Nokian Tyres plc Stock Exchange Release 6 May 2010, 8.00 a.m.

INTERIM REPORT FOR NOKIAN TYRES PLC JANUARY-MARCH 2010:
Recovering demand, sales, productivity and operating profit

The Group's net sales increased by 18.1% to EUR 183.8 million (EUR 155.6 million in Jan-March 2009). Operating result grew to EUR 21.1 million (EUR -2.7 million) and Earnings per share increased to EUR 0.16 (EUR -0.08).

In 2010, the company is positioned to improve net sales and operating result compared to 2009.

Key figures:
EUR million

	Q1/10	Q1/09	Q2/09	Q3/09	Q4/09	2009
Net sales	183.8	155.6	191.1	204.1	247.7	798.5
Operating result	21.1	-2.7	20.3	43.7	40.8	102.0
Result before tax	22.2	-17.3	12.0	32.1	46.7	73.5
Result for the period	20.1	-10.4	11.9	27.5	29.2	58.3
Earnings per share, EUR	0.16	-0.08	0.10	0.22	0.23	0.47
Equity ratio, %	62.5	55.6				62.0
Cash flow from operations	-24.8	-96.0	7.4	-37.5	249.2	123.1
RONA, % (rolling 12 months)	10.3	15.3				8.4
Gearing, %	30.4	57.2				34.8

Kim Gran, President and CEO:

"The tide has turned but it's not plain sailing yet. The demand on Nokian Tyres' core markets has started to recover as expected, and our sales and results improved as planned. The majority of the growth came from a prolonged winter season and a recovery of preseason sales in Russia, where the business environment is now improving. The summer tyre sales in our core markets were boosted by several magazine test victories of Nokian Hakka tyres. Heavy tyre sales and orders continued to improve significantly, driven by good demand in our core market segments. Operating profit picked up due to improved productivity, lower year-over-year raw material cost and beneficial development in the exchange rates of our main sales currencies.

Our order book is improving and in 2010 we will have a good possibility to increase our sales and results, and to provide a strong cash flow from operations. The second half of the year with winter tyre sales will be decisive for Nokian Tyres' results. Sales will be supported by a slowly recovering economy on our core markets and our distributors' quite moderate carry-over stocks after last winter.

Increasing raw material prices present a challenge to us during the rest of the year. Our target is to further improve our sales mix and, despite a tough pricing environment, we will be pushing for price increases of 2-6% in July to defend margins."

Market situation

The global economy turnaround that started in late 2009 has continued. Easier monetary policies and low interest rates improved global macro indicators. Growth rates of the developed countries were exceeded by those in the emerging markets. Serious clouds shadow the European economy and make future recovery uncertain.

Positive signs in the Nokian Tyres' core markets became more visible in the first quarter of 2010. In Q1 the new car sales increased by 28% year-over-year in the Nordic countries and by 10% in Europe. In Russia the car sales development turned positive in March. The aftermarket sales volume for car tyres increased in the Nordic countries by an estimated 4% and in Europe by 10% year-over-year. Tyre deliveries increased more clearly in Russia, trailing the stabilizing economy and improved consumer confidence.

Excess supply of summer tyres in the European markets resulted in some price erosion. Several manufacturers introduced lower summer tyre price lists in the turn of the year.

Prices for winter tyres have resisted the general price erosion better than summer tyres. An early start of winter tyre consumer sales and true winter with heavy snowfall in all Europe and Russia have cut inventory levels and present good opportunities for sales growth in 2010.

In the tyre industry several major companies have announced price increases in Europe and in North America, effective from early summer, to offset the effect of increasing raw material costs. Raw material prices have risen significantly since the second half of 2009. The price for natural rubber has doubled since mid 2009. Oil-based materials have also risen significantly and some materials are in short supply. Cheaper raw material carry-over stocks and contracts from 2009 supported tyre industry results in the first quarter of 2010.

Heavy tyres demand has continued to recover supported by clear increase in forest machine manufacture and some increase in special use machine manufacture. The increase derives from improved demand and prices of pulp, sawmill products and metals.

Overall, the market environment has improved but is still quite competitive in all tyre categories.

January-March 2010

Nokian Tyres Group recorded net sales of EUR 183.8 million (155.6), showing an increase of 18.1% on the corresponding period a year earlier. In the Nordic countries sales increased by 20.7% representing 39.0% (37.3%) of the group’s total sales. Sales in Russia increased by 42.7%. Russia and CIS consolidated sales grew by 3.1% and formed 25.9% (29.0%) of the group’s total sales. In Central and Eastern Europe sales were up by 30.9% year-over-year representing 24.5% (21.7%) of the group’s total sales. In North America sales grew by 1.0% and was 10.1% (11.6%) of the group’s total sales.

