

Nokian Tyres plc Stock Exchange Bulletin 03 November 2005 8:00 a.m.

INTERIM REPORT FOR NOKIAN TYRES PLC JANUARY - SEPTEMBER 2005

Sales up, operating profit at the previous year's level

The Group's net sales in January-September were up by 13.7% to EUR 445.6 million (EUR 392.0 million in Jan-Sept 2004). Operating result was EUR 65.1 million (EUR 65.2 million), EPS were EUR 0.398 (* (EUR 0.410). The target for 2005 is to increase sales and to reach an operating profit on the same level as in 2004.

Key figures, EUR million:

	7-9/05	7-9/04	1-9/05	1-9/04	2004
Net sales	150.2	141.2	445.6	392.0	603.3
Operating profit	18.9	32.4	65.1	65.2	115.6
Profit before taxes	16.9	29.3	64.0	58.8	103.0
Net profit	13.5	21.3	46.8	44.0	73.8
EPS, EUR (*	0.112	0.198	0.398	0.410	0.687
Equity ratio, %			50.0	38.9	46.4
Cash flow from operations, (Cash Flow II)	-60.8	-29.0	-164.4	-50.4	42.9
RONA, % (rolling 12 months)			19.5	23.7	24.8
Gearing, %			60.8	102.4	60.9

(* The per-share key figure includes the effect of the share split carried out on 15 April 2005.

Kim Gran, President and CEO:

"Heavy investments in Russia, the changes in Vianor's business structure, winter tyre pre-sales in early 2005 and stiffer competition burdened the performance of Nokian Tyres. This has not made us change our targets: we aim at strong, profitable growth in the tyre markets.

The sales mix was weaker than in 2004, bringing down the July-September sales and result of Nokian Tyres. Contract manufactured tyres accounted for a clearly bigger share of passenger car sales in the third quarter compared to the corresponding period a year earlier. Winter tyre pre-sales was active during the first half of the year, with sales increasing by 36% from the previous year. Tyre retailers' winter tyre inventories were on a high level, and they will start to decrease when consumer sales get going in the last quarter. Demand for heavy tyres increased, and sales hit record numbers.

Despite the more challenging market situation, we are well positioned to improve our sales over the last year and to achieve an operating profit in line with last year. We expect the sales mix to clearly improve from the third quarter once winter tyre sales begin in October-December."

MARKET SITUATION

The European passenger car tyre replacement markets continued to be challenging, and price competition was tougher than during the previous year. Demand for summer tyres was lower than the previous year, and consumer sales in winter tyres had not yet begun during the review period. Sales of new cars grew by 1.4 % in the Nordic countries.

Demand for heavy special tyres continued to grow, and there was a global shortage of harbour, mining and excavation machinery tyres. The manufacture of forestry machinery and other industrial machines was brisk, boosting the demand for tyres. Demand for new and retreaded truck tyres picked up towards the end of the review period. Raw material prices rose as predicted.

Nokian Tyres

July to September 2005

In the period July to September, the Nokian Tyres Group recorded net sales of EUR 150.2 million (EUR 141.2 million), representing an increase of 6.4% over the corresponding period a year earlier. The strongest growth was seen in the Nordic countries.

Purchase prices of raw materials in manufacturing increased by 8.3% in the third quarter compared to the corresponding period a year earlier. Fixed costs amounted to EUR 47.9 million (EUR 40.5 million), representing 31.9% (28.7%) of net sales.

The Nokian Tyres Group booked an operating profit of EUR 18.9 million (EUR 32.4 million). The comparable figure for 2004 included a total of EUR 1.0 million of non-recurring profit-improving items. The Group's result was burdened by expenses related to the development of Russian operations and production and acquisitions of new Vianor sales outlets in line with company plans. Write-downs of Vianor's inventories totalled EUR 1.9 million in the period.

Net financing income totalled EUR 2.1 million (EUR 3.1 million).

Profit before taxes totalled EUR 16.9 million (EUR 29.3 million). The net result for the period under review was EUR 13.5 million (EUR 21.3 million). EPS were EUR 0.112 (EUR 0.198).

Income financing after the change in the working capital, investments and the disposal of fixed assets (Cash flow II) was EUR -60.8 million (EUR -29.0 million).

The consolidation of the University Wholesalers- companies, purchased in the USA in the review period, had no significant affects in the Q3 figures.

