to-date information used to determine the share value. The operations are based on equality, openness, accuracy and good service.

The Management of Nokian Tyres is strongly committed to serving the capital markets. The company's President & CEO and CFO are the main parties dealing with and answering questions from analysts and investors.

Nokian Tyres adopts a three-week period of silence before the publication of financial information and a six week period of silence before the publication of the Financial Statements Bulletin.

Analyst and investor meetings are mainly held both in Finland and abroad in

conjunction with the publication of the company's financial results. At other times analysts and investors are mainly answered by phone or email.

Questions from analysts and investors:

Kim Gran, President and CEO
tel. +358 10 401 7336
email: ir@nokiantyres.com

Anne Leskelä, CFO, Investor Relations
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Requests for meetings and visits:

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Address:

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P.O. Box 20
(Visiting address: Pirkkalaistie 7)
FI-37101 Nokia

Nokian Tyres' share price development 1 January 2007 – 31 December 2011



Annual Report and Financial Review 2011

Nokian Tyres Financial Statements Bulletin/Financial Review 2011 is available only in electronic form on the company web site. Electronic Annual Report, above mentioned reports as well as contact details including analysts can be read from www.nokiantyres.com



www.nokiantyres.com