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NOKIAN TYRES PLC | ANNUAL REPORT 2001

close to you

NOKIAN TYRES 2001

PROFIT BEFORE EXTRAORDINARY ITEMS AND TAXES
EUR 37.0 MILLION (27.2 IN 2000)

NET SALES EUR 423.4 MILLION (398.5)

EARNINGS PER SHARE EUR 2.38 (1.88)

PERSONNEL AT YEAR-END 2,664 (2,519)

SOLUTIONS FOR CUSTOMERS IN NORDIC CONDITIONS

WE HAVE THE INNATE ABILITY TO UNDERSTAND CUSTOMERS OPERATING IN NORDIC CONDITIONS, AND TO KNOW THEIR NEEDS AND EXPECTATIONS.

WE FOCUS ON TYRE PRODUCTS AND SERVICES THAT PROVIDE OUR CUSTOMERS IN NORDIC CONDITIONS WITH SUSTAINABLE ADDED VALUE, AND BUILD THE FOUNDATION FOR OUR COMPANY’S PROFITABLE GROWTH AND SUCCESSFUL BUSINESS.

The darling buds of our two customers: Paavo (11 years) and Otto (12 years).

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Nokian Tyres is the only tyre manufacturer in the world to focus on customers operating in Nordic conditions. Its products are marketed world-wide in locations where conditions are similar to those in the Nordic countries: snow, forest, and extremely demanding driving and operating conditions because of the four seasons.

This scenery is from the world's northernmost tyre test centre, Nokian Tyres' test facility located in Ivalo, Finland.

FOCUS ON NORDIC CONDITIONS

Nokian Tyres is the largest tyre manufacturer in the Nordic countries and one of the most profitable companies in its industry world-wide.

The company develops and manufactures summer and winter tyres for cars and bicycles, and tyres for a range of heavy machinery. It is also the biggest retreading materials manufacturer in the Nordic countries. Nokian Tyres primarily operates in the tyre replacement markets. The company's key success factors include the continually upgraded product range and innovations that deliver genuine added value to the customer.

Nokian Tyres runs the Vianor tyre chain, which is the largest and most extensive of its kind in the Nordic countries. The chain comprises 170 of its own retail outlets across Finland, Sweden, Norway, Estonia and Latvia. The company's product development, administration and marketing functions as well as the majority of production are located in the Nokia facility in Finland. Bicycle tyres are also manufactured in Finland, at the Lieksa plant. In addition, the company has off-take production in Poland, the USA and Indonesia. Nokian Tyres has its own sales companies in Sweden, Norway, Germany, Switzerland and the USA. Furthermore, there is a representative agency in Moscow, Russia.

The focus strategy adopted at Nokian Tyres has enabled the company to outperform average annual growth in the tyre industry. Despite the powerful growth, the company has retained its position among the most profitable tyre companies in the world.

In 2001, Nokian Tyres booked net sales of EUR 423.4 million and employed some 2,664 people.

Nokian Tyres plc was founded in 1988 and it was first listed on the Helsinki Stock Exchange in 1995. The company's roots go back all the way to 1898, when Suomen Gummitehdas Oy, or the Finnish rubber factory, was established. Bicycle tyre production began in 1925 and passenger car tyre production in 1932. The company's best-known brand, the Nokian Hakkapeliitta tyre, was launched in 1936.

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FOCUS STRATEGY

Focus on Nordic conditions

Nokian Tyres is the only tyre manufacturer in the world to focus on solutions and products that meet the special needs of customers in Nordic conditions. Products are marketed in all countries with Nordic conditions, that is, everywhere where there is snow, forests, and demanding conditions caused by changing seasons.

- Special products include passenger car winter tyres and forestry tyres.

Focus on other narrow product segments

By focusing on products designed for northern conditions, Nokian Tyres has developed special competence that gives added value in other narrow special product segments.

- Special products include harbour and mining machinery tyres.

Focus on replacement markets

All Nokian brand passenger car tyres and approximately 60% of heavy tyres are sold to consumers in replacement markets through special tyre stores, car dealers and other companies engaged in tyre trade.

Nokian Tyres' focus strategy is supported by

Investments in product development and production

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

- Production concentrates on high margin core products.
- Ongoing improvement of quality and productivity is supported through consistent investment and productivity projects.

Open and participatory corporate culture

A basic factor behind Nokian Tyres' lasting success is a continuous process of personnel development, which is supported by an open and participatory corporate culture.

- The corporate culture aims to create a highly motivated working community that promotes the success of individuals and the company.

KEY STRATEGIC OBJECTIVES INTO 2006

Market leader in the home market

The key objective in the home market is to be a market leader as a tyre manufacturer and tyre distributor, as well as to have the best customer services and highest customer loyalty in the tyre business.

Globally strong position in core products

The niche strategy is geared towards building a significant global position in narrow, growing product segments.

Growth through a continuously improved product range

Profitable growth is based on heavy investments in core products and services that give customers genuine added value and enhance the ability to launch innovative products and services.

Increase profits through high productivity and the best customer processes in the industry

Improvements in operational efficiency and profitability are achieved through the ongoing development of logistic processes, total quality and productivity.

Profit growth through skilled, inspired personnel with entrepreneurial spirit.

Personnel's active and entrepreneurial attitude towards the development of personal skills and company performance supports the selected focusing strategy and company's pursuit of an ethical and responsible operating policy.

Strategy 2006, key financial objectives

- To clearly increase the market value
- To double the net sales
- An adequate equity ratio
- A steady increase in earnings per share (EPS)
- Positive, steadily growing cash flow
- Steady improvement in the return on net assets (RONA)

TARGET VALUES

Values that guide and support our strategy

Nokian Tyres' personnel consist of more than 2,600 individuals, each with their own personal history. They are people representing different age groups, educational levels, languages and cultures. Their employment histories range from a few weeks to several decades. Shared values and operating policies help us earn and keep the trust and satisfaction of our interest groups. Moreover, they connect members of the community within our organisation.

Customer satisfaction

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

Personnel satisfaction

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

Shareholder satisfaction

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

The best processes in the business

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

TARGET CULTURE

We strive to act in line with the Hakkapeliitta spirit, the basic elements of which we have defined as follows:

Entrepreneurship = The will to win

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

Inventiveness = The will to survive

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

Team spirit = The will to fight

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

SIX PRODUCT AREAS

Passenger car and delivery van tyres

This product area covers the development and production of summer and winter tyres for passenger cars and delivery vans. Key products include studded and non-studded winter tyres as well as high-speed summer tyres. Net sales are primarily generated in the Nordic countries and Russia. Other significant market areas are the Alpine region, Eastern Europe, North America and Canada. In 2001, winter tyres accounted for 67% of the product area's net sales. Markets showing the most powerful growth were Russia, Eastern Europe and the USA.

Product range in the passenger car and delivery van area has seen the quick introduction of new products, and the market shares of Nokian-brand tyres have developed favourably in the key markets. The majority of the products are manufactured at the company's facility in Nokia, Finland, and sold in the replacement markets.

Heavy tyres

The heavy tyres product area comprises tyres for forestry machinery, harbour and mining machinery, special tyres for agricultural machinery, and truck tyres. Product development in this product area concentrates on narrow and growing product niches such as tyres for forestry machinery and harbour machinery as well as winter traction tyres for trucks. The demand for radial tyres has clearly picked up in the past few years, which is why the company has invested in radial tyre production technology.

Forestry tyres represent the number one product segment in the Nokian heavy tyres product area. The company has a 30% share of the global forestry tyres market. Nokian Tyres has developed special tyres for what is known as CTL (cut-to-length) machinery, which was invented in the Nordic countries, and the company is now the world's market leader in this area.

Nokian heavy tyres are sold in the original equipment and replacement markets alike. Original equipment represented approximately 40% of the product area's net sales in 2001. Key markets in addition to the Nordic countries include Central and Southern Europe, the USA and Canada.

The majority of the products is manufactured at the Nokia plant. Truck tyres and agricultural tyres are produced by means of off-take production at other tyre manufacturers' factories.

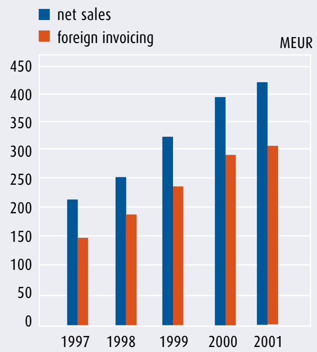
Bicycle tyres

The Nokian bicycle tyres unit produces tyres for standard bikes, all-terrain bikes, mountain bikes

KEY FIGURES 2001

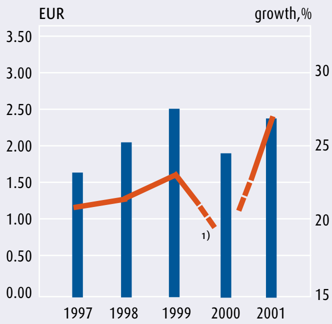
	2001	% of net sales	2000	% of net sales	change %
Net sales, MEUR	423.4		398.5		6.3
Operating profit, MEUR	50.5	11.9	39.4	9.9	28.1
Profit before extraordinary items and taxes, MEUR	37.0	8.7	27.2	6.8	36.3
Return on net assets, %	14.3		12.1		
Return on equity (ROE), %	14.3		13.7		
Interest-bearing net debt, MEUR	158.2	37.4	182.1	45.7	-13.2
Investments, MEUR	45.3	10.7	67.5	16.9	-32.8
Cash flow from ordinary activities, MEUR	70.8		26.6		166.2
Earnings per share, EUR	2.38		1.88		26.9
Cash flow per share, EUR	6.69		2.52		165.8
Shareholders' equity per share, EUR	17.4		15.8		10.6
Equity ratio, %	40.2		36.1		
Average no. of personnel	2,636		2,462		7.1

NET SALES



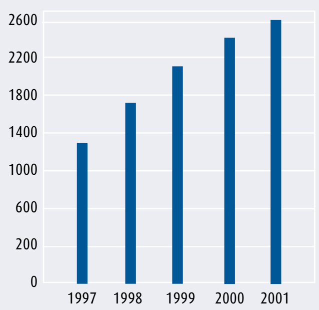
PROFIT BEFORE EXTRAORDINARY ITEMS AND TAXES

EARNINGS PER SHARE (EPS)



1) = -25.2%

AVERAGE NUMBER OF PERSONNEL



and racing bikes. Special products include downhill tyres and studded bicycle tyres. Nokian Tyres is the biggest manufacturer of the studded bicycle tyres in the world. The objective in this product area is to maintain a strong position in the home market and to quickly win new markets around the world in the narrow, high-profit speciality niches.

Key markets cover the Nordic countries, Central Europe and the USA. Products are manufactured at the Lieksa factory.

Retreading materials

This product area covers the development and manufacture of retreading materials used for retreading passenger car tyres, commercial vehicle tyres and tyres for a variety of industrial machinery types.

Key products include winter treads for truck tyres, which have seen a steady increase in demand over the past few years.

Nokian Tyres is the largest Nordic manufacturer of retreading materials. Main markets are the Nordic countries, the Baltic States and Russia. During the course of 2001, the sale of retreading materials increased in Eastern and Central Europe as well as in North America.

Vianor

The Nokian Tyres owned Vianor tyre chain is the biggest of its kind in the Nordic countries. The chain consists of 170 sales outlets located in Finland, Sweden, Norway, Estonia and Latvia. Moreover, Vianor is the biggest tyre retreader in the Nordic countries.

The Vianor chain sells passenger car and van tyres as well as truck tyres. The product range also features other automotive products and services. All sales outlets have a uniform visual appearance and product selection.

Roadsnoop

The newest Nokian Tyres product area is the Roadsnoop unit, which was set up in 2001 and is responsible for the development, product profiling and commercial utilisation of intelligent tyre technology. The company demonstrated its first RoadSnoop product in October 2001. This product, called the RoadSnoop pressure watch, monitors the tyre pressure and temperature, and warns the driver of insufficient tyre pressure by transmitting a radio signal to a small receiver.

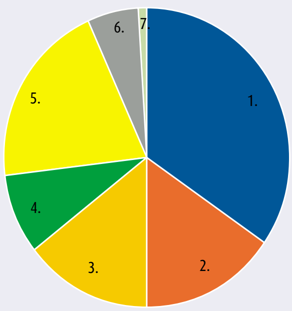
Deliveries of the first generation RoadSnoop product will begin in the spring 2002.

PRODUCT AREAS IN 2001

	Net sales	Share of company net sales	Production volume	Number of products in product range	Share of new products[1] of net sales	Personnel (at year-end)
Passenger car and delivery van tyres	206.6 MEUR	44%	4.8 mill. pcs	300 pcs	44%	763
Heavy tyres	51.3 MEUR	11%	8,782 tns	239 pcs	12%	170
Bicycle tyres	5.3 MEUR	1%	830,000 pcs [2]	150 pcs [2]	11%	58
Retreading materials	11.4 MEUR	3%	4,727 tns	260 pcs	21%	17
Vianor	193.4 MEUR	41%	–	–	–	1,213
Roadsnoop	–		–	–	–	3

1) Products launched in 2000 or 2001.
2) Excluding inner tubes.

NET SALES BY MARKET AREA



1. Finland	32%
2. Sweden	16%
3. Norway	15%
4. Russia and the Baltic states	9%
5. Other European countries	21%
6. The United States and Canada	6%
7. Others	1%

DEAR READER

In the years to come, we will look back on 2001 as a period when we, once again, proved our ability to excel against the odds.

Despite the difficult market situation and the uncertainties affecting our business environment, we increased our sales and recorded a good financial performance. Even when pushing against the wind, we proceeded with the determination to win: our market share in the Nordic countries grew, and we were able to boost our sales in Russia, Eastern Europe and the USA. At the same time, we renewed our product selection and upscaled the competitiveness of our services.

In 2001, we showed how remarkably well the Vianor tyre chain was designed to support our Nordic strategy. Vianor marked the emergence of a tyre business concept that will enhance our market lead in the Nordic countries and will consolidate our position in our core business. Moreover, it will provide us with a wide range of clients and direct contact with consumers. Our investments are gradually beginning to bring results. Although last year was still not the time for reaping the profits, we did, however, receive a clear indication of what we can expect in the future.

Heading in the right direction

In last year's annual report, I listed the objectives we had set for 2001. I am very pleased to say that we have been able to keep the majority of those promises regardless of the extremely challenging market conditions.

We promised to refrain from further investments and to make more efficient use of the previous investments. This prioritisation led to our investments being even smaller than anticipated, yet we made sure that future growth opportunities would not be jeopardised. Efficient utilisation of previous investments, such as the integration of the tyre chain, produced synergy benefits and resulted in higher production volumes and lower production costs in manufacturing. Furthermore, they contributed to better return on capital and stronger cash flow.

We kept our promise and streamlined the Vianor chain. Results of these measures include a more uniform product policy and IT system, as well as higher return on capital and better profitability. However, I would like to emphasise that looking at the chain's own figures alone does not provide a sufficiently accurate picture, since Vianor brings considerable benefits to the manufacturing business as well.

Other promises made a year ago included profitable growth, better productivity and an increasing amount of off-take production. Growth was primarily achieved through better productivity. Owing to the difficult market conditions and the decline of market volumes, the sales growth was below targets and the off-take production was not increased. Nevertheless, off-take production was launched and it will scale up remarkably during the year 2002.

In the Hakkapeliitta spirit

The past year saw a number of significant actions and events, including a few true highlights. Some of our key tasks in 2001 included reinventing the corporate strategy, careful thinking concerning our core competence and related objectives, as well as communicating these issues to everyone in order to derive benefits for the entire organisation. We launched two extensive supervisor training programs, *10+* and *Vianor Way*, which helped to complete the communication task.

One of the highlights of 2001 was the completion of the new mixing plant investment. This was a true manifestation of our team's endurance and inventiveness – of genuine fighting spirit we at Nokian Tyres call the *Hakkapeliitta* spirit. Thanks to this perseverance, we were able to complete the largest single production investment in our history ahead of schedule. In consequence, we were able to discontinue purchases of mixtures from outside the company much sooner than planned, thereby creating considerable savings.

Last year we also gave serious thought to different ways of stepping up our customer service and making it more efficient. One of our key priorities was to offer our customers particularly good service during the peak of the two tyre seasons in the home market. We revised our organisation to make it more customer-oriented and, with this goal in mind, began to train our personnel. The customer perspective is now laid down in our operating policy, and we decided to harness all our operations to support the people who serve the paying customer. This devotion to customer has produced tangible results: last year we introduced a 24-hour service concept, which is being used in the peak tyre season. And more investments will follow. Our efforts are greatly aided by the uniform IT system, the new logistics centre, and the Vianor structure, which enables us to provide faster and more flexible deliveries to customers.

Continued profitable growth

We expect the business environment to remain very challenging in 2002.

We anticipate the global economic uncertainty to persist, and to continue to affect the tyre industry, too. Nevertheless, we are convinced that the strategy we have adopted, the investments we have made, our efficient operating policy and skilled personnel are the kind of competitive assets that will enable us to continue to grow profitably.

The key operational objectives for this year will be the same as for last year: we seek to improve the return on capital and the cash flow, to increase production volumes and productivity, to give first priority to investments aimed to eliminate production bottlenecks, to win bigger market shares in our key markets, and to make full use of the synergy benefits our corporate structure generates. Changes in the competitive scene in our home market will provide us with a better chance of meeting the set objectives. We will utilise the growth opportunities in Russia by starting the off-take production with the local partner and by expanding our distribution in Moscow and St. Petersburg, in particular. Our renewed product range is exceedingly powerful, and supports our growth targets also in Central Europe and North America.