January to September 2005

In the period January to September 2005, the Nokian Tyres Group booked net sales of EUR 445.6 million (EUR 392.0 million), representing an increase of 13.7% on the corresponding period in 2004. Sales in the Nordic countries increased by 7.5%, in Russia and other CIS countries by 53.7%, in Eastern Europe by 16.6% and in the USA by 15.2% from the previous year.

Purchase prices of raw materials in manufacturing increased by 8.2% in January–September compared to the corresponding period a year earlier. Price increases and a good sales mix resulted in average manufacturing prices rising by 9.2%.

Fixed costs amounted to EUR 146.9 million (EUR 130,7 million), representing 33.0% (33.3%) of net sales.

In compliance with IFRS 2, the operating profit for the review period was burdened by a write-off of EUR 4.5 million (EUR 1.7 million) resulting from the options scheme.

The Nokian Tyres Group's operating profit remained at the same level, amounting to EUR 65.1 million (EUR 65.2 million). Net financial expenses were EUR 1.1 million (EUR 6.4 million).

Profit before taxes increased to EUR 64.0 million (EUR 58.8 million). The net result for the period under review was EUR 46.9 million (EUR 44.0 million). EPS were EUR 0.398 (EUR 0.410).

Return on net assets (RONA, rolling 12 months) was 19.5% (23.7%). Income financing after the change in the working capital, investments and the disposal of fixed assets (Cash flow II) was EUR -164.4 million (EUR -50.4 million). Equity ratio was 50% (38.9%).

The Group's cash flow was weakened by investments higher than in the previous year, as well as by receivables for winter tyre pre-sales. In terms of receivables, the situation is expected to normalise once the winter tyre season begins later in the year.

The Group employed an average of 3,026 (2,789) people, and 3,162 (2,853) at the end of the period. The tyre chain employed 1,294 (1,244) people. A total amount of people working in Russia was 196 of which 168 people worked at the Vsevolozhsk factory.

PASSENGER CAR TYRES

	7-9 2005	7-9 2004	Change %	1-9 2005	1-9 2004	Change %	10-12 2004	1-12 2004
Net sales, EUR million	95.8	97.5	-1.8	281.0	245.9	14.3	118.7	364.6
Operating profit, EUR million	23.5	34.0	-30.7	67.7	66.3	2.1	34.4	100.6
Operating profit, %	24.6	34.9		24.1	27.0		28.9	27.6
RONA, % (rolling 12 months)				26.9	35.3		36.2	36.2

The net sales of Nokian passenger car tyres in January to September increased to EUR 281.0 million (EUR 245.9 million), or 14.3% over the previous year. Operating profit improved, totalling EUR 67.7 million (EUR 66.3 million). The operating profit percentage was 24.1% (27.0%).

Summer tyre sales were good, with the emphasis on UHP (ultra-high performance) summer tyres. Market shares in summer tyres were at the previous year's level in the Nordic countries.

Pre-sales of winter tyres began in the first half of the year in the Nordic countries and Russia, and winter tyres accounted for 75.2% (73.1%) of the unit's net sales in January-September. Active winter tyre pre-sales increased the distributors' stock levels, which will start decreasing once consumer sales begin in the last months of the year.

In the third quarter, the contract manufactured tyres had a clearly bigger share of the unit's net sales, bringing down the average price and margin.

Most of the growth in sales came from Russia, Eastern Europe and the USA. Sweden was the strongest growth area in the Nordic countries. Sales to car dealers continued to grow.

The production volumes at the Nokia plant increased by 9.7% and productivity (kg/mh) by 9.5% over the corresponding period in the previous year. The production and sales of tyres manufactured in Russia began as planned.

Novelties in the review period included Nokian run flat tyres designed for winter driving, as well as the Nokian i3 summer tyre for family cars. Sales of run flat tyres have already begun, and deliveries of the Nokian i3 for European markets will start in early 2006.

HEAVY TYRES

	7-9 2005	7-9 2004	Change %	1-9 2005	1-9 2004	Change %	10-12 2004	1-12 2004
Net sales, EUR million	17.8	13.8	28.8	54.2	42.7	26.8	16.9	59.6
Operating profit, EUR million	3.1	2.1	51.9	9.3	6.6	40.9	2.7	9.3
Operating profit, %	17.6	14.9		17.2	15.5		16.2	15.7
RONA, % (rolling 12 months)				26.5	15.5		20.2	20.2

The net sales of Nokian heavy tyres in January to September totalled EUR 54.2 million (EUR 42.7 million), showing an increase of 26.8% over the corresponding period of the previous year. The operating profit for heavy tyres improved, totalling EUR 9.3 million (EUR 6.6 million). The operating profit percentage increased to 17.2% (15.5%).