Sales of passenger car tyres were up by 18.5% representing 68.1% (67.2%) of the group’s total sales. Heavy tyres’ sales increased by 33.7% and were 8.2% (7.2%) of the group’s total sales. Vianor’s sales grew by 4.7% forming 20.7% (23.1%) of the group’s total sales. The sales of Other operations was up by 40.6% representing 3.0% (2.5%) of the group’s total sales.

Raw material cost (eur/kg) in manufacturing decreased in the first quarter by 27.0% year-over-year. Fixed costs amounted to EUR 73.1 million (71.3), accounting for 39.7% (45.8%) of net sales. Total salaries and wages were EUR 33.3 million (32.9).

Nokian Tyres Group's operating result amounted to EUR 21.1 million (-2.7). This was negatively affected by the IFRS 2 -compliant option scheme write-off of EUR 1.7 million (3.3) and expensed credit losses and provisions of EUR 0.1 million (1.6).

Net financial income was EUR 1.1 million (-14.6). Net interest expenses were EUR 4.8 million (4.5) including EUR 1.9 million (1.8) in non-cash expenses related to convertible bonds. Net financial expenses include EUR 5.9 million (-10.3) of exchange rate differences.

Result before tax was EUR 22.2 million (-17.3). Result for the period amounted to EUR 20.1 million (-10.4), and EPS were EUR 0.16 (EUR -0.08).

Return on net assets (RONA, rolling 12 months) was 10.3% (15.3%). Income financing after the change in working capital, investments and the disposal of fixed assets (Cash flow from operations) was EUR -24.8 million (-96.0).

The Group employed an average of 3,184 (3,679) people, and 3,189 (3,656) at the end of the period. The Vianor tyre chain employed 1,300 (1,396) people and Russian operations 648 (676) people at the end of the period.

Financial position by 31 March, 2010

Gearing ratio was 30.4% (57.2%). Interest-bearing net debt amounted to EUR 253.7 million (417.5). Equity ratio was 62.5% (55.6%)

The Group’s interest-bearing liabilities totalled EUR 334.4 million (438.2) of which current interest-bearing liabilities amounted to EUR 72.4 million (128.0). The average interest rate of interest-bearing liabilities was 4.49% (3.82%). The average interest rate of interest-bearing liabilities was 2.20% (2.13%) with calculatory non-cash expenses related to the convertible bond eliminated.

At the end of the review period the company had unused credit limits amounting to EUR 451.1 million of which EUR 180.4 million were committed. The current credit limits and the commercial paper program are used to finance inventories, trade receivables, subsidiaries in distribution chains and thus control the typical seasonality in the Group’s cash flow due to changes in the working capital.

Tax rate

The Group’s tax rate is effected by tax relieves in Russia. The tax relieves are valid for as long as the company accrues tax on yields corresponding to the amount of the Russian investment, and for two years thereafter.

PASSENGER CAR TYRES

	Q1/10	Q1/09	Change%	Q2/09	Q3/09	Q4/09	2009
Net sales, m€	139.2	117.4	18.5	127.6	146.7	135.6	527.3
Operating result, m€	35.4	16.0	120.9	18.7	43.3	28.2	106.2
Operating result, %	25.4	13.6		14.7	29.5	20.8	20.1
RONA,% (rolling 12 months)	13.9	19.8					11.7

The net sales of Nokian Passenger Car Tyres in January-March totalled EUR 139.2 million (117.4), up by 18.5% from the previous year. Operating result was EUR 35.4 million (16.0) and the operating result percentage was 25.4% (13.6%).

Sales increased in the Nordic Countries, in Russia as well as in Central and Eastern Europe. Most of the sales growth came from winter tyre sales in Russia.

Winter tyre sales grew significantly, while summer tyre sales remained on the same level year-over-year due to a larger share of spring season sales shifting to the second quarter. Nokian Tyres increased its market share in the Nordic countries as well as in Russia and CIS. The Average Selling Price was on par with the corresponding period a year earlier, although in Russia the somewhat weaker winter tyre sales mix reduced the ASP.

The increased production volumes improved productivity. Profitability was boosted by lower raw material cost year-over-year. The currencies in the core markets strengthened against the Euro, thus improving the operating profit.

Car tyre inventory was below previous year at the end of the review period. Cash flow improved compared to Q1/2009.

