

Information on Nokian Tyres' share

SHARE DATA

| | |
|-------------------------------------|-----------------|
| Market | Nasdaq Helsinki |
| ISIN | FI0009005318 |
| Symbol | NRE1V |
| Reuters symbol | NRE1V.HE |
| Bloomberg symbol | NRE1V:FH |
| Industry | OMXH Large Caps |
| Sector | Tires & Rubber |
| Number of shares, December 31, 2016 | 135,911,695 |

Share capital and shares

Nokian Tyres' share was quoted on the main list of Nasdaq Helsinki (Helsinki Stock Exchange until 2007) for the first time on June 1, 1995. The company has one class of shares, each share entitling the shareholder to one vote at the Annual General Meeting and carrying equal rights to a dividend. On December 31, 2016, the number of shares entitled to a dividend was 135,911,695.

» Read more: www.nokiantyres.com/company/investors/share/share-information/

Share price development and trading volume in 2016

At the end of 2016, Nokian Tyres' share was quoted at EUR 35.42, showing an increase of 7.0% on the previous year's closing price of EUR 33.10. At its highest, Nokian Tyres' share was quoted at EUR 36.74 in 2016 (EUR 37.57 in 2015) and EUR 27.48 (EUR 19.23) at its lowest. During the year, a total of 138,561,065 (195,229,321) Nokian Tyres' shares were traded on Nasdaq Helsinki. At the end of the year, the market capitalization of the share capital was EUR 4,813,992,237 (EUR 4,458,277,859).

Nokian Tyres' shares are also traded on alternative platforms, such as Bats CXE, Turquoise and BATS. A total of 127,537,938 shares in Nokian Tyres were traded on these alternative platforms during 2016.

On December 31, 2016, the number of shares was 135,911,695.
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Dividend policy

The dividend policy adopted by the company's Board of Directors is to propose to the Annual General Meeting a dividend that reflects

the company's profit development. The dividend policy was updated in 2015.

Nokian Tyres' dividend policy for 2016–2018 is as follows: the company's target is to provide steady or higher absolute dividend per share throughout 2016–2018 (despite the investments in the third factory). The company targets to distribute at least 50% of net profits in dividends.

FINANCIAL TARGETS 2016–2018*

Faster than market growth with healthy profitability

Faster than the market growth Our target is to achieve an average annual growth that is higher than our target market growth. This means we aim at growing organically faster than the tyre replacement market. With the present market outlook this would result to minimum 4–5% average annual sales growth for the period 2016–2018.

Healthy profitability We target to maintain our industry leading operating profit level of minimum 22%.

Good shareholder return Our target is to provide steady or higher absolute dividend per share throughout 2016–2018 (despite the investments in 3rd factory).
Dividend policy: Company targets to distribute at least 50% of net profits in dividends.

*with stable exchange rates

Board authorizations

Annual General Meeting 2012

The Annual General Meeting on April 12, 2012 authorized the Board of Directors to make a decision to offer no more than 25,000,000 shares through a share issue, or by granting special rights under Chapter 10, Section 1 of the Finnish Companies Act that entitle you to shares (including convertible bonds) on one or more occasion. The Board may decide to issue new shares or shares held by the company. The maximum number of shares included in the authorization accounts for approximately 19% of the company's entire share capital.

The authorization includes the right to issue shares or special rights through a private offering; in other words, to deviate from the shareholders' pre-emptive right subject to the provisions of the law.

Under the authorization, the Board of Directors is entitled to decide on the terms and conditions of a share issue, or the granting of special rights under Chapter 10, Section 1 of the Finnish

Companies Act, including the recipients of shares or special rights entitling them to shares, and the compensation to be paid. This authorization was given to be exercised for purposes determined by the Board of Directors. The subscription price of new shares shall be recognized under paid-up unrestricted equity reserve.