The manufacture of forestry machinery and other industrial machines continued at a brisk pace, and the demand for tyres reached record heights. The sales of Nokian heavy tyres increased in all product groups and key markets. Third-quarter sales achieved record figures. Growth was strong on both original equipment installation and replacement markets. The majority of growth came from the USA and the Nordic countries. The price increases carried out in response to the rise in raw material prices improved sales profitability.

The production capacity of Nokian heavy tyres was at full use, and enhancement measures improved the plant's delivery capacity by some 20% compared to the corresponding period in 2004. There is still a need to increase capacity.

VIANOR

	7-9 2005	7-9 2004	Change %	1-9 2005	1-9 2004	Change %	10-12 2004	1-12 2004
Net sales, EUR million	51.8	46.9	10.5	148.1	139.9	5.9	83.9	223.9
Operating profit, EUR million	-3.0	3.1	-198	-2.4	4.3	-157	7.1	11.4
Operating profit, %	-5.9	6.6		-1.6	3.0		8.5	5.1
RONA, % (rolling 12 months)				4.4	13.8		10.7	10.7

Vianor's net sales in the January to September period totalled EUR 148.1 million (EUR 139.9 million), showing an increase of 5.9% on the corresponding period a year earlier. Operating result amounted to EUR -2.4 million (EUR 4.3 million), and the operating profit percentage was -1.6% (3.0%).

The summer tyre season in the Nordic countries was at the same good level as achieved in 2004. Summer tyre sales continued to be brisk in September. Wholesale to car dealers and transport companies increased from the previous year. Demand for new and retreaded truck tyres

picked up towards the end of the third quarter. Nokian-branded tyres represented an increasingly large part of Vianor's sales, especially in Sweden.

Acquisitions of new sales outlets in Sweden and Russia, as well as the reorganisation of retreading operations, weighed on the Vianor chain's profits. Vianor made write-downs of inventories worth some EUR 1.9 million in the third quarter. The sale of fixed assets worth approximately EUR 1 million improved the result in the previous year.

The number of Vianor service outlets increased, totalling 194 at the end of the review period. There were a total of 22 Vianor outlets in Russia at the end of the review period, two of which are owned by the company and the rest operate on franchising basis. The chain will continue its expansion, mainly through franchising.

OTHER OPERATIONS

The net sales from retreading operations and truck tyres totalled EUR 17.8 million (EUR 21.6 million) in the period from January to September. The unit's product range consists mainly of winter products, the sales of which are highest in the second half of the year.

Tyre retreading and new truck tyre sales started to pick up in late autumn. The company introduced the studded Nokian Noktop 41 Stud tread in the review period. Sales of this novelty will begin in the last quarter of 2005.

In the early part of the year, the company divested its passenger car tyre retreading operations to Mc. Ripper AB in Sweden. In May, Nokian Tyres acquired the truck tyre retreading operations of AGI Däck AB in Sweden.

Contract manufacturing of truck tyres began as planned at Bridgestone's plant in Spain.

INVESTMENTS

Investments in the third quarter amounted to EUR 31.4 million (EUR 15.5 million) and EUR 94.7 million (EUR 36.6 million) for the entire review period. Nokian Tyres' budgeted investments for 2005 total EUR 105 million (EUR 57.8 million). This figure includes the investments made in the new Russian plant, which will total EUR 55 million.

Overall investments include the acquisition of University Wholesalers Inc in North-America and Andel Export-Import in the Czech Republic, which will help Nokian Tyres to enhance its wholesale and logistics in these strategically important winter tyre markets.

Other investments are related to the capacity increase at the plant in Finland and to Vianor's acquisitions.

The Russian plant rolled out its first Nokian Hakkapeliitta winter tyres in June and was officially inaugurated in September. Sales of tyres manufactured in Russia began in the second half of the year. The plant is expected to manufacture some 300,000 tyres in 2005. The first production line operates continuously in three shifts and the installation of the second production line has started in November. Construction of the mixing department and central warehouse began in October. A total of approx. EUR 150 million will be invested in the plant in 2004-2007 in order to achieve a production volume of four million tyres by 2008.