In the review period Nokian Tyres’ summer tyres achieved several significant test victories in industry and car magazines in the Nordic countries, in Central Europe and in Russia.

The increasing raw material prices did not impact the financial result in the review period; the effects will become evident gradually during 2010. In order to compensate for this, price increases for summer tyres will be implemented in Q2/2010 along with several other manufacturers. In winter tyres Nokian Tyres has less room for price increases in 2010 due to a challenging pricing environment. An improving market and sales mix together with strong core market currencies will help to defend prices.

The focus for 2010 will be on sales growth and adjusting production to increasing demand. Other main targets are optimizing tyre price levels and controlling the working capital.

HEAVY TYRES

	Q1/10	Q1/09	Change%	Q2/09	Q3/09	Q4/09	2009
Net sales, m€	16.8	12.6	33.7	10.2	12.0	15.3	50.1
Operating result, m€	3.8	-2.2	275.6	-1.9	1.8	2.2	0.0
Operating result, %	22.7	-17.3		-18.4	15.1	14.7	0.0
RONA,% (rolling 12 months)	10.0	13.5					0.0

The January–March net sales of Nokian Heavy Tyres totalled EUR 16.8 million (12.6), up by 33.7% year-over-year. Operating result was EUR 3.8 million (-2.2), and the operating result percentage was 22.7% (-17.3%).

Sales increased in all product groups. Orders increased clearly and show an upward trend in most product categories. The forestry machinery manufacture started to recover rapidly in the turn of the year, which was the main factor for the Nokian heavy tyre sales growth.

The Average Selling Price decreased slightly due to a larger share of sales to original equipment manufacturers. Overall, the market improved but was still competitive.

Tyre inventory decreased from Q1/2009 and reached the target level. Fixed costs were down supported by the production restructuring actions in 2009. Increase in production volumes enabled optimal shift operations in manufacturing, which improved productivity. Lower raw material cost year-over-year had a positive impact on profitability.

Nokian Heavy Tyres will increase prices by 4-6% in July in order to compensate for the rapidly growing raw material cost. The focus is to further improve the utilisation of the production capacity, to bring in new customers and to speed up the development process for new products and customer service concepts.

VIANOR

Equity-owned operations

	Q1/10	Q1/09	Change%	Q2/09	Q3/09	Q4/09	2009
Net sales, m€	42.2	40.3	4.7	71.1	57.3	104.5	273.2
Operating result, m€	-11.8	-11.6	-1.6	3.0	-2.2	7.9	-3.0
Operating result,%	-28.0	-28.9		4.2	-3.8	7.5	-1.1
RONA,% (rolling 12 months)	-3.4	2.2					-3.2

Vianor’s net sales in January-March were EUR 42.2 million (40.3), up by 4.7% on the previous year. Operating result was EUR -11.8 million (-11.6), and the operating result percentage was -28.0% (-28.9%). The Operating result was negative due to seasonality.

The spring season of summer tyre sales and the related service sales in the Nordic countries and Russia were delayed to the second quarter of the year, due to the prolonged winter. Vianor’s market shares in the core market areas are estimated to have improved from previous year.

In 2010 focus will be on improving sales and market shares, developing the fast fit services business, improving retail tyre prices as well as improving cost efficiency.

Franchising and partner operations

In the first quarter Vianor expanded the franchise and partner network on Nokian Tyres’ core markets by 19 outlets. At the end of the review period, Vianor operated in 19 countries; most extensively in the Nordic countries, in Russia and in Ukraine. The global Vianor network comprised of 642 outlets of which 471 were partners and 171 equity-owned. Market shares improved as a result of the expansion.

Expanding the partner franchise network will continue according to earlier plans; target is to have more than 700 outlets by the end of 2010.

OTHER OPERATIONS

Truck Tyres

The net sales of Nokian Truck Tyres were EUR 6.1 million (4.3), up 40.6% from the previous year. Sales development was good in all market areas. Nokian Tyres increased its market share in the Nordic coutries. Sales of retreading materials improved due to the higher market share and new customers.

Inventories were reduced year-over-year and reached the target level. Truck Tyres benefited from the decreased raw material cost in both contract manufacturing purchases and in the own retreading operations.

In 2010 the focus will be on utilizing the stronger winter product range, especially the Nokian Hakkapeliitta Truck tyres for Nordic conditions. The product range will be extended with new tyre sizes during the year. The expansion to Russia, CIS and Eastern Europe utilizing the “Vianor truck” service concept will continue.

