

Strong growth in western markets - headwind in Russia

Interim Report January - June 2014

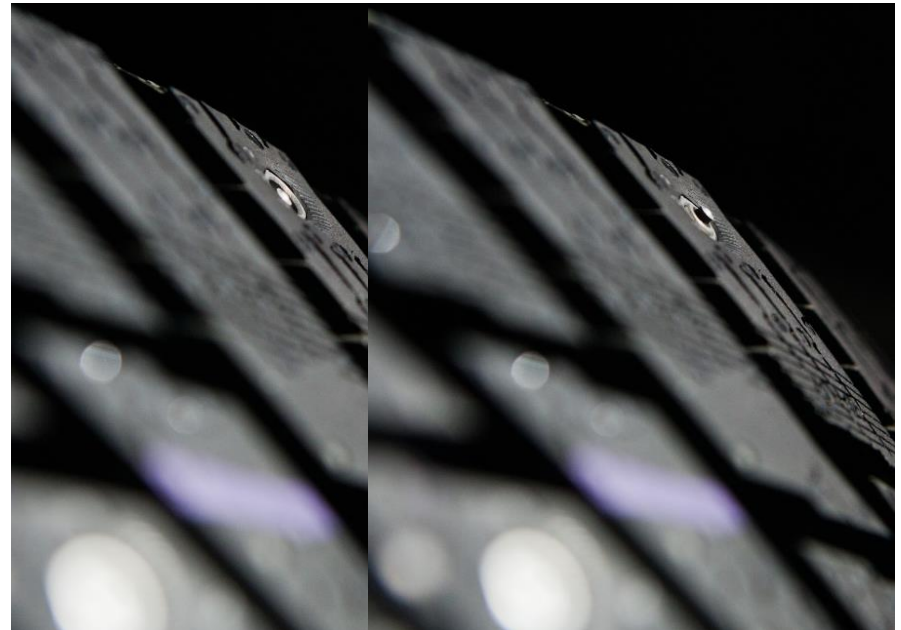
8 August, 2014



*Mr. Kim Gran
President and CEO
Nokian Tyres plc*

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CONCEPT TYRE

The world's first non-studded winter tyre with studs. With a press of a button, the driver can bring out the studs to improve the grip of the tyre.

GENERAL OVERVIEW 1-6/2014

Strong growth in western markets - headwind in Russia

Key figures, EUR million:	4-6/14	4-6/13	Change%	1-6/14	1-6/13	Change%	2013
Net sales	369.5	419.1	-11.8	681.5	752.2	-9.4	1,521.0
Operating profit	90.7	120.2	-24.6	159.1	196.6	-19.1	385.5
Operating profit, %	24.5	28.7		23.3	26.1		25.3
Profit before tax	78.6	98.8	-20.4	134.6	171.7	-21.6	312.8
Profit for the period	66.1	85.6	-22.8	104.8	149.2	-29.8	183.7
Earnings per share, EUR	0.50	0.65	-23.4	0.79	1.13	-30.2	1.39
Equity ratio, %				67.6	67.6		67.6
Cash flow from operations	-21.8	-0.9		-25.5	-96.0	73.4	325.6
RONA,% (roll. 12 months)				18.9	21.1		20.2
Gearing, %				18.0	22.4		-4.1

Summary 1-6/2014

- Car tyre sales volume increased 4%
- Growth and improved market share in western markets.
Sales: CE +16%, North America +24%, Nordic countries +1%
- Sales and ASP hit by currency rate effects (-51.2 m€) and mix
- Strong tailwind from raw material cost supported profitability
- Improved margins of Russian exports
- Production output and productivity improved
- Expanding distribution
 - Vianor 1,260 stores in 27 countries, +54 stores in H1/2014
 - In Russia 3,600 stores within Nokian dealership programs
 - Nokian Tyres Authorized Dealers (NAD) network grew by 240 new stores in H1/2014, now totalling 672 stores in Europe and China

Outlook 2014

- Car tyre demand: growth in Nordics, CE and North America; decline in Russia and CIS
- Nokian Tyres' sales volume to grow and position to improve in western markets
- H1 Net sales decreased due to currency devaluations and weaker mix. H2 sales seasonally better, less Russia impact.
- Pricing environment 2014 tight for all tyre categories
- Raw material cost (€/kg) -12.5% full year 2014, tailwind of 50 m€ vs. 2013
- Profitability supported by improved cost structure and productivity on the back of high share of Russian production

Year 2014 guidance

- In 2014, Net sales and Operating profit are to decline compared to 2013.

MARKET OVERVIEW 1-6/2014

Recovery in western economies, headwind in Russia & CIS

Car tyres

Markets turned positive in the west

- Some recovery in global economy, excluding Russia and CIS
- Economies in the Nordic countries relatively stable
- New car sales in Russia -7.6%, Europe +6.5%, Nordics +11% yoy
- Car tyre demand picked up in Europe by 8% (winter +22%) yoy.
- Pricing in 2014 declining

Heavy tyres

Heavy tyres' markets recovering

- Demand of forestry and radial industrial tyres improved
- Manufacturers' delivery times have become longer

Currencies

EUR strengthened against important currencies

- RUB weakened from EUR/RUB 42.85 to 46.38 (end Q2/2013 vs. end Q2/2014)
- Other important currencies SEK, NOK, CAD, USD also weakened against EUR

Raw material prices

Raw material prices have continued to decrease

- Nokian Tyres' raw material cost (€/kg) down by 15.6% vs. H1/2013
- Raw material cost to decrease by 12.5% in 2014 vs. 2013, tailwind 50 m€

NOKIAN TYRES PERFORMANCE 1-6/2014

*Sales and market shares up in the west,
currencies and mix hurt global sales*

Sales and market position

Market share up in western markets

- + Car tyre sales volume total up 4%
- + Car tyre Net sales +20% in western markets
- + Car tyres' market share improved in Nordics, CE and North America
- + Test success continued with summer tyres
- Sales value down due to currency devaluations and weaker mix

Profitability

Improved productivity and tailwind from decreasing raw material cost

- + Raw material cost down 15.6% in H1/2014 yoy
- + Car tyre production volume up 7%, productivity (kg/mh) improved by 4% yoy
- + Winter tyres' share of sales volume increased in H1 yoy
- + Fixed costs decreased yoy
- Russia & CIS sales down, share of total 43% → 32%
- Average Selling Price (€/kg) decreased due to currency devaluations, weaker mix and tight pricing environment

Production

Capacity to meet future market growth

- + Annualized capacity over 15 million tyres in the Russian factories with 13 lines, inbuilt capability to increase group output rapidly without capex to > 20 million pcs
- + Production output and productivity increased in H1 yoy

Distribution

Vianor expanding as planned, new partner concepts booming

- + Vianor expanded to 1,260 stores in 27 countries; +54 stores in H1/2014
- + 3,600 tyre stores in Nokian dealership programs in Russia
- + Nokian Tyres Authorized Dealer (NAD) +240 stores in H1/2014.
Network comprises of 672 stores in Italy, Germany, Ukraine, China, Denmark, France, Czech and Bulgaria.

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 - Operating result per quarter
 - Gross sales by market area
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5. Appendixes



Ari Nieminen and Aki Panula, Nokia factory.

FINANCIAL PERFORMANCE

Group Operating profit per quarter 1/2010 - 6/2014

1-6/2014

Net sales 681.5 m€,
(752.2 m€) -9.4%

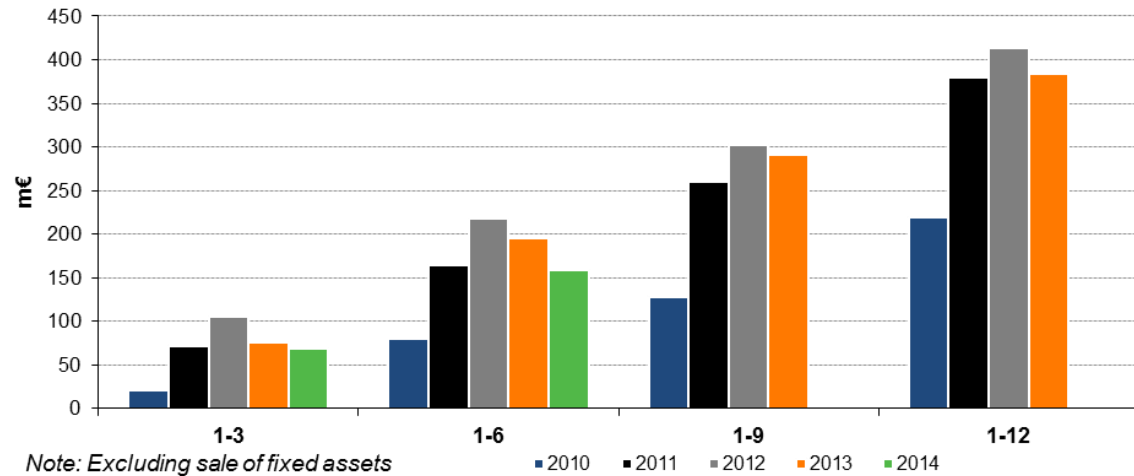
EBIT 159.1 m€,
(196.6 m€) -19.1%

4-6/2014

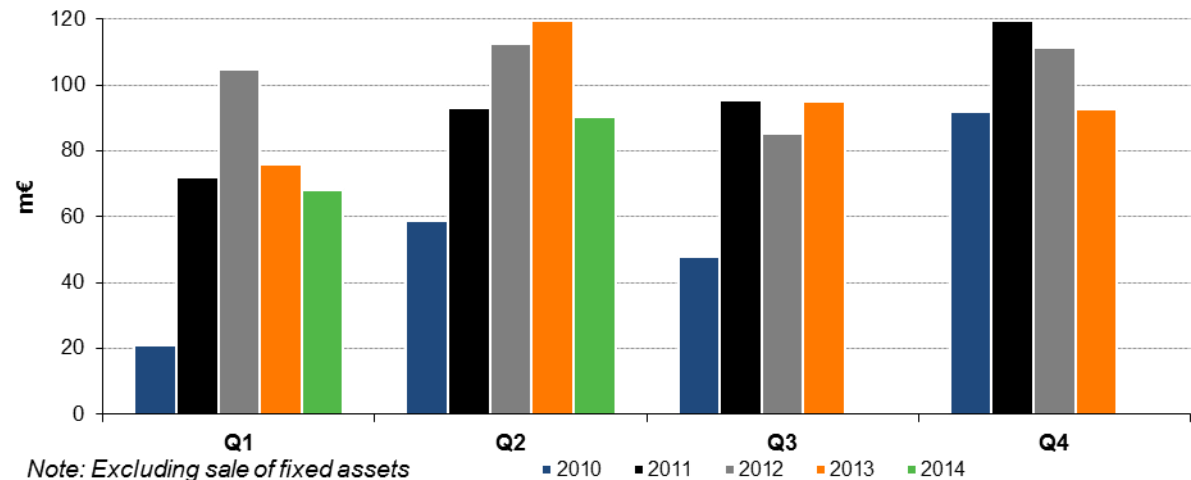
Net sales 369.5 m€,
(419.1 m€) -11.8%

EBIT 90.7 m€,
(120.2 m€) -24.6%

Cumulative Operating profit per review period (m€)



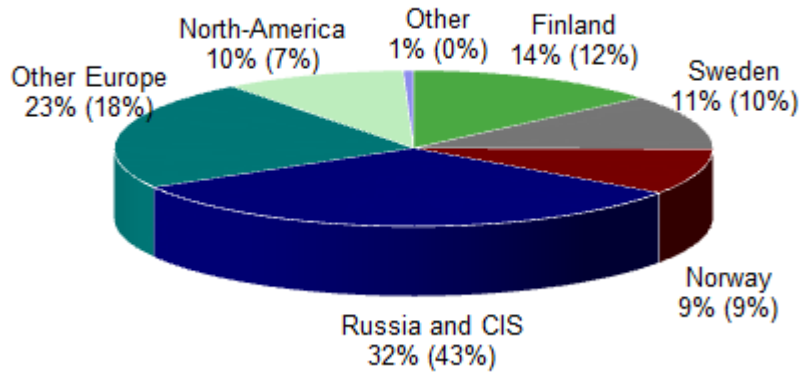
Group Operating profit per quarter (m€)



FINANCIAL PERFORMANCE

Gross sales by market area 1-6/2014

Sales of Nokian Tyres Group 745.4 m€

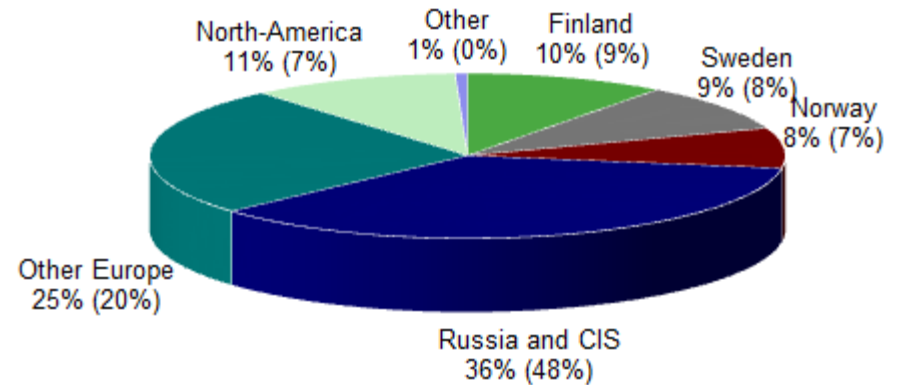


GROUP

Sales development in euros

- Nordic countries +1.1%
- Russia and CIS -33.3%
- Other Europe +16.1%
- North America +24.0%