OTHER MATTERS

1. Changes in ownership of shares

Threadneedle Asset Management Limited (registered in the United Kingdom and Wales, no. 573204) announced its ownership of 563,595 Nokian Tyres shares as of 24 January 2005, giving it a 5.193% share in the company's share capital and votes.

In April, Threadneedle Asset Management announced a change in its ownership that took place on 28 April 2005 and resulted in the company's share of Nokian Tyres' share capital and votes decreasing to 4.924%.

2. Acquisition of Andel Export-Import

Nokian Tyres announced in February its acquisition of Andel Export-Import spol s.r.o, a Czech tyre wholesaler and Nokian Tyres' importer. The acquisition enables the company to concentrate its Central and Eastern European logistics operations in Prague. The goal is to establish the company more firmly in the growing winter tyre markets in Eastern Europe.

3. Acquisition of University Wholesalers

In September, Nokian Tyres acquired University Wholesalers Inc and University Wholesalers of New York Inc in North America. The acquisitions will enable Nokian Tyres to enhance its wholesales and logistics in the strategically important North American winter tyre markets. The University Wholesalers' net sales and profits from September have been consolidated into Nokian Tyres.

4. Warrants on the Main List of the Helsinki Stock Exchange.

Nokian Tyres plc applied for its 2001C warrants of the 2001 option scheme to be listed on the Main List of the Helsinki Stock Exchange as of 1 March 2005.

On 28 March 2001, the Annual General Meeting of Nokian Tyres plc decided to issue a bond loan with warrants to be subscribed by the personnel of the Nokian Tyres group. The amount of the bond loan was EUR 0.4 million; 216,000 warrants 2001A, 192,000 warrants 2001B and 192,000 warrants 2001C have been issued to the personnel on the basis of the bond loan.

Warrants 2001A were listed on the Helsinki Stock Exchange as of 3 March 2003, and warrants 2001B as of 1 March 2004.

The subscription period of warrants 2001C began on 1 March 2005 and will end on 31 March 2007. Each warrant entitles the holder to subscribe for one share in Nokian Tyres plc with a nominal value of 2 euros at a subscription price of EUR 26.93. The subscription price will be reduced by the amount of dividends paid before the subscription, on the balancing date of each dividend payment.

As a result of subscriptions, the number of company shares may rise, at the most, by 192,000 shares and the share capital, at the most, by EUR 384,000. The warrants were transferred to the book-entry securities system prior to their listing.

On 13 December 2002 the Financial Supervision Authority granted the company an exemption from the duty to publish a prospectus when offering shares to be publicly traded.

4. Shares subscribed for with bonds with warrants

After the increase in share capital registered on 27 December 2004, a total of 5,410 shares were subscribed for with the 2001A bonds with warrants attached to the Nokian Tyres' Option Program of 2001 and 5,010 shares with the 2001B warrants. The increase in share capital resulting from the subscription, EUR 20,840, was entered in the Trade Register on 21 February 2005. Trading of the shares along with the old shares began on 22 February 2005. After the increase, the number of Nokian Tyres shares is 10,863,301 and the share capital is EUR 21,726,602.00.

After the increase in share capital registered on 21 February 2005, a total of 67,900 shares were subscribed for with the 2001A bonds with warrants attached to the Option Program of 2001, 105,100 shares with the 2001B warrants and 625,000 shares with the 2001C warrants. The increase in share capital resulting from the subscription, EUR 159,600, was entered in the Trade Register on 20 May 2005. Trading of the shares along with the old shares began on 23 May 2005. After the increase, the number of Nokian Tyres shares is 120,171,010 and the share capital is EUR 24,034,202.00.

After the increase in share capital registered on 20 May 2005, a total of 229,500 shares were subscribed for with the 2001A bonds with warrants attached to the Option Program of 2001, 68,200 shares with the 2001B warrants and 373,210 shares with the 2001C warrants. The increase in share capital resulting from the subscription, EUR 134,182, was entered in the Trade Register on 17 August 2005. Trading of the shares along with the old shares began on 18 August 2005. After the increase, Nokian Tyres has 120,841,920 shares and a share capital of EUR 24,168,384.00.

5. Share issue directed at institutional investors

On 16 February 2005 Nokian Tyres' Board of Directors decided to start accepting subscription commitments related to the directed share issue planned by the company.