RUSSIA AND THE CIS COUNTRIES

Nokian Tyres’ sales in Russia increased by 42.7% to EUR 46.8 million (32.8). Sales in CIS countries (excluding Russia) were EUR 3.5 million (16.0). Consolidated sales in Russia and CIS increased by 3.1% to EUR 50.3 million (48.8).

Sales in Russia grew due to recovering consumer demand and distributors’ improving credit capability. Nokian Tyres improved market shares in Russia and maintains its position as the market and price leader in the A-segment of premium branded tyres. Sales in other CIS countries declined due to the timing of preseason sales and delivery restrictions relating to distributors’ carry-over stocks.

Backed by the rising oil price the Russian Rouble has strengthened against the Euro, thus bringing in more Euros to the Nokian Tyres’ result in Q1/2010 versus Q1/2009.

The distribution network was extended by signing additional distribution agreements and expanding the Vianor network. The Vianor tyre chain was expanded by 9 franchising outlets in Q1/2010 and there were a total of 362 Vianor outlets in Russia and CIS countries at the end of the review period.

Six production lines of the Russian plant were operating. Productivity improved along with the increased production volumes. A significant share of the production was exported.

Russia seems to have avoided the worst-case scenario and is expected to show healthy growth of 5–6% already this year. Russian economy recovered at an estimated real GDP growth of 4.5% in Q1/2010 versus Q1/2009. Consumer purchasing power is expected to improve in 2010.

New car sales, the main driver for premium tyres, decreased by 25% in Q1/2010 compared to Q1/2009. In March the car sales decreased by 7% year-over-year but improved by 38% versus February 2010, supported by the start of scrappage incentive program and the credit rates offered by banks (including loans subsidized by car manufacturers) returning to pre-crisis values. A recovery of new car sales with some growth starting in 2010 and gaining momentum in 2011–2012 is presently forecasted. In used car market the demand has exceeded the supply in the beginning of the year. Western cars that were acquired in large amounts 2-4 years ago are now in need for both summer and winter replacement tyres.

The market potential with strong underlying consumer demand in Russia has become more evident in the beginning of 2010. The Nokian Tyres plant located in Russia, inside the customs borders (duty 20% for imported tyres), combined with an expanding Vianor chain provides a significant competitive edge on the market.

INVESTMENTS

Investments in the first quarter amounted to EUR 14.4 million (35.6). This comprises of production investments in the Russian factory, moulds for new products and the Vianor expansion projects.

OTHER MATTERS

1. Stock options on the NASDAQ OMX Helsinki Stock Exchange

The Board of Directors of Nokian Tyres plc resolved to apply for listing of the stock options 2007B on the NASDAQ OMX (Helsinki Stock Exchange) so that the listing would commence on 1 March 2010.

The total number of stock options 2007B is 2,250,000. Each stock option 2007B entitles its holder to subscribe for one Nokian Tyres plc share. The shares can be subscribed with the stock options 2007B during 1 March 2010 - 31 March 2012. In the aggregate, the stock options 2007B entitle their holders to subscribe for 2,250,000 shares. The present share subscription price with stock options 2007B is EUR 22.97/share. The dividends payable annually shall be deducted from the share subscription price.

2. Shares subscribed with option rights

After 15 December, 2009 registered increase in share capital a total of 1,835,020 Nokian Tyres plc’s shares have been subscribed with the 2004C option rights. These option rights are attached to the Nokian Tyres plc’s Option Programs of 2004. An increase in share capital relating to 2004C option rights totalling 367,004 euros was entered into the Trade Register on 25 February, 2010. The shares have been traded on the NASDAQ OMX Helsinki Ltd together with the old shares as of 26 February, 2010. After the increase, the number of Nokian Tyres shares was 126,686,410 and the share capital was EUR 25,337,222.00.

3. Share price development

The Nokian Tyres’ share price was EUR 19.23 (EUR 8.84) at the end of the review period. The volume weighted average share price during the period was EUR 18.16 (EUR 9.04), the highest EUR 20.15 (EUR 11.08) and the lowest EUR 15.89 (EUR 7.00). A total of 49,747,979 shares were traded during the period (71,547,871), representing 39% (57%) of the company's overall share capital. The company’s market value at the end of the period amounted EUR 2.436 billion (EUR 1.104 billion). The company’s percentage of Finnish shareholders was 38% (40%) and 62% (60%) were foreign shareholders registered in the nominee register. This figure includes Bridgestone's ownership of approximately 16%.

4. Decisions made at the Annual General Meeting

On 8 April, 2010, Nokian Tyres Annual General Meeting accepted the financial statements for 2009 and discharged the Board of Directors and the President and CEO from liability.