Our target for 2002 is to outperform the previous year in terms of growth and financial performance.

Thanks

I would like to thank our customers for the numerous ideas they have given us for improving our products, services and operations. Your feedback enabled us to further strengthen our expertise of the northern conditions.

To our personnel, my warmest thanks for their determination, their spirit of enterprise, and their eagerness to develop their personal skills and competence. Once again, our good performance proved that we are a team in which each line is able to score goals.

Further, I would like to thank the local communities for their excellent co-operation and input in providing professional skills development opportunities. Together we were able to establish a rubber technology professorship at the University of Tampere, organise higher education in rubber and plastics technologies, and set up a rubber laboratory.

And finally, our sincere thanks to shareholders and partners engaged in the securities market for their trust and growing interest in our company. Discussions with you were an inspiration. They provided us with a deeper insight into the needs and expectations of our shareholders.

Wishing you all a successful 2002.

Kim Gran
President and CEO

Tiina Salokatve, Advertising Assistant

TO BE THE LEADING TYRE MANUFACTURER IN THE HOME MARKET

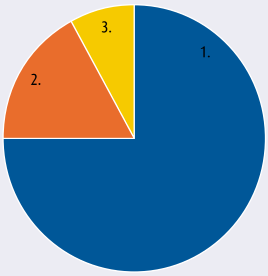
What really matters to a Nordic customer is that tyres provide safety, durability and driving comfort. Nokian Tyres is the only tyre manufacturer in the world to have focused, throughout its entire history, on providing solutions that meet the special needs of customers in Nordic conditions. The company's home market is typified by some of the most challenging driving conditions in the world, providing the company with an innate ability to understand the needs and expectations of customers in Nordic conditions.

Two thirds of Nokian Tyres' net sales are generated in the home market, which includes Finland, Sweden and Norway. Areas resembling the home market also include Russia and the Baltic States. All products included, Nokian Tyres is the market leader in Finland, the third biggest supplier in Norway and the fourth biggest in Sweden. The Nordic tyre market features roughly 80 competing brands. In Russia, the Nokian-brand tyres are among the best-known western tyres.

Nokian Tyres is the biggest Nordic manufacturer of tyres and retreading materials. It owns the Vianor tyre chain – the largest in the Nordic countries – and it has sales companies in Sweden and Norway as well as a representative agency in Moscow, Russia. A strong position in the strategically significant home market is a key success factor. Nokian Tyres is actively engaged in bringing innovative products to the market that are designed to perform well in Nordic conditions. The target is market leadership in high margin core products, such as passenger car winter tyres, high performance summer tyres and certain specialised heavy tyres .

THE NORDIC TYRE REPLACEMENT MARKET IN 2001

Total value approximately MEUR 950 million



1. Passenger car and delivery van tyres 75%
2. Truck tyres 17%
3. Others 8%

Source: Nokian Tyres

SALE OF PASSENGER CAR TYRES IN THE NORDIC REPLACEMENT MARKET BETWEEN 1997 AND 2001

Source: ERMC

1000 pcs	1997	1998	1999	2000	2001
FINLAND					
Summer S/T	782,000	836,000	789,000	719,000	679,000
Summer H	49,000	79,000	86,000	146,000	148,000
Summer V	18,000	28,000	53,000	52,000	65,000
Summer W/Y/Z	6,000	13,000	17,000	21,000	26,000
Summer total	855,000	956,000	945,000	938,000	918,000
Winter nonstudded	134,000	244,000	254,000	188,000	221,000
Winter studded	861,000	910,000	1,002,000	874,000	807,000
Winter total	995,000	1,154,000	1,256,000	1,062,000	1,028,000
Car tyre total	1,850,000	2,110,000	2,201,000	2,000,000	1,946,000
SWEDEN					
Summer S/T	1,188,000	1,176,000	1,064,000	875,000	737,000
Summer H	252,000	258,000	265,000	295,000	270,000
Summer V	114,000	128,000	153,000	201,000	226,000
Summer W/Y/Z	50,000	61,000	71,000	89,000	105,000
Summer total	1,604,000	1,623,000	1,553,000	1,460,000	1,338,000
Winter nonstudded	566,000	563,000	847,000	474,000	536,000
Winter studded	1,130,000	1,099,000	1,649,000	1,026,000	990,000
Winter total	1,696,000	1,661,000	2,496,000	1,500,000	1,526,000
Car tyre total	3,300,000	3,284,000	4,050,000	2,960,000	2,864,000
NORWAY					
Summer S/T	524,000	498,000	481,000	427,000	432,000
Summer H	121,000	157,000	190,000	196,000	211,000
Summer V	33,000	57,000	65,000	59,000	67,000
Summer W/Y/Z	15,000	26,000	34,000	30,000	35,000
Summer total	693,000	738,000	770,000	712,000	745,000
Winter nonstudded	403,000	611,000	616,000	501,000	570,000
Winter studded	698,000	571,000	584,000	553,000	531,000
Winter total	1,101,000	1,182,000	1,200,000	1,054,000	1,101,000
Car tyre total	1,794,000	1,920,000	1,970,000	1,766,000	1,846,000

Common speed ratings

Speed rating and highest speed

Q	160 km/h or 99 mph
R	170 km/h or 106 mph
S	180 km/h or 112 mph
T	190 km/h or 118 mph
U	200 km/h or 124 mph
H	210 km/h or 130 mph
V	240 km/h or 150 mph
W	270 km/h or 169 mph
Y	300 km/h or 188 mph
Z	>240 km/h or >150 mph

One market area with regional differences

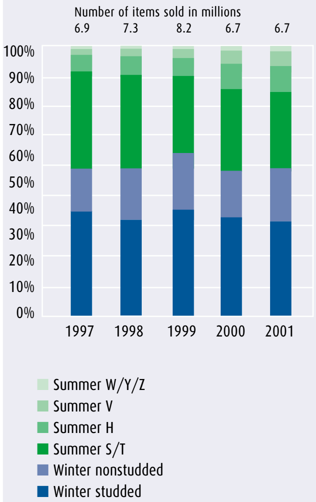
Nokian Tyres considers Finland, Sweden and Norway as one single market while naturally respecting the country-specific dissimilarities. Winter tyres are compulsory in all three countries, and there are two peak seasons per year. Nevertheless, winter conditions are quite different in each country. In Finland, winters are usually much more snowy than they are in Norway, where the temperature remains mostly around zero (Celsius) and roads are heavily salted. Differences in the winter weather are reflected in the demand for studded and non-studded winter tyres. Studded winter tyres represented 78% of all the winter tyres sold in Finland in 2001, while in Sweden they accounted for 65%, and 48% in Norway. Owing to the winter tyre season, it is characteristic of the tyre trade in the Nordic countries that profits are concentrated on the final quarter of the year.

Russia is a strong growth area and a strategically important one for Nokian Tyres. Approximately 20 million passenger car tyres are sold in Russia every year, roughly 5 million being winter tyres. Over the next five years, Nokian Tyres expects the overall market to double and the winter tyre market to triple. Nokian Tyres has sold tyres to Russia since 1964, and at best, Russian trade accounted for 10% of net sales. In 2001, sales to Russia were up 60% on the previous year. For Russia, Nokian Tyres is the most closely located western tyre manufacturer, and the tyres, which are designed for Nordic conditions, are suitable for the Russian market without modification. The importation of western cars is on the increase, and trading practice has become more European, which improves the business opportunities in Russia.

Nokian Noktop retreading materials enhance the service capacity

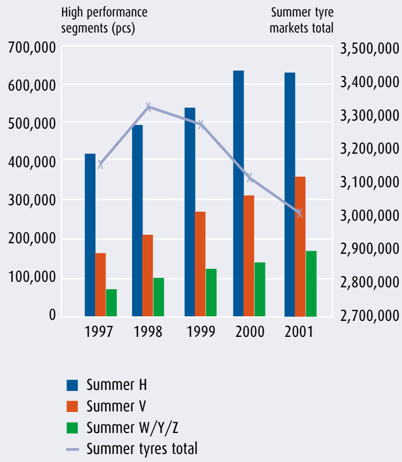
Wear resistance is the most valued property for professional drivers in the Nordic countries. The Nokian retreading materials are tested in Nordic conditions, which are very hard on surface grip and durability. Based on this testing experience, the company has developed rubber compounds that ensure good grip and high wear resistance, as well as optimal tread designs

SALES OF PASSENGER CAR TYRES IN THE NORDIC REPLACEMENT MARKETS
Finland, Sweden, Norway total



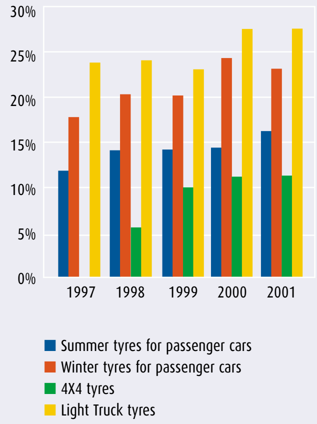
Source: ERMC 2001

HIGH PERFORMANCE -SEGMENTS COMPARED TO SUMMER TYRE MARKETS
Finland, Sweden, Norway total



Source: ERMC 2001

THE MARKET SHARE OF NOKIAN TYRES IN THE NORDIC COUNTRIES BY PRODUCT AREA
Finland, Sweden, Norway total



Source: ERMC + Nokian Tyres

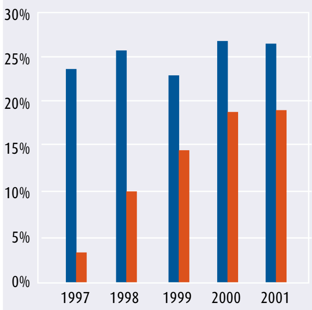
for different purposes. Nokian Tyres has gained market leadership in Nordic countries as a supplier of retreading materials. Nokian Noktop treads are popular products in particular. The Nokian Noktop retreading materials are made using environmentally safe rubber compounds. The highly polyaromatic oil (HA oil), commonly used in the tyre industry, has been replaced with an environmentally sound non-labelled oil, which contains less than 3% polyaromatic hydrocarbons.

Nokian Tyres is the largest Nordic manufacturer of retreading materials, while the Vianor tyre chain is the number-one tyre retreader in the Nordic countries. The company's technical expertise in tyres offers strong support for the retreading materials development team. Also the direct customer feedback regarding the end-user's needs and expectations received through Vianor is highly valuable. In fact, one of the company's major competitive assets is its overall process competence in the production of retreading materials. It covers the entire spectrum from raw material procurement, rubber compounds, product development and production all the way to the end-user.

HOME MARKETS 2001

+	–
- market shares in Nordic countries	- new car sales in Nordic countries
- sales growth in Russia	- tyre markets in Nordic countries
- price level of passenger car tyres	- weak Swedish krona
- demand for winter treads	

THE MARKET SHARE OF NOKIAN TYRES
Finland, Sweden, Norway total
Winter tyres



Source: ERMC + Nokian Tyres

For more information on the Nordic tyre markets, see page 17.

SAFETY WITH A TWIST

Nokian Tyres invests heavily in marketing and advertising its products in the Nordic countries. Measures have been taken to increase media advertising of passenger car tyres and to boost their visibility in tyre stores.

In the Nordic countries, road safety is by far the most important criterion affecting the choice of tyres. Expertise of the Nordic conditions and sustainable safety are the basic messages conveyed through Nokian Tyres advertising and marketing. Advertising is designed to create a distinctive and distinguishable image, and to change the standard conventions in the industry. The advertising campaigns have indeed been a success: the company's advertisements won prizes in several national and international competitions.

According to market surveys carried out in 2001, the brand awareness of Nokian Tyres increased in Sweden and Norway. In Finland, awareness is almost 100%. Consumers associate Nokian-brand tyres with high quality, safety, and suitability for the Nordic driving conditions.

Urho Mettovaara, Sales Manager, VianorExpress, Tampere, Finland

TO BE THE NUMBER-ONE TYRE CHAIN IN THE HOME MARKET

Vianor is the biggest tyre chain in the Nordic countries with the most extensive geographical reach. It has unbeatable experience in Nordic conditions, and it knows the needs and expectations of the Nordic customers. Vianor provides its customers with all the basic tyre services as well as a large variety of related products and services. Vianor´s target is to be the most profitable tyre chain in the world and the best-known player in its business by 2006.

In line with its strategy, Nokian Tyres is strengthening the tyre chain with the objective of securing its strong position in the home market, and of ensuring that its products can enter to the strategically significant Nordic markets. With its own tyre chain, Nokian Tyres is able to develop new service concepts and to contribute to success in the whole retail business.

Small on the European scale, Vianor's home market is characterised by heavy seasonal fluctuations. Business tends to pick up dramatically towards the year-end, particularly in the final quarter of the year, largely due to the winter tyre season. Another special feature of this business environment is that there are only a few large tyre chains in the Nordic countries, which in the past couple of years have been brought under the ownership of various tyre manufacturers. Vianor is the only tyre chain to geographically cover Finland, Sweden and Norway. With a market share of 18%, Vianor is the market leader in the Nordic countries, with all products and services included in the figure.

Major synergy benefits

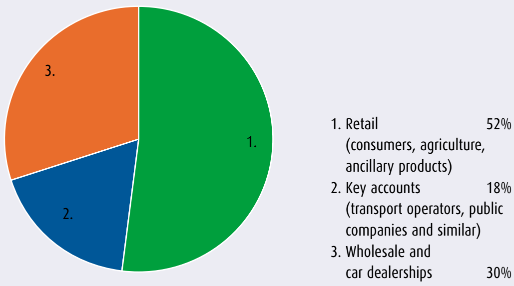
The Vianor tyre chain offers Nokian Tyres more chances for profitable growth, and it consolidates the market position on Nokian-brand tyres in the Nordic countries, Russia and the Baltic States. Own tyre chain provides Nokian Tyres with better opportunities for direct contact with the end-users of its products. The brand and the salesperson's recommendations strongly affect a consumer's choice of tyre. Through the chain, the company also receives valuable infor

VIANOR'S KEY FINANCIAL OBJECTIVES INTO 2006

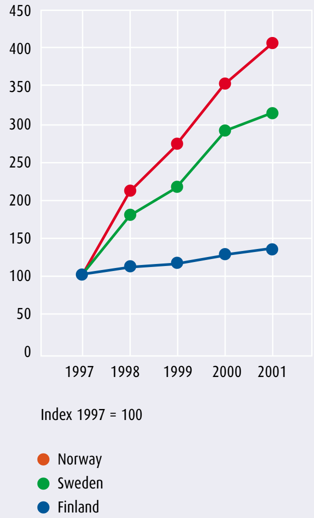
- Doubling net sales
- Operating profit steadily improving
- Positive, growing cash flow
- To be the most profitable tyre chain in the world

DISTRIBUTION OF NET SALES IN 2001

Share (%) of net sales



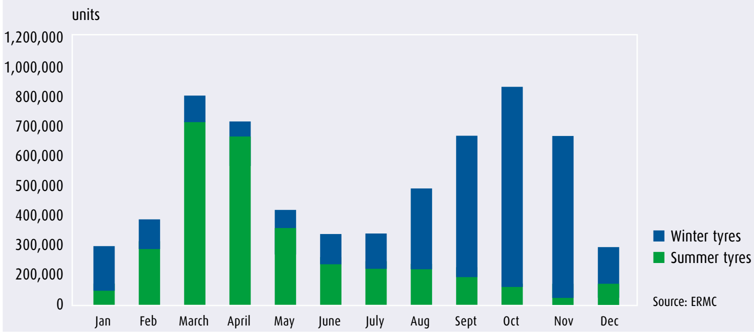
BUYING INTENTION OF NOKIAN-BRAND TYRES



Source: Taloustutkimus Oy/Nokian Tyres, 2001

SEASONAL FLUCTUATION IN THE TYRE TRADE

The monthly sales of passenger car tyres in the Nordic countries in 2001; sales from the manufacturer to retailers.



Source: ERMC

mation for its service development activities and for tyre R&D and marketing.

In return, Vianor stands to gain in many ways from its seamless co-operation with Nokian Tyres. Direct contact with the tyre manufacturer enables better flexibility and a faster response. It also translates into a controlled supplier-customer process from the manufacturer to the end-user, not to mention co-operation in product development as well as efficient logistics and stock management.

The year 2000 was a period Vianor structure was built. In 2001, measures taken to generate synergy benefits began to produce visible results, both across the chain and in the manufacturing business. With the integration of the chain's operations, cost-efficiency and capital management improved.

Measures contributing to Vianor's improved profitability included the harmonisation of the product range, which enables larger bulk purchases and purchase benefits. Furthermore, standardised data and operations management systems sharpen the planning, monitoring and reporting procedures.

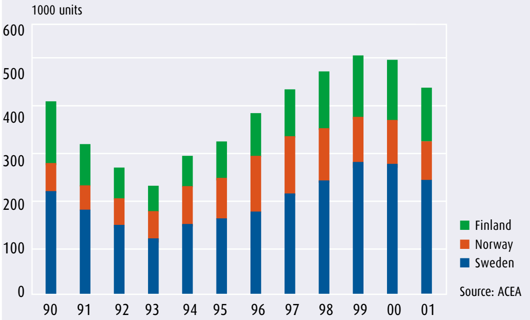
In Finland and Norway, the geographical reach of the Vianor chain is very close to the desired level. Meanwhile, in Sweden, the structure continues to be strengthened. The objective is to further expand the tyre chain by introducing the partner concept, in other words by linking independent sales outlets to the Vianor network on a franchising principle. In the autumn, the first Vianor sales outlet was opened in Moscow.