The Board of Nokian Tyres plc decided to suspend book-building on 17 February 2005. Demand exceeded the number of shares offered by a factor of 2.5. Based on the authorisation given by the Annual General Meeting on 5 April 2004, the Board of Directors decided to raise the company's share capital, at the most, by EUR 2,148,000, or by a total of 1,074,000 shares, by implementing a share issue directed to a maximum of one hundred institutional investors. The shares were subscribed for by paying a subscription price of EUR 122 per share. The number of shares offered to investors totalled 1,074,000, which corresponds to 9.9% of the company's share capital and votes prior to the implementation of the share issue. Some 13% of the shares offered in the share issue were allocated to Finnish investors, while some 87% went to international investors.

The share issue was carried out on the basis of a book-building process in which institutional investors subscribed for the shares issued by the company on the basis of their subscription undertakings during the book-building between 16 February 2005 and 17 February 2005.

On 22 February 2005 the Board of Directors of Nokian Tyres plc announced its approval of the subscriptions made in the share issue. All of the 1,074,000 shares offered in the share issue were subscribed for. As a result of the share issue, the company's share capital increased by the maximum amount of EUR 2,148,000 stated in the decision made on the increase.

The increase in share capital was entered in the Trade Register on 23 February 2005, and the new shares were offered for public trading on the Main List of the Helsinki Stock Exchange on 24 February 2005.

6. Development of the share price

The price of Nokian Tyres' share was EUR 19.71 at the end of the review period. The average share price during the period was EUR 14.42, the highest being EUR 19.86 and the lowest EUR 10.58. A total of 95 566 546 shares were traded during the period, representing 79% of the company's overall share capital. The company's market value at the end of the period amounted to EUR 2,382 billion. 30.15% of the company's shareholders were Finnish and 69.85% were foreign shareholders registered in the nominee register. This figure also includes Bridgestone's ownership of 16.5%.

7. IFRS-compliant financial information

On 31 March 2005 Nokian Tyres announced its adoption of IFRS-compliant financial reporting as of the beginning of 2005. IFRS-compliant financial reporting for 2004 is available in its entirety

on the company's Web site at www.nokiantyres.com. The reports include, among other things, the statements of change in the FAS and IFRS equity (1 January 2004 and 31 December 2004) and profit for 2004.

The interim report has been prepared in accordance with the IFRS and the same principles as in the bulletin mentioned above.

8. Decision made at the Annual General Meeting

The Annual General Meeting of Nokian Tyres held on 5 April 2005 accepted the profit and loss statement for 2004 and discharged the Board of Directors and the President from liability. The final dividend was set at EUR 2.17 per share, the matching date on 8 April 2005 and the payment date on 15 April 2005.

Board of Directors and auditor

The meeting decided that the Board of Directors shall have seven members. Rabbe Grönblom, Managing Director, AB R.Grönblom International LTD; Satu Heikintalo, M.Sc. (Econ.); Hannu Penttilä, Managing Director, Stockmann plc; Henrik Therman, M.Sc. ; Mitsuhira Shimazaki, Director, Sales Administration, Bridgestone Europe NV/SA and Kim Gran, President and CEO, Nokian Tyres plc, continue as Board members. Petteri Walldén, Managing Director of Onninen Oy, was appointed to the Board as a new member. At its meeting following the Annual General meeting, the Board elected Henrik Therman as Chairman of the Board.

Authorised public accountants KPMG Oy Ab continue as auditors.

Change to the number of shares

To facilitate trading and improve the liquidity of the share, the Annual General Meeting decided to change the nominal value of shares from EUR 2.00 to EUR 0.20 and to increase the number of shares from 11,937,301 at a ratio of 1:10, that is, to 119,373,010 shares without raising the share capital. Section 4 of the Articles of Association will also be changed to the following: "The nominal value of each share is EUR 0.20."

The number of shares that can be subscribed with the warrants linked to the option schemes approved by the Annual General Meetings on 28 March 2001 and 5 April 2004 will change at the same ratio as the share capital is increased, so that the total nominal value and the total subscription price of subscribed shares remain unchanged. As a result of the change, each warrant holder is entitled to subscribe ten (10) new shares with one warrant. The new subscription prices for warrants, adjusted by the dividend paid for 2004, are the following:

2,001A 1.268
2,001B 2.027
2001C 2.476
2,004A 6.079

The increase in the number of Nokian Tyres' shares at a ratio of 1:10, without raising the share capital, was entered in the Trade Register on 15 April 2005. The split share was offered for trading on the Helsinki Stock Exchange on 18 April 2005.