Sales of Manufacturing Units: 663.6 m€

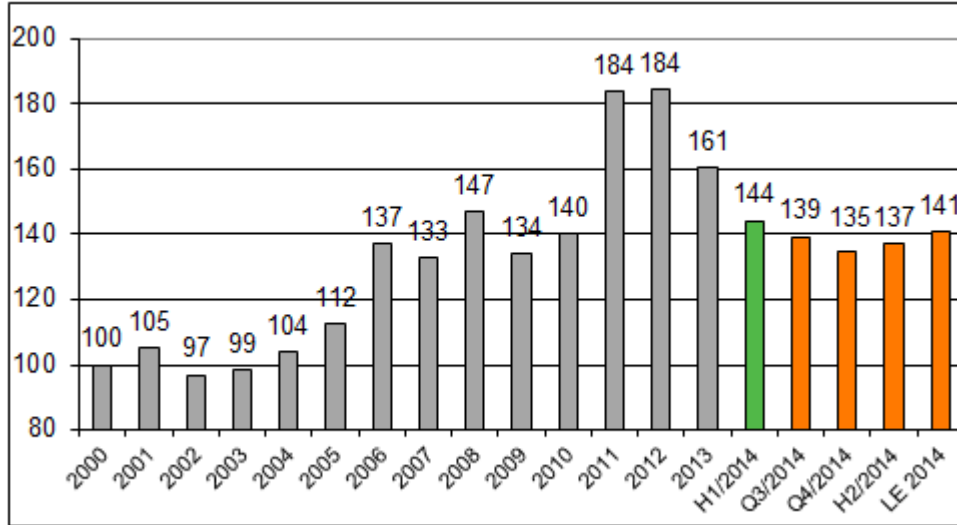


MANUFACTURING

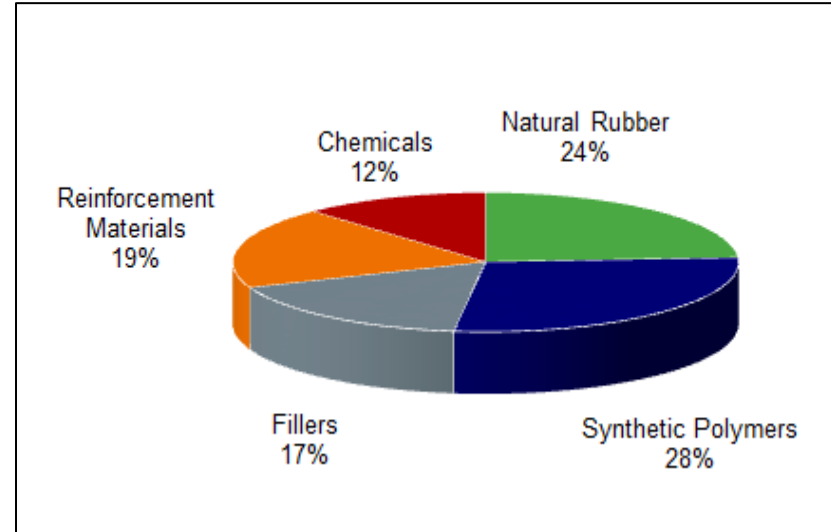
Sales development in euros

- Nordic countries +0.8%
- Russia and CIS -33.4%
- Other Europe +16.1%
- North America +25.5%

Raw material cost development index 2000-E2014



Value of raw material consumption (%)



Nokian Tyres raw material cost (€/kg)

- **Raw material cost**
 - decreased by 12.1% in Q2/2014 vs. Q2/2013
 - decreased by 15.6% in H1/2014 vs. H1/2013
- **Raw material cost is estimated to**
 - decrease by 4.5% in Q3/2014 vs. Q2/2014
 - decrease by 8% in H2/2014 vs. H2/2013
 - decrease about 12.5% in 2014 vs. 2013

Tailwind >30 m€ in H1/2014 vs. H1/2013

Estimated tailwind 50 m€ in 2014 vs. 2013

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 - Vianor and NAD
 - Heavy Tyres
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5. Appendixes



Stella Sharmatava and Anna Onufrieva,
Vsevolozhsk, Russia

PROFIT CENTRES 1-6/2014

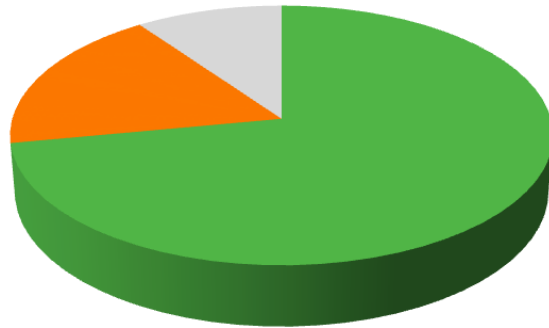
General overview

Net sales 681.5 m€; -9.4%

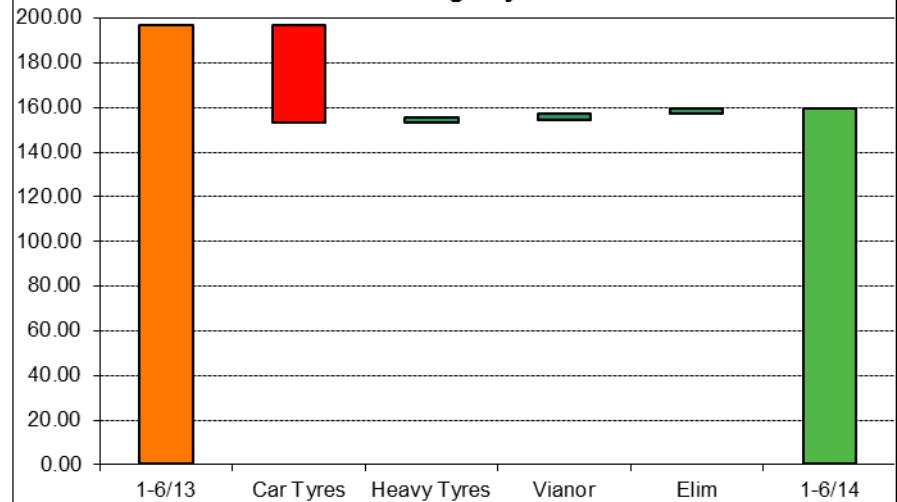
EBIT 159.1 m€; -19.1%

Share of sales

- Car Tyres 72% (75%)
- Vianor 18% (16%)
- Heavy Tyres 10% (9%)



EBIT Bridge by Profit Centers



Passenger Car Tyres

- **Net sales:** 520.6 m€; -12.0%
- **EBIT:** 163.5 m€; -21.0%
- **EBIT margin:** 31.4% (35.0%)
- **Key products:** studded and non-studded winter tyres, high-speed summer tyres

Vianor

- **Net sales:** 130.5 m€; +0.4%
- **EBIT:** -6.9 m€; +29.9%
- **EBIT margin:** -5.3% (-7.6%)
- 1,260 stores in 27 countries in Nokian Tyres' core markets
- 186 equity-owned stores consolidated in result

Heavy Tyres

- **Net sales:** 71.3 m€; +2.0%
- **EBIT:** 9.9 m€; +14.9%
- **EBIT margin:** 13.9% (12.3%)
- **Key products:** tyres for forestry, industrial and agricultural machinery; truck tyres and retreading materials

PROFIT CENTRES 1-6/2014

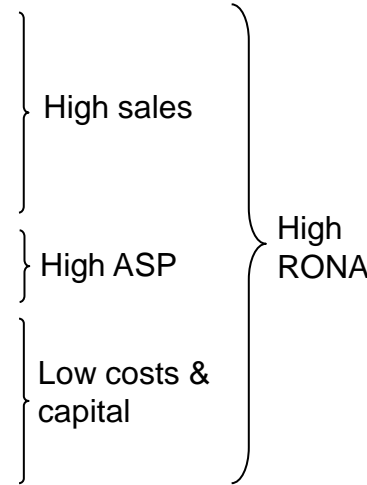
Car Tyres: Sales and market shares up in western markets

Performance in 1-6/2014

- + Western markets: Sales +20%, market shares up
- + Magazine test success continued with summer tyres
- + Tailwind from decreasing raw material cost supported margins
- + Production output and productivity improved
- + Fixed costs decreased
- + Good profitability and cash flow
- Sales value in Euros decreased
- ASP decreased due to currency devaluations and weaker mix

Key actions and targets for 2014

- Strong sales growth in the west to compensate for most of the decline in Russia and CIS
- Improve market shares further in core markets and CE
- Expand distribution, special focus CE
- Secure delivery capability for the winter season
- Defend sales mix & improve service level
- Defend brand and price position; new products H2/2014
- Improve productivity and utilization of capacities
- Secure collection of receivables
- Cut fixed costs
- Cut capex, improve NWC rotation



→ **Beat market growth in car and SUV tyre sales, improve price position with new products. Expand distribution, improve productivity and capacity utilization**

Net sales:

1-6/2014: 520.6 m€ (591.6 m€); -12.0%

4-6/2014: 273.7 m€ (317.9 m€); -13.9%

EBIT:

1-6/2014: 163.5 m€ (207.0 m€); -21.0%

4-6/2014: 83.4 m€ (114.6 m€); -27.2%

EBIT margin:

1-6/2014: 31.4% (35.0%)

4-6/2014: 30.5% (36.0%)



New Nokian Hakkapeliitta 8

Nokian Hakkapeliitta 8 SUV – Provides grip and durability like never before

- The Nokian Hakkapeliitta 8 SUV, the new studded tyre for SUVs, uses completely new innovations to tame the extremes of the Northern winter.
- The most modern stud technology (Nokian Eco Stud 8 Concept) in the business provides grip like never before on ice and snow.
- The durability of the sidewall is optimised by means of aramid fibres (Nokian Aramid Sidewall technology), widely used in the aerospace and defence industries.

Nokian Hakkapeliitta C3 – Winter grip and efficiency for professionals

- The new Nokian Hakkapeliitta C3 studded tyre makes life easier for heavy duty professionals. These durable studded tyres can master harsh winter conditions; in addition to the balanced winter grip that is synonymous with the Hakkapeliitta brand, it offers stable handling
- The new square steel stud ensures excellent winter grip
- The steel belt package and rubber compound, optimised for heavy use, provide structural durability and high-end performance for the rough Northern roads

Nokian Hakkapeliitta CR3 – Driving comfort for demanding professional use

- The new Nordic non-studded winter tyre, Nokian Hakkapeliitta CR3, is developed for versatile use on delivery vehicles and vans. It provides excellent winter grip and driving comfort.
- In addition to the extremely low rolling resistance, developments have also been made in handling on ice, snow, and wet roads.
- The new non-studded van tyre effectively utilises the Nokian Cryo Crystal Concept that was used to maximise the ice grip of the Nokian Hakkapeliitta R2 passenger car tyre.

Nokian WR G3 SUV – Ultimate All-Weather Performance

- New high-performance Nokian WR G3 SUV all-weather tyre for varied use on sports utility vehicles for the North American market.
- Feels at home in the varying weather conditions with excellent winter grip and driving response and all-season durability and comfort.



Nokian Hakkapeliitta 8 SUV



Nokian Hakkapeliitta C3



Nokian Hakkapeliitta CR3



Nokian WR G3 SUV

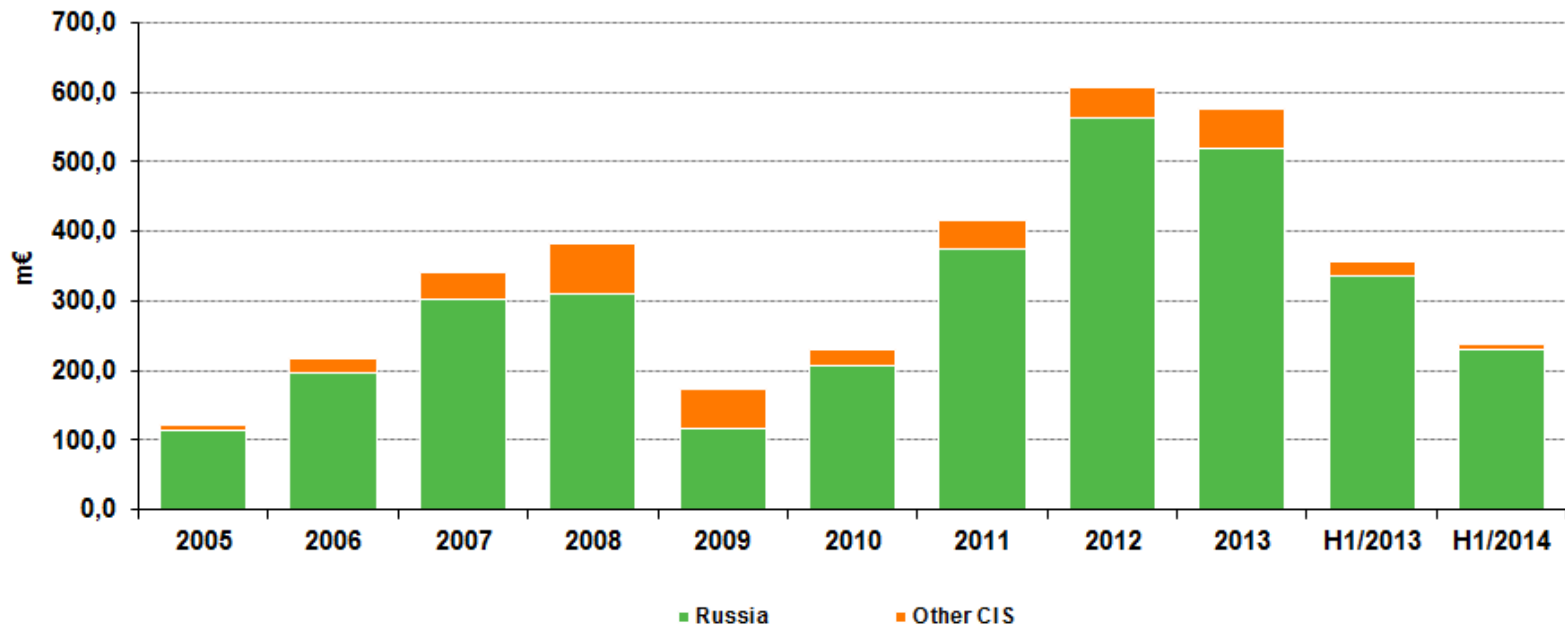
RUSSIA & CIS

Market share flat , sales volume down – ASP hit by devaluation and mix

- H1 Sales in Russia down by 31.4% to 230.9 m€ (336.4 m€)
 - Sales drop caused mainly by devaluation of RUB and a weaker mix
- Sales in CIS (excluding Russia) 6.9 m€ (20.3 m€), cut due to Ukraine-Crimea crisis
- Nokian Tyres: Market leader, improved supply capacity, expanding distribution

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

Russia and other CIS sales development



RUSSIA & CIS

Distributors, DSD-warehouses, Vianors and other partners: 634 Vianor stores (+13 in H1/2014) – in Russia 3,600 retail partner points of sale



- Distributors (38)
- DSD current cities (Moscow, SPb, Samara/Togliatti, Yekaterinburg, Chelyabinsk, N.Novgorod, Omsk, Rostov-on-Don, Perm, Ufa, Orenburg, Kazan, Voronezh, Tyumen, Volgograd, Novosibirsk, Krasnodar)
- 634 Vianor stores in 367 cities; +13 stores in H1/2014

Nokian dealership programs include 3,600 tyre stores and car dealers in Russia

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. Import duty for tyres 18% (in 2013 and early 2014) will gradually decrease to 10% in 2017
- 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
- The biggest controlled tyre distribution network – 634 Vianor stores / 3,600 partner stores in Russia

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

Nokian Tyres' factories in Russia

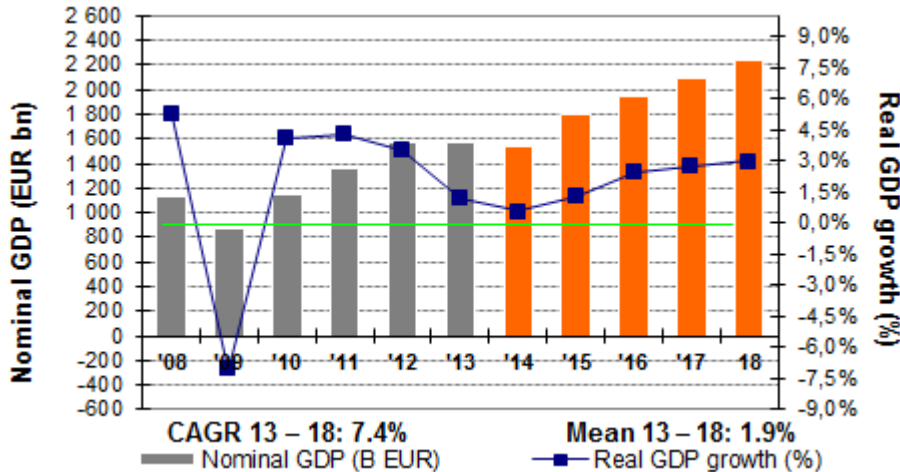
- 13 production lines → Annual capacity >15 million tyres with current shift arrangements
- State-of-the art machinery, high automation level and European quality standards
- Vsevolzhsk factories export approximately 55% of its production to over 40 countries: Biggest consumer goods exporter in Russia
- Housing project, Hakkapeliitta Village – 343 flats for employees completed
- Number of personnel in Russia on 30 June 2014: 1,323 (1,309)
- CAPEX by end 2013: 796 m€