The meeting decided that a dividend of EUR 0.40 per share shall be paid for the period ending on 31 December, 2009. The dividend shall be paid to shareholders included in the shareholder list maintained by Euroclear Finland Ltd on the record date of 13 April, 2010. The dividend payment date is 23 April, 2010.

4.1 Members of the Board of Directors and Auditor

The meeting decided that the Board of Directors has seven members. Kim Gran, Hille Korhonen, Hannu Penttilä, Yasuhiko Tanokashira, Aleksey Vlasov, Petteri Walldén and Kai Öistämö will continue as Nokian Tyres' Board of Directors. In a meeting held after the Annual General Meeting, Petteri Walldén was elected Chairman of the Board. Authorised public accountants KPMG Oy Ab continue as auditors.

4.2 Remuneration of the Members of the Board of Directors

The meeting decided that the fee paid to the Chairman of the Board is EUR 70,000 per year, while that paid to Board members is set at EUR 35,000 per year. With the exception of the President and CEO, members of the Board and the Nomination and Remuneration Committee are also granted an attendance fee of EUR 600 per meeting.

In addition, 60% of the annual fee be paid in cash and 40% in company shares, such that in the period from 8 April to 30 April, 2010, EUR 28,000 worth of Nokian Tyres plc shares will be purchased at the stock exchange on behalf of the Chairman of the Board and EUR 14,000 worth of shares on behalf of each Board member. This means that the final remuneration paid to Board members is tied to the company's share performance. No separate compensation will be paid to the President and CEO for Board work.

4.3 Granting of stock options and the management's share ownership plan

The meeting decided on the granting of stock options to the personnel of Nokian Tyres Group and to its fully owned subsidiary. The company has a weighty financial reason for issuing stock options since they are intended to form a part of the incentive and commitment programme for the personnel. The purpose of the issue is to encourage the personnel to work on a long-term basis to increase shareholder value. Another purpose of the stock options is to increase personnel commitment to the company. The stock options entitle their holders to subscribe for a maximum total of 4,000,000 new shares in the company. The stock options now issued can be exchanged for shares constituting a maximum total of 3 % of the company's shares and votes of the shares, after the potential share subscription.

The subscription price for stock options is based on the market price of Nokian Tyres shares in NASDAQ OMX Helsinki Oy (Helsinki Stock Exchange) in April 2010, April 2011 and April 2012.

The share subscription period for stock options 2010A shall be 1 May 2012 – 31 May 2014, for stock options 2010B, 1 May 2013 – 31 May 2015 and for stock options 2010C, 1 May 2014 – 31 May 2016.

A share ownership plan shall be incorporated with the 2010 stock options, obliging the Group's senior management to acquire the Company's shares with a proportion of the income gained from the stock options. The stock option plan and the management's share ownership plan have been introduced in more detail in the enclosure.

4.4 Amendment to the Articles of Association

The meeting decided that the article regarding the invitation to a General Meeting of shareholders is amended, due to an amendment to the Finnish Companies Act now in effect, as follows:

9§ Invitation to Annual General Meeting
The invitation to Annual General Meeting must be published, in accordance with the Board of Directors' decision, on the company's website and in one national and one Tampere region daily newspaper, no earlier than three months before the record date referred to in Chapter 4, section 2, subsection 2 of the Finnish Companies Act and no later than three weeks before the Annual General Meeting. The invitation must, however, be delivered no later than nine days before the record date of the Meeting.

4.5 Donations to the institutes of higher education

The meeting authorised the Board to donate a maximum of EUR 500,000 to support universities and other institutes of higher education, and to decide on the payment schedules of donations and other terms relating to donations.

5. Changes in share ownership

Nokian Tyres received an announcement from BlackRock, Inc. on 25 February, 2010, according to which the ownership of Black Rock Investment Management (UK) Limited increased above the level of 10% of the share capital in Nokian Tyres plc as a result of a share transaction concluded on 22 February, 2010. Black Rock Investment Management (UK) Limited holded on deal date a total of 12,565,454 Nokian Tyres' shares representing 10,06% of company's 124,851,390 shares and voting rights.

An increase in Nokian Tyres' share capital relating to 2004C option rights totalling 367,004 euros was entered into the Trade Register on 25 February, 2010. After the increase, the number of shares rose to 126,686,410, and thus the ownership of Black Rock Investment Management (UK) Limited decreased below the level of 10% to 9.92% of shares and voting rights.

RISKS, UNCERTAINTY FACTORS AND DISPUTES IN THE NEAR FUTURE

The Group’s short term risks are derived from continuing uncertainty about the recovery rate of the world economy and the effect on the tyre markets’ demand and sales volume in 2010.