Authorisation granted to the Board of Directors to increase the share capital

The Annual General Meeting authorised the Board of Directors to make a decision regarding an increase in the share capital on one or more occasions by issuing new shares and/or convertible bonds. As a result of the authorisation, the company's share capital may increase by a maximum of EUR 4,000,000. A maximum of 20,000,000 new shares may be issued, each bearing a nominal value of EUR 0.20.

The Board of Directors also has the right to deviate from the shareholders' pre-emptive right to subscribe for shares, provided there is a compelling financial reason, referred to in chapter 4, section 2a of the Companies Act.

The Board of Directors has the right to decide upon the parties who are entitled to subscribe, as well as the subscription prices, terms and conditions of share subscription, and the terms and conditions of convertible bonds.

The validity of the authorisation is one year from the date of the Annual General Meeting. At the same time, any other effective authorisations to increase the share capital are nullified.

Nokian Tyres signed a syndicated revolving credit facility worth EUR 180 million

In April Nokian Tyres signed a EUR 180-million syndicated revolving credit facility for five years with international banks. The facility will be used to refinance the existing syndicated revolving credit facility of EUR 100 million that was signed on 1 April 2003 and for possible financing needs in the future. The mandated lead arranger for the facility is Danske Bank A/S.

DEVELOPMENTS AFTER THE PERIOD UNDER REVIEW

1. In its bulletin on 10 October 2005, Nokian Tyres announced that its profits from the third quarter will be weaker than in 2004.

2. At its meeting on 2 November 2005, Nokian Tyres' Board of Directors decided to spin off the Nokian Heavy Tyres profit centre into an independent company as of 1 January 2006. The goal is to clarify business and create more favourable conditions to further develop the Heavy Tyres business.

OUTLOOK FOR THE YEAR-END

The target of Nokian Tyres for the year 2005 is to increase sales and achieve results on the same level as in 2004. This requires that the winter tyre sales must achieve the expected levels in the last months of this year.

Price competition in the tyre business has become tougher, and it is more challenging to implement price increases. Nokian Tyres estimates its raw material costs in manufacturing for the whole year to be 8.5% higher than those in 2004.

Owing to the seasonal nature of business, the majority of the company's net sales and operating profit is generated in the latter part of the year, especially in the last quarter, in both manufacturing and distribution.

Nokian Tyres will increase sales in its core areas - the Nordic countries, Russia, the USA and Eastern Europe - where the company expects the demand for passenger car winter tyres and high-performance summer tyres to continue to grow. The company's delivery capacity is better than last year in all product groups. The sales mix is expected to be clearly stronger in October-December than in the third quarter, once the winter tyre season gets going.

The demand for heavy special tyres will continue to grow, and production will operate at full capacity. The outlook for new and retreaded truck tyres has improved from the early part of the year and last year.

Sales and production at the Russian plant are growing as expected. Sales will also be boosted in Eastern Europe, where consumer sales of new products specially designed for the market began during the latter part of the year. The Vianor chain will be further expanded in Sweden and Russia, and sales outlets will be made more cost-effective. Vianor's performance will improve clearly in the last quarter.

Nokian Tyres' principal growth projects involve capacity increase at the Russian plant, in Eastern Europe and the Far East. The company will continue to develop its local sales organisations in the winter tyre markets.

The interim report figures are unaudited.

NOKIAN TYRES

CONSOLIDATED PROFIT AND LOSS ACCOUNT

Million euros	7-9/05	7-9/04	1-9/05	1-9/04	Last 12 months	1-12/04
Net sales	150.2	141.2	445.6	392.0	656.9	603.3
Operating expenses	122.5	100.7	354.6	302.5	503.1	451.0
Depreciation according						

to plan	8.7	8.0	25.9	24.3	34.9	33.4
Operating result before non-recurring items	18.9	32.4	65.1	65.2	118.8	119.0
Non-recurring items	0.0	0.0	0.0	0.0	-3.4	-3.4
Operating result	18.9	32.4	65.1	65.2	115.4	115.6
Financial income and expenses	-2.1	-3.1	-1.1	-6.4	-7.3	-12.6
Result before tax	16.9	29.3	64.0	58.8	108.2	103.0
Direct tax for the period(1	3.4	8.1	17.2	14.8	31.6	29.2
Net result	13.4	21.3	46.8	44.0	76.5	73.8

Attributable to:

Equity holders of the parent	13.5	21.3	46.9	44.0	76.6	73.8
Minority interest	0.0	0.0	-0.1	0.0	-0.1	0.0