The consideration payable for the Company's own shares shall be recognized under paid-up unrestricted equity reserve. The authorization is effective for five years from the decision made at the Annual General Meeting. This authorization invalidates all other Board authorizations regarding share issues and convertible bonds.

Annual General Meeting 2016

The Annual General Meeting held on April 12, 2016 authorized the Board of Directors to resolve to repurchase a maximum of 5,000,000 shares in the Company by using funds in the unrestricted shareholders' equity. The proposed number of shares corresponds 3.7% of all the shares of the Company.

The shares may be repurchased in order to improve the capital structure of the Company, to carry out acquisitions or other arrangements related to the Company's business, to be transferred for other purposes, or to be cancelled, for the Company's incentive plans, or if according to the Board of Directors' comprehension, it is the interest of shareholders.

The price paid for the shares repurchased under the authorization shall be based on the market price of the Company's share in public trading. The minimum price to be paid would be the lowest market price of the share quoted in public trading during the authorization period and the maximum price the highest market price quoted during the authorization period.

The company's own shares can be repurchased otherwise than in proportion to the shareholdings of the shareholders (directed repurchase).

The authorization will be effective until the next Annual General Meeting of Shareholders, but at most until October 12, 2017.

Stock options 2010 directed at personnel

The Annual General Meeting held on April 8, 2010 decided to issue stock options to the personnel of the Nokian Tyres Group and the wholly owned subsidiary of Nokian Tyres plc. A deviation was made from the shareholders' pre-emptive subscription right because the stock options are designed to be part of the Group's incentive and commitment program. The purpose of the stock options is to

encourage the personnel to work on a long-term basis to increase shareholder value.

The number of stock options is 4,000,000. A total of 1,320,000 stock options will be marked with the symbol 2010A, 1,340,000 with the symbol 2010B, and 1,340,000 with the symbol 2010C. According to the original subscription terms, the stock options entitle the subscription of a maximum of 4,000,000 Nokian Tyres plc's new shares or existing shares held by the company. The Board distributed the stock options in spring 2010 (2010A stock options), 2011 (2010B stock options), and 2012 (2010C stock options).

The original share subscription price for stock options 2010A was the average price of a Nokian Tyres plc share weighted by the share trading volume on Nasdaq Helsinki between April 1 and April 30, 2010, i.e. EUR 18.14. For stock options 2010B, the original share subscription price was the average price of a Nokian Tyres plc share weighted by the share trading volume on Nasdaq Helsinki between April 1 and April 30, 2011, i.e. EUR 32.90 and for stock options 2010C, the original share subscription price was the average price of a Nokian Tyres plc share weighted by the share trading volume on Nasdaq Helsinki between April 1 and April 30, 2012, i.e. EUR 35.30.

If the company distributes dividends or similar assets from the reserves of unrestricted equity, the amount of the dividend or distributable unrestricted equity shall be deducted from the share's subscription price of the stock options and decided after the beginning of the period for the determination of the share subscription price but before share subscription, as per the dividend record date or the record date of the repayment of equity.

The share subscription period:

May 1, 2012–May 31, 2014 for stock options 2010A

May 1, 2013–May 31, 2015 for stock options 2010B

May 1, 2014–May 31, 2016 for stock options 2010C.

As a result of the subscriptions with the 2010 stock options, the number of Nokian Tyres' shares may be increased by a maximum of 4,000,000 new shares. The share subscription price shall be credited to the paid-up unrestricted equity reserve. A share ownership plan is 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.

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Stock options 2013 directed at personnel

The Annual General Meeting held on April 11, 2013 decided to issue stock options to the personnel of the Nokian Tyres Group and the wholly owned subsidiary of Nokian Tyres plc. A deviation was made from the shareholders' pre-emptive subscription right because the stock options are designed to be part of the Group's incentive and commitment program. The purpose of the stock options is to encourage the personnel to work on a long-term basis to increase shareholder value.