In terms of exchange rate risks, the main risk facing Nokian Tyres in the near future is related to the development of the Ukrainian hryvnia.

A little over 35% of the Group’s net sales are generated from euro-denominated sales. The most important sales currencies in addition to the euro are the Russian rouble, the US dollar, the Swedish and Norwegian krona and the Ukrainian hryvnia.

Nokian Tyres’ other risks and uncertainty factors in the near future concern the financing for customers especially in Russia and CIS and the success of sales in the key markets. Special attention has been drawn to securing customer payments. Russian trade receivables account for around 35% of the Group’s total trade receivables. The amount of overdue trade receivables in Russia and CIS is back to normal level and incoming payments are in line with the agreements.

Nokian Tyres has certain pending legal proceedings and litigations in some countries. At this moment, the company does not expect these proceedings to have any material impact on the performance or future outlook.

OUTLOOK FOR 2010

The level of tyre demand seems to have stabilized and signs of a slow recovery have strengthened. Tyre inventories are on a low level on all markets. The receivables are back to normal on Nokian Tyres’ core markets. Currencies on Nokian Tyres’ core markets have stabilized and strengthened since 2009. Serious clouds shadow the European economy and make future recovery uncertain.

The share of Nordic and Russian sales in the sales portfolio is estimated to increase in 2010. This will have a positive effect on sales mix and prices.

The recovery of profitability and productivity at Nokian Tyres is supported by the increasing share of Russian production and implemented structural changes and cost cuts. Raw material cost in 2010 is estimated to increase by 10-12% compared to 2009.

The tyre pricing environment is expected to be challenging in Nokian Tyres’ core markets. Price increases are difficult to implement despite the increasing raw material prices. The company is however looking to increase prices by 2-6% in July.

A strong expanding distribution, good seasonal logistics, an improved cost structure with majority of production inside duty borders of Russia and CIS as well as new products will give Nokian Tyres a good chance to strengthen its market leadership in the core markets and to return to profitable growth in 2010.

Outlook and guidance for 2010 (unchanged):
In 2010, the company is positioned to improve net sales and operating result compared to 2009.

INVESTMENTS IN 2010

Nokian Tyres’ total investments in 2010 will be approximately EUR 58 million (2009: EUR 86.5 million). About EUR 20 million will be spent on moulds and equipment for new products and EUR 15 million (2009: EUR 51.2 million) on the Russian plant’s operations.

Nokia, 6 May 2010

Nokian Tyres plc
Board of Directors

This interim report has been prepared in accordance with IFRS compliant recognition and measurement principles and the same accounting policies as in the most recent annual financial statements, but it has not been prepared in compliance with all requirements set out in IAS 34 'Interim Financial Reporting'.

The interim report figures are unaudited.

NOKIAN TYRES
CONSOLIDATED INCOME STATEMENT

Million euros	1-3/10	1-3/09	Last 12 months	1-12/09	Change-%
Net sales	183.8	155.6	826.7	798.5	18.1
Cost of sales	-108.7	-102.6	-484.1	-478.0	-5.9
Gross profit	75.2	53.0	342.6	320.4	41.9
Other operating income	0.9	0.4	2.7	2.2	120.5
Selling and marketing expenses	-44.6	-43.9	-174.8	-174.1	-1.7
Administration expenses	-6.1	-6.7	-23.8	-24.5	9.7
Other operating expenses	-4.3	-5.5	-20.9	-22.1	22.7
Operating result	21.1	-2.7	125.9	102.0	874.4
Financial income	29.3	62.3	64.1	97.1	- 52.9
Financial expenses	-28.3	-76.9	-77.0	-125.7	63.3
Result before tax	22.2	-17.3	113.0	73.5	228.4
Tax expense (1	-2.2	6.9	-24.3	-15.2	-131.2
Result for the period	20.1	-10.4	88.7	58.3	293.2
Attributable to:					
Equity holders of the parent	20.1	-10.4	88.7	58.3	
Non-controlling interest	0.0	0.0	0.0	0.0	
Earnings per share from the result attributable to equity holders of the parent					
basic, euros	0.16	-0.08	0.71	0.47	292.1
diluted, euros	0.16	-0.07	0,73	0.49	333.0