New service concepts

Vianor is making a determined effort to modernise the operating methods in the industry and to design new kinds of service concepts.

New services include VianorExpress outlets that specialise in providing services to passenger and delivery car drivers. The outlets are located in the vicinity of big cities on busy main roads. The VianorExpress outlets provide a wider range of services and longer opening hours than the traditional Vianor outlets. The newest service concept introduces so-called tyre hotels, where customers can leave their winter or summer tyres in storage until the tyres need to be

THE REGISTRATION OF NEW PASSENGER CARS IN SCANDINAVIA

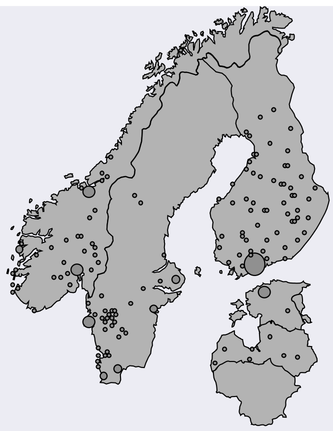


Source: ACEA

50 SALES OUTLETS IN SWEDEN

Nokian Tyres extended its Vianor chain in Sweden with the acquisition of Däckaffären 2000 AB's business activities at the end of November. The transaction involved 13 tyre outlets in Southern and Central Sweden. Following the deal, the number of Vianor's own sales outlets in Sweden rose to 50.

Vianor has a total of 170 sales outlets situated in Finland, Sweden, Norway, Russia and the Baltic States. Their aggregate net sales at the year-end amounted to EUR 193.4 million.



Vianor's growth began in Norway

Nokian Tyres set up the first sales outlets in Norway in 1987

1987	Larsen &Lund AS	merged in 1995 with Vianor
1989	Wullum Dekk AS	merged in 1995 with Vianor
1998	Bergs Gummi-Industri AS consolidated with Vianor	

Next to follow were the Swedish chains

1998	Galaxie AB
1998	Däckshopen Auto-Service i Malmö AB

Latvia joined the chain in

1998	Freibi Riepas SIA

Chain extended into Finland and Estonia

1999	Isko Oyj
1999	Isko AS
2000	Rengasmestarit - Kumi-Helenius -group

More sales power to Sweden

2001	Däckaffären 200 AB, Sweden

changed again. The first tyre hotel was opened in Finland in autumn 2001, and the company plans to open more hotels in major cities across the Nordic countries. Since October 2001, the service has also included a five-year tyre guarantee to purchasers of new tyres, which compensates the customer for a damaged tyre.

The full-service Vianor sales outlets are the backbone of the business. They serve a large customer base from passenger cars to heavy traffic and industrial machinery. Vianor provides tyre retreading service in nine outlets which are spread across Finland, Sweden and Norway.

Product policy focused on a handful of brands

A significant part of Nokian Tyres' overall sales to consumers in the Nordic countries takes place through the company's established retail customers. Nokian Tyres strives to make the most of Vianor to improve the overall financial performance of the industry. In accordance with the harmonised product policy, all Vianor outlets offer a selection of tyres from all price ranges. Nokian-brand tyres represent approximately half of the passenger car tyres sold. A product policy that is focused on just a handful of brands improves the inventory rotation.

To even out the seasonal fluctuations and to boost sales, most sales outlets also provide services such as changing the oil, wheel alignment, installing exhaust pipe and shock absorbers, and selling batteries. Services will, accordingly, account for an increasingly large part of net sales.

VIANOR 2001

+	–
- clearly improved cash flow	- new car sales in Nordic countries
- market shares	- profitability below target
- integration and development actions	- level of consumer prices
- synergy benefits for Nokian Tyres	
- structure strengthened in Sweden	
- first outlets in Russia	

"SAVE YOURSELF THE TROUBLE"

The principal objective of Vianor's marketing efforts is to strengthen the product brand. Key elements in this endeavour include a uniform visual appearance, original and distinctive advertising, as well as individual campaigns and theme events.

Vianor's advertising is designed to create a long-term corporate identity by promoting a positive, professional, down-to-earth image. In the sales outlets, advertising focuses primarily on product offers, the purpose of which is to remind consumers of topical products and services, and to activate sales. Individual campaigns help boost sales in the period between peak seasons. The theme of all advertising measures is "Save yourself the trouble". It is a message to the customers promising saved time, money and trouble.

The name Vianor is derived from Latin and means northern route. The Vianor colours are orange, black and grey. The consistent visual appearance covers advertising, sales outlet interiors and exteriors, and personnel uniforms.

Jukka Hakanen, R&D Manager, Roadsnoop

TO BE A STRONGER PLAYER IN THE CORE PRODUCTS GLOBALLY

Nokian Tyres´ growth in global market is based on expertise in specific, narrow product segments. Competition in the global tyre market is fierce, which means that a small tyre manufacturer's opportunities lie in a niche-focused approach. Nokian Tyres is constantly searching for new markets and growth areas that allow it to benefit from its special knowledge, skills and strong expertise in Nordic conditions.

Outside its home market, Nokian Tyres' key markets include the Alpine region, East Europe and North America. These are regions and countries typified by conditions very similar to those in the Nordic countries: four distinct seasons, heavily forested, and driving conditions that place severe demands on the tyres. Nokian Tyres has its own sales companies in Germany, Switzerland and the USA. In other countries, products are sold through independent importers. In 2001, Nokian-brand tyres were sold in 56 countries.

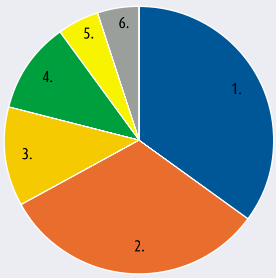
The passenger car and delivery van product range has been expanded to feature new products that are tailored to meet the needs and demands of consumers in the selected market area. Good sales performance in Central Europe and the United States is a proof of successfully taylored winter competence.

A new product concept was developed particularly with the US market in mind. This all-weather plus tyre is designed for use all year round, with special emphasis on the winter tyre qualities. The winter tyre selection also offers light truck tyres for the US market. Meanwhile, the summer tyre range was expanded by introducing low profile, high-speed tyres. Demand for winter tyres and high-speed summer tyres has picked up in Europe and the USA.

The heavy tyres product area also offers good examples of successfull core product groups that have sold well around the world. Heavy tyres in general are global products, in other words

REGIONAL DISTRIBUTION OF THE GLOBAL TYRE MARKET

Value in 2000 USD 70 billion

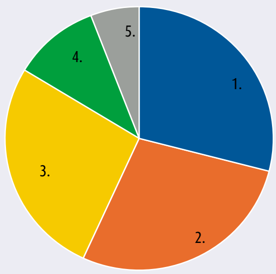


1. North America	35%
2. Europe	32%
3. Asia (excl. Japan)	12%
4. Japan	11%
5. Africa and the Middle-East	5%
6. Latin America	5%

Source: Bowfell.net

FIVE BIGGEST TYRE COMPANIES IN THE WORLD

Net sales in 2000 million USD

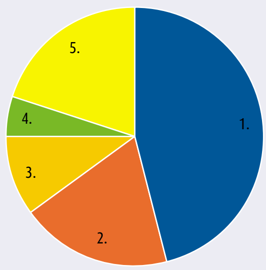


1. Bridgestone Corp., Japan	13,750
2. Group Michelin, France	13,200
3. Goodyear Tire & Rubber Co., USA	12,725
4. Continental AG, Germany	4,955
5. Sumitomo Rubber Industries Ltd., Japan	2,783

Source: Tire Business

PASSENGER CAR TYRE REPLACEMENT MARKET IN EUROPE

The market in 2001 approximately 170 million tyres (figures for 2000 in brackets)



1. Summer tyres S/T	46%	(47%)
2. Summer tyres H	19%	(18%)
3. Summer tyres V	10%	(9%)
4. Summer tyres W/Y/Z	5%	(4%)
5. Winter tyres S/T	20%	(22%)

Source: Nokian Tyres

the same tyres can be sold anywhere in the world. Examples include forestry tyres in which Nokian Tyres has been a globally important player sine the 1960´s. The company has been able to benefit from the experience gained in the forestry tyres in its harbour and mining machinery tyre development.

The heavy tyres market in general is very sensitive to economic fluctuations, and the truck tyre market, for instance, is susceptible to aggressive price competition. Nokian Tyres has been able to decrease its market vulnerability and, to some extent, avoid the toughest price competition by focusing on selected niches and new speciality products, and by identifying new sales opportunities in the replacement markets. The demand for radial tyres has increased in the past few years, and Nokian Tyres has made investments to advance this type of production technology.

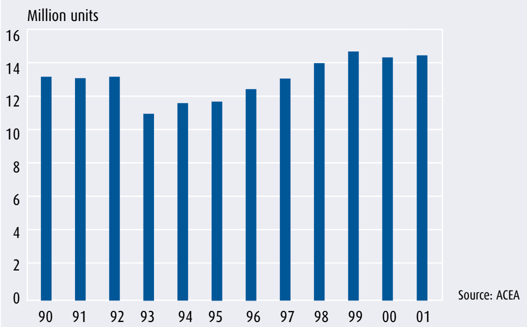
Nokian retreading materials have done very well in the Nordic countries, providing excellent references when seeking new customers in Europe and North America. The target is to strengthen the position in Europe as a manufacturer of prevulcanised treads for truck tyres.

Bicycle tyre sales concentrate on narrow speciality niches around the world. For example, Nokian downhill tyres are increasingly popular in the North American market.

Investing in logistics, optimised production and off-take production

Operating in the global market is particularly challenging for a small Nordic tyre manufacturer. In most cases, the geographical distance from the production plant to the retailer is long, making the tyre deliveries more expensive. Yet the customers require fast and reliable deliveries without the liability involved in large stocks. Moreover, managing an extensive product range brings another challenge into the tyre manufacturing process. In fact, when pursuing growth and a sharper competitive edge in the global tyre market, the key development priorities include managing the whole logistics chain, optimising own production and exploiting off-take production even more efficiently.

PASSENGER CAR SALES IN EUROPE



DEMAND FOR WINTER TYRES AND HIGH-SPEED TYRES GROWING IN EUROPE

The sale of passenger car tyres accounts for more than half of the roughly EUR 20 billion European tyre market. More than 200 tyre brands are available in the European market, and around 80 are sold in the Nordic countries.

The passenger car tyre market is split into two sectors: the original equipment and the replacement market.

The original equipment market involves direct sales to the automotive industry. The replacement markets in which Nokian Tyres is engaged covers sales to consumers via tyre retailers, car dealers and service stations.

Growing market segments in the tyre industry include passenger car winter tyres and high-performance summer tyres, heavy tyres with a special radial construction, downhill tyres and all-terrain tyres for bicycles, and the pre-vulcanised treads used for tyre retreading.

THE NICHE STRATEGY IS THE GUIDELINE FOR HEAVY TYRES

The niche strategy adopted at Nokian Tyres provides guidelines and consistent support for the business operations of the heavy tyres product area.

Nokian Tyres has, for example, selected winter tyres as its core area in truck tyre production which is supported by producing summer tyres. In harbour machinery tyres, Nokian Tyres' niche is the container handling machinery used in harbours and terminals. In the forestry machinery sector, the main focus is on tyres designed for machinery that deploys the CTL (Cut to Length) method, which was developed in the Nordic countries. Nokian Tyres is the global market leader in the CTL machinery tyre segment. Outside Europe, this environmentally friendly logging method is also gaining popularity in Canada, the United States and Russia.

In the heavy tyres product area, co-operation with machine and equipment manufacturers is very intensive.

Original equipment installation represents roughly 40% of the product area's net sales.

Close co-operation with key customers

In order to grow globally, the supply chains need to be developed to match Nokian Tyres´ specialisation strategy. The company is looking for distribution partners with suitable expertise and existing end user connections to reach direct customers in narrow specialised fields. Among the targets is to intensify co-operation with the key customers, e.g. by increasing their participation in planning product ranges.

GLOBAL MARKETS 2001

+	–
- car tyre sales to East Europe	- uncertainty and slow growth of global economy
- car tyre sales to North America	- problems of European agriculture
- consumers' increased consciousness of brands and quality	- low production volumes of machinery manufacturers
- raw material price development	- tyre dealers' high stock levels

CONTINUED SPECIALISATION IN THE BICYCLE TYRE BUSINESS

The bicycle tyre product area vigorously pursues its strategy, which aims at retaining its strong position in the home market and making rapid progress in the narrow, high-profit global speciality segments. These include downhill and all-terrain tyres as well as winter tyres.

The biggest markets for downhill tyres include North America, Central Europe and Japan. Trade magazines have ranked Nokian Tyres the leading tyre supplier in this product area.

North America offers the largest market for all-terrain tyres. The supply of all-terrain tyres has increased dramatically, which is why Nokian Tyres only seeks growth in carefully selected markets.

Nokian Tyres provides a wide selection of studded tyres for winter cycling. The key markets for these products cover the Nordic countries, the Alpine region, North America and Japan. Despite the increased supply, Nokian Tyres has been able to maintain its position as the leading supplier to this product segment.

CUSTOMISED WINTER TYRES FOR EACH MARKET AREA

Nokian Tyres is the only tyre manufacturer to provide passenger car and delivery van winter tyres that are specially customised to accommodate the needs of its Nordic and Central European customers.

For Nordic customers

■ Nokian Hakkapeliitta 2
- a studded tyre for passenger cars that combines the benefits of studded and friction tyres

■ Nokian Hakkapeliitta Q
- a friction tyre designed for demanding winter conditions

■ Nokian Hakkapeliitta CQ
- a friction tyre for vans: excellent grip and good wear resistance

For Central European customers

■ Nokian Hakkapeliitta CS
- a friction tyre for vans with good wet grip and driving qualities in high-speed motorway conditions

■ Nokian Hakkapeliitta NRW
- a friction tyre for passenger cars, which offers good grip and wear resistance, and meets the requirements for high-speed driving

■ Nokian WR SUV
- a friction tyre designed for markets in the US and Central Europe
- particularly good snow and wet grip

Anne Keckman, Laboratory Engineer

LEADING EXPERTISE AND R&D EXCELLENCE IN CORE PRODUCTS

One of the driving forces behind Nokian Tyres' success is its ability to come up with innovative products and services that give genuine added value to customers, and its ability to reinvent its product range faster than other players in the field. The constantly renewed product selection allows the company to consolidate its position and maintain the desired price and margin level in the tough competitive situation. A successful product launch can increase margins by dozens of percentages compared to the old products.

The main objective of the R&D work carried out at Nokian Tyres is to continue to strengthen the company's position as the best winter tyre and forestry tyre manufacturer in the world. The key R&D principle has, in essence, remained the same for as many as 70 years: in developing tyres, the company focuses especially on drivers in Nordic conditions, drivers who appreciate and demand uncompromised tyre safety through all seasons in all driving circumstances.

Research and development is guided by the principle of sustainable safety: the safety properties of a tyre should remain almost intact even as the tyre wears. The goal is to keep customers satisfied with the tyres they have purchased for their entire life span. New technology innovations are constantly developed to improve safety.

Besides being safe and economic, Nokian Tyres wants to emphasise that its products are advanced, individual and innovative. Solutions that generate added value for a product are always noticed on the market, and they mark one brand out from another.

The R&D team is continuously improving the efficiency of its innovation processes with the objective of putting its ideas into profitable commercial use. The driving safety indicator, the info pin and the grip-enhancing silica tread compounds are all recent examples of inventions that improve tyre safety and driving comfort.

The Vianor tyre chain provides Nokian Tyres with immediate feedback and valuable comments from customers, which will help steer R&D efforts into a direction that meets customers' wishes.