The maximum total number of stock options issued will be 3,450,000 and they will be issued gratuitously. Of the stock options, 1,150,000 are marked with the symbol 2013A, 1,150,000 are marked with the symbol 2013B, and 1,150,000 are marked with the symbol 2013C. The stock options entitle their owners to subscribe for a maximum total of 3,450,000 new shares in the Company or existing shares held by the Company. The stock options now issued can be exchanged for shares constituting a maximum total of 2.5% of all of the Company's shares and votes of the shares, after the potential share subscription, if new shares are issued in the share subscription.

The share subscription price for stock option 2013A is the trade volume weighted average quotation of the Company's share on Nasdaq Helsinki between January 1 and April 30, 2013, i.e. EUR 32.26, for stock option 2013B, the trade volume weighted average quotation of the share on Nasdaq Helsinki between January 1 and April 30, 2014, i.e. EUR 29.54, and for stock option 2013C, the trade volume weighted average quotation of the share on Nasdaq Helsinki between January 1 and April 30, 2015, i.e. EUR 24.42. The share subscription price will be credited to the reserve for invested unrestricted equity.

If the company distributes dividends or similar assets from the reserves of unrestricted equity, the amount of the dividend or distributable unrestricted equity shall be deducted from the share's subscription price of the stock options and decided after the beginning of the period for the determination of the share subscription price but before share subscription, as per the dividend record date or the record date of the repayment of equity. The current subscription prices are EUR 27.86 per share for stock options 2013A, EUR 26.59 per share for stock options 2013B and EUR 24.42 per share for stock options 2013C.

The share subscription period:

May 1, 2015–May 31, 2017 for stock options 2013A

May 1, 2016–May 31, 2018 for stock options 2013B

May 1, 2017–May 31, 2019 for stock options 2013C.

As a result of the subscriptions with the 2013 stock options, the number of shares may be increased by a maximum of 3,450,000 new shares. The share subscription price shall be credited to the paid-up unrestricted equity reserve. A share ownership plan is incorporated with the 2013 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.

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Stock options listed on the main list of Nasdaq Helsinki Oy

Nokian Tyres' 2010C stock options for the option scheme 2010 were listed on Nasdaq Helsinki's main list as of May 1, 2014. At their highest, the 2010C stock options were quoted at EUR 4.03 and at their lowest at EUR 0.51. The trade volume was 612,418 during the year.

Nokian Tyres' 2013A stock options for the option scheme 2013 were listed on Nasdaq Helsinki's main list as of May 4, 2015. At their highest, the 2013A stock options were quoted at EUR 8.77 and at their lowest at EUR 3.22. The trade volume was 981,934 during the year.

Nokian Tyres' 2013B stock options for the option scheme 2013 were listed on Nasdaq Helsinki's main list as of May 2, 2016. At their highest, the 2013B stock options were quoted at EUR 10.42 and at their lowest at EUR 5.08. The trade volume was 667,359 during the year.

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Share rewards system 2016

In the spring of 2016, the Board of Nokian Tyres plc decided to update the Group's incentive schemes. The update aims to clarify and improve the schemes and to offer a competitive rewards system for all personnel.

The purpose of Nokian Tyres' new share-based incentive system is to harmonize the goals of the owners and key personnel in order to increase the value of the company in the long term, and to commit key personnel to the company. The share rewards system covers some 5% of the Group's personnel, including the management team members.

The share rewards system has three one-year earnings periods, the calendar years 2016, 2017 and 2018. The Company's board will decide on the system's earnings criteria and the goals set for each criterion at the beginning of the earnings period. The system's possible reward for the earnings period of 2016 is based on the Group's operating profit and net sales. The rewards paid for the

earnings period of 2016 correspond to a maximum of 515,000 shares in Nokian Tyres plc, including the monetary reward.

The possible reward from the earnings period of 2016 will be paid in 2017, partially as shares in the Company and partially as money. The monetary reward is intended to cover the taxes and tax-like charges incurred on the key person. As a rule, the reward is not paid if the key person's employment is terminated before the reward is due. Shares that are offered as a reward cannot be handed over during the limitation period of approximately one year.