Earnings per share from the profit
attributable to equity holders of the
parent

basic, euro (2	0.112	0.198	0.398	0.410	0.713	0.687
diluted, euro (2	0.107	0.191	0.385	0.397	0.691	0.665

KEY RATIOS

	30.9.05	30.9.04	31.12.04
Equity ratio, %	50.0	38.9	46.4
Gearing, %	60.8	102.4	60.9
Shareholders' equity per share, euro (2	3.56	2.16	2.47
Interest bearing net debt, mill. euros	261.4	239.4	163.3
Capital expenditures, mill. euros	93.2	36.6	57.8
Personnel average	3,026	2,789	2,843

Number of shares (million units)

at the end of period	120.84	108.02	108.53	108.53
in average	117.77	107.22	107.46	107.46
in average, diluted	121.84	110.80	110.91	110.91

1) Direct tax in the consolidated profit and loss account is based on the taxable profit for the period.

2) The per-share data include the effect of the share split carried out on 15 April 2005.

CONSOLIDATED BALANCE SHEET

	30.9.05	30.9.04	31.12.04
Intangible assets	8.9	8.7	9.0
Goodwill	48.5	40.4	40.5
Tangible assets	294.5	233.5	242.3
Investments	1.2	0.8	0.8
Deferred tax assets	15.8	12.8	8.0

Other long term receivables	2.2	2.2	2.8
Total non-current assets	368.9	296.2	303.4
Inventories	169.2	111.5	98.0
Receivables	297.7	184.2	153.1
Cash in hand and at bank	22.0	7.8	23.9
Total current assets	488.9	303.4	275.0
Shareholders' equity	429.8	233.8	268.3
Minority shareholders' interest	0.3	0.0	0.0
Long-term liabilities			
interest bearing	192.3	170.5	131.9
deferred tax liabilities	21.7	20.9	21.1
other non interest bearing	0.0	0.8	0.0
Current liabilities			
interest bearing	91.1	76.7	55.3
non interest bearing	124.8	99.1	101.8
Total assets	860.0	601.8	578.4

CONSOLIDATED CASH FLOW STATEMENT	1-9/05	1-9/04	1-12/04
Million euros			
Operating activities			
Cash flow from operating activities before the financial items and taxes	-99.2	-8.0	96.0
Financial items and taxes	-26.8	-27.6	-39.1
Cash flow from operating activities	-126.0	-35.6	56.9
Investing activities			
Cash flow from investing activities	-88.7	-38.5	-53.2
Financing activities			
Cash flow from financing activities			
Share issues	134.3	2.5	3.6
Change in short-term financial receivables and debt	39.1	43.3	18.5
Change in long-term financial receivables and debt	65.2	33.9	-4.3
Dividends paid	-25.9	-16.7	-16.7
Cash flow from financing activities	212.7	63.0	1.2
Change in cash and cash equivalents	-2.0	-11.2	4.9

CONSOLIDATED STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY

Million euros

	Share capital	Share issue	Share issue premium	Fair value reserve	Retained earnings	Total
Shareholders' equity, 1.1.2004	21.4	0.0	3.4	-1.5	179.4	202.7
Share issue	0.2		2.2			2.5
Dividends paid					-16.7	-16.7
Share based payment					1.7	1.7
Interest rate swaps				0.2		0.2
Translation differenci					-0.5	-0.5
Result for the period					44.0	44.0
Other changes					0.0	0.0
Shareholders' equity, 30.9.2004	21.6	0.0	5.6	-1.2	207.9	233.8
Shareholders' equity, 1.1.2005	21.7	0.0	6.7	-1.1	241.0	268.3
Share issue	2.5		131.8			134.3
Share issue expenses			-1.1			-1.1
Dividends paid					-25.9	-25.9
Share based payment					4.5	4.5
Interest rate swaps				0.3		0.3
Translation differences					2.1	2.1
Result for the period					46.9	46.9
Other changes					0.5	0.5
Shareholders' equity, 30.9.2005	24.2	0.0	137.4	-0.8	269.0	429.8
SEGMENT INFORMATION	7-9/05	7-9/04	1-9/05	1-9/04		1-12/04
Million euros						
Net sales						
Car and van tyres	95.8	97.5	281.0	245.9		364.6
Heavy tyres	17.8	13.8	54.2	42.7		59.6
Vianor	51.8	46.9	148.1	139.9		223.9
Others and eliminations	-15.2	-17.0	-37.7	-36.5		-44.7
Total	150.2	141.2	445.6	392.0		603.3
Operating result						
Car and van tyres	23.5	34.0	67.7	66.3		100.6
Heavy tyres	3.1	2.1	9.3	6.6		9.3
Vianor	-3.0	3.1	-2.4	4.3		11.4
Others and eliminations	-4.7	-6.7	-9.5	-11.9		-5.8
Total	18.9	32.4	65.1	65.2		115.6
Operating result, % of net sales						
Car and van tyres	24.6	34.9	24.1	27.0		27.6
Heavy tyres	17.6	14.9	17.2	15.5		15.7
Vianor	-5.9	6.6	-1.6	3.0		5.1
Total	12.6	23.0	14.6	16.6		19.2