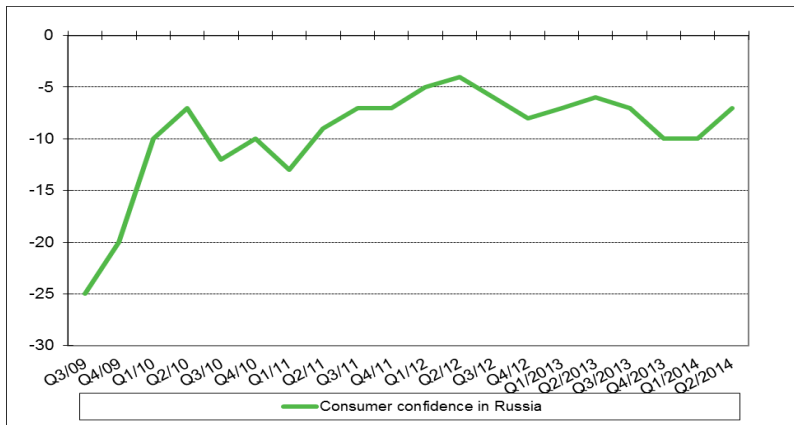
RUSSIA

Russia's economy growth stalled

Russia's GDP growth



Consumer confidence in Russia



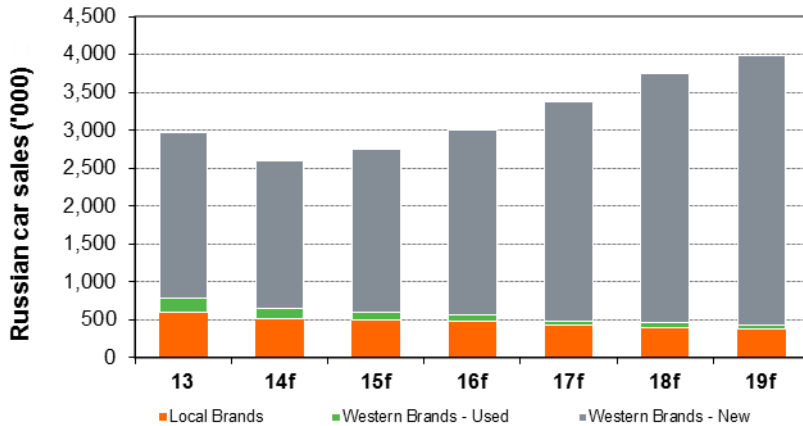
Major trends and expectations

- After a severe crisis of 2008-2009, Russia's economy grew by ~4% a year in 2010-2012
- In 2013 the economy clearly slowed down: the real GDP growth in 2013 was a modest 1.3%, reflecting weaker investment and consumer consumption
- The growth further slowed down in 2014 driven by both fundamental and geopolitical factors such as the Ukraine crisis and the US and EU sanctions against Russia; H1 GDP real growth is estimated to be below 1%
- Overall growth trend is likely to resume once the current crisis in Russia's relations with the West is overcome and both foreign and domestic investors' confidence is restored, although its pace is likely to be slower
- Consumer confidence has stabilized and reached its normal level in 2013; in early 2014 it slightly declined, but improved in Q2; however, consumer spending and retail sales remain sluggish
- The ruble has devalued against major currencies following weakening of fundamental factors and later driven by the Ukrainian crisis and US and EU sanctions; given the current geopolitical situation, the ruble has fluctuated in the range 46 – 48 EUR/RUB, but some experts believe its fundamental value is ~42 EUR/RUB and expect this level in 2015

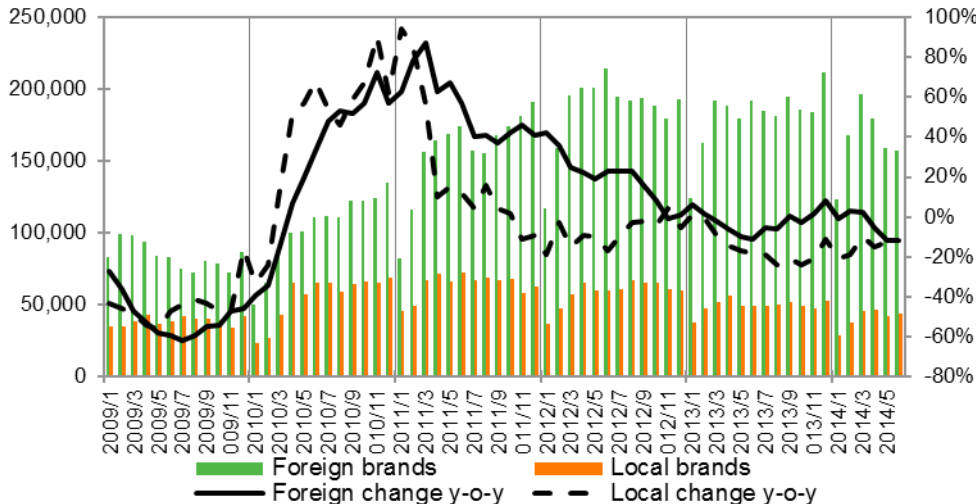
RUSSIA

Car sales continue to decline, return to growth track delayed

Russian car sales forecast – base scenario



Monthly car sales



Source: AEB; IHS Global Insight; Nokian Tyres estimates July 2014

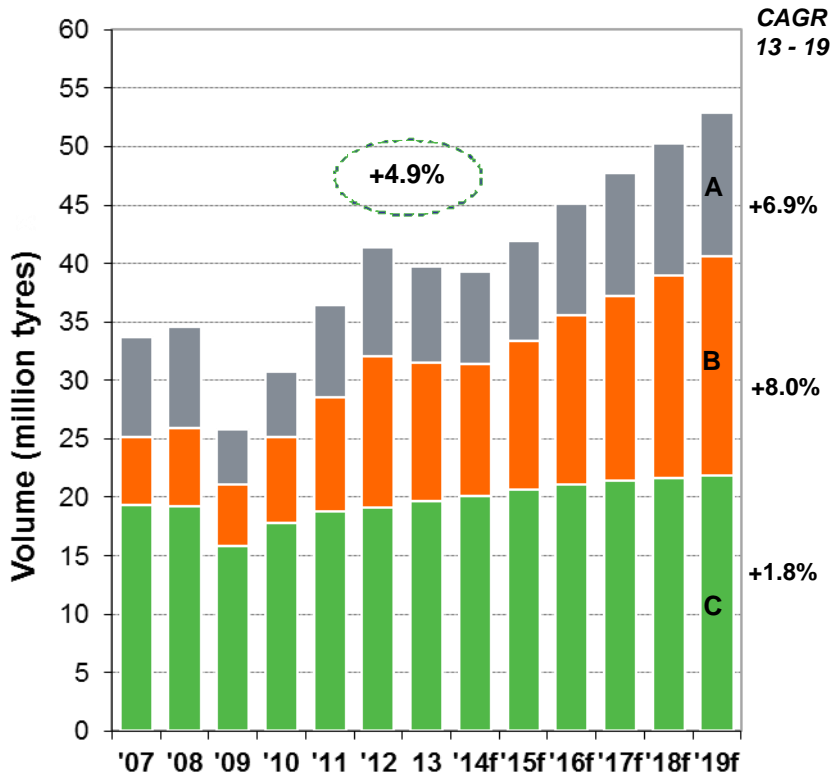
Car market summary

- The 11% growth in the new car sales in 2012 turned into a 5% decline in 2013
- As the result, the Russian new car and LCV market reached 2.78 million units sold in 2013
- During H1 2014 new car sales continued to decline with an accelerating pace: -7.6% in H1, -12.4% in Q2 and -17.3% in June 2014 vs. the same period of 2013; overall decrease in new car sales is expected at the level 10 – 15% in 2014 with the annual sales at the level of 2.4 – 2.5 million units
- This renewed negative dynamics is driven by the general weakening of the economy and consumer confidence; the ruble devaluation may have supported car sales in Feb - Mar 2014 on the back of consumer concerns about devaluation and resulting increases in car prices; further development will depend on the overall situation
- However, this slowdown of the car market is seen as a temporary phase caused by external factors, not a sign of fundamental maturity of the market – as global and Russia economies improve, the car market will continue to grow, as the unrealized potential has not disappeared
- The maturity level of the car market is estimated at the level of ~4 million vehicles and it can be achieved by 2020
- Even with this decline in new car sales, the total amount of vehicles on the road is growing every year by some 0.8 – 1.0 million units a year

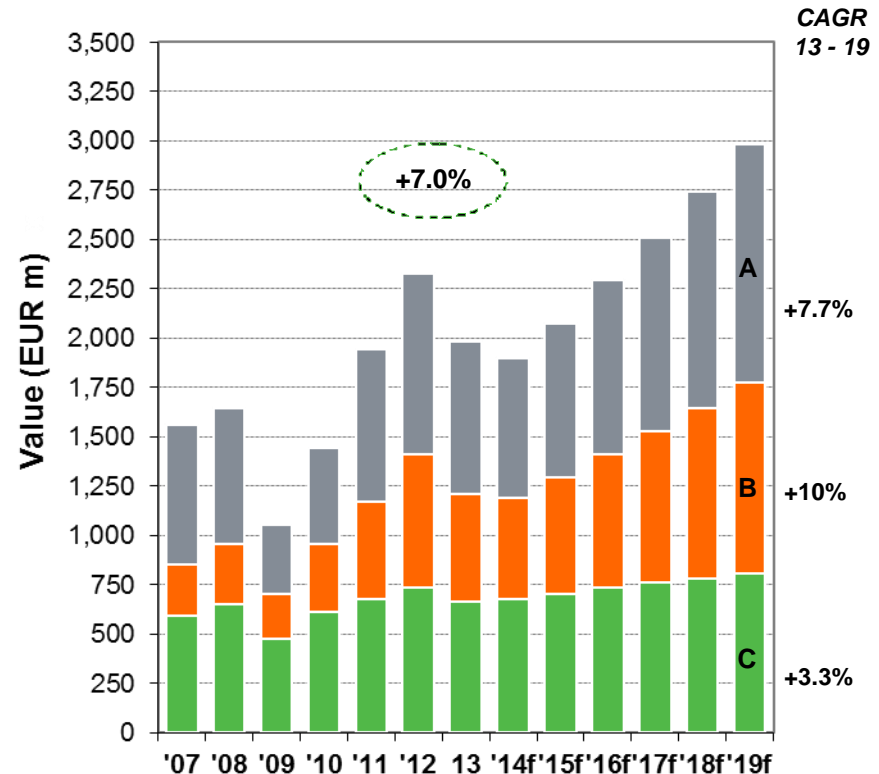
RUSSIA

Tyre market stagnating, but potential still exists

Car and van tyre replacement market (volume)



Car and van tyre replacement market (value)



Traditional segments / price positioning:
index 100 = market leader; A: > 80; B: 60 – 80; C: <60

Source: Nokian Tyres estimates August 2014

PROFIT CENTRES 1-6/2014

Vianor: EBIT improved, network of shops expands

Performance in 1-6/2014

- + 1,260 stores in 27 countries; +54 stores in H1/2014
- + Strategic tasks to expand distribution and set market prices for Nokian products succeeded
- + 51 car service operations acquired and integrated to existing Vianor stores by the end of H1/2014
- + Service revenues increased by 6%, car services +27%
- EBIT negative due to seasonality

Key actions and targets for 2014

- Improve tyre sales and market shares
 - Increase sales of car services, tyre hotels and other services
 - Optimize seasonal sales
 - Continue to expand the network and the number of partners
 - Target: 1,340 Vianor stores by end 2014
 - Target: 900 NAD stores by end 2014
- **Cement and improve market leader position as a distributor in Nokian Tyres' core markets**
- **Improve H2/2014 sales and EBIT vs. H1/2014 and H2/2013**

Equity-owned Vianor (186 stores)

Net sales:

1-6/2014: 130.5 m€ (130.0 m€); 0.4%

4-6/2014: 81.0 m€ (86.4 m€); -6.2%

EBIT:

1-6/2014: -6.9 m€ (-9.9 m€); 29.9%

4-6/2014: 5.0 m€ (6.0 m€); -16.0%

EBIT margin:

1-6/2014: -5.3% (-7.6%)

4-6/2014: 6.2% (7.0%)



Vianor Jihlava, Czech

EXPANSION OF DISTRIBUTION CHANNEL 1-6/2014

Vianor: *Foothold on core markets strengthening, +54 stores*

NAD: *New soft franchise launch, +240 stores*

Vianor – 1,260 stores in 27 countries

- 54 new stores in H1/2014; +25 Q2/2014
- 186 equity-owned, 1,074 franchising/partners
- **Largest tyre chain in Nordic and Baltic countries:** 310 stores (+13 in H1/2014)
- **Largest tyre chain in Russia and CIS:** 634 stores (+13 in H1/2014) in 367 cities
- **Expansion to Central Europe:** 261 stores (+23 in H1/2014)

Vianor stores by segment

- Car tyres: over 1,100 stores
- Heavy tyres: about 270 stores
- Truck tyres: about 330 stores

Target 2014 → over 1,340 Vianor stores

Nokian Tyres Authorized Dealers (NAD)

- **H1/2014: +240 stores**
- 672 stores in Italy, Germany, Ukraine, China, Denmark, France, Czech and Bulgaria
- Estimate by end of 2014: 900 stores

Vianor – Distribution spearhead for all product groups

NAD – Nokian Tyres Authorized Dealer



PROFIT CENTRES 1-6/2014

Heavy Tyres: Recovering forestry tyre demand

Performance in 1-6/2014

- + Sales up 2%, Forestry tyres up 26% in H1 yoy, healthy order book
- + Lower raw material cost supported margins
- + Structural changes in manufacturing reduced manning and improved product quality, flexibility, and productivity
- Production ramp-up still insufficient to meet growth in demand
- ASP decreased by 1% due to tight pricing environment
- Truck tyre sales decreased 5% yoy

Key actions and targets for 2014

- Maximize production output
 - Increase sales, especially in forestry, radial and truck winter tyres
 - Improve sales mix and share of replacement market sales
 - Expand the distribution network, especially in Russia and CIS
 - Launch new forestry and industrial radial products
 - Utilize new & retreaded truck tyres as a sales concept
 - Optimize off-take contract manufacturing
 - Utilize synergies from the integrated new division
- **Increase sales, maximize production output and improve productivity**
- **Increase H2/2014 sales and EBIT vs. H1/2014 and H2/2013**

Net sales:

1-6/2014: 71.3 m€ (69.6 m€); 2.0%

4-6/2014: 36.7 m€ (36.7 m€); 0.0%

EBIT:

1-6/2014: 9.9 m€ (8.6 m€); 14.9%

4-6/2014: 5.4 m€ (4.6 m€); 18.6%

EBIT margin:

1-6/2014: 13.9% (12.3%)

4-6/2014: 14.8% (12.5%)



Nokian Forest King F

Nokian Hakkapeliitta TRI – The first winter contracting tyre for tractors in the world

- Nokian Hakkapeliitta TRI introduces totally new technologies and user benefits to the market of winter contracting and snow clearing.
- Revolutionary tread design, tread block siping with siping activators and specially designed winter tread compound ensure that the user has superior traction and the best possible handling without compromising the economy of use.