A member of the Group's management team must own 25% of the gross total number of shares earned through the system, up to the point where the total value of their share ownership is equal to their gross annual salary. They must own this number of shares for as long as they are involved in the Group's management team.

Management shareholding

On December 31, 2016, Nokian Tyres' Board members and the President and CEO held a total of 64,064 Nokian Tyres' shares, and a total of 60,000 stock options that were not publicly traded in 2016. On December 31, 2016, Nokian Tyres' Board members and the President and CEO did not hold Nokian Tyres' publicly traded stock options. The shares and publicly traded stock options represent 0.1% of the total number of votes.

Share identification

ISIN code.....FI0009005318
Trading codeNRE1V (Nasdaq Helsinki)
Currency.....Euro

Changes in the ownership of nominee-registered shareholders in 2016

Nokian Tyres has received announcements from BlackRock, Inc. on January 11, 2016, on January 15, 2016, on January 22, 2016, on February 16, 2016, on March 4, 2016, on March 9, 2016, on March 10, 2016, on March 14, 2016, on March 18, 2016, on April 22, 2016, on May 2, 2016, and on May 3, 2016, according to which the holdings of the mutual funds managed by BlackRock, or indirect holding in Nokian Tyres shares, exceeded the level of 5% of the share capital in Nokian Tyres plc, as a result of a share transactions concluded on January 8, 2016, on January 14, 2016, on January 21, 2016, on February 15, 2016, on March 3, 2016, on March 8, 2016, on March 9, 2016, on March 11, 2016, on March 17, 2016, on April 21, 2016, on April 29, 2016, and on May 2, 2016.

Nokian Tyres has received announcements from BlackRock, Inc. on January 14, 2016, on January 21, 2016, on January 25, 2016, on February 18, 2016, on March 7, 2016, on March 11, 2016, on March 16, 2016, on March 21, 2016, on March 23, 2016, and on April 25, 2016, according to which the holdings of the mutual funds managed by BlackRock, or indirect holding in Nokian Tyres shares, fell below the level of 5% of the share capital in Nokian Tyres plc, as a result of share transactions concluded on January 13, 2016, on January 20, 2016, on January 22, 2016, on February 17, 2016, on March 4, 2016, on March 10, 2016, on March 15, 2016, on March 18, 2016, on March 22, 2016, and on April 22, 2016.

Nokian Tyres has received an announcement from Sprucegrove Investment Management Ltd. on February 26, 2016 and a revised announcement on March 1, 2016, according to which the holdings of the mutual funds managed by Sprucegrove Investment Management Ltd. fell below the level of 5% of the share capital in Nokian Tyres plc, as a result of share transactions concluded on February 25, 2016. According to Nokian Tyres, the holdings of the funds have fallen below the level of 5% already previously due to Nokian Tyres increasing its total number of shares during 2015.

Nokian Tyres has received an announcement from The Capital Group Companies, Inc. on March 24, 2016, according to which the holdings of the mutual funds managed by The Capital Group Companies, Inc. fell below the level of 5% of the share capital in Nokian Tyres plc, as a result of share transactions concluded on March 23, 2016.

Nokian Tyres has received an announcement from The Capital Group Companies, Inc. on June 9, 2016, according to which the holdings of the mutual funds managed by The Capital Group Companies, Inc. exceeded the level of 5% of the share capital in Nokian Tyres plc, as a result of share transactions concluded on June 8, 2016.

Nokian Tyres has received an announcement from The Income Fund of America (IFA) on September 15, 2016, according to which the shares owned by The Income Fund of America exceeded the level of 5% of the share capital in Nokian Tyres plc, as a result of share transactions concluded on September 14, 2016.

More detailed information on flagging can be found at www.nokiantyres.com/company/investors/share/flagging-notifications/.