THE PERFORMANCE OF NOKIAN TYRES IN CAR MAGAZINE TESTS

Autumn 2001

MAGAZINE	DISTR.	TYRE	RANKING	PLUSES	MINUSES	SUMMARY
Tekniikan Maailma (FIN)	130,000	HKPL2	2.	Wintergrip and -handling	Wet and dry asphalt	"Reliable tyre for winter"
Vi Bilägare (S)	205,000	HKPL2	- 1)	Snowgrip,-handling	Wetgrip	"Good at snowy and icy roads"
Motor (N)	406,000	HKPL2	2.	Wintergrip and -handling	Wet and dry asphalt	"Reliable tyre for winter"
Teknikens Värld (S)		HKPL2	2.	Ice and snowgrip	Dry asphalt	"Made for Scandinavia"
Aftonbladet (S)	437,000	HKPL2	3.	Ice and snowgrip	Dry asphalt	"Reliable tyre for winter"
Tekniikan Maailma (FIN)	130,000	HKPLQ	1.	Icegrip, snow handling	Wet and dry asphalt	"Good for Scandinavian winter"
Tuulilasi (FIN)	90,000	HKPLQ	1	Wintergrip	Oversteering at the limit	"All you need from wintertyre"
Vi Bilägare (S)	205,000	HKPLQ	- 1)	Ice and snowgrip	Wet and dry asphalt	"Good at snowy and icy roads"
Motor (N)	406,000	HKPLQ	1.	Icegrip, snow handling	Wet and dry asphalt	"Nearest to spiketyre"
Auto Motor och Sport (S)	50,000	HKPLQ	1.	Ice and snowgrip, handling	Wetgrip and handling	"Best tyre for winter"
Aftonbladet (S)	437,000	HKPLQ	1.	Best icegrip	Dry asphalt	"Best tyre without studs"
TEST (D)	650,000	NRW-T	1.	Snow and wetgrip	Icegrip	"Good"
TEST (D)	650,000	NRW-H	2.	Snowgrip, wear, RR	Wet and icegrip	"Good"
ACE (D)	574,000	NRW-T	1.	Snow and wetgrip	Icegrip	"Good"
ACE (D)	574,000	NRW-H	2.	Snowgrip, wear, RR	Wet and icegrip	"Good"
ADAC (D)	12,800,000	NRW-T	2.	Wetgrip	Dryhandling	"Recommend"
ADAC (D)	12,800,000	NRW-H	2.	Wetgrip	Snowgrip	"Recommend"
Autobild (D)	1,200,000	NRW-H	6.	Snowgrip, braking	Aquaplaning	"Good"

HKPL 2 = Nokian Hakkapeliitta 2 studded tyre
HKPL Q = Nokian Hakkapeliitta Q friction tyre
NRW-H = Nokian Hakkapeliitta NRW-H friction tyre
NRW-T = Nokian Hakkapeliitta NRW-T friction tyre

1) No superiority classification.

SIGNIFICANT TESTS

Performance tests conducted by trade magazines have a considerable effect on consumer behaviour, especially in the Nordic countries, but also in Central Europe. What was particularly noteworthy in the autumn 2001 tests was that Nokian Tyres performed well in the Nordic magazines' tests and scored top ratings in the highly-respected German magazines.

NON-TOXIC OILS FOR WINTER TYRES

Nokian Tyres switched over to non-toxic oils in the manufacture of Nordic winter tyre treading materials for trucks. Nokian Tyres is the first tyre manufacturer to have replaced the high aromatic (HA) oil grades commonly used in the manufacture of tyres with non-toxic oils.

The company aims to replace all HA oils currently used in production with non-toxic, environmentally safer oils.

The tread compounds usually contain HA oils as softeners; these oils are classified as harmful owing to the PAH (polyaromatic hydrocarbon) compounds they contain. The non-toxic oils Nokian Tyres uses, the so-called non-labelled oils, contain so few PAH compounds (less than 3%), that they have not even been classified as harmful.

In addition to the truck winter tyres, Nokian Hakkapeliitta C2, CQ and LT, the studded winter tyre Nokian Hakkapeliitta 2 is manufactured using only non-toxic oils.

Sharply focused specialisation and customer needs point the way for research and development

Tyre development requires a great deal of meticulous, carefully focused planning. Different market areas need their own customised products, in other words precision innovations. Markets and consumer groups are becoming more and more heavily fragmented. The R&D team keeps close track of the movements and changes in consumers'needs. This allows Nokian Tyres to anticipate trends and to offer consumers the products they want.

With the increased performance capacity of passenger cars, the demand for low profile, high-speed tyres has grown considerably in the past few years. Particularly in this segment, Nokian Tyres has introduced new products that have enjoyed good market success.

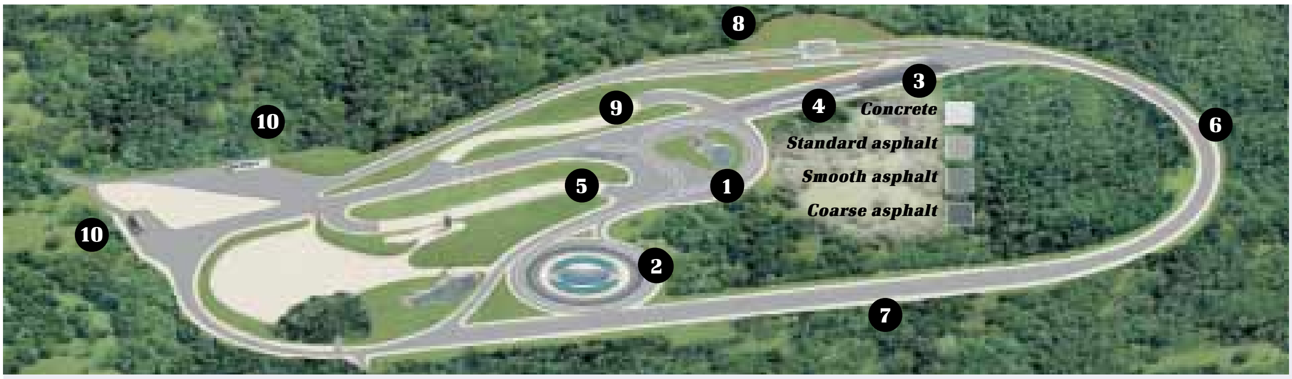
In the heavy tyres product area, special emphasis is placed on radial tyres. Thanks to the product development work conducted with heavy tyres, Nokian Tyres was able to launch a record number of new products onto the market in 2001. New tyres were developed for forestry machinery, trucks and army vehicles alike.

Retreading materials development draws on the vast range of tyre technology know-how and expertise accumulated at Nokian Tyres. Sound knowledge of rubber compounds allows the tread product design to be strengthened so that the company is always able to offer exactly the right compound that ensures the grip and wear resistance of the tread.

The bicycle tyres unit concentrates on providing maximum balance in its product range to improve profitability. Besides special products, the selection of basic tyres is being upgraded to meet the consumers' needs.

RoadSnoop offers real-time monitoring of driving safety

One of the latest achievements of Nokian Tyres' safety-driven product ideology is the RoadSnoop system. It promotes safe and carefree driving by providing the driver with information on tyre pressure and temperature and warns the driver of slippery road surface and changes in the weather.



THE NOKIAN TEST FACILITY NEARLY TRIPLED IN SIZE

The Nokian Tyres test facility in the town of Nokia was extended to cover some 12 acres, in other words it nearly tripled in size. With the extension, the test facility will have better development opportunities, particularly for high-speed summer tyres.

The new test facility permits the simulation of almost all handling situations and driving conditions occurring in the Nordic climate region. For instance, the test track features an automatic sprinkler system, which is probably one of a kind in the world. Other test facility equipment includes a pass-by noise measuring unit. This allows the test team to conduct measurements in order to achieve the pass-by noise EU directives valid from the beginning of 2003.

At Nokian Tyres, roughly half of the research and development funds are used for product testing.

The Nokian test facilities

1. Wet handling
2. Wet grip, circle
3. Wet grip, braking
4. Longitudinal aquaplaning
5. Lateral aquaplaning
6. High-speed handling track
7. Lane change/elk test/manoeuvrability test
8. Pass-by noise
9. Slush planing
10. Maintenance and office buildings

The Nokian Tyres winter test facility in Ivalo is spread out over an area of almost 300 acres. The driving conditions created in the world's northernmost car tyre test facility allow simulation of the most demanding extreme situations.

Nokian Tyres was the first tyre manufacturer in the world to introduce a Bluetooth-enabled intelligent tyre concept in October 2000. A year later, the company demonstrated the RoadSnoop pressure watch – a first-generation application of the intelligent tyre concept. With the pressure watch, the driver will receive real-time information on the tyre pressure over a radio receiver, without the need to install any extra equipment inside the vehicle. The pressure watch was the result of practical development work. For the time being, it is not equipped with a Bluetooth connection, since the required technology platform is not sufficiently advanced yet.

It is Nokian Tyres' objective to achieve market leadership in the tyre pressure monitoring systems replacement markets. The company anticipates that some 300,000 tyre pressure monitoring systems will be sold in the replacement markets worldwide in 2002. Deliveries of the pressure watch to retail stores will begin in the spring 2002. The global distribution network consists of the company's own tyre chain, the sales companies and the importers in Europe, North America, Russia and Japan. The RoadSnoop products are also offered to other tyre manufacturers and to the automotive industry. Areas of particular interest to the company include RoadSnoop applications in commercial vehicles, such as trucks.

Nokian Tyres has applied for several patents for the intelligent tyre. The objective is to put the intelligent tyre technology into commercial use as quickly and extensively as possible. The RoadSnoop unit aims to break even in 2002, and make a profit and generate cash flow from 2003 onwards.

RESEARCH AND DEVELOPMENT 2001

+	–
- success in tyre tests of Nordic and German trade magazines - high share of new car tyres - development of the fastest winter tyre in the world - expansion of the test track in Nokia	- Bluetooth technology development slower than estimated - development of harbour and mining machinery tyres slower than planned

NOKIAN WR WORKS IN OFF-ROAD CARS AND SUVS ALL YEAR ROUND

Nokian Tyres has developed a new tyre, the Nokian WR, which is designed for all-year-round use in four-wheel drive utility vehicles, pick-up trucks and sports utility vehicles (SUV). This tyre is highly reliable in all seasons, from slippery and icy roads in the winter to summer rains. The Nokian WR offers a wealth of usage properties and is therefore very popular with European drivers. Retail of the product started in August 2001.

The new Haka siping used in the tyres gives them superior grip properties. After the tyre run-in, the protruding cellular parts of the siping network enhance the tyre's grip on snow and ice. The siping maintains the rigidity of the surface tread pattern, which increases driving comfort and stability.

The special rubber compound used in the Nokian WR improves wet grip and wear resistance. The V-shaped grooves in the tread pattern efficiently remove slush and water from under the tyre.

The Nokian WR tyre is manufactured for both the T (190 km/h) and H (210 km/h) speed categories.

AN ECONOMIC AND DURABLE NEW RETREADING MATERIAL FOR PROFESSIONAL DRIVERS

In the Nordic countries, professional drivers of heavy vehicles have their tyres retreaded twice on average during the life span of tyres. In addition to winter retreading materials, an abundance of treads designed for use all year round are available in Nokian Noktop product range.

Nokian Noktop 32 is a tread for local and long-distance traffic, buses and goods transportation. Its finest features include cost-effectiveness and environmental friendliness.

This tread is suited for year-round driving. Its low rolling resistance and resistance to wear increase mileage and reduce fuel costs.

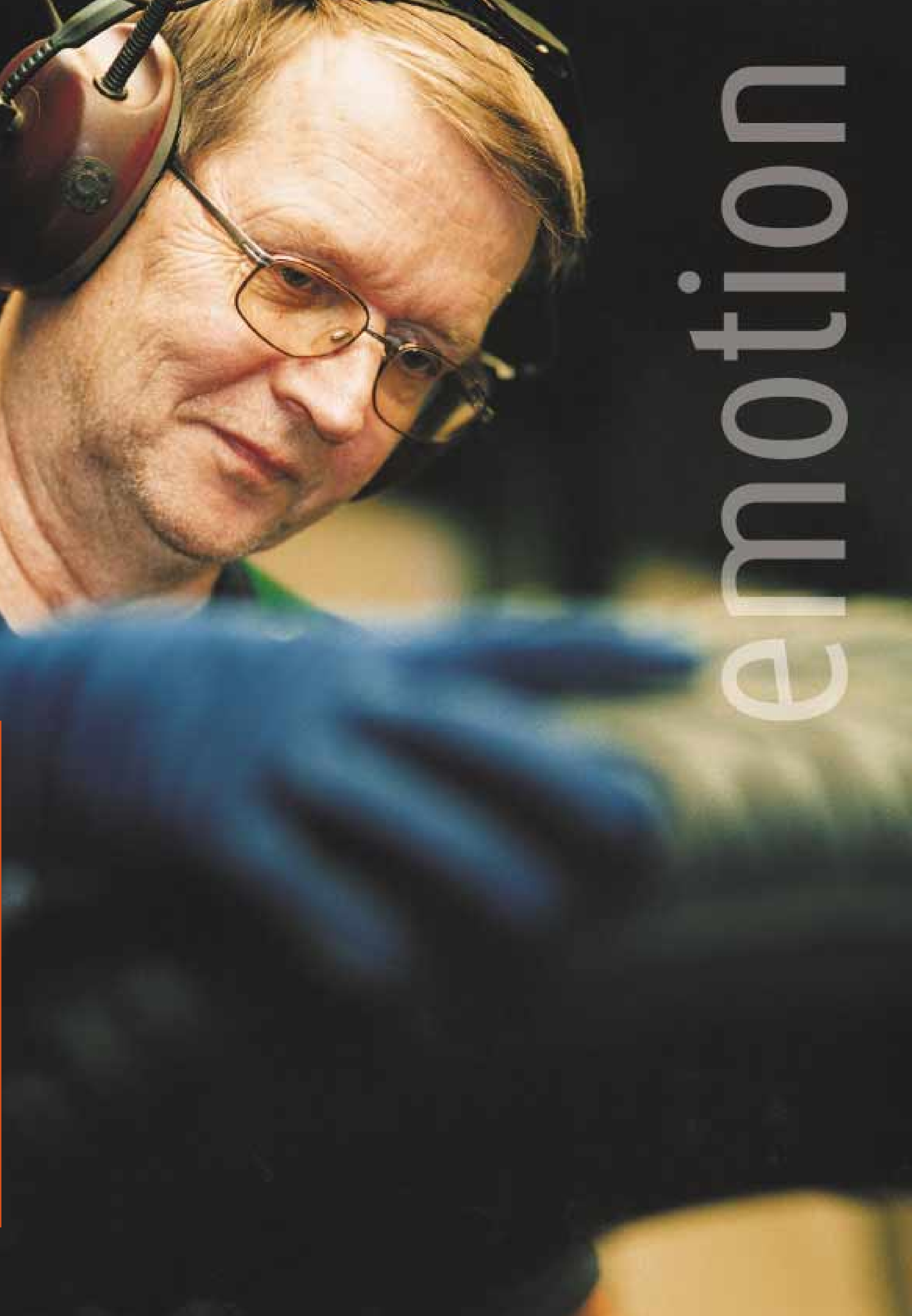
Standard equipment in treads includes a safety-enhancing wear indicator, which was first designed for passenger car tyres. The wear indicator makes it easy for the driver to monitor the wearing of the tyres and replace them or have them retreaded in good time.

The Nokian Noktop 32 tread is designed to serve all the key markets: The Nordic countries, Russia, the Baltic States, Central Europe and North America.

NOKIAN MPT AGILE - A CUSTOMISED TYRE FOR ARMY USE

Nokian Tyres, together with the assistance of the Finnish Armed Forces, developed a new tyre for off-road and armoured heavy vehicles. The Nokian MPT Agile was designed for demanding use with the user's wishes and requests first in mind. Objectives were carefully defined and provided a framework for the actual development work, which took a few years.

The Nokian MPT Agile has proven to meet the customer's needs and has received a great deal of positive feedback.



Raimo Heinonen, Inspector, Visual Inspection, department 226

PROFIT GROWTH THROUGH HIGH PRODUCTIVITY AND THE BEST CUSTOMER PROCESSES IN THE BUSINESS

Nokian Tyres seeks to enhance the efficiency and profitability of its operations by continuously improving its logistics processes, total quality and productivity. Operations are organised to offer optimal support for personnel providing customer service.

In 2001, Nokian Tyres implemented major organisational changes designed to improve and secure its customer service. Purchase, import, warehouse, transportation and customer service operations were reorganised under the new Logistics and Purchases unit. This unit supports all six product areas of Nokian Tyres (see page 6).

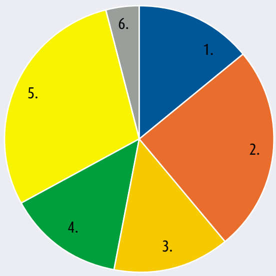
The new logistics strategy entails the management of several processes and flows. The key logistics management processes are purchasing, production planning, customer service and transportation.

Measures aimed at improving the efficiency of purchase operations include establishing new partnerships and working with a sufficient number of alternative supplier to ensure adequate supply of critical raw materials. Other important measures include more efficient inventory level management and maximal utilisation of electronic purchasing.

The strategy also features a standard procedure for customer orders and the transfer of stock goods, which is being followed across the entire Group. Sales offices are responsible for customer orders and the factory for stock replenishments, and both can now benefit from more accurate forecasts in their activities. These arrangements simplify the logistics management and help optimise the product flow throughout the year. The cost-efficiency of transportations has improved thanks to more clearly defined selection criteria for logistics partners, reduced need for buffer storages, and full-scale utilisation of the new logistics centre in Nokia. (More information about the centre below.)

CONSUMPTION OF RAW MATERIALS IN 2001

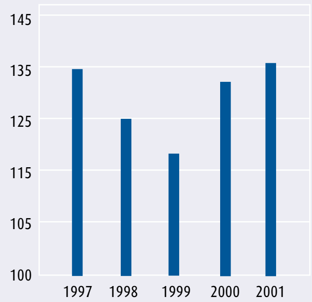
Shares expressed in percentages based on the purchase value.



1.	Natural rubber	14%
2.	Synthetic rubber	25%
3.	Black carbon	14%
4.	Other chemicals	14%
5.	Cords	29%
6.	Others	4%

THE PRICE DEVELOPMENT OF RAW MATERIALS

Index 1987=100



Source: Nokian Tyres

The business strategy includes a new and consistent customer service assessment system. Delivery reliability and transport accuracy are being monitored and developed using more analytic indicators.