**Nokian Hakkapeliitta Truck D – Superior grip and stability in the long haul**

- A durable and stable winter traction tyre for long-haul freight and bus traffic.
- Reliable grip and economic driving in demanding winter conditions.
- Patented twin-block pattern ensures optimal grip and precise driving response even under extreme conditions.



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Dmitry Maslatsov and Evgeniy Dubovitskiy, Vsevolozhsk

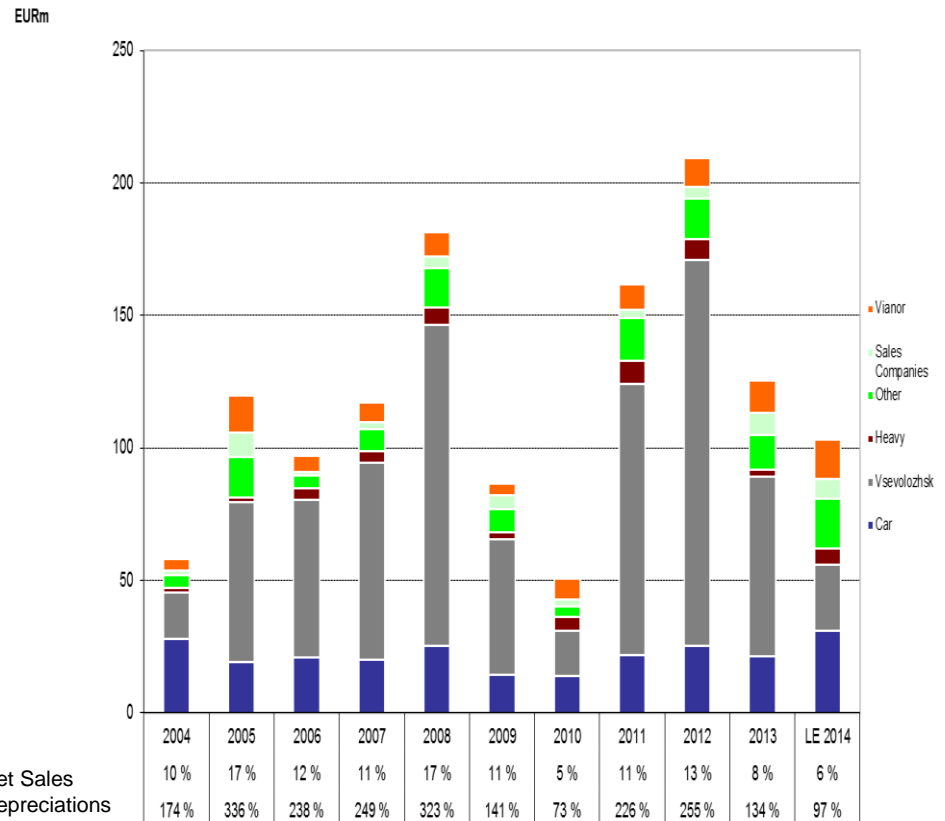
Investments in 1-6/2014

- 36.0 m€ (88.8 m€)

Estimated investments for 2014

- Approximately 103 m€
 - Russia: 26 m€
 - Nokia plant 50 m€ (automation, moulds, ICT & R&D)
 - Heavy Tyres 6 m€
 - Sales companies and Vianor 17 m€
 - Tyre chain acquisitions 5 m€

Nokian Tyres Capital expenditures (m€)



PRODUCTION PLANTS

Production capacity in 2014: 18 million tyres

Potential to increase output to over 20 million tyres in existing factories



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

2012-2014:

- Car tyres 5-day shift system
- Temporary production cuts
- Modernization and ramp up of Heavy tyre production



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
- New line (11) commenced production
- Own electricity generation

2013-2014:

- Line 12 on stream in March 2013
- Line 13 installation in Q2/2013
- 13 lines in production. Capacity > 15 Mpcs.

NOKIAN TYRES GOING FORWARD

Outlook 2014: Market position to improve, sales value to decline

Assumptions

- Core markets
 - GDP growth 2014 in Russia 0%, Nordics 2%
 - New car sales growth in CE and Nordic countries
 - New car sales in Russia to decline 10-15%
 - RUB and key sales currencies weak against EUR
- Price pressure and sales shift from A to B segment in Russia shadow ASP development
- Raw material cost (€/kg) to decline
 - Cost to decrease by 8% in H2/2014 vs. H2/2013
 - Cost to decrease by 12.5% in 2014 vs. 2013
- Passenger car tyre markets
 - Demand in Nordic countries to grow 2-4%
 - Demand in CE countries to grow 5-8%
 - Demand in Russia & CIS to decline by 5-10%
 - Demand improving for winter tyres long term; legislation in Europe, Russia & CIS
- Heavy tyre market demand
 - Demand to improve in Nokian core product groups
- Nokian Tyres financial position remains solid
 - Equity ratio 67.6% at the end of H1/2014
 - Undrawn facilities available

Outlook 2014

- Car tyre demand: growth in Nordics, CE and North America; decline in Russia and CIS
- Nokian Tyres' sales volume to grow and position to improve in western markets
- H1 Net sales decreased due to currency devaluations & weaker mix. H2 sales seasonally better, less Russia impact.
- Pricing environment 2014 tight for all tyre categories
- Raw material cost (€/kg) -12.5% full year 2014, tailwind of 50 m€ vs. 2013
- Profitability supported by improved cost structure and productivity on the back of high share of Russian production

Year 2014 guidance

- In 2014, Net sales and Operating profit are to decline compared to 2013.

INSTRUCTIONS TO CONFERENCE CALL ATTENDEES

Please press and to inform the operator that you have a question to the speaker.

INDEX

1. General overview
2. Nokian Tyres financial performance
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4. Nokian Tyres going forward
5. **Appendixes**
 - Major shareholders
 - Share price development
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 - Examples of new products and innovations
 - Magazine test results
 - Winter tyre legislation in Europe
 - Personnel
 - Vianor and NAD
 - Financing: Loans and Net Financial Expenses
 - Tables of financial figures
 - Key figures 2009-2013



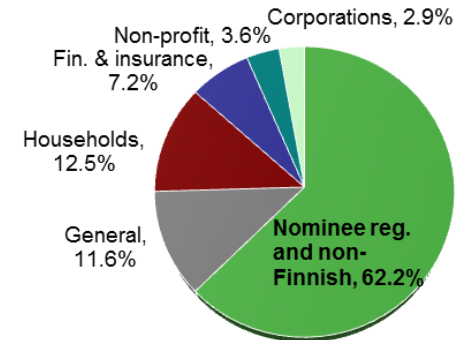
Pavel Nagaev in Vsevolozhsk factory

APPENDIX

Major shareholders as of 30 June, 2014

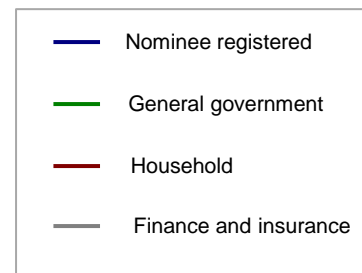
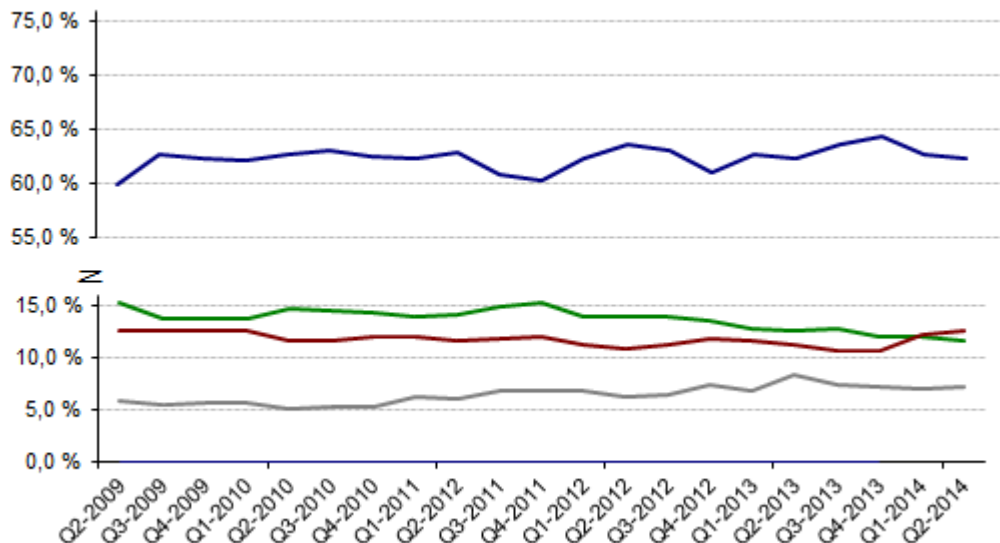
Major Domestic Shareholders		Number of Shares	Share of Capital (%)	Change from previous month
1	Varma Mutual Pension Insurance Company	9,000,000	6.7	0
2	Ilmarinen Mutual Pension Insurance Company	3,538,947	2.7	-150,000
3	Nordea	2,849,394	2.1	15,792
4	Elo Pension Company	1,450,000	1.1	0
5	Mandatum Life Insurance Company Limited	1,199,757	0.9	0
6	OP Investment Funds	1,010,187	0.8	237,797
7	Odin Norden	957,811	0.7	348,067
8	The State Pension Fund	900,000	0.7	0
9	Svenska litteratursällskapet i Finland r.f.	745 100	0.6	0
10	Nordea Nordenfonden	707,693	0.5	-79,546
Major Domestic Shareholders total		22,358,889	16.8	
Foreign Shareholders ¹⁾		82,938,190	62.2	
Bridgestone Corporation ²⁾		20,000,000	15.0	

Division by Category as of 30 June, 2014



Total number of shares: 133,405,611

Shareholder development by category Q2/2009 - Q2/2014

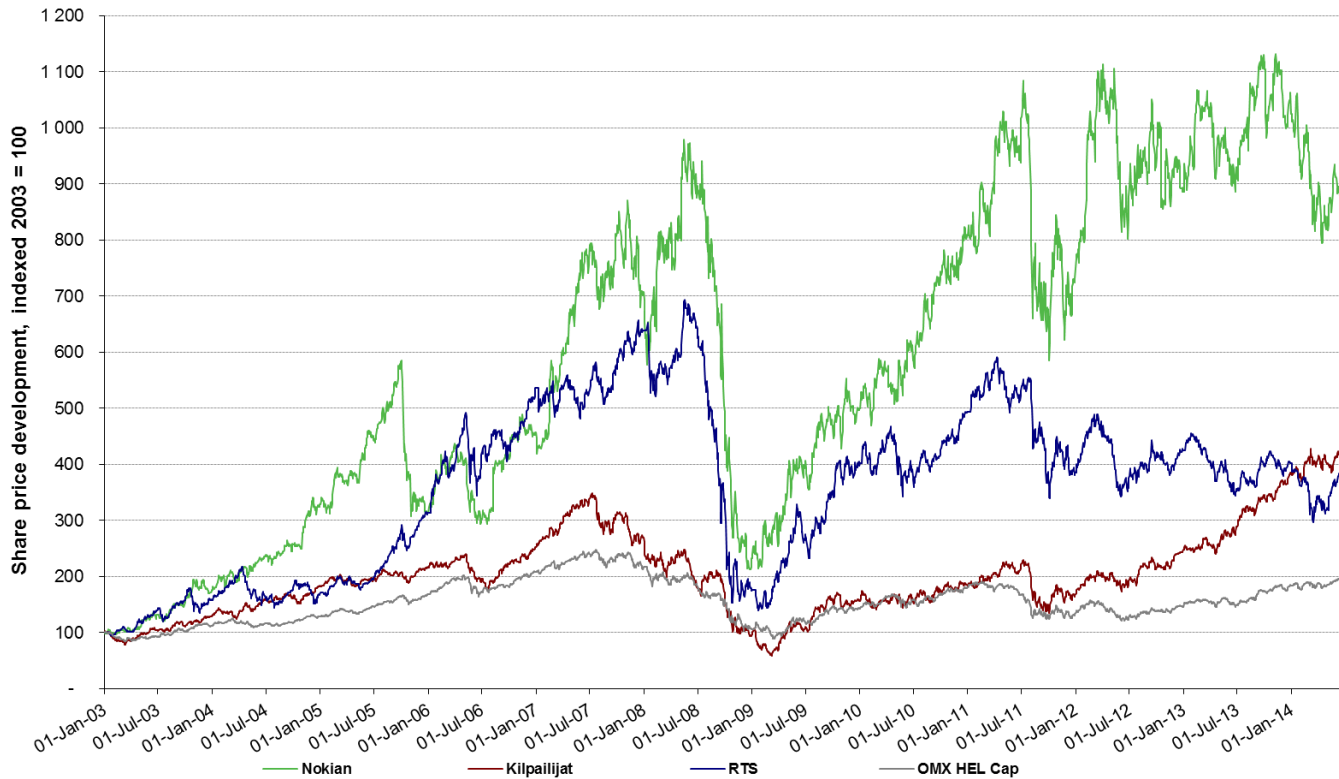


Note: Options, outstanding (30 June, 2014)

2010A:	112,476 (77,789 in company's possession)
2010B:	1,339,800 (126,890 in company's possession)
2010C:	1,340,000 (110,700 in company's possession)
2013A:	1,150,000 (91,494 in company's possession)

APPENDIX

Comparing share price to main indexes 1/2003 – 6/2014



Nokian Tyres, +738%

Competitors, +310% ¹⁾

RTS, +281%

OMX Hel Cap, +91%

Source: Thomson Reuters, 2 Jul 2014.
The composite consists of an indexed average values of the main peers of Nokian Tyres.