CONSOLIDATED OTHER COMPREHENSIVE INCOME

Million euros	1-3/10	1-3/09	1-12/09
Result for the period	20.1	-10.4	58.3
Other comprehensive income, net of tax:			
Gains/Losses from hedge of net investments in foreign operat.	-16.0	-5.1	-24.4
Interest rate swaps	-0.5	0.0	0.1
Translation differences on foreign operations	44.0	-34.0	-12.8
Total other comprehensive income for the period, net of tax	27.5	-39.2	-37.0
Total comprehensive income for the period	47.5	-49.6	21.2
Total comprehensive income attributable to:			
Equity holders of the parent	47.5	-49.6	21.2
Non-controlling interest	0.0	0.0	0.0

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

KEY RATIOS	31.3.10	31.3.09	1-12/09	Change%
Equity ratio, %	62.5	55.6	62.0	
Gearing, %	30.4	57.2	34.8	
Equity per share, euro	6.58	5.84	6.07	12.6
Interest-bearing net debt, m€	253.7	417.5	263.7	
Capital expenditure, m€	14.4	35.6	86.5	
Depreciation, mill. euros	17.0	15.4	61.9	
Personnel, average	3,184	3,679	3,503	
Number of shares (million units)				
at the end of period	126.69	124.85	124.85	
in average	125.57	124.85	124.85	
in average, diluted	131.66	128.85	129.76	

CONSOLIDATED STATEMENT OF FINANCIAL POSITION, million euros	31.3.10	31.3.09	31.12.09
Non-current assets			
Property, plant and equipment	522.0	492.2	507.6
Goodwill	56.3	54.2	55.0
Other intangible assets	19.0	20.6	19.2
Investments in associates	0.1	0.1	0.1
Available-for-sale financial assets	0.2	0.2	0.2
Other receivables	13.6	10.4	9.9
Deferred tax assets	37.9	30.6	28.7
Total non-current assets	649.1	608.2	620.7
Current assets			
Inventories	213.1	299.8	200.0
Trade receivables	287.8	273.0	248.0
Other receivables	103.2	112.6	90.7
Cash and cash equivalents	80.7	20.7	62.5
Total current assets	684.8	706.1	601.2
Equity			
Share capital	25.4	25.0	25.0
Share premium	181.3	155.2	155.2
Translation reserve	-62.2	-92.1	-90.2
Fair value and hedging reserves	-0.5	-0.2	0.0
Paid-up unrestricted equity reserve	0.0		0.0
Retained earnings	689.4	641.5	667.6
Non-controlling interest	0.0	0.4	0.0
Total equity	833.4	729.8	757.6
Non-current liabilities			
Deferred tax liabilities	32.3	26.7	29.4
Provisions	1.4	1.2	1.4
Interest bearing liabilities	260.2	310.2	253.8
Other liabilities	2.4	2.1	2.1
Total non-current liabilities	296.4	340.2	286.7
Current liabilities			
Trade payables	43.1	41.4	33.8
Other current payables	85.9	73.8	70.7
Provisions	1.0	1.1	0.7
Interest-bearing liabilities	74.2	128.0	72.4
Total current liabilities	204.2	244.3	177.6
Total assets	1,333.9	1,314.4	1,221.9

Changes in net working capital arising from operative business are partly covered by EUR 250 million domestic commercial paper programme.

CONSOLIDATED STATEMENT OF CASH FLOWS

Million euros	1-3/10	1-3/09	1-12/09
Cash flow from operating activities:			
Cash generated from operations	18.1	-69.9	228.5
Financial items and taxes	-13.7	8.2	-34.3
Net cash from operating activities	4.4	-61.7	194.2
Cash flow from investing activities:			
Net cash used in investing activities	-12.5	-35.5	-92.8
Cash flow from financing activities:			
Proceeds from issue of share capital	26.6	0.0	0.1
Change in current financial receivables and debt	1.6	87.8	-117.2
Change in non-current financial receivables and debt	-2.9	-82.7	15.4
Dividends paid	0.0	0.0	-49.9
Net cash from financing activities	25.2	5.1	-151.7
Net change in cash and cash equivalents	17.1	-92.1	-50.2
Cash and cash equivalents at the beginning of the period	62.5	113.2	113.2
Effect of exchange rate changes	1.1	-0.4	-0.5
Cash and cash equivalents at the end of the period	80.7	20.7	62.5
	17.1	-92.1	-50.2