IT investments aimed at improving customer service, logistics and internal integration

Work on the enterprise resource planning (ERP) continued in accordance with the corporate strategy. Following the integration of the Swedish and Norwegian companies into the same system, all Vianor companies were included in a single system. This solution will strengthen customer service activities and will enable accurate sales follow-up across the chain. The integration process also proceeded deeper into the Nokian Tyres' financial management systems.

The so-called data warehouse solution that supports the Group control was expanded to support the full range of activities from raw material purchases to customer service. Examples include the North American sales company that can now give its own customers precise information regarding outgoing deliveries from Nokia.

The new, recently developed extranet solution for customer service will allow customers to order products online over the Internet. To improve internal communications within Nokian Tyres, a new intranet solution was introduced.

An extensive data security survey was conducted in the Group in accordance with the IT strategy. Based on the results, data security was made an integral part of the company's environmental and safety management program.

Activity system upgraded to meet ISO 9000 requirements

The Nokian Tyres activity system was upgraded to meet the requirements of the new ISO 9000 quality standard. The structure of the system is in line with the EN ISO 9004 standard which is wider in its contents and gives the guidelines for improving performance.

THE NEW MIXING DEPARTMENT ELIMINATED A PRODUCTION BOTTLENECK

The extension of the mixing department, which was completed ahead of schedule in spring 2001, helped eliminate a major bottleneck from Nokian Tyres' production.

The new mixing facility covers roughly 10,000 square metres of production space on five floors, as well as eight separate silos for storing carbon black and silica (pictured in the lower right corner). The extension was built with the objective of almost doubling the capacity of the mixing plant by 2004. This will ensure that the company can meet its growth objectives.

The total costs of the mixing plant were EUR 33 million.

Nokian Tyres' main production and administration operations are housed in the premises located by the Nokianvirta River, which also marks the company's birthplace. The extension of the mixing department and the silos are shown on the lower right corner.

Nokian Tyres has switched from a functional description of activities into a process-based description. The activity system will be certified in accordance with the requirements of EN ISO 9001 standard. The system also includes the security elements, such as the requirements of the ISO 14001 and EMAS standards. Nokian Tyres gave up the QS 9000 certificate owing to its unsuitability for the current business activities.

PROCESSES 2001

+	−
- car tyre production volumes increased and productivity improved - customer satisfaction - service during the peak seasons - new mixing department improved control of the production process and decreased raw material stock levels - Vianor's common IT system was taken into use	- inventory level and rotation - booking and timing problems caused by the new it-system

A LOGISTICS CENTRE FOR NEARLY 700,000 TYRES

Nokian Tyres' new logistics centre, situated near the Nokia town centre, was completed towards the year-end. This 32,000-square-metre facility will replace several small storage units. The investment will considerably enhance the cost-efficiency of logistics, and improve customer service.

Equipped with state-of-the-art storage technology, the centre has storage capacity for almost 700,000 tyres. The maximum annual stock turnover is four million tyres. The centre also houses a tyre studding facility with an annual capacity of one million tyres.

The total project costs of the logistics centre were approximately EUR 17 million. The owner of the centre is a real estate management company.

The new logistics centre measures 275 metres in length, 11 metres in width, and 12 metres in height. Design plan: Arkkitehtikonttori Petri Pussinen Oy.

Tommi Wendell, Factory Labourer, Production Control, department 215

COMPETITIVE ADVANTAGE FROM PERSONNEL DEVELOPMENT AND ENVIRONMENTAL RESPONSIBILITY

Continued efforts to develop employees' skills and competencies and to improve the working climate are an integral part of Nokian Tyres' corporate culture. An active and enterprising attitude towards developing the company and personal skills supports the selected strategy of focus and specialisation, as well as the company's pursuit of conducting operations in an ethical and responsible manner.

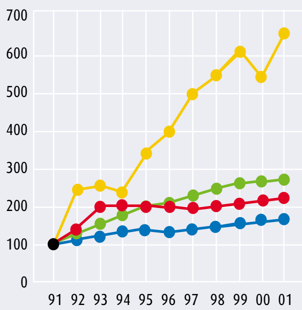
Every level of operations at Nokian Tyres reflects the company's awareness of and respect for environmental and safety aspects. Operational improvements cover the entire life span of the products, and are geared towards perfection in all areas of safety.

Nokian Tyres has been working continuously to create a corporate culture characterised by openness and participation. This culture embraces the appreciation of competence, the drive for improvement, and good co-operation. In the revised strategy that gives first priority to the customer relationship, other valued qualities include the spirit of enterprise, courage, responsiveness and innovation.

Communicating the strategic intent spelled out in the revised strategy to the entire personnel was one of the key challenges in 2001. The principal tool used to carry out this demanding task was the 10+ training program, which was launched at the end of 2000. Last year, ten groups totalling some 250 people took part in the program. This accounts for roughly 60% of all the people to be trained. Participants in the training program included supervisors from Nokian Tyres and Vianor, team leaders, and representatives from various personnel groups. Each group also included a representative from the company management.

The training program encourages superiors to strive for competence, enthusiasm and drive for results in their work. Its objective is to enhance the company's abilities in the areas of

NOKIAN TYRES' SUSTAINABLE PERFORMANCE DEVELOPMENT[1] FROM 1991 TO 2001



Index 1991 = 100
Net sales 1991 = MEUR 102
Parent company's
loss in 1991 = MEUR -0.5
Number of personnel in 1991 = 880

- Net sales
- Profit
- Personnel
- Working climate

Atmosphere is yearly measured with the help of Developing Nokian Tyres survey.

1) This is a theoretical presentation in which four variables are used to illustrate sustainable development.

AVERAGE AGE 39 YEARS, AVERAGE DURATION OF EMPLOYMENT TERM 14 YEARS

The average age of parent company personnel in 2001 was 39 years (39 in 2000). The average age for women was 41 years (41) and for men 38 years (38). The average age for workers was 38 years (37), and 42 years (41) for office employees.

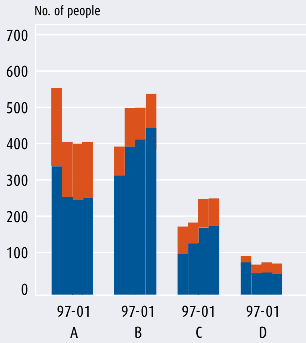
The duration of an average employment term was 14 years (13). Roughly half of the personnel had worked for Nokian Tyres for more than ten years. The average employment term for workers was 13 years (13) and 15 years (12) for office employees.

NUMBER OF INITIATIVES[1] 1997 – 2001

The initiative program is part of Nokian Tyres' management concept that encourages participation. The program is based on the notion that each individual employee is the best expert when it comes to his or her own duties and work processes. The accumulated knowledge and ideas represent considerable intellectual capital which should be made available to the entire company. The sharp drop in the number of initiatives made in 2001 could be attributed to a change in the operating policy, which emphasises the qualitative objectives and the impact of the initiatives instead of quantitative objectives.

1) Figures are for the parent company.

EDUCATIONAL BACKGROUND[1] 1997 - 2001



- Men
- Women

A = Comprehensive school
B = Vocational school
C = Vocational institute or polytechnic
D = University or other institute of higher education

1) Figures are for the parent company.

change management, self-management and customer relationship management. The training is closely linked to the participants' own duties as well as to the processes and business activities of Nokian Tyres. To make the training more concrete and inspiring, on-the-job learning methods and group work assignments were used.

The target in the learning processes is to make full use of the new web learning environment and methods. A special program module was developed, in which basic facts of business were explained.

Environmental and safety issues

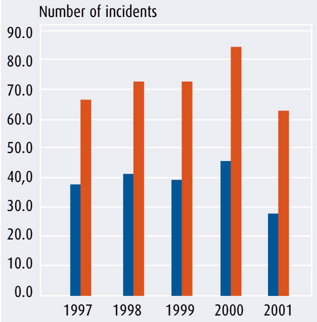
Nokian Tyres has, by and large, been able to put the principles of continuous improvement into effect in accordance with the European Union's EMAS (Eco-Management and Audit Scheme) regulations and the international ISO 14001 environmental standard. Nokian Tyres has consistently improved its reporting in terms of environmental and safety issues. The environmental and safety report Nokian Tyres published in 2001 was selected as the best EMAS report in Finland.

Throughout 2001, closing down and landscaping work continued at the old scrap rubber storage facility. Since the closing down of the storage facility, non-vulcanised scrap rubber has increased the quantity of landfill waste. There are preliminary plans to improve the utilisation of this waste. Changes in the production process together with the new cleaning methods have considerably reduced the odour emissions from the factory. Research into the negative impact of the odour is currently being conducted in co-operation with the Technical Research Centre of Finland (VTT) and the authorities in this field.

There have been no essential changes in the number of occupational accidents. There were clearly fewer accidents involving machinery, while the number of ergonomic-based accidents grew.

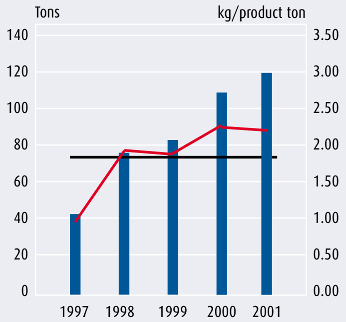
Appreciation for the environment and safety is an essential element in the sustainable safe-

ACCIDENTS BETWEEN 1997 AND 2001



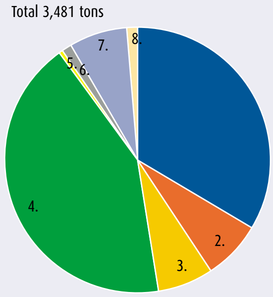
Total costs in thousand euros.
(Total costs include wages, insurance, examination costs and loss of production.)

HAZARDOUS WASTE BETWEEN 1997 AND 2001



RECYCLED MATERIAL BETWEEN 1997 AND 2001

Total 3,481 tons



	Tons
1. scrap tyres	1,167
2. rubber waste	250
3. textile cord	236
4. wood	1,479
5. plastic	16
6. energy waste	42
7. iron and steel scrap	246
8. others	46

ty-oriented product development philosophy adopted at Nokian Tyres. According to this philosophy, the materials used to make tyres, the production methods and the use of tyres must cause minimum stress to the environment. In practice, this means lower tyre noise levels, smaller rolling resistance and better recycling properties.

During the course of 2001, the environmental care and safety functions of Nokian Tyres were incorporated into the Group´s personnel management department. The purpose of this move was to bring environmental and safety functions closer to the entire personnel, to make them more established and more sharply focused, and to promote employee commitment to the sustained improvement of these activities.

PERSONNEL AND ENVIRONMENT 2001

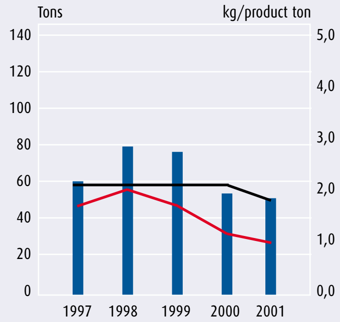
+	–
- leadership training program for supervisors and experts - communication of company strategy and objectives - atmosphere - key environmental and safety indicators - the best EMAS-report in Finland	- personal development plans still underway - reuse of unvulcanised rubber waste still unsolved

THE ENVIRONMENTAL IMPACTS OF TYRE PRODUCTION

Impact per one produced tyre ton

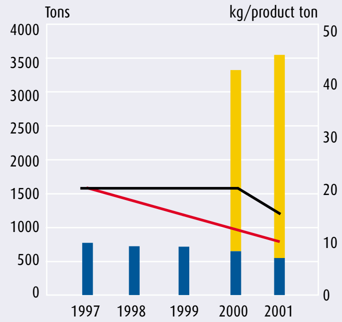
Water	→	15 m^3
Energy	→	2,000 $x10^3$ kcal
Waste	→	60 kg
Solvents	→	5 kg
		landfill site, hazardous waste, packaging, scrap products
Emissions	→	
- dust	→	0.1 kg
- rubber fumes	→	0.05 kg

SOLVENTS DISCHARGED FROM PRODUCTION BETWEEN 1997 - 2001



- Tons
- Kg/product ton
- Objective < 2.1 kg/product ton

LANDFILL WASTE BETWEEN 1997 AND 2001



- Mixed waste
- Kg/product ton
- Objective < 20 kg/product ton
- Non-vulcanised scrap rubber

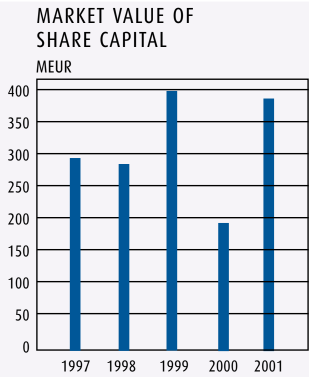
(Old scrap storage was closed in 2000, see page 34.)

Share capital and share

Nokian Tyres' share was quoted on the main list of the Helsinki Exchanges for the first time on 1 June 1995. The company has one class of shares, each share entitling the holder to one vote at the Annual General Meeting and carrying equal rights to dividend. The nominal value of each share is EUR 1.68. The minimum share capital stated in the articles of association is EUR 13,455,034 and the maximum share capital is EUR 53,820,136. Within these limits, the share capital may be increased or decreased without amending the Articles of Association. The company's share capital entered into the trade register was EUR 17,798,127 on 31 December 2001. A total of 10,582,286 company shares had been issued by the end of 2001.

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. In the past eight years, dividends paid to shareholders have represented approximately 35% of the year's net profit. The company plans to continue to distribute approximately 35% of net profits in dividends.



Share price development and trading volume in 2001

At the end of 2001, the price of Nokian Tyres' share was EUR 35.09, showing an increase of 96% on the previous year's closing price of EUR 17.90. Meanwhile the HEX general index of the Helsinki Exchanges fell by 32.44%. At its highest, Nokian Tyres' share was quoted at EUR 35.09 in 2001 and at its lowest at EUR 18.00.

During the year, a total of 5,881,291 Nokian Tyres' shares were traded at Helsinki Exchanges. At the end of the year, the market capitalisation of the share capital was EUR 371,332,416.

Authorisations granted to the Board of Directors'

At the Annual General Meeting held on 29 March 2001, the Board of Directors of Nokian Tyres was authorised to make a decision within one year from the Annual General Meeting to increase the share capital with one or more rights issues. 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. As a result of share issues arranged under the authorisation, the company's share capital may increase by a maximum of EUR 3.4 million. A maximum of 2,000,000 new shares may be issued, each with a nominal value of EUR 1.68. At the end of 2001, the Board had no non-exercised rights to issue convertible bonds or bonds with warrants.

Ownership and acquisition of the company's own shares'

Nokian Tyres does not hold any of its own shares, nor is the Board of Directors authorised to acquire them.

Bond with warrants

In 2001, Nokian Tyres had one bond loan with warrants outstanding as a part of the company's management and personnel incentive scheme.

Bond loan with warrants directed at personnel

The Annual General Meeting of Nokian Tyres in 2001 decided to offer a bond loan with warrants to the personnel of the Nokian Tyres Group and the wholly-owned subsidiary of Nokian Tyres plc.

The bond loan with warrants amounts to EUR 0.4 million (FIM 2,400,000). A total of 10,800 type I bond certificates, 9,600 type II bond certificates II and 9,600 type III bond certificates will be issued. 600,000 warrants will be attached to the bonds, 216,000 of which will be attached to the type I bond certificates and marked with the symbol 2001A; 192,000 will be attached to type II bond certificates and marked with the symbol 2001B; and 192,000 will be attached to type III bond certificates and marked with symbol 2001C.

The share subscription price for warrants 2001A shall be nineteen (19) euro, for warrants 2001B the trade volume weighted average quotation of the Nokian Tyres plc share in the Helsinki Exchanges between 1 October and 31 October 2001, i.e. EUR 25.94, and for warrants 2001C the trade volume weighted average quotation of the Nokian Tyres plc share in the Helsinki Exchanges between 1 April and 30 April 2002. The amount of the cash dividend distributed after 28 March 2001 but before the date of the share subscription shall be deducted from the share subscription price of warrants 2001A on the dividend record date. The price of shares subscribed for with warrants 2001B and 2001C shall be reduced by the amount of dividends paid after the commencement of the period for which the subscription price was determined, and dividends paid before the subscription, on the record date of each dividend payment.

The share subscription period for warrants 2001A shall begin on 1 March 2003, for warrants 2001B on 1 March 2004 and for warrants 2001C on 1 March 2005, and shall end on 31 March 2007 for all warrants. As a result of the subscriptions, the share capital of Nokian Tyres plc may increase by a maximum of FIM 6,000,000 (EUR 1 million) and the number of shares by a maximum of 600,000.

The Board of Directors of Nokian Tyres plc approved the subscriptions for the bond loan with warrants directed to the personnel of the Nokian Tyres Group on 1 June 2001. The bond loan with warrants was subscribed for by 42% of the entire personnel. A minimum subscription of FIM 320 for each subscriber was approved.

In addition, a subscription of FIM 390,240 to Direnic Oy, a subsidiary of Nokian Tyres plc, was approved for later offering to the present or future personnel of Nokian Tyres Group.

Bond certificates I and the attached warrants marked 2001A were offered to the subscribers of the 1999 bond loan with warrants provided that the warrant holder returns all his/her old 1999 warrants to the company. In the conversion, 433,800 old 1999 warrants were returned to the company.