Nokian Tyres by Jun-30-2014

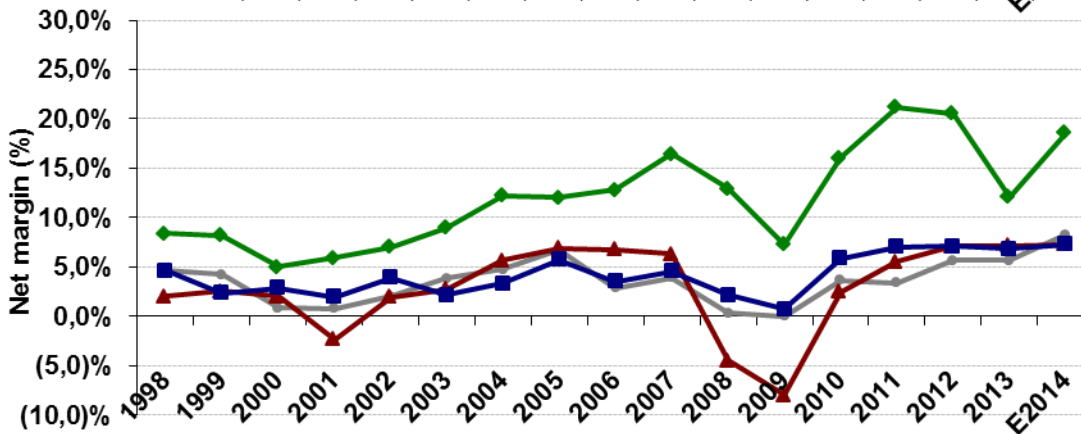
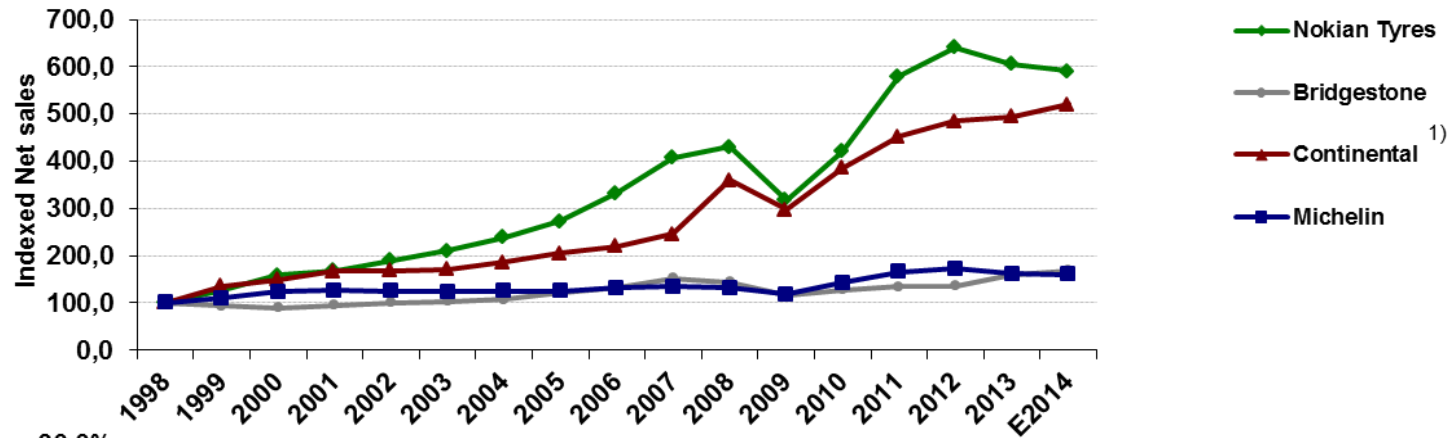
	Last 10 years	Last 5 years	Last 3 years	LTM	L6M	L3M	Last month
High	38,46	38,46	38,46	38,46	36,08	31,80	30,96
Average	22,26	27,96	31,60	33,17	30,74	29,42	29,73
Low	7,23	12,05	19,89	27,03	27,03	27,03	28,46

APPENDIX

Competitor comparison 1998-E2014

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 15 years. The clearly better profitability protects the company profits during recessions and potential downturns.



Nokian	18.6%
Michelin	7.3%
Bridgestone	8.3%
Continental	7.3%

Source: Results 1998-2013 (company websites) and 2014 consensus estimates for the peers as per Thomson Reuters 30 Jul 2014.
PLEASE NOTE: ESTIMATE 2014 IS BASED ON CONSENSUS ESTIMATES, NOT NOKIAN TYRES GUIDANCE.

Note: Nokian Net Result 2013 affected by disputable additional taxes of 100.3 MEUR in Finland concerning years 2007-2010

APPENDIX

Car tyres - examples of new products and innovations 1(2)

Nokian Hakkapeliitta 8 – Ruler of the North

- Nokian Hakkapeliitta 8 is a superior test winner in Nordics and Russia. Nokian Hakkapeliitta 8 – winter grip like never before – has won practically all winter tyre magazine tests
- The ground-breaking stud distribution and the **Eco Stud 8 Concept** create fantastic winter properties: supreme grip during braking and acceleration, better wear resistance, and peace of mind through driving comfort.
- The design of this next-generation studded Hakkapeliitta tyre is based on the Nokian Hakkapeliitta 7. This multiple test winner holds a world record in its field: over 30 test wins in car magazines between 2009 and 2012.

Nokian Hakkapeliitta R2 – Northern comfort

- The new non-studded winter tyre, will safely tackle even the trickiest winter conditions.
- The new innovations like **Nokian Cryo Crystal Concept** maximise the grip of this Nordic non-studded tyre on ice.
- Nokian Hakkapeliitta R2 is the number one choice for those who value unique driving comfort and eco-friendly travelling. In addition to the extremely low rolling resistance, developments have also been made in handling on ice, snow, and wet roads, all for the benefit of drivers.

Nokian Hakkapeliitta R2 SUV – Northern comfort and stability for SUVs

- The non-studded Nokian Hakkapeliitta R2 SUV winter tyre, specially tailored for sport utility vehicles.
- The new innovations, like **Nokian Cryo Crystal Concept**, in the tread patterns and compounds of this stable, rugged new product ensure that the Nokian Hakkapeliitta R2 SUV's handling and grip properties are top-notch.

Nokian WR SUV 3 – Ultimate snow and slush performance

- Developed for Central Europe's varying winter conditions and the ever-increasing SUV segment

Nokian WR G3 and Nokian WR G3 SUV – Forget the Forecast

- Extensions of the Nokian Tyres' All Weather Plus product line for the North American market.

New range puts winter grip on an awesome new level!



Nokian Hakkapeliitta 8



Nokian Hakkapeliitta R2



Nokian Hakkapeliitta R2 SUV

APPENDIX

Car tyres - examples of new products and innovations 2(2)

Nokian Hakka Black – Ultra high Performance summer tyre for core markets

- Cool performance for fast driving, stable and precise driving feel
- Tailor-made for the northern roads, the newest member of the Hakka summer tyre range offers optimal handling and safety in demanding driving situations
- The new innovations, Multi-layered structure, Nokian Intelligent UHP Silica, Hydro Grooves and Silent Groove Design.
- Top performance in both the W (270 km/h) and Y (300 km/h) speed categories

Nokian zLine – Ultra High Performance summer tyre for Central Europe

- New top class tyre family for varying Central European summer conditions
- New Nokian zLine - sporty, cool performance for fast driving
- Precise driving feel, uncompromisingly safe and comfortable travel

Nokian Line – Safety and top performance for wet roads

- Offers the best possible traction and precise handling especially for wet roads, for varying Central European driving conditions
- The new innovations maximize wet grip, the Cross-Block sipes and Surge Grooves
- The structural solutions and tread design were tailored to rise to the challenge of the different fast speeds in T, H, V and W speed categories

Nokian WR – Winter tyre for Central Europe

- Advanced new-generation tyre family for any winter weather
- Environmentally friendly premium products feature nanotechnology, canola oil and the solid winter expertise of Nokian Tyres
- Nokian WR D3 for the economic driver, Nokian WR A3 for sporty use



Nokian Hakka Black






Nokian zLine



Nokian WR

APPENDIX Test wins and success, autumn 2013 1(3)

Germany

Auto Bild 40/2013	"RECOMMENDED" Nokian WR D3 195/65R15	One of the Best of the Best and a true winner: Winter tread with good steering precision and short braking distances on snow and on dry roads, good aquaplaning safety reserves, low rolling resistance.
Stiftung Warentest 10/2013	„GOOD“ Nokian WR D3 185/60R15 T	Good: wet road, snow, dry road, ice, wear, fuel consumption.
Auto 22/2013	"BESONDERS EMPFEHLENSWERT" Nokian WR D3 225/50R17 V	Top-Bremswerte, exaktes Fahrverhalten bei Trockenheit und sicher auf Schnee.
 Testurteil Ausgabe 20/2013 Besonders Empfehlenswert NOKIAN WR D3 225/50 R 17 H/V auto motor und sport 20/2013	"ESPECIALLY RECOMMENDED" Nokian WR D3 225/50R17 V	Top braking scores, exact driving behaviour on dry asphalt and safe on snow.
 SUV MAGAZIN 5/2013	TEST WINNER "HIGHLY RECOMMENDED" Nokian WR SUV 3 235/65R17	Unbeatable on snow and ice. Convincing on asphalt, reaching the best overall grade in wet properties. Very predictable in dry handling.
 ADAC 10/2013	„GOOD“ Nokian WR D3 185/60R15 T	Well balanced tyre properties. Best tyre on dry asphalt. Good on snow and wet asphalt.
Auto Bild tuning 2/2013	"GOOD" Nokian WR D3 225/50R17 V	Dynamically sporty handling qualities with precise steering on dry road surfaces, short dry braking distances. Balanced safe driving behaviour on wet surfaces. Low rolling resistance.



Autozeitung
21/2013

2ND PLACE „HIGHLY RECOMMENDED“
Nokian WR D3
195/65R15

Very balanced performance and gives it the highest points on snow. It also reached top points in dry braking and is described as very stable in the wet handling course.

FIRMENAUTO
11/2013

"ESPECIALLY RECOMMENDED"
Nokian WR D3
225/50R17 V

Top braking scores, exact driving behaviour in the dry, safe on snow.

Auto Bild sportscars
11/2013

"GOOD"
Nokian WR D3
225/50R17 V

Dynamically sporty handling qualities with precise steering on dry road surfaces, short dry braking distances. Balanced safe driving behaviour on wet surfaces. Low rolling resistance.

Auto Bild allrad
11/2013

„RECOMMENDED“
Nokian WR D3
235/65R17

Very high aquaplaning safety, almost as good as a summer tyre in dry properties.

auto TEST
11/2013

„RECOMMENDED“
Nokian WR D3
195/65R15

Winter tread with good steering precision and short braking distances on snow and on dry roads, good aquaplaning safety reserves, low rolling resistance.

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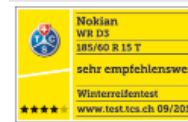
Switzerland



OFF ROAD
10/2013

TEST WINNER "HIGHLY RECOMMENDED"
Nokian WR SUV 3
235/65R17

Unbeatable on snow and ice. Convincing on asphalt, reaching the best overall grade in wet properties. Very predictable in dry handling.



TCS
10/2013

"HIGHLY RECOMMENDED"
Nokian WR D3
185/60R15 T

Very balanced tyre. Top rating on dry road. Good on wet road and on snow.

APPENDIX

Test wins and success, autumn 2013 2(3)

Austria



„HIGHLY RECOMMENDED“

Nokian WR D3
185/60R15 T

The best on dry road, good on the wet and on snow.

ÖAMTC
10/2013

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Finland



Tuulilasi
13/2013

TEST WINNER

Nokian Hakkapeliitta R2
205/55R16

Excellent and reliable driving behaviour on demanding winter roads. Good grip properties in winter conditions. Lowest fuel consumption.



Tuulilasi
12/2013

TEST WINNER

Nokian Hakkapeliitta 8
205/55R16

Best handling properties on ice and snow. Best grade in handling test on wet surface. Logical and calm in various driving situations. The most silent tyre in the test.



Tekniikan Maailma
16/2013

2ND PLACE

Nokian Hakkapeliitta R2
205/55R16

Excellent on ice, braking on ice is even better than the winner of the test. Special recognition from quietness. Lowest rolling resistance.



Auto Bild Suomi
20/2013

TEST WINNER

Nokian Hakkapeliitta R2
205/55R16

Set a new norm for the winter grip. Lowest fuel consumption.



Tekniikan Maailma
16/2013

TEST WINNER

Nokian Hakkapeliitta 8
205/55R16

Amazing tyre on ice. Grip and handling are excellent on icy road, and properties are excellent also on snow.

Sweden



Vi Bilägare
13/2013

TEST WINNER

Nokian Hakkapeliitta 8
205/55R16

Very good winter grip. Best tyre in the test on ice, snow, and bare roads, very good handling and steering.



auto motor & sport
21/2013

TEST WINNER

Nokian Hakkapeliitta 8
205/55R16

Truly enjoyable to drive, very good on ice and snow, precise and quick steering, impressive braking power on dry surface.



auto motor & sport
22/2013

TEST WINNER

Nokian Hakkapeliitta R2
205/55R16

Excellent grip on ice and snow. Slush planning no problem. Short braking distance on asphalt.



Vi Bilägare
14/2013

TEST WINNER

Nokian Hakkapeliitta R2
205/55R16

Excellent handling on ice and snow. The best Nordic non studded tyres in slush. Lowest fuel consumption in test.



ALLT OM BILEN
Teknikens Värld
22/2013

TEST WINNER

Nokian Hakkapeliitta R2
205/55R16

Set a new norm for the winter grip for this kind of tyre. Lowest rolling resistance on the test.



Aftonbladet Bil
2013-10-17

TEST WINNER

Nokian Hakkapeliitta 8
205/55R16

The tyre is supreme on ice, even insanely good. Top-notch grip on snow, as well.



Motorörören
8/2013

TEST WINNER

Nokian Hakkapeliitta 8
205/55R16

Very good handling on ice and snow, precise and quick reaction to steering. Very good braking on dry surfaces.

Great Britain



Auto Express
45/2013

TEST WINNER

Nokian WR D3
225/45R17

Effective in all conditions. Excellent on snow. Top for fuel economy.

APPENDIX

Test wins and success, autumn 2013 3(3)

Norway

motor
NAF/Motor
7/2013

TEST WINNER
Nokian Hakkapeliitta 8
205/55R16

The tyre has excellent grip on ice, and its performance was excellent in all of the subtests. The tyre steers well and it has good overall winter characteristics.

motor
NAF/Motor
7/2013

TEST WINNER
Nokian Hakkapeliitta R2
205/55R16

The tyre has excellent grip on ice, and its performance was excellent in all of the subtests. The tyre steers well and it has good overall winter characteristics.

auto motor og sport
auto motor og sport
10/2013

TEST WINNER
Nokian Hakkapeliitta R2
205/55R16

Strengthened behavior on asphalt without weakening the winter properties. The grip on both ice and snow is top class. Lowest rolling resistance.

auto motor og sport
auto motor og sport
8/2013

TEST WINNER
Nokian Hakkapeliitta 8
205/55R16

This tyre was fastest on the handling track, and it was a pure pleasure to drive the car... Nokian winter tyres traditionally behaves well on snow. The response is quick, on steering as well as on acceleration.

Russia

Зарулем
Za Rulem
9/2013

TEST WINNER
Nokian Hakkapeliitta 8
175/65R14

Best grip on ice & snow, deep snow ability, best fuel consumption, handling and stability on asphalt, comfort. Best tyres in almost all characteristics.

Зарулем
Za Rulem
9/2013

TEST WINNER
Nokian Hakkapeliitta R2
175/65R14

Best winter gripping, low fuel consumption, high comfort level, good asphalt stability. Tyres are leaders in almost all points.