Cash Flow II					
Car and van tyres	-53.1	-22.8	-152.1	-32.5	38.3
Heavy tyres	3.2	0.9	8.5	7.1	12.2
Vianor	-10.1	-7.6	-15.9	-17.4	-6.0
Total	-71.3	-29.0	-174.8	-50.4	42.9

CONTINGENT LIABILITIES		30.9.05	30.9.04	31.12.04
Million euros				

FOR OWN DEBT

Mortgages		1.0	0.0	1.0
Pledged assets		0.0	0.5	0.0

OTHER OWN COMMITMENTS

Guarantees		1.0	1.0	1.0
Leasing and rent commitments		22.2	22.3	24.2
Acquisition commitments		0.9	0.7	0.9

INTEREST RATE DERIVATIVES

Interest rate swaps					
Fair value		-1.1	-1.6	-1.5	
Underlying value		20.0	30.0	26.5	

CURRENCY DERIVATIVES

Forward contracts					
Fair value		-3.7	0.0	1.1	
Underlying value		179.8	107.2	68.1	

Currency derivatives are used to hedge the Group's net exposure.

Currency derivatives are included in the financial result at market value.

THE IMPACT OF TRANSITION TO IFRS

On Shareholders' equity in 2004, quarterly

Million euros		31.3.04	30.6.04	30.9.04	31.12.04
Total equity, FAS		254.1	250.6	271.1	303.3
IFRS adjustments:					
IAS 12, Income Taxes		0.0	-0.6	-0.4	-0.1
IAS 16, Property, Plant and Equipment		-0.7	-0.7	-0.7	-0.9
IAS 17, Leases		-3.4	-3.5	-3.5	-3.5
IAS 38, Intangible Assets		-1.3	-0.8	-0.7	-0.7
IAS 39, Financial Instruments: Recognition and Measurement; capital loan		-36.0	-36.0	-36.0	-36.0

others	-2.9	-1.6	-1.6	-1.4
IFRS 3, Business Combinations	1.9	3.8	5.7	7.6
IFRS adjustments total:	-42.5	-39.3	-37.2	-35.1
Total equity, IFRS	211.6	211.3	233.8	268.3

On Net result in 2004, quarterly

Million euros	1-3/04	1-6/04	1-9/04	1-12/04
Net result, FAS	6.5	20.0	40.0	68.9
IFRS adjustments:				
IAS 12, Income Taxes	0.5	0.2	0.3	0.0
IAS 17, Leases	-0.1	-0.2	-0.2	-0.2
IAS 38, Intangible Assets	-0.5	0.1	0.1	0.2
IAS 39, Financial Instruments:				
Recognition and Measurement	-0.6	0.1	0.1	0.0
IFRS 2, Share-based Payment	-0.6	-1.1	-1.7	-2.3
IFRS 3, Business Combinations	1.9	3.6	5.4	7.2
IFRS adjustments total:	0.6	2.7	4.0	4.9
Net result, IFRS	7.1	22.7	44.0	73.8

Nokian Tyres plc

Raila Hietala-Hellman
Vice President, Communications and IR

For further information, please contact: Kim Gran, President and CEO,
tel. +358 3 340 7336.

Distribution: OMX and the key media

Please note!

Nokian Tyres will arrange a conference call on Thursday, November 3rd at 3.00 p.m. Finnish time. Due to Mr. Kim Gran's, CEO, roadshow abroad, the conference call will be held by Mr. Rami Helminen, CFO. Please, call +358(0)9 8248 5715 for participation. Participant's Pin-code: 4739.

*The conference call information is based on the 1-9 2005 presentation material available on the web pages
http://www.nokiantyres.com/publications_en*