The total amount of the 2001 bond loan with warrants is FIM 2,400,000 and the maximum number of Nokian Tyres shares that can be subscribed for with the warrants between 1 March 2003 and 31 March 2007 is 600,000.

The company will cancel a total of 433,800 1999 warrants, which have been returned to the Group in the conversion and entitle the holder to a subscription of 433,800 shares, as well as a total of 85,250 1999 warrants, which are in the possession of Direnic Oy, a wholly-owned subsidiary of Nokian Tyres plc, and entitle the holder to a subscription of 85,250 shares.

A NEW INCENTIVE SCHEME FIXED TO THE SHARE PRICE

In December, Nokian Tyres plc announced the launch of an incentive scheme based on the company's share price development. The scheme covers those holders of the 1999 warrants who did not exchange their 1999 warrants for the new 2001 warrants in May 2001.

The new incentive scheme will replace the 1999 option scheme

The majority of the 1999 warrants were returned to the company and were subsequently cancelled in spring 2001 when the company issued new 2001 warrants. As a result, the remaining number of warrants marked A is 42,525 and warrants marked B 41,025. The new incentive scheme shall replace these warrants, after which the 1999 warrants shall no longer exist.

As a result, the total number of Nokian Tyres options given to personnel is 600,000.

There were no other outstanding bonds with warrants or convertible bonds entitling to shares in 2001.

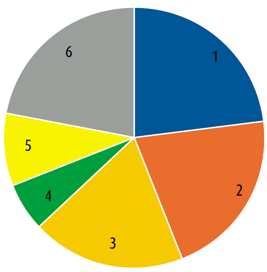
Management's shareholding

The Board of Directors and the President and CEO of Nokian Tyres held a total of 3,600 Nokian Tyres' shares and 50,000 warrants on 31 December 2001. These shares represent 0.5% of the total number of votes.

SHARE ISSUES 1995–2000

Method of share capital increase	Subscription period	Exercise price in euros	New shares pcs	Payment date	New capital 1,000 euros	New share capital 1,000 euros	Share capital after issue in euros
Personnel issue	29 May 1995- 2 June1995	5.45	92,286	19 June 1996	503	155	16,974,007
Management bonds 1/95	1 Dec 1996- 31 Jan 1998	6.05	47,000	10 Dec 1996	284	79	17,053,055
Management bonds 1/95	1 Dec 1996- 31Jan 1998	6.05	103,000	7 March 1997	623	173	17,226,288
Management bonds 1/96	1 Dec1997- 31Jan 1999	7.62	2,000	19 Dec 1997	15	3	17,229,652
Management bonds 1/96	1 Dec1997- 31 Jan 1999	7.62	10,500	29 Dec 1997	80	18	17,247,312
Management bonds 1/96	1 Dec 1997- 31 Jan 1999	7.62	65,000	9 March 1998	495	109	17,356,634
Management bonds 1/96	1 Dec 1997- 31 Jan1999	7.62	17,500	1 Dec 1998	133	29	17,386,067
Management bonds 1/95	1 Dec 1998- 31 Jan 2000	6.05	64,500	1 Dec 1998	390	108	17,494,548
Management bonds 1/95	1 Dec 1998- 31 Jan 2000	6.05	4,000	9 Dec 1998	24	7	17,501,276
Management bonds 1/95	1 Dec 1998- 31 Jan 2000	6.05	31,500	25 March 1999	191	53	17,554,255
Management bonds 1/95	1 Dec 1998- 31 Jan 2000	6.05	40,000	23 Nov 1999	242	67	17,621,530
Management bonds 1/95	1 Dec 1998- 31 Jan 2000	6.05	10,000	24 Nov 1999	61	17	17,638,349
Management bonds 1/96	1 Dec 1999- 31 Jan 2001	7.62	57,500	8 Dec 1999	438	97	17,735,057
Management bonds 1/96	1 Dec 1999- 31 Jan 2001	7.62	37,500	3 April 2000	286	63	17,798,127

SHARE OWNERSHIP BY SHAREHOLDER CATEGORY



1. Corporations 22,25%
2. Financial institutions 21,10%
3. Public organisations 19,16%
4. Non-profit organisations 5,82%
5. Private individuals 9,35%
6. Foreign shareholders 22,32%
   (includes also shares registered in the name of a nominee)

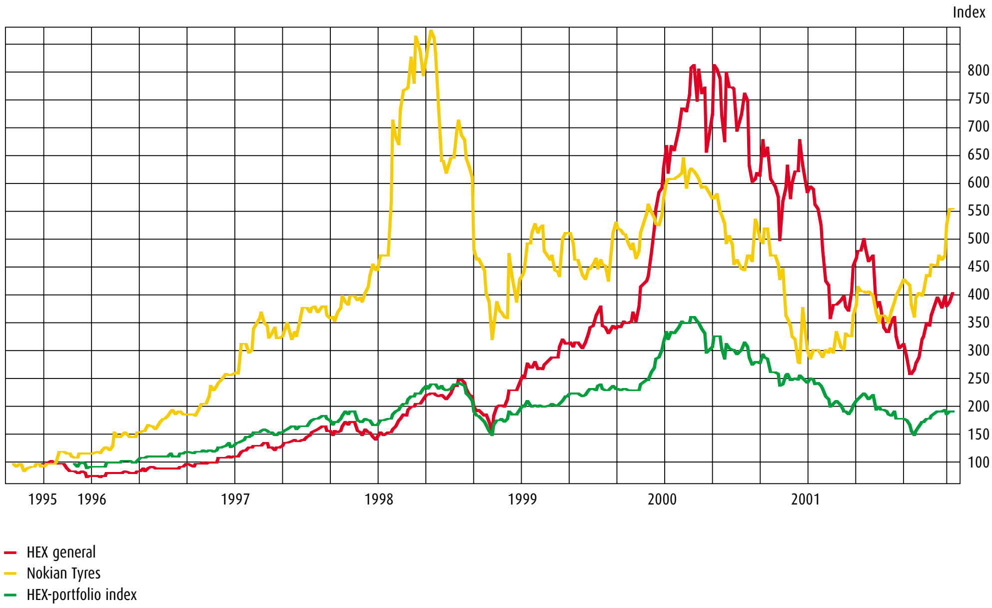
NOKIAN TYRES´ MAJOR SHAREHOLDERS ON 31 DECEMBER 2001

		Shares	% of shares and votes
1.	Nokia Oyj	2,000,000	18.9
2.	Ilmarinen Mutual Pension Insurance Company	600,400	5.67
3.	Varma-Sampo Mutual Insurance Company	393,445	3.72
4.	Tapiola Mutual Pension Insurance Company	292,500	2.76
5.	The Local Covernment Pension Institution	262,900	2.48
6.	Suomi Assurance Company	225,000	2.13
7.	Tapiola General Mutual Insurace Company	202,000	1.91
8.	Suomi Mutual Life Assurance Company	165,000	1.56
9.	FIM Forte Corporate Finance	143,900	1.36
10.	The LEL Employment Pension Fund	125,700	1.19
	Total		41.68
	Foreign shareholders		22.32

SHARE OWNERSHIP BRAKEDOWN 31.12.2001 (by number of shares owned)

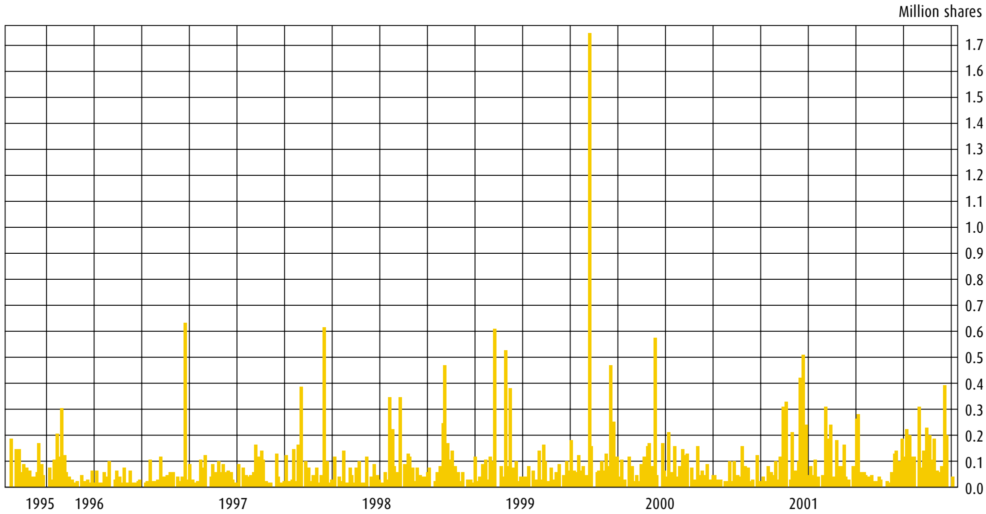
Number of shares	Number of shareholders	% of shareholders	Shares	% of shares and votes
1-100	1,556	40.21	98,027	0.93
101-1000	1,993	51.50	661,346	6.25
1001-10 000	250	6.46	773,787	7.31
10001-10000	55	1.42	1,855,345	17.53
100001-	16	0.41	7,193,781	67.98
Total	3,870	100.00	10,582,286	100.00

DEVELOPMENT OF NOKIAN TYRES´ SHARE PRICE 1 JUNE 1995 – 31 DECEMBER 2001



Index 1 June 1995 = 100, in euros 5.30

NOKIAN TYRES´ SHARE VOLUMES ON THE HELSINKI STOCK EXCHANGE 1 JUNE 1995 – 31 DECEMBER 2001



Board of Directors

Members of Nokian Tyres plc's Board of Directors are elected at the Annual General Meeting, which is held annually by the end of May. The Board members' term of office terminates at the end of the first Annual General Meeting following the elections. The Board selects a chairman from among its members, who will preside until the end of the following Annual General Meeting.

The Board comprises no less than three and no more than eight members. The Board is responsible for appointing the President and CEO, and for other duties referred to in the Companies' Act. The Board is also in charge of matters of long-term significance to the company, such as confirming the Group's business strategy and long-term plans. Furthermore, it approves annual plans, major investment projects and financial matters.

The Board is responsible for corporate governance and the appropriate conduct of ordinary activities in accordance with the law, the Articles of Association and the instructions given at the Annual General Meeting. The Board defines the principles governing the company's organization, accounting and finance.

Remunerations payable to Board members are confirmed at the Annual General Meeting. In 2001, remunerations to Board members totalled EUR 69,000.

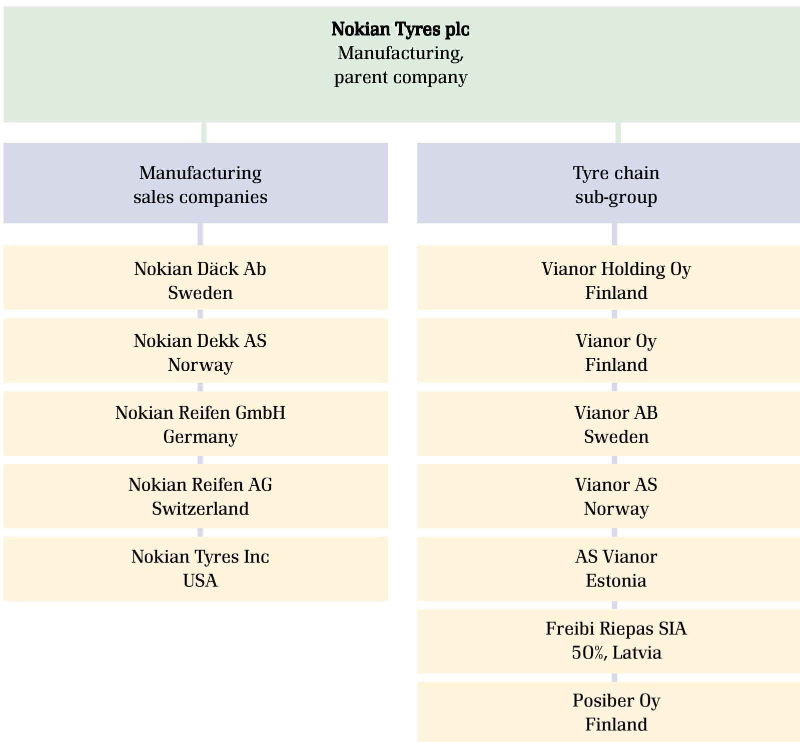
The Board met 5 times in 2001.

President and the Group management

It is the President's duty to run the Group's business operations, and to implement corporate governance in accordance with the instructions and guidelines provided by the Board of Directors.

The Board of Directors makes decisions concerning the President's salary and other benefits. In managing the Group's operations, the President is assisted by a management group, the responsibility areas of which are indicated in the member presentation and organizational chart on pages 42-43. The President's decision concerning managerial personnel's salaries and other benefits as well as employee incentive schemes are subject to the Board's approval.

NOKIAN TYRES GROUP



Organisation of business activities and responsibilities

Nokian Tyres Group's business activities are divided into two areas: the manufacturing business and the tyre chain.'The manufacturing business consists of four profit centres: Passenger and Delivery Van Tyres, Heavy Tyres, Bicycle Tyres and Retreading Materials. The tyre pressure measurement systems business conducted under the Roadsnoop name has been organised to form a separate profit centre, effective from the beginning of 2002. In addition, the Group's areas of responsibility have been divided into units, the purpose of which is to produce the services required by all six profit centres. The profit centres are each responsible for their business area and its financial performance, balance sheet and investments, and for these purposes they can benefit from the Group's support services. The Group's sales companies provide marketing services and serve as product distribution channels in local markets.

The tyre chain is organised into a separate sub-group. The parent company of this sub-group is Vianor Holding Oy, which is 100% owned by the Nokian Tyres Group's parent company, Nokian Tyres plc. The tyre outlets operating in each country are part of the sub-group. A general legal outline of the Group structure is presented in the diagram (p. 40).

Finance and control

The parent company's Finance and Control unit is responsible for internal and external accounting, and its tasks also include producing financial information concerning the business areas and ensuring the accuracy of this information. The parent company's Finance and Control unit defines the Group's common accounting principles and policies, and is in charge of consolidating the business areas' figures to produce Group-level financial information. Under the parent company's Finance and Control unit's supervision, each legal Group company produces its own information in compliance with the instructions provided and in line with local legislation.

Financing

The parent company is responsible for Group financing. Long-term loan arrangements with parties outside the Group require the Board of Directors' approval.

Short-term liquidity management is handled at the parent company, which controls the cash flows of the Group's subsidiaries. The subsidiaries' cash flows into the parent company are booked as net, and transferred using a Group payment arrangement twice a month. The parent company provides funding to the subsidiaries using intra-Group loans. The Finance and Control unit is organised in accordance with the financial policy adopted by the Board of Directors and the operating procedures it has defined.

Auditing

The auditor elected at the Annual General Meeting is KPMG Wideri Oy Ab, authorised public accountants, with Mr. Matti Sulander, Authorised Public Accountant, acting as the auditor with principal responsibility. In accordance with the existing regulations, he will also report all audit findings to the Group's management.

Risk management

The purpose of risk management is to identify any risks to the company's activities, assets and personnel, and to minimise any damage. Risk management responsibility is distributed between various companies, which are also in charge of maintaining the insurance cover. Insurance administration and co-ordination are carried out with the assistance of experts from outside the company.

More details regarding financial risk management are given on page 61.

Insider trading

Nokian Tyres applies the Guidelines for Insiders published by the Helsinki Exchanges. Furthermore, Nokian Tyres applies supplementary insider regulations of its own.

The management meetings constitute the key management forum at Nokian Tyres. The meetings are also attended by representatives of the personnel groups.