АВТО РЕВЮ
Autoreview
18/2013

SHARED 1ST PLACE
Nokian Hakkapeliitta 8
205/55R16

Best grip on ice and snow, handling on ice and snow, best braking on dry asphalt, best rolling resistance (lowest fuel consumption) – this feature was not included to the mandatory test program.

Зарулем
Za Rulem
10/2013

TEST WINNER
Nokian Hakkapeliitta 8
205/55R16

Best grip on ice, acceleration on snow, braking on the dry asphalt; good handling on winter road (ice & snow); high average of deep snow ability & comfort. Best tyres almost in all aspects, are good to all winter roads and off-roads.

АВТО РЕВЮ
Autoreview
19/2013

TEST WINNER
Nokian Hakkapeliitta R2
205/55R16

Excellent grip on ice and snow. Best braking performance on wet and dry asphalt. Has the lowest rolling resistance in the test.

Ukraine

АВТО РЕВЮ
Auto Centre
42/2013

TEST WINNER
Nokian Hakkapeliitta R2
195/65R15

Perfect grip on ice and snow. Excellent handling on dry asphalt.

АВТО РЕВЮ
Auto Centre
41/2013

2ND PLACE
Nokian Hakkapeliitta R2
205/55R16

Excellent handling and grip on snowy and ice road, even during fast maneuvers. Low rolling resistance.

Motor NEWS
Motor News
11/2013

TEST WINNER
Nokian WR D3
225/45R17

Good grip on dry and wet asphalt. Stable and predictable behavior on ice and snow road.

АВТО РЕВЮ
Auto Centre
41/2013

TEST WINNER
Nokian Hakkapeliitta 8
205/55R16

Excellent grip. The safest tyre on ice. Perfect handling on the winter roads.

АВТО РЕВЮ
Auto Centre
42/2013

TEST WINNER
Nokian Hakkapeliitta 8
195/65R15

Perfect grip on icy and snowy road. Excellent handling on ice. Stable and logical driving behavior.

Belarus

Auto Bild .by
AutoBild
10/2013

TEST WINNER
Nokian Hakkapeliitta R2
205/55R16

Best handling on ice. Lowest rolling resistance. Effectively resist slushplaning.

Auto Bild .by
AutoBild
10/2013

TEST WINNER
Nokian WR D3
205/55R16

Best braking on snow. Best results in slushplaning prevention. Low rolling resistance.

Auto Bild .by
AutoBild
10/2013
Canada

TEST WINNER
Nokian Hakkapeliitta 8
205/55R16

Best acceleration and braking on ice. High-class driving properties on snow. Low rolling resistance and effective slushplaning prevention.

LA PRESSE
La Presse

TEST WINNER
Nokian Hakkapeliitta R2 SUV
225/65R17

Awesome grip on ice and snow. Excellent drivability on ice and snow. Good driving properties on dry surfaces.

2014 Summer

Germany



TEST WINNER GROUP „GOOD“
Nokian Line
195/65R15 V

Very well-balanced tyre. Good on wet and dry surfaces.

ADAC
Summer tyre test 2014



TEST WINNER GROUP „GOOD“
Nokian Line
175/65R14 T

Very well-balanced tyre. Good on wet and dry surfaces.

ADAC
Summer tyre test 2014



TEST WINNER
Nokian Z SUV
235/65R17

Top rating for braking and handling on dry and wet surfaces.

OFF ROAD
4/2014



TEST WINNER
Nokian Z SUV
235/65R17

Top rating for braking and handling on dry and wet surfaces.

SUV Magazin
1/2014

TEST WINNER GROUP „GOOD“
Nokian Line
195/65R15 V

Good on wet and dry surface. Good wear resistance. Low fuel consumption.

Stiftung Warentest
Summer tyre test 2014

TEST WINNER GROUP „GOOD“
Nokian Line
175/65R14 T

Good on wet and dry surface. Good wear resistance. Low fuel consumption.

Stiftung Warentest
Summer tyre test 2014



Sportauto
5/2014

RECOMMENDABLE
Nokian Line
225/40R18

The wet specialist of the test: good at braking and cornering. Comfortable to drive and silent.

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Switzerland



TCS
Summer tyre test 2014

TEST WINNER GROUP „VERY RECOMMENDED“
Nokian Line
195/65R15 V

Very balanced tyre. Good in all safety-related disciplines. Good on dry surface.



TCS
Summer tyre test 2014

TEST WINNER GROUP „VERY RECOMMENDED“
Nokian Line
175/65R14 T

Very balanced tyre. Good in all safety-related disciplines. Good on dry surface.

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Austria



ÖAMTC
Summer tyre test 2014

TEST WINNER GROUP „VERY RECOMMENDED“
Nokian Line
195/65R15 V

Very good on dry surface. Good on wet surface.



ÖAMTC
Summer tyre test 2014

TEST WINNER GROUP „VERY RECOMMENDED“
Nokian Line
175/65R14 T

Very good on dry surface. Good on wet surface.

TEST WINNER GROUP „GOOD“
Nokian Line
195/65R15 V

Wet surface good, dry surface good, wear resistance good, fuel consumption good.

Konsument
Summer tyre test 2014

TEST WINNER GROUP „GOOD“
Nokian Line
175/65R14 T

Wet surface good, dry surface good, wear resistance good, fuel consumption good.

Konsument
Summer tyre test 2014

Finland



SHARED 2ND PLACE
Nokian Hakka Blue
205/55R16

Excellent handling on wet surfaces. Pleasantly quiet. Low rolling resistance.

Tekniikan Maailma
5/2014



SHARED 3RD PLACE
Nokian Hakka Blue
205/55R16

Among the best in all tests on wet roads. Good handling, excellent steering response. Low rolling resistance, silent.

Tuulilasi
4/2014

Sweden



SHARED 2ND PLACE
Nokian Hakka Blue
205/55R16

Very good on wet surfaces, easy to drive, low rolling resistance.

Auto, Motor & Sport
7/2014



SHARED 3RD PLACE
Nokian Hakka Blue
205/55R16 V

Among the best in all tests on wet roads. Low rolling resistance, quiet.

Vi Bilägare
4/2014



SHARED 3RD PLACE
Nokian Hakka Blue
205/55R16 V

Excellent wet grip characteristics, safe and sure handling properties on wet conditions and convincing driving behavior overall.

Teknikens Värld
8/2014

Norway



SHARED 2ND PLACE
Nokian Hakka Blue
205/55R16

Best of all tyres while maintaining stability and wet - and dry handling.

Motor
2/2014

Russia



2ND PLACE
Nokian Hakka Green
185/60R14

Best wet grip in the test. Excellent handling on dry and wet roads. Low fuel consumption.

ZaRulem
3/2014



3RD PLACE
Nokian Hakka Blue
205/55R16

Best wet grip among tested tyres. Excellent stability and handling on all road conditions.

ZaRulem
4/2014

[Back](#)

Ukraine



TEST WINNER
Nokian Hakka Green
195/65R15

Best wet grip properties among tested tyres. Safe and convincing driving behavior on wet and dry conditions. Hakka Green is also environmentally friendly tyre with low rolling resistance.

Auto Centre
12/2014

MotorNews
3/2014

TEST WINNER
Nokian Hakka Z SUV
235/65R17

Consistent and accurate drivability on wet road. Excellent grip and handling properties on dry. Silent and comfortable.

[Back](#)

Belarus



TEST WINNER
Nokian Hakka Blue
205/55R16

Safest tyre for demanding summer conditions. Best wet grip and aquaplaning resistance properties. Excellent driving properties with low rolling resistance.

AutoBild
3/2014

APPENDIX

Winter tyre legislation in Europe

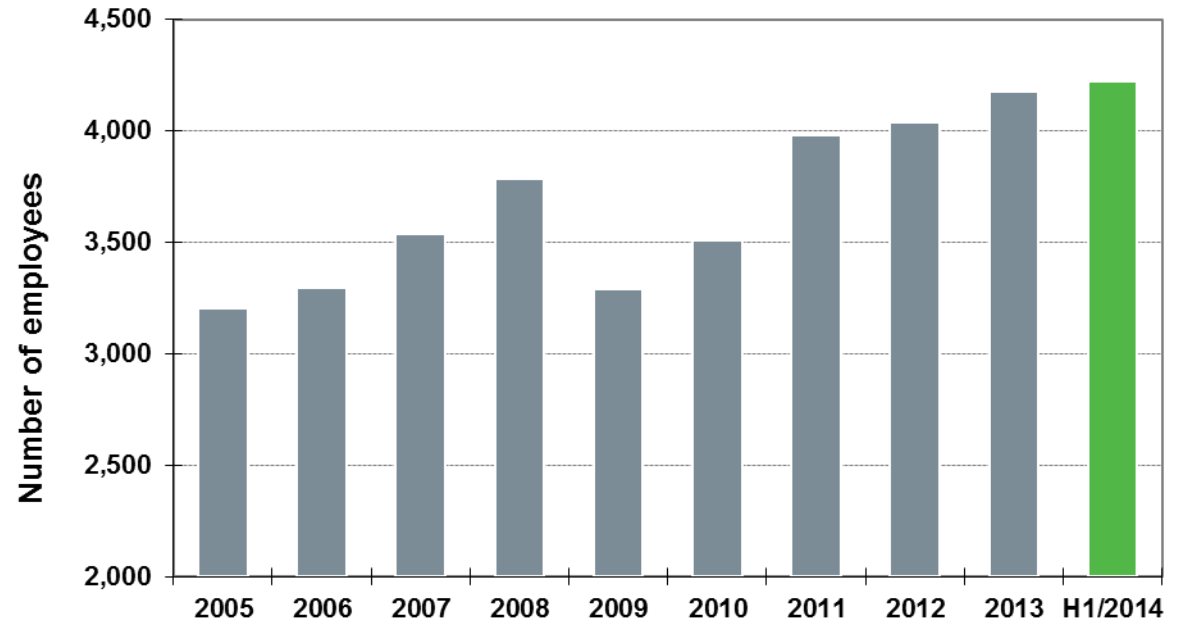
	Austria	Bosnia Herzegovina	Croatia	Czech Republic	Estonia	Finland	France	Germany	Latvia	Lithuania	Norway	Romania	Serbia	Slovakia	Slovenia	Spain	Sweden	Switzerland
Winter tyres are legally mandatory	●	●			●	●			●	●			●		●		●	
Winter tyres are mandatory <u>if</u> weather conditions so require			●	●				●			●	●		●				
Winter tyres are mandatory <u>only</u> if there is a specific road sign							●									●		●

Source: Nokian Tyres 4/2014

APPENDIX
Personnel 30 June, 2014

Personnel at the end of the review period:

- Nokian Tyres Group: 4,222 (4,184)
- Equity-owned Vianor: 1,499 (1,489)
- Russia: 1,323 (1,309)



Natalia Belichenko, Nadezhda Nikiforova and Alexandra Mizintseva, Vsevolozhsk

APPENDIX

Vianor & Nokian Tyres Authorized Dealers (NAD)



Requirements for Vianors

- Minimum purchases and minimum share from Nokian Tyres and a strong visibility in the store
- Professional tyre services, fulfillment of Vianor operative standards
- Full Vianor branding, Nokian Tyres shop-in-shop

Key benefits for Vianors

- Vianor terms and conditions
- Access to Vianor central purchase program
- Vianor fleet customer program
- Vianor Academy training program
- Marketing program, Vianor clothing



Requirements for NADs

- Minimum purchases from Nokian Tyres and a strong visibility in the store
- Professional tyre services
- Soft Nokian Tyres outdoor branding, Nokian Tyres shop-in-shop

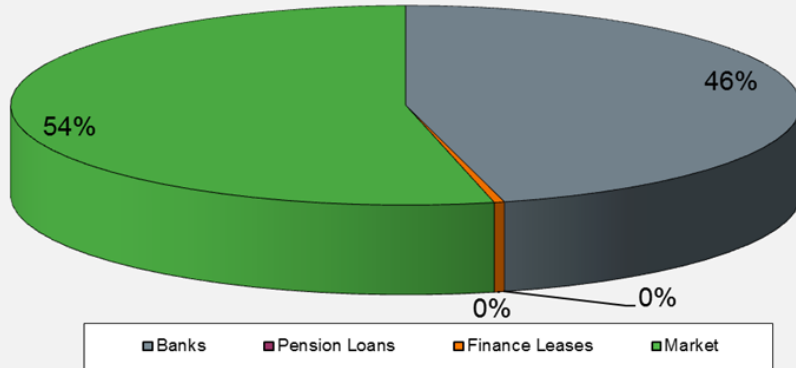
Key benefits for NADs

- NAD terms and conditions
- Product and sales training program
- Seminars, launch events
- Advertising materials, web visibility

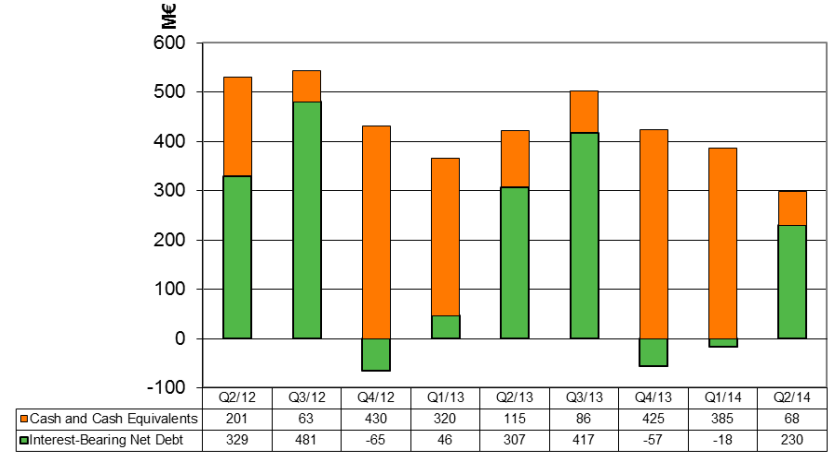
APPENDIX

Financing: Loans on 30 June 2014, Net Financial Expenses and currency effect

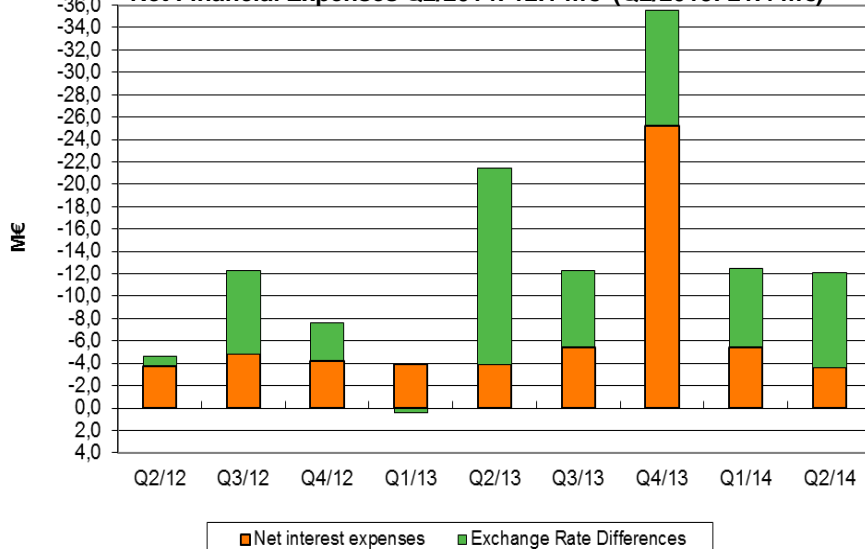
Interest Bearing Debts
EUR 297.7m (30.6.2014)