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
Million euros

	Share capital	Share premium	Translation reserve	Paid-up unrestricted equity reserve	Fair value and hedging reserves	Retained earnings	Non-controlling interest	Total
Equity, Jan 1st 2009	25.0	155.2	-53.0		-0.1	647.6	2.7	777.3
Exercised warrants	0.0	0.0		0.0				0.0
Share-based payments						3.3		3.3
Other changes						0.9		0.9
Total comprehensive income for the period			-39.1		0.0	-10.4	0.0	-49.6
Change in non-controlling interest							-2.3	-2.3
Equity, Mar 31st 2009	25.0	155.2	-92.1	0.0	-0.2	641.5	0.4	729.8
Equity, Jan 1st 2010	25.0	155.2	-90.2	0.0	0.0	667.6	0.0	757.6
Exercised warrants	0.5	26.1						26.6
Share-based payments						1.7		1.7
Total comprehensive income for the period			27.9		-0.5	20.1	0.0	47.5
Equity, Mar 31st 2010	25.4	181.3	-62.2	0.0	-0.5	689.4	0.0	833.4

SEGMENT INFORMATION

Million euros	1-3/10	1-3/09	1-12/09	Change-%
Net sales				
Passenger car tyres	139.2	117.4	527.3	18.5
Heavy tyres	16.8	12.6	50.1	33.7
Vianor	42.2	40.3	273.2	4.7
Other operations	6.1	4.3	28.5	40.6
Eliminations	-20.5	-19.1	-80.7	-7.4
Total	183.8	155.6	798.5	18.1
Operating result				
Passenger car tyres	35.4	16.0	106.2	120.9
Heavy tyres	3.8	-2.2	0.0	275.6
Vianor	-11.8	-11.6	-3.0	-1.6
Other operations	-1.4	-2.7	-5.0	48.7
Eliminations	-4.9	-2.3	3.7	-115.0
Total	21.1	-2.7	102.0	874.4
Operating result, % of net sales				
Passenger car tyres	25.4	13.6	20.1	
Heavy tyres	22.7	-17.3	0.0	
Vianor	-28.0	-28.9	-1.1	
Total	11.5	-1.8	12.8	
Cash Flow II				
Passenger car tyres	-8.5	-76.1	109.9	88.8
Heavy tyres	-3.3	-4.8	5.7	30.0
Vianor	-9.1	-14.4	7.6	36.9
Total	-24.8	-96.0	123.1	74.2

CONTINGENT LIABILITIES Million euros	31.3.10	31.3.09	31.12.09
FOR OWN DEBT			
Mortgages	0.9	0.9	0.9
Pledged assets	35.6	34.3	35.8
OTHER OWN COMMITMENTS			
Guarantees	5.9	2.1	5.5
Leasing and rent commitments	97.9	114.0	101.1
Acquisition commitments	3.4	1.5	3.4

DERIVATIVES Million euros	31.3.10	31.3.09	31.12.09
INTEREST RATE DERIVATIVES			
Interest rate swaps			
Notional amount	31.6	14.3	3.9
Fair value	-1.0	-0.3	0.0
FOREIGN CURRENCY DERIVATIVES			
Currency forwards			
Notional amount	498.6	340.5	427.2
Fair value	-21.6	-3.4	-7.1
Currency options, purchased			
Notional amount	15.7	29.9	3.9
Fair value	0.1	0.5	0.0
Currency options, written			
Notional amount	27.3	59.9	3.9
Fair value	-0.3	-0.7	-0.1

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

DEFINITIONS OF SALES AREAS

Nordic countries: Finland, Norway, Sweden.

Russia and CIS:
Russia, Armenia, Belarus, Georgia, Kazakhstan, Moldova, Ukraine.

Central and Eastern Europe:
Albania, Austria, Belgium, Bulgaria, Croatia, Czech Republic, Denmark, Estonia, France, Germany, Greece, Hungary, Iceland, Ireland, Italy, Latvia, Lithuania, The Former Yugoslav Republic of Macedonia, Montenegro, Netherlands, Poland, Portugal, Romania, Serbia, Slovakia, Slovenia, Spain, Switzerland, Turkey, United Kingdom.

North America: Canada, USA.

Nokian Tyres plc

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Nokian Tyres plc will publish interim report January-March, 2010 on Thursday 6 May, 2010 at 8.00 am Finnish time.

The result presentation to analysts and media will be held in Helsinki at 10.00 am Finnish time. The presentation can be listened through audiocast via internet at
http://www.nokiantyres.com/resultinfo2010q1

To be able to ask questions during the event you can participate in the conference call. Please dial in 5-10 minutes before the beginning of the event: +44 (0)20 7162 0025. Password: 864529, Nokian Tyres

Stock exchange release and presentation material will be available before the event from http://www.nokiantyres.com/ir-calendar
After the event the audio recording can be downloaded from the same page.

Nokian Tyres interim report Q2/2010 will be published on 5 August, 2010. Releases and company information will be found from
http://www.nokiantyres.com