Members attending management meetings:

Finance and control
Rami Helminen, 35

Public information and IR
Raila Hietala- Hellman, 49

Logistics and purchases
Kari- Pekka Laaksonen, 34

RoadSnoop
Tomi Lundell, 41

Personnel and security
Sirkka Hagman, 43

President and CEO
Kim Gran, 47

Chief shop steward
Jyri Nousiainen, 33

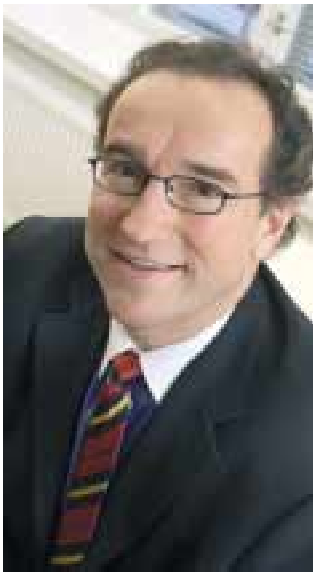
Sales
Deniz Bavautdin, 48

Union of Salaried Employees
Risto Järvinen, 37








Passenger car and
delivery van tyres
Antero Juopperi, 47

Production services
Esa Eronen, 44

Vianor
Juhani Kyrklund, 52

Senior office employees
Kai Hauvala, 34
(until Dec 31, 2001)

Quality
Ari J. Arvio, 50

Retreading materials
and truck tyres
Ari Maunula, 35

Heavy tyres and bicycle tyres
Antero Turunen, 56

Information technology
Raimo Mansikkaoja, 39

KEY FINANCIAL FIGURES

Figures in million euros unless otherwise indicated.	**2001**	2000	1999	1998	1997	1996	1995	1994	1993	1992
Net sales	**423.4**	398.5	322.6	251.3	211.6	192.6	187.2	164.2	143.5	121.2
growth, %	**6.3%**	23.5%	28.4%	18.7%	9.9%	2.9%	14.0%	14.5%	18.3%	18.9%
Operating profit before depreciation	**81.9**	68.4	61.9	47.5	39.2	32.7	28.2	24.9	22.7	22.4
Depreciation according to plan	**31.3**	28.9	19.8	14.3	11.7	9.2	8.0	7.7	7.2	6.7
Operating profit	**50.5**	39.4	42.1	33.2	27.5	23.5	20.2	17.2	15.5	15.8
% of net sales	**11.9%**	9.9%	13.1%	13.2%	13.0%	12.2%	10.8%	10.4%	10.8%	13.0%
Profit before extraordinary items and tax	**37.0**	27.2	35.9	29.3	25.1	20.0	16.2	13.3	10.8	10.2
% of net sales	**8.7%**	6.8%	11.1%	11.7%	11.8%	10.4%	8.7%	8.1%	7.6%	8.4%
Profit before tax	**37.0**	27.2	35.5	29.9	25.1	20.0	15.2	13.3	12.2	10.0
% of net sales	**8.7%**	6.8%	11.0%	11.9%	11.8%	10.4%	8.1%	8.1%	8.5%	8.2%
Return on equity, %	**14.3%**	13.7%	23.6%	22.7%	21.9%	21.3%	20.5%	19.5%	18.7%	19.2%
Return on capital employed, %	**14.3%**	12.1%	16.9%	19.8%	21.5%	20.8%	20.2%	18.1%	17.7%	19.5%
Total assets	**459.8**	464.0	391.8	269.3	188.1	171.0	154.0	145.2	129.0	124.2
Interest bearing net debt [1]	**158.2**	182.1	170.4	94.2	39.6	35.4	32.2	44.9	42.1	45.0
Equity ratio, %	**32.4%**	28.3%	30.9%	37.1%	45.2%	41.9%	39.6%	36.5%	36.4%	32.5%
Equity ratio, % [1]	**40.2%**	36.1%	30.9%	37.1%	45.2%	41.9%	39.6%	36.5%	36.4%	32.5%
Gearing, % [1]	**85.5%**	108.9%	140.6%	94.3%	46.6%	49.4%	52.8%	84.7%	89.7%	111.3%
Cash flow from operations	**70.8**	26.6	22.3	21.2	24.6[2]	17.0[2]	19.3[2]	21.2[2]	10.0[2]	19.7[2]
Gross investments	**45.3**	67.5	85.7	72.7	25.7	17.7	13.0	14.4	8.8	10.9
% of net sales	**10.7%**	16.9%	26.6%	28.9%	12.2%	9.2%	6.9%	8.8%	6.2%	9.0%
R&D expenditure	**8.3**	8.3	7.8	6.6	5.6	5.0	4.3	4.0	3.4	2.7
% of net sales	**2.0%**	2.1%	2.4%	2.6%	2.7%	2.6%	2.3%	2.5%	2.4%	2.2%
Dividends (proposal)	**8.8**	6.9	9.0	7.6	6.0	4.9	4.1	3.4	3.4	2.5
Personnel, average during the year	**2,636**	2,462	2,023	1,620	1,358	1,329	1,350	1,240	1,126	1,064

Per share data										
Earnings per share, euro	**2.38**	1.88	2.51	2.04	1.68	1.40	1.17	0.97	0.82	0.72
growth, %	**26.9%**	-25.2%	23.0%	21.3%	20.4%	19.8%	19.7%	19.4%	13.1%	6,763.5%
Earnings per share (diluted), euro	**2.37**	1.88	2.51	2.04	1.68	1.40	1.17	0.97	0.82	0.72
growth, %	**26.5%**	-25.2%	23.0%	21.3%	20.4%	19.8%	19.7%	19.4%	13.1%	6,763.5%
Cash flow per share, euro	**6.69**	2.52	2.14	2.05	2.41[2]	1.69[2]	1.92[2]	2.12[2]	1.00[2]	1.97[2]
growth, %	**165.8%**	17.8%	4.1%	-14.8%	42.9%	-12.2%	-9.4%	112.4%	-49.3%	63.8%
Dividend per share, euro (proposal)	**0.83**	0.65	0.85	0.73	0.59	0.49	0.40	0.34	0.34	0.25
Dividend pay out ratio, % (proposal)	**34.9%**	34.7%	34.4%	36.3%	35.2%	35.1%	34.8%	34.5%	41.3%	35.0%
Shareholders' equity per share, euro	**14.08**	12.41	11.47	9.69	8.30	7.06	6.04	5.30	4.69	4.04
Shareholders' equity per share, euro [1]	**17.48**	15.81	11.47	9.69	8.30	7.06	6.04	5.30	4.69	4.04
P/E ratio	**14.7**	9.5	15.1	13.6	16.6	11.8	6.4			
Dividend yield, % (proposal)	**2.4%**	3.6%	2.3%	2.6%	2.1%	3.0%	5.5%			
Market capitalisation 31 December	**371.3**	189.4	398.6	286.4	285.7	167.5	74.7			
Average number of shares during the year, million units	**10.58**	10.57	10.42	10.30	10.22	10.09	10.05	10.00	10.00	10.00
diluted, million units	**10.61**	10.57	10.42	10.30	10.22	10.09	10.05	10.00	10.00	10.00
Number of shares 31 December, million units	**10.58**	10.58	10.54	10.32	10.24	10.14	10.09	10.00	10.00	10.00

[1] capital loan included in equity

[2] according to previous cash flow statement definitions

Definitions

Return on equity, % = $\dfrac{\text{Profit after financial items - taxes x 100}}{\text{Shareholders' equity + minority interests (average)}}$

Return on capital employed, % = $\dfrac{\text{Profit after financial items + interest and other financial expenses x 100}}{\text{Total assets - interest-free debt (average)}}$

Equity ratio, % = $\dfrac{\text{Shareholders' equity + minority interests x 100}}{\text{Total assets - advances received}}$

Equity ratio[1], % = $\dfrac{\text{Shareholders' equity[1] + minority interests x 100}}{\text{Total assets - advances received}}$

Gearing[1], % = $\dfrac{\text{Interest bearing net debt[1] x 100}}{\text{Shareholders' equity[1] + minority interests}}$

Earnings per share, euro = $\dfrac{\text{Profit after financial items - taxes}}{\text{Average adjusted number of shares during the year}}$

Earnings per share (diluted[2]), euro = $\dfrac{\text{Profit after financial items - taxes}}{\text{Average adjusted and diluted[2] number of shares during the year}}$

Cash flow per share, euro = $\dfrac{\text{Cash flow from operations}}{\text{Average adjusted number of shares during the year}}$

Dividend per share, euro = $\dfrac{\text{Dividend for the year}}{\text{Adjusted number of shares on the balance sheet date}}$

Dividend pay-out ratio, % = $\dfrac{\text{Dividend for the year x 100}}{\text{Profit after financial items - taxes}}$

Shareholders' equity per share, euro = $\dfrac{\text{Shareholders' equity}}{\text{Adjusted number of shares on the balance sheet date}}$

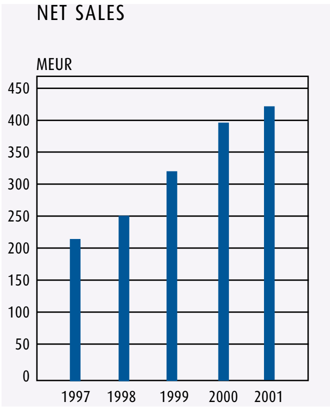
Shareholders' equity per share[1], euro = $\dfrac{\text{Shareholders' equity[1]}}{\text{Adjusted number of shares on the balance sheet date}}$

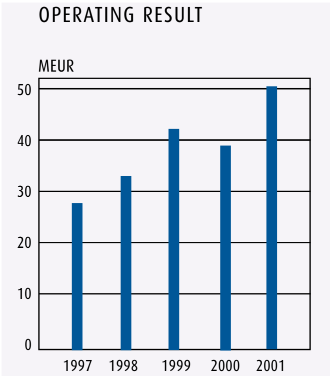
P/E ratio = $\dfrac{\text{Share price, 28 December}}{\text{Earnings per share}}$

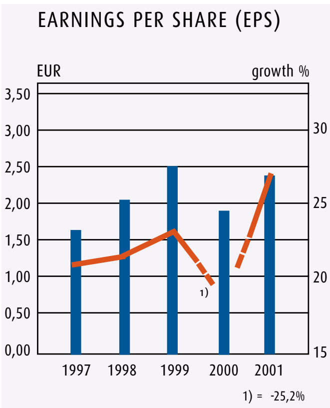
Dividend yield, % = $\dfrac{\text{Dividend per share}}{\text{Share price, 28 December}}$

[1] capital loan included in equity

[2] the bonds with warrants affect the dilution as the market price exceeds the defined subscription price







NET SALES AND PROFIT

The decline of the global economy and the general uncertainty reflected on the car and tyre industry throughout the year. In the Nordic countries, the sales of new cars dropped from the previous year. Car winter tyre sales to consumers proceeded well in Europe and in the Nordic countries, but owing to dealers' high stock levels, winter tyre deliveries to the retail sector shrank by 10% from the previous year. Factors attributing to low heavy tyre demand included equipment manufacturers' reduced production volumes and the severe problems in the European agricultural sector, which reflected on the prices of heavy tyres.

Average raw material prices were higher than the previous year throughout the year, but dipped towards the year-end.

Regardless of the particularly challenging business environment, Nokian Tyres was able to boost its net sales and operating profit, and to strengthen its corporate structure. Sales increased in both the manufacturing business and in Vianor, and market shares improved in the key markets. The weak Swedish krona undermined the sales value. In terms of passenger car tyres, the strongest growth areas included Russia, Eastern Europe, Norway and the USA. Sales were up 60% on the previous year to Russia and other CIS countries, and 46% to Eastern Europe. Thanks to a good sales mix, the high proportion of new products and successfully implemented price increases, the average price of tyres rose by 5.5% from the previous year. Nokian-brand tyres represented an increasingly large part of Vianor's sales. Co-operation between manufacturing and Vianor produced considerable synergy benefits. Production volumes increased, productivity improved and production costs decreased in the manufacturing of passenger car tyres and retreading materials.

The year's key objectives, raising the equity ratio and improving cash flow, were achieved.

Net sales in 2001 amounted to EUR 423.4 million (EUR 398.5 million), showing an increase of 6.3% on the previous year. Invoicing from outside Finland accounted for 68% (67%) of the overall net sales.

Good sales mix, the implemented price increases and improved productivity boosted the company's profitability. Sales prices in manufacturing rose by 5.5% and material costs by 4.9% from the averages last year. Material costs took a downward turn in the second half, and did not increase as much as was expected.

The Group's fixed costs increased by EUR 10.1 million, or 7.2%, on the previous year and totalled EUR 151.2 million (EUR 141.1 million). Fixed costs represented 35.7% (35.4%) of net sales. The tyre chain accounted for EUR 9.0 million of the growth of fixed costs. Depreciation of goodwill amounted to EUR 6.9 million (EUR 6.7 million).

Operating profit rose to EUR 50.5 million (EUR 39.4 million). Operating profit from the manufacturing business amounted to EUR 50.3 million (EUR 43.0 million) while Vianor's operating result was EUR -0.5 million (EUR -1.7 million). The impact of the weakened Swedish krona in the sales margin was EUR 2 million.

Net financial expenses were EUR 13.5 million (EUR 12.3 million). They represented 3.2% (3.1%) of net sales.

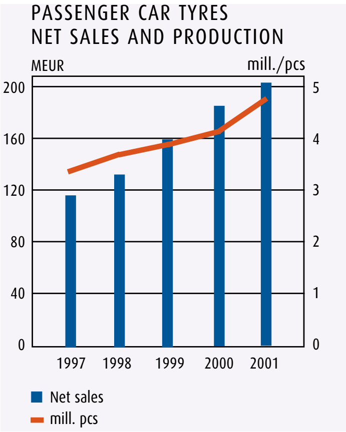
Profit before taxes rose to EUR 37.0 million (EUR 27.2 million). Net profit for the period amounted to EUR 25.2 million (EUR 19.8 million). Earnings per share were EUR 2.38 (EUR 1.88).

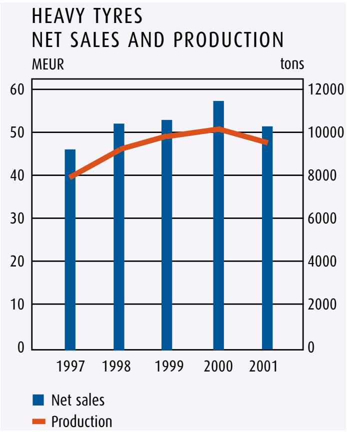
Return on net assets (RONA) was 12.8% (11.0%). Income financing after the change in working capital, investments and sales of fixed assets (cash flow II) was EUR 47.7 million, representing an improvement of EUR 56.9 million on the previous year. Equity ratio rose from 36.1% to 40.2% and included the capital loan.

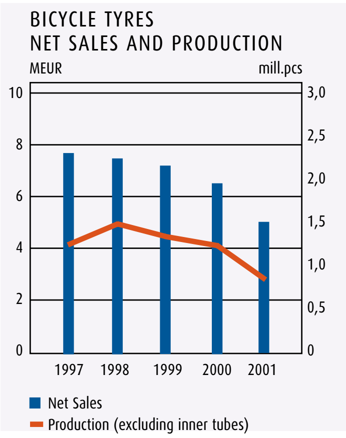
Research and development costs totalled EUR 8.3 million (EUR 8.3 million), representing 3.0% of the net sales from manufacturing.

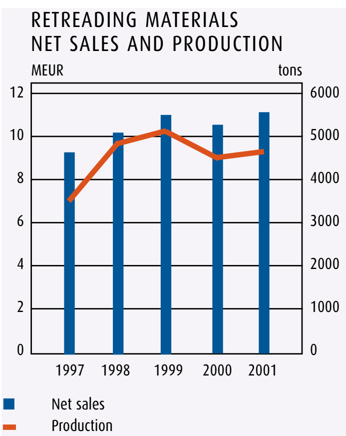
Over the year, the Group employed some 2,636 people on average (2,462). Meanwhile the parent company employed 1,383 (1,396) people.

At the end of the financial year, the Group employed 2,664 (2,519) people and the parent company 1,361 (1,376). At the year-end, Vianor employed 1,213 (1,054) people.









MANUFACTURING

Passenger car tyres

Net sales from Nokian passenger car tyres grew by 11.0% from the previous year and totalled EUR 206.6 million (EUR 186.2 million). In the year's final quarter, net sales were up by 3.5%. Sales focused on winter tyres and other new products with a high profit margin; these accounted for 44% of the product area's overall sales. Winter tyres represented 67% of the product area's total sales.

The operating profit of Passenger Car and Delivery Van Tyres rose to EUR 41.5 million (EUR 34.7 million).

A challenging market situation persisted: the tyre markets fell and price competition was fierce. Slower car sales in the Nordic countries as well as the Central European and Nordic tyre dealers' high stock volumes reduced the demand for tyres. The weak Swedish krona reduced the sales value.

Nokian-brand summer and winter tyres were able to expand their market shares in the key market areas. Tyres sold particularly well in Russia, the East European countries, Norway and the USA. Average tyre prices increased by 5.6% as a result of new product launches, a good product mix and price increases. Higher productivity and lower than expected material costs raised profitability.

Novelties launched earlier in the year included the Nokian NRZi summer tyre, which did very well in the markets. Test wins gained by Nokian NRW winter tyre in major German trade magazines, increased company's recognition in Central Europe and made a positive impact on sales. The so-called 24-hour service concept was introduced in the autumn. It improved the customer service and provided more sales opportunities during the peak winter season in the Nordic countries.

Passenger car tyre production volumes grew steadily over the year from 4.3 million to 4.8 million tyres, the emphasis being on increasing the added value of the production and improving the product mix. Productivity per person rose by 10.5%.

Heavy tyres

The Nokian heavy tyres business generated net sales of EUR 51.3 million (EUR 57.3 million). Total net sales shrank by 10.3% from the previous year and by 19% in the final quarter. Original equipment installation represented 38% (39%) of the product area's net sales. A number of new products were introduced in the product range, but owing to weak demand they accounted for only 12% of the product area's net sales.

The heavy tyres business recorded an operating profit of EUR 1.7 million (EUR 5.9 million).

The global economic uncertainty, equipment manufacturers' reduced production volumes and the difficulties in the European agricultural sector continued to reflect on the demand for heavy tyres throughout the year. Demand for all product groups was low, both in the original equipment installation and replacement markets.

Domestic oe-sales of forestry tyre developed slightly more positively, and truck tyres sold relatively well in Norway. The demand for radial tyres picked up from the previous year.

Weakened demand translated into price cuts and special offers designed to reduce the excess stocks of the industry. Nevertheless, Nokian Tyres was able to implement the scheduled 3.6% price increases and to retain its position as the world's leading manufacturer of cut-to-length forestry tyres.

Off-take production proceeded according to plans, and customer feedback concerning the new partner's products was good.

The annual output of the heavy tyres unit was 8,782 tons (10,020 tons in 2000).

Bicycle tyres

Net sales from the Nokian bicycle tyres business were down 19.0% on the previous year to EUR 5.3 million (EUR 6.5 million). Measures aimed at adjusting these operations will continue.