Interest-Bearing Debt



Net Financial Expenses Q2/2014: 12.1 m€ (Q2/2013: 21.4 m€)



Net financial items/exchange rate difference (mEUR)

	RUB	NOK	SEK	USD	CAD	other	Total
Underlying 1)	10,9	-0,4	-2,2	0,1	0,8	-7,0	2,2
Hedging	-12,6	0,2	2,0	-0,3	-0,4	3,4	-7,7
Hedging cost	-8,8	-0,2	-0,2	0,0	-0,2	-0,6	-10,0
Total	-10,5	-0,4	-0,4	-0,2	0,1	-4,2	-15,5

1) AP, AR, Internal loans/deposits

APPENDIX

Consolidated Income Statement

Million euros	4-6/14	4-6/13	1-6/14	1-6/13	Last 12 months	1-12/13	Change %
Net sales	369.5	419.1	681.5	752.2	1,450.3	1,521.0	-9.4
Cost of sales	-206.3	-221.0	-375.5	-405.9	-789.5	-819.9	7.5
Gross profit	163.2	198.0	305.9	346.2	660.7	701.0	-11.6
Other operating income	0.9	0.6	2.0	1.7	4.2	3.9	15.8
Selling and marketing expenses	-57.7	-61.6	-116.9	-120.7	-245.2	-249.1	3.2
Administration expenses	-9.1	-9.3	-18.0	-18.3	-36.3	-36.6	1.5
Other operating expenses	-6.6	-7.5	-14.0	-12.4	-35.4	-33.8	-12.8
Operating profit	90.7	120.2	159.1	196.6	348.0	385.5	-19.1
Financial income	31.5	20.6	71.9	38.9	137.3	104.3	84.7
Financial expenses (1)	-43.6	-42.0	-96.4	-63.8	-209.6	-177.0	-51.1
Profit before tax	78.6	98.8	134.6	171.7	275.7	312.8	-21.6
Tax expense (2 (3)	-12.6	-13.2	-29.7	-22.5	-136.3	-129.1	-32.4
Profit for the period	66.1	85.6	104.8	149.2	139.3	183.7	-29.8
Attributable to:							
Equity holders of the parent	66.1	85.6	104.8	149.3	139.4	183.8	
Non-controlling interest	0.0	0.0	0.0	-0.1	0.0	-0.1	
Earnings per share from the profit attributable to equity holders of the parent							
basic, euros	0.50	0.65	0.79	1.13		1.39	-30.2
diluted, euros	0.50	0.64	0.79	1.11		1.39	-28.5
1) Financial expenses in 1-6/14 contain EUR 1.6 million expensed punitive interest for tax reassessment decisions on years 2008-2012 and in 1-12/13 EUR 20.2 million on years 2007-2010.							
2) Tax expense in 1-6/14 contains EUR 9.4 million expensed additional taxes with punitive tax increases for tax reassessment decisions on years 2008-2012 and in 1-12/13 EUR 80.1 million on years 2007-2010.							
3) Otherwise tax expense in the consolidated income statement is based on the taxable result for the period.							

APPENDIX

Consolidated Other Comprehensive Income

Million euros	4-6/14	4-6/13	1-6/14	1-6/13	1-12/13
Profit for the period	66.1	85.6	104.8	149.2	183.7
Other comprehensive income, items that may be reclassified subsequently to profit and loss, net of tax:					
Gains/Losses from hedge of net investments in foreign operations	0.0	3.0	0.0	-1.9	-1.9
Cash flow hedges	0.2	-0.2	-0.8	-0.4	0.8
Translation differences on foreign operations 4)	22.5	-45.2	-22.8	-32.1	-65.6
Total other comprehensive income for the period, net of tax	22.7	-42.4	-23.5	-34.5	-66.7
Total comprehensive income for the period	88.8	43.2	81.3	114.7	117.0
Total comprehensive income attributable to:					
Equity holders of the parent	88.7	43.1	81.3	114.7	117.1
Non-controlling interest	0.1	0.1	0.0	0.0	-0.1
taxable result for the period.					
4) Since the beginning of this year the Group has internal loans that are recognised as net investments in foreign operations in accordance with IAS 21 " The Effects of Changes in Foreign Exchange Rates".					

APPENDIX

Key Ratios

KEY RATIOS	30.6.14	30.6.13	31.12.13	Change
				%
Equity ratio, %	67.6	67.6	67.6	
Gearing, %	18.0	22.4	-4.1	
Equity per share, euro	9.62	10.36	10.45	-7.2
Interest-bearing net debt, mill. euros	229.9	307.2	-56.4	
Capital expenditure, mill. euros	36.0	88.8	125.6	
Depreciation, mill. euros	46.3	47.7	93.5	
Personnel, average	4,224	4,138	4,194	
Number of shares (million units)				
at the end of period	133.11	132.61	133.29	
in average	133.17	132.30	132.65	
in average, diluted	137.08	137.71	137.62	

APPENDIX

Consolidated Statement Of Financial Position

Million euros	30.6.14	30.6.13	31.12.13						
Non-current assets				Non-current liabilities					
Property, plant and equipment	661.2	698.9	683.8	Deferred tax liabilities		28.6	25.7	36.1	
Goodwill	71.1	68.9	69.9	Provisions		0.1	0.1	0.1	
Other intangible assets	23.8	26.3	24.7	Interest bearing financial liabilities		287.2	187.3	185.8	
Investments in associates	0.1	0.1	0.1	Other liabilities		4.0	4.3	3.5	
Available-for-sale				Total non-current liabilities		319.9	217.4	225.4	
financial assets	0.3	0.3	0.3	Current liabilities					
Other receivables	15.6	13.4	11.3	Trade payables		70.0	101.2	65.8	
Deferred tax assets	10.7	10.0	8.8	Other current payables		222.6	104.3	193.4	
Total non-current assets	782.7	817.7	798.8	Provisions		3.2	4.3	3.1	
Current assets				Interest-bearing financial liabilities		10.5	234.9	182.4	
Inventories	318.5	338.1	322.1	Total current liabilities		306.3	444.7	444.7	
Trade receivables	656.4	652.5	404.8	Total assets		1,906.1	2,035.9	2,062.9	
Other receivables	80.7	112.5	112.6	Changes in net working capital arising from operative business are partly covered					
Cash and cash equivalents	67.8	115.1	424.6	by EUR 350 million domestic commercial paper programme.					
Total current assets	1,123.4	1,218.2	1,264.1						
Equity									
Share capital	25.4	25.4	25.4						
Share premium	181.4	181.4	181.4						
Treasury shares	-8.6	-	-						
Translation reserve	-151.3	-76.4	-128.5						
Fair value and hedging reserves	-1.4	-1.9	-0.7						
Paid-up unrestricted equity reserve	98.8	87.0	97.1						
Retained earnings	1,135.7	1,158.0	1,217.9						
Non-controlling interest	0.0	0.3	0.2						
Total equity	1,280.0	1,373.8	1,392.8						

APPENDIX

Consolidated Statement Of Cash Flows

Million euros	1-6/14	1-6/13	1-12/13
Cash flows from operating activities:			
Cash generated from operations	4.0	-44.9	424.4
Financial items and taxes	-67.6	-52.9	-106.9
Net cash from operating activities	-63.5	-97.8	317.6
Cash flows from investing activities:			
Net cash used in investing activities	-39.2	-87.1	-143.4
Cash flows from financing activities:			
Proceeds from issue of share capital	1.7	7.7	17.8
Change in current financial receivables and debt	13.6	-0.6	-40.7
Change in non-current financial receivables and debt	-77.0	55.1	36.6
Dividends paid	-193.4	-191.9	-191.9
Net cash from financing activities	-255.1	-129.7	-178.1
Net change in cash and cash equivalents	-357.9	-314.5	-4.0
Cash and cash equivalents at the beginning of the period	424.6	430.3	430.3
Effect of exchange rate changes	1.0	-0.7	-1.8
Cash and cash equivalents at the end of the period	67.8	115.1	424.6
	-357.9	-314.5	-4.0

APPENDIX

Consolidated Statement Of Changes In Equity

Million euros	Equity attributable to equity holders of the parent								
	A	B	C	D	E	F	G	H	I
Equity, Jan 1st 2013	25.4	181.4	-	-61.0	-1.5	79.3	1,213.2	0.3	1,437.2
Profit for the period							149.3	-0.1	149.2
Other comprehensive income, net of tax:									
Cash flow hedges					-0.4				-0.4
Net investment hedge				-1.9					-1.9
Translation differences				-13.4			-18.7	0.0	-32.1
Total comprehensive income for the period				-15.4	-0.4		130.6	-0.1	114.7
Dividends paid							-191.9		-191.9
Exercised warrants						7.7			7.7
Share-based payments							6.1		6.1
Total transactions with owners for the period						7.7	-185.7		-178.0
Equity, Jun 30th 2013	25.4	181.4	-	-76.4	-1.9	87.0	1,158.0	0.3	1,373.8
Equity, Jan 1st 2014	25.4	181.4	-	-128.5	-0.7	97.1	1,217.9	0.2	1,392.8
Profit for the period							104.8		104.8
Other comprehensive income, net of tax:							0.2	-0.2	0.0
Cash flow hedges					-0.8				-0.8
Net investment hedge				0.0					0.0
Translation differences				-22.8					-22.8
Total comprehensive income for the period				-22.8	-0.8		105.0	-0.2	81.3
Dividends paid							-193.4		-193.4
Exercised warrants						1.7			1.7
Acquisition of treasury shares			-8.6						-8.6
Share-based payments							5.9		5.9
Total transactions with owners for the period						1.7	-187.4	0.0	-185.7
Changes in the shareholding of subsidiaries									
Acquisition of non-controlling interests, with no impact on control							0.2		0.2
Equity, Jun 30th 2014	25.4	181.4	-8.6	-151.3	-1.4	98.8	1,135.7	0.0	1,280.0

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

APPENDIX

Segment Information

Million euros	4-6/14	4-6/13	1-6/14	1-6/13	1-12/13	Change %
Net sales						
Passenger car tyres	273.7	317.9	520.6	591.6	1,137.0	-12.0
Heavy tyres	36.7	36.7	71.3	69.9	149.7	2.0
Vianor	81.0	86.4	130.5	130.0	312.5	0.4
Other operations	2.7	4.0	4.3	6.1	14.1	-30.4
Eliminations	-24.6	-25.9	-45.2	-45.5	-92.3	0.6
Total	369.5	419.1	681.5	752.2	1,521.0	-9.4
Operating result						
Passenger car tyres	83.4	114.6	163.5	207.0	378.5	-21.0
Heavy tyres	5.4	4.6	9.9	8.6	20.4	14.9
Vianor	5.0	6.0	-6.9	-9.9	-1.8	29.9
Other operations	-0.8	-1.6	-3.9	-5.6	-13.1	30.8
Eliminations	-2.4	-3.4	-3.5	-3.5	1.5	1.7
Total	90.7	120.2	159.1	196.6	385.5	-19.1
Operating result, % of net sales						
Passenger car tyres	30.5	36.0	31.4	35.0	33.3	
Heavy tyres	14.8	12.5	13.9	12.3	13.6	
Vianor	6.2	7.0	-5.3	-7.6	-0.6	
Total	24.5	28.7	23.3	26.1	25.3	
Cash Flow II						
Passenger car tyres	-22.7	-8.7	-16.4	-91.8	297.1	82.1
Heavy tyres	6.2	5.1	7.2	3.3	28.4	118.8
Vianor	1.8	2.1	-10.6	-8.5	7.4	-25.0
Total	-21.8	-0.9	-25.5	-96.0	325.6	73.4
Nokian Tyres integrated the Heavy Tyres and Truck Tyres profit centers and formed a new profit centre called Heavy Tyres as of 1st January 2014.						

APPENDIX

Changes in property, plant and equipment

Million euros	30.6.14	30.6.13	31.12.13
Opening balance	683.8	692.5	692.5
Capital expenditure	39.7	92.7	155.2
Decrease	-7.2	-12.3	-22.6
Depreciation for the period	-43.1	-44.0	-85.1
Exchange differences	-12.0	-30.0	-56.3
Closing balance	661.2	698.9	683.8
CONTINGENT LIABILITIES			
Million euros	30.6.14	30.6.13	31.12.13
FOR OWN DEBT			
Mortgages	1.0	1.1	1.1
Pledged assets	0.2	0.2	0.2
OTHER OWN COMMITMENTS			
Guarantees	3.2	3.4	3.3
Leasing and rent commitments	53.6	80.7	63.3
Purchase commitments	2.0	2.0	2.0

APPENDIX

Carrying amounts and fair values of financial assets and liabilities

	30.6.14		30.6.13		31.12.13	
Million euros	Carrying amount	Fair value	Carrying amount	Fair value	Carrying amount	Fair value
FINANCIAL ASSETS						
Financial assets at fair value through profit or loss						
Derivatives held						
for trading	4.7	4.7	15.6	15.6	5.3	5.3
Money market instruments	-	-	-	-	-	-
Loans and receivables						
Other non-current receivables	15.5	19.7	13.3	14.9	11.3	14.3
Trade and other receivables	660.8	660.0	656.3	656.9	408.3	407.7
Cash in hand and at bank	67.8	67.8	115.1	115.1	424.6	424.6
Available-for-sale financial assets						
Unquoted shares	0.3	0.3	0.3	0.3	0.3	0.3
Derivative financial instruments designated as hedges	2.1	2.1	0.3	0.3	0.1	0.1
FINANCIAL LIABILITIES						
Financial liabilities at fair value through profit or loss						
Derivatives held						
for trading	11.9	11.9	7.6	7.6	1.8	1.8
Financial liabilities measured at amortised cost						
Interest-bearing financial liabilities	297.7	307.9	422.3	431.5	368.2	375.8
Trade and other payables	70.0	70.0	101.2	101.2	65.8	65.8
Derivative financial instruments designated as hedges	5.4	5.4	3.8	3.8	2.9	2.9
All fair value measurements have been classified to Level 2 in the fair value hierarchy.						
Level 2 includes Group's derivative financial instruments and money market investments. To establish the fair value of these instruments the Group uses generally accepted valuation models with inputs based on observable market data.						
There has been no transfers between the different levels in the fair value hierarchy.						

APPENDIX

Derivative Financial Instruments

Million euros	30.6.14	30.6.13	31.12.13
INTEREST RATE DERIVATIVES			
Interest rate swaps			
Notional amount	130.0	69.2	0.0
Fair value	-0.9	-0.8	0.0
FOREIGN CURRENCY DERIVATIVES			
Currency forwards			
Notional amount	533.9	347.4	225.8
Fair value	-9.7	3.3	1.9
Currency options, purchased			
Notional amount	24.8	299.4	110.3
Fair value	0.2	9.7	2.4
Currency options, written			
Notional amount	44.4	454.6	110.3
Fair value	-0.2	-6.5	-0.9
Interest rate and currency swaps			
Notional amount	20.0	20.0	20.0
Fair value	2.5	1.4	0.1
ELECTRICITY DERIVATIVES			
Electricity forwards			
Notional amount	11.3	12.9	12.3
Fair value	-2.5	-2.7	-2.8

APPENDIX

Definitions Of Consolidated Key Financial Indicators

Earnings per share, euro:

Result for the period attributable to the equity holders of the parent / Average adjusted number of shares during the period

Earnings per share (diluted), euro:

Result for the period attributable to the equity holders of the parent / Average adjusted and diluted number of shares during the period

- The share options affect the dilution as the average share market price for the period exceeds the defined subscription price.

Equity ratio, %:

Total equity x 100 / (Total assets - advances received)

Gearing, %:

Interest-bearing net debt x 100 / Total equity

Equity per share, euro:

Equity attributable to equity holders of the parent / Adjusted number of shares on the reporting date

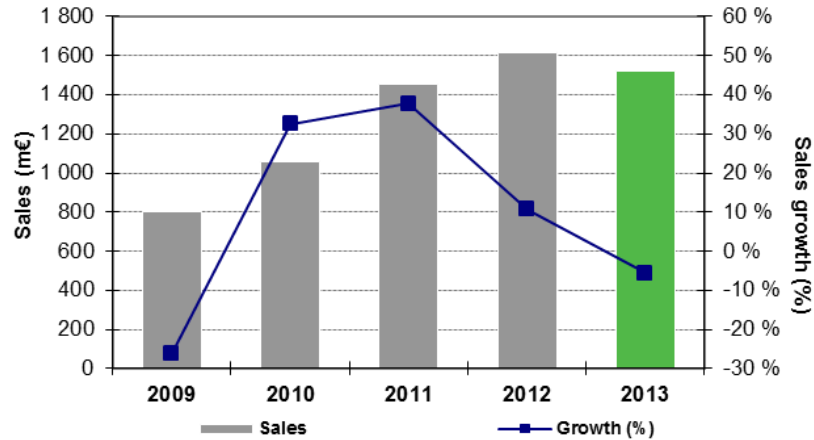
Operating margin:

Operating result, % of net sales

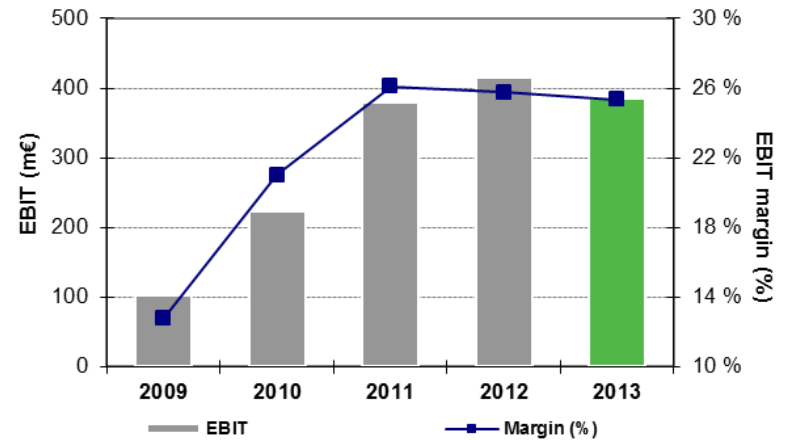
APPENDIX

Key figures 2009-2013

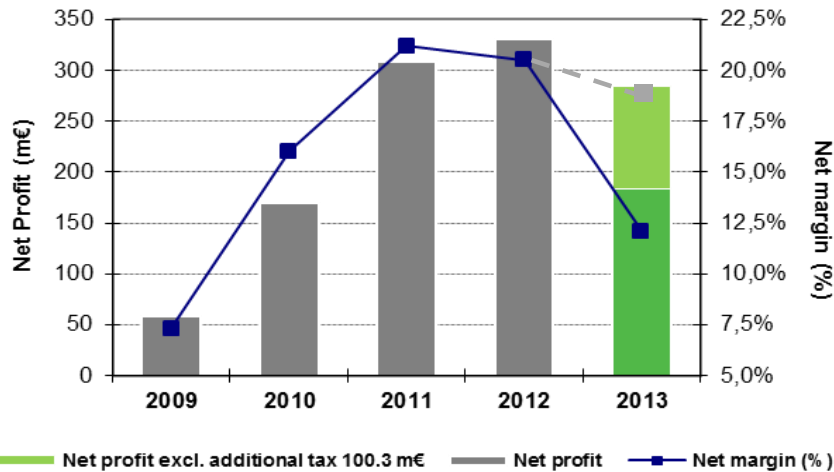
Net sales (m€) and Net sales growth (%)



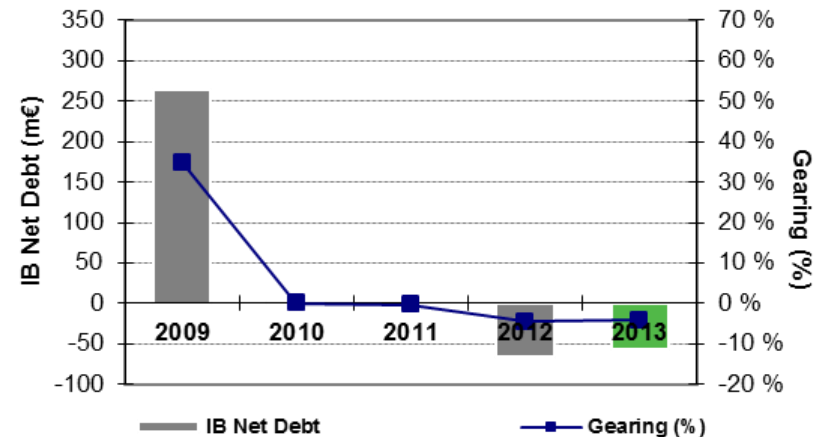
EBIT (m€) and EBIT margin (%)



Net profit (m€) and net margin (%)



Interest bearing net debt (m€) and gearing (%)

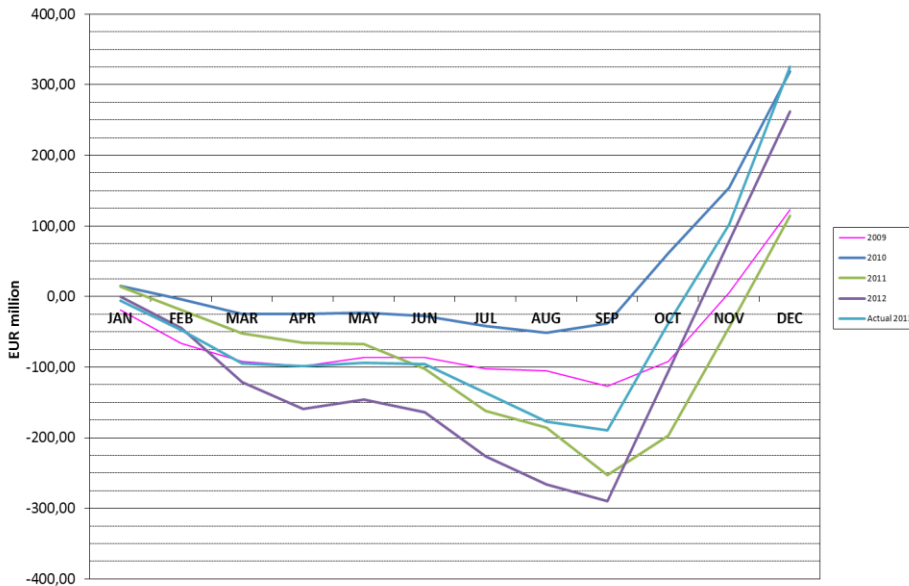


APPENDIX

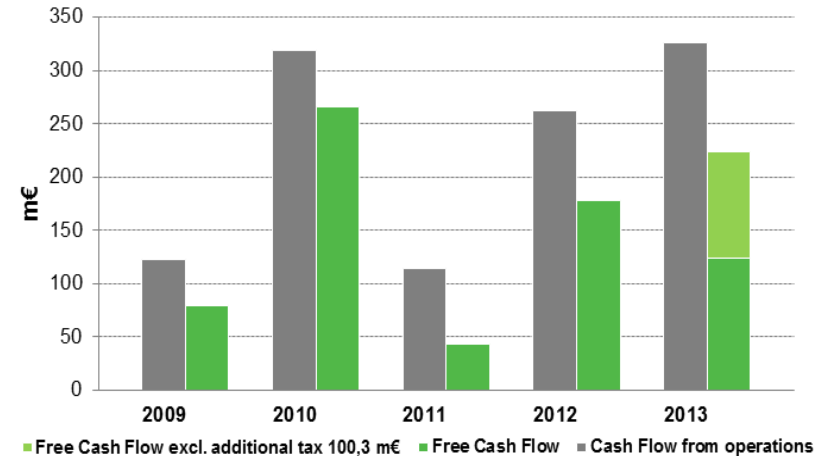
Group Operating Cash Flow and Free Cash Flow 2009-2013

- Cash flow from operations: 325.6 m€ in 2013
 - CapEx 83,6 m€ lower than previous year
 - Free cash flow 123.9 m€
 - Free cash flow 224.2 m€ excl. additional tax

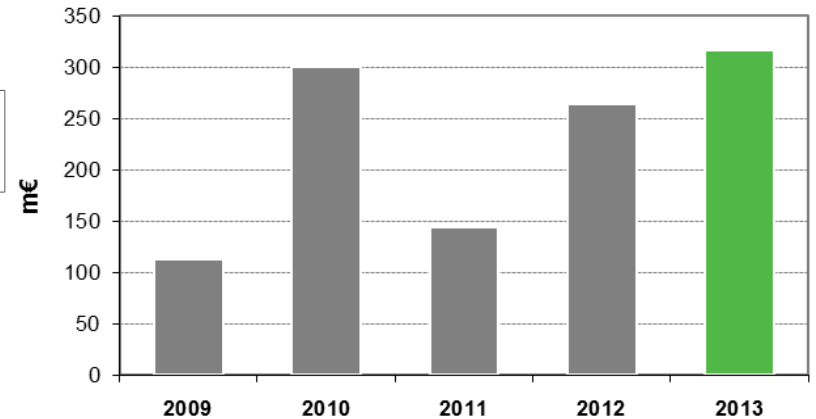
Monthly cumulative Group Cash flow from operations



Group Cash Flow From Operations and Free Cash flow



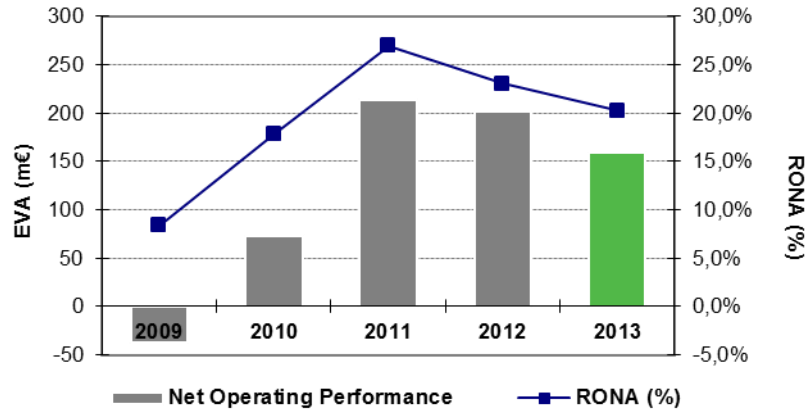
Manufacturing Cash flow from operations



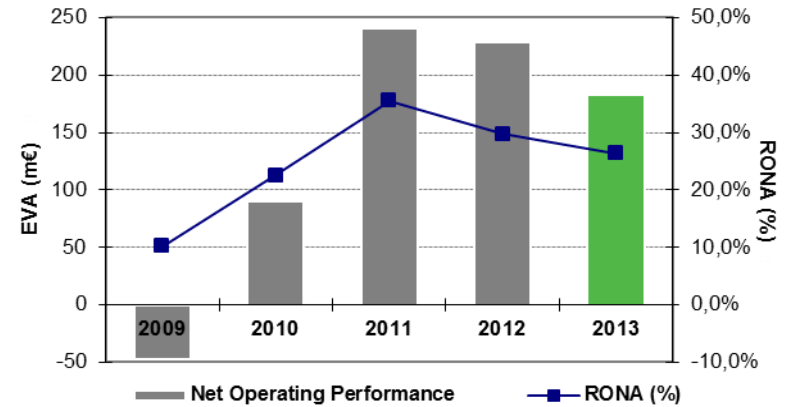
APPENDIX

RONA (%) and Net operating performance (EVA) ¹⁾ 2009-2013

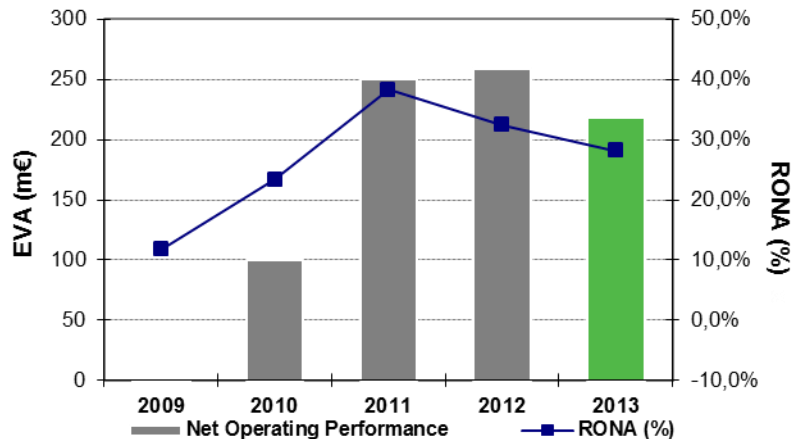
Group EVA (m€) and RONA (%)



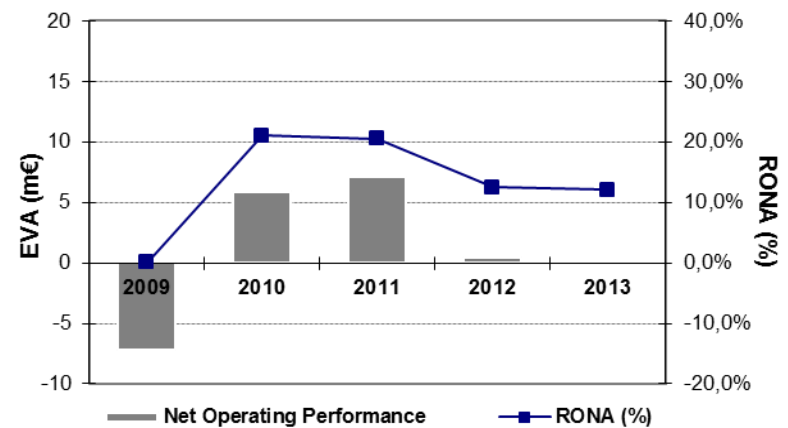
Manufacturing EVA (m€) and RONA (%)



Passenger Car Tyres EVA (m€) and RONA (%)



Heavy Tyres EVA (m€) and RONA (%)



¹⁾ EVA is calculated based on 12% interest on capital employed.

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TYRES



Thank you!