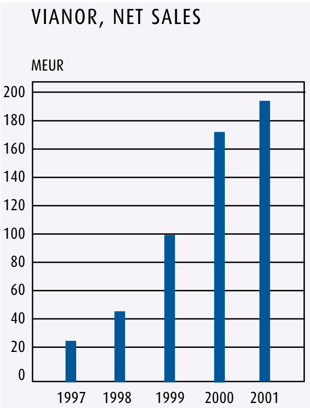
Retreading materials

Net sales from the Nokian retreading materials picked up by 5.8% on the previous year and totalled EUR 11.4 million (EUR 10.8 million). New products accounted for 21% of the product area's net sales.

Demand for retreading materials thrived and sales developed very well in all key markets throughout the year. Co-operation with Vianor produced considerable synergy benefits, and company's position as the leading retreading materials supplier in the Nordic countries strengthened. Sales to North America and to new customers in Estonia, Hungary, Italy and Russia developed well.

The number-one product was the newest tread Nokian Noktop 32, with its product range expanded to cover all the required widths.

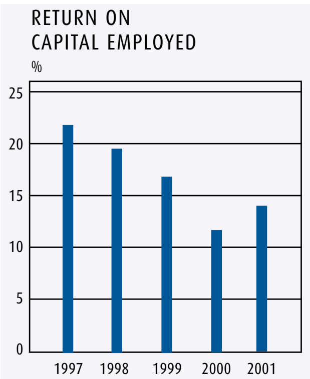
The shortage for mixing capacity hampered sales of retreading materials at the beginning of the year. With the introduction of the new mixing plant, retreading materials delivery capacity improved dramatically and towards the year-end, the product quantities significantly exceeded those of the previous year. The production output of retreading materials amounted to 4,727 tons (4,543 tons).



VIANOR

Vianor's net sales grew by 9.6% on the previous year to EUR 193.4 million (EUR 176.5 million). In the final quarter, net sales increased by 10.6%. Decreased sales volumes of new cars and low demand for tyres in December affected Vianor's sales. The weak Swedish krona reduced the sales value.

Operating result improved and totalled EUR -0.5 million (EUR -1.7 million). Because of the new booking method, purchase discounts were distributed evenly over the entire year, unlike in the previous year. The annual profit margin remained the same. Cash flow II climbed from EUR -24.5 million to EUR 18.4 million as a result of smaller investments and better working capital management.



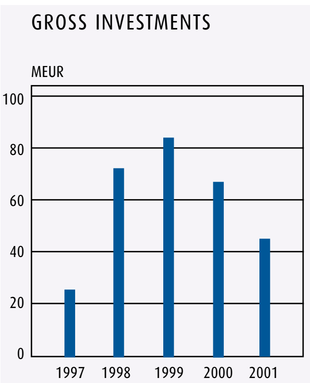
Towards the end of the year, Nokian Tyres extended its Vianor chain in Sweden with the acquisition of Däckaffären 2000 AB. The transaction involved 13 tyre outlets in Southern and Central Sweden.

Vianor now runs 170 own sales outlets in five countries. The first Vianor partner outlets operating under the Vianor colours were opened in Moscow in the autumn. The objective is to build more partner outlets in major Russian cities.

During the period under review, efforts aimed at Vianor's integration and development continued. The introduction of a uniform product selection in all stores generated purchase benefits, and the integrated operations started to lower the share of fixed costs of overall sales. A real-time sales and stock follow-up system was introduced across the entire chain.

ROADSNOOP

In the period under review, Nokian Tyres set up the Roadsnoop unit to take charge of the product profiling and commercial utilisation of the intelligent tyre concept, and introduced the first-generation RoadSnoop product. The RoadSnoop pressure watch monitors the tyre pressure and temperature, and warns the driver of insufficient tyre pressure over a radio channel into a small receiver. A tyre store can install the pressure monitoring system when changing the tyres. RoadSnoop products can also be manufactured using the customers' private labels.



Preliminary sales of the product have started as expected. The product is primarily targeted at the replacement market and the deliveries will begin in spring 2002. The product's retail price will be roughly EUR 200-250. The RoadSnoop unit aims to break even in 2002, and make positive profit and cash flow from 2003 onwards.

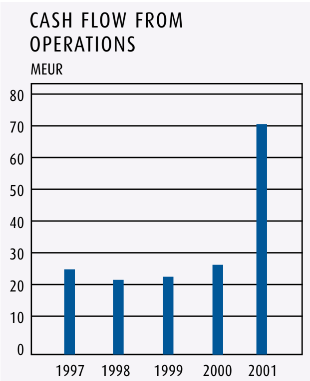
Nokian Tyres estimates that approximately 300,000 tyre pressure measuring systems will be sold in the replacement markets in 2002.

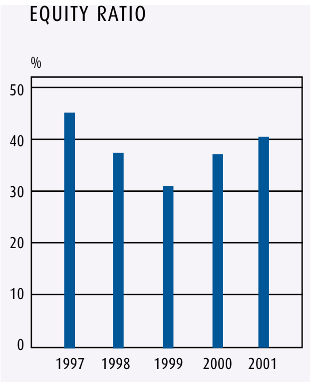
INVESTMENTS

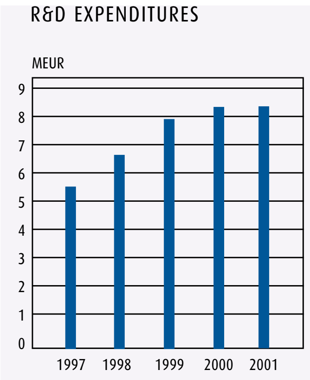
Nokian Tyres' investments in 2001 totalled EUR 45.3 million (EUR 67.5 million). Production and operating investments accounted for some EUR 38.2 million. Vianor's investments amounted to EUR 11.1 million (18.2), with business acquisitions representing EUR 7.1 million.

Over the period, Nokian Tyres was cautious with new investments and focused instead on making more efficient use of the previous investments. The most significant new investment was the new mixing plant, which was brought fully on-line two months ahead of schedule. The new mixing plant improved production management and enabled smaller raw material stocks. Other investments involved machinery and equipment required to eliminate production bottlenecks, and corporate arrangements associated with the Vianor chain.

In addition, a 32,000 square-metre logistics centre was built for Nokian Tyres in the town of Nokia. The company leased the property from a real estate management company, and plans to relocate its passenger car tyre logistics activities in these facilities as of the beginning of 2002.







OTHER BUSINESS IN 2001

Bond loan with warrants directed to the personnel

The Annual General Meeting of Nokian Tyres in 2001 decided to offer a bond loan with warrants to the personnel of the Nokian Tyres Group and the wholly-owned subsidiary of Nokian Tyres plc.

The bond loan with warrants amounts to FIM 2,400,000 (EUR 0.4 million). A total of 10,800 type I bond certificates, 9,600 type II bond certificates II and 9,600 type III bond certificates was issued. 600,000 warrants will be attached to the bonds, 216,000 of which will be attached to the type I bond certificates and marked with the symbol 2001A; 192,000 will be attached to type II bond certificates and marked with the symbol 2001B; and 192,000 will be attached to type III bond certificates and marked with symbol 2001C.

The share subscription price for warrants 2001A shall be nineteen (19) euros, for warrants 2001B the trade volume weighted average quotation of the Nokian Tyres plc share in the Helsinki Exchanges between 1 October and 31 October 2001 (EUR 25.94), and for warrants 2001C the trade volume weighted average quotation of the Nokian Tyres plc share in the Helsinki Exchanges between 1 April and 30 April 2002. The amount of the cash dividend distributed after 28 March 2001 but before the date of the share subscription shall be deducted from the share subscription price of warrants 2001A on the dividend record date. The price of shares subscribed for with warrants 2001B and 2001C shall be reduced by the amount of dividends paid after the commencement of the period for which the subscription price was determined, and dividends paid before the subscription, on the record date of each dividend payment.

The share subscription period shall begin on 1 March 2003 for warrants 2001A, on 1 March 2004 for warrants 2001B, and on 1 March 2005 for warrants 2001C. The subscription period for all warrants shall end on 31 March 2007. As a result of the subscriptions, the share capital of Nokian Tyres plc may increase by a maximum of FIM 6,000,000 (one million euro) and the number of shares by a maximum of 600,000 new shares.

The Board of Directors of Nokian Tyres plc has approved the subscriptions for the bond loan with warrants directed to the personnel of the Nokian Tyres Group. The bond loan with warrants was subscribed to by 42% of the entire personnel. A minimum subscription of FIM 320 for each subscriber was approved. In addition, a subscription of FIM 390,240 to Direnic Oy, a subsidiary of Nokian Tyres plc, was approved for later offering to the present or future personnel of Nokian Tyres Group. Bond certificates I and the attached warrants marked 2001A were offered to the subscribers of the 1999 bond loan with warrants provided that the warrant holder returns all his/her old 1999 warrants to the company. In the conversion, 433,800 old 1999 warrants were returned to the company. The total amount of the 2001 bond loan with warrants is FIM 2,400,000 and the maximum number of Nokian Tyres shares that can be subscribed for with the warrants between 1 March 2003 and 31 March 2007 is 600,000.

The company cancelled a total of 433,800 1999 warrants, which have been returned to the Group in the conversion and entitle to the subscription of 433,800 shares, as well as a total of 85,250 1999 warrants, which are in the possession of Direnic Oy, a wholly-owned subsidiary of Nokian Tyres plc, and entitle to the subscription of 85,250 shares.

A NEW INCENTIVE SCHEME FIXED TO THE SHARE PRICE

In December, Nokian Tyres plc announced the launch of an incentive scheme based on the company's share price development. The scheme covers those holders of the 1999 warrants who did not exchange their 1999 warrants for the new 2001 warrants in May 2001.

The new incentive scheme will replace the 1999 option scheme. The majority of the 1999 warrants were returned to the company and were subsequently cancelled in spring 2001 when the company issued new 2001 warrants. The new incentive scheme shall replace all the remaining warrants, after which the 1999 warrants shall no longer exist.

As a result, the total number of Nokian Tyres options given to personnel is 600,000.

OUTLOOK FOR 2002

The main objective for 2002 is to outperform the results of 2001 in terms of growth and profit.

This year, the business environment will continue to present major challenges. Uncertainty in the global economy is anticipated to persist, and regrettably, the sales of new cars and demand for tyres are not expected to perk up significantly. Nor is the heavy tyres market likely to recover in the first half.

The target is to improve the financial performance in the first half of 2002, although that the first quarter is expected to be negative as in the previous year. This is due to the fact that the demand for tyres is regularly quite low in the home market at the beginning of the year. The fixed costs that are not linked to sales will tax the profitability steadily throughout the year.

As for the whole year, Nokian Tyres' outlook for 2002 is good. The key strength is the strategy that places the focus on growing markets and product areas where demand exceeds the tyre industry's average annual growth of around 1-2%. Company's position has strengthened and market shares have improved in the key markets. Changes in the Nordic competitive scene will provide even better sales opportunities for Nokian-brand tyres.

Geographically, areas of strong growth include Russia, Eastern Europe and the so-called snow belt in North America, in other words countries in which Nokian Tyres has been able to strengthen its position and sales considerably in the recent years. Growing product areas include high-speed summer and winter tyres for passenger cars, heavy radial tyres, light truck tyres and SUV tyres. The product range will continue to be expanded with new, high profit margin products such as the winter tyre family designed for the Central European and North American markets. Deliveries of these tyres will begin this summer.

Efforts will continue to raise added valued and productivity in all company's product areas. Passenger car tyre production volumes are rising steadily. The off-take manufacturing activities will be further developed by increasing manufacture in Indonesia and by launching production in Russia.

The company will continue to develop its distribution network in the key markets, meanwhile the integrated manufacturing business and tyre chain is expected to generate more synergy benefits. Key priorities will include fully exploiting the logistic benefits derived from the company structure, boosting seasonal sales, and in Vianor, improving cost management and increasing the share of work of total sales.

Thanks to heavy snowfall this winter, stocks in Nokian Tyres' core markets have diminished, promising a good winter tyre season for the second half.

Measures aimed at improving cash flow and return on capital will continue. Growth of fixed costs will be restricted, and investments will be focused on eliminating production bottlenecks. Investments in 2002 will total EUR 37.0 million, EUR 34.0 million of which consists of production machinery and moulds for new products.

Raw material prices are expected to further decrease in the first half.

Nokia, 14 February 2002

Board of Directors

			GROUP		PARENT COMPANY	
In '000 euros	1 Jan – 31 Dec	Notes	2001	2000	2001	2000
Net sales		(1)	423,442	398,489	249,212	234,059
Total cost of goods sold		(2)(3)(4)	-248,293	-238,024	-167,930	-156,007
Gross margin			175,149	160,465	81,282	78,052
Selling and marketing expenses		(3)(4)	-104,045	-97,911	-22,153	-23,371
Administration expenses		(3)(4)	-7,806	-8,903	-6,254	-8,903
Other operating expenses		(3)(4)	-10,267	-11,320	-10,167	-10,329
Other operating income			4,391	3,829	3,353	364
Goodwill depreciation		(4)	-6,905	-6,716		
Total other costs			-124,632	-121,021	-35,221	-42,239
Operating profit		(5)	50,517	39,444	46,061	35,813
Financial income and expenses		(6)	-13,469	-12,264	-9,893	-7,468
Result before extraordinary items, appropriations and tax			37,048	27,180	36,168	28,345
Extraordinary items		(7)	0	0	0	-36,693
Result before appropriations and tax			37,048	27,180	36,168	-8,348
Increase in accumulated depreciation in excess of plan		(8)			-7,240	-4,146
Income tax						
Current tax			-9,669	-7,567	-7,444	-5,755
Change in deferred tax		(16)	-2,188	216	0	1,030
Profit applicable to minority shareholders			0	3		
Net result for the year			25,191	19,832	21,484	-17,219

In '000 euros 31 Dec	Notes	GROUP 2001	2000	PARENT COMPANY 2001	2000
ASSETS					
Fixed assets and other non-current assets					
Intangible assets	(9)	13,967	11,505	7,407	5,855
Goodwill	(9)	47,777	50,189		
Tangible assets	(9)	196,523	190,077	164,703	156,670
Shares in Group companies	(10)(11)			27,619	27,788
Shares in associated companies	(10)(11)	66	78	82	66
Shares in other companies	(11)	307	347	103	119
Total non-current assets		258,640	252,196	199,914	190,498
Current assets					
Inventories	(12)	87,008	81,287	35,565	36,926
Long-term receivables	(13)	2,368	8,238	31,132	25,483
Deferred tax asset	(16)	5,201	4,669	2,381	2,431
Short-term receivables	(14)	88,316	103,595	122,006	136,161
Cash in hand and at bank		18,247	14,001	1,665	939
Total current assets		201,140	211,790	192,749	201,940
		459,780	463,986	392,663	392,438
LIABILITIES AND SHAREHOLDERS' EQUITY					
Shareholders' equity	(15)				
Share capital		17,798	17,798	17,798	17,798
Share issue		0	0	0	0
Share issue premium		5,310	5,310	5,310	5,310
Retained earnings		100,732	88,341	29,069	53,167
Net result for the year		25,191	19,832	21,484	-17,219
Capital loan		36,000	36,000	36,000	36,000
Total shareholders' equity		185,031	167,281	109,661	95,056
Minority shareholders' interest		0	21		
Untaxed reserves and provisions					
Accumulated depreciation in excess of plan				56,053	48,813
Liabilities					
Deferred tax liability	(16)	20,335	17,700	0	0
Long-term liabilities	(17)				
interest bearing		136,976	125,731	136,061	123,125
interest-free		128	376	0	404
		137,104	126,107	136,061	123,529
Short-term liabilities	(18)				
interest bearing		39,449	70,414	48,675	71,856
interest-free		77,861	82,463	42,213	53,184
		117,310	152,877	90,888	125,040
Total liabilities		274,749	296,684	226,949	248,569
		459,780	463,986	392,663	392,438

	GROUP		PARENT COMPANY	
In '000 euros 1 Jan – 31 Dec	2001	2000	2001	2000
Cash flow from operating activities:				
Payments received from sales	432,562	386,322	252,693	229,183
Expenses paid for operating activities	-337,049	-342,957	-188,508	-182,177
Cash flow from operating activities before the financial items and taxes	95,513	43,365	64,185	47,006
Interest paid and other financial expenses	-15,732	-11,353	-13,885	-10,476
Interest received from operating activities	1,434	813	4,909	338
Dividends reiceived from operating activities	37	16	9	1,764
Income taxes paid	-10,418	-6,230	-7,462	-5,038
Cash flow from operating activities before extraordinary items	70,834	26,612	47,755	33,594
Cash flow from operating activities (A)	70,834	26,612	47,755	33,594
Cash flow from investing activities:				
Acquisition of tangible and intangible fixed assets	-42,631	-52,335	-35,237	-47,644
Acquisition of group companies, net of acquired cash	-2,042	-7,025	0	-669
Investments in other shares	0	-957	16	-17
Cash flow from investing activities (B)	-44,673	-60,316	-35,221	-48,331
Cash flow from financing activities:				
Share issues	0	286	0	286
Change in short-term financial receivables	-309	-3,543	11,298	-33,061
Change in long-term financial receivables	5,240	-1,713	-5,649	3,620
Change in financial short-term debt	-30,965	13,132	-23,181	15,672
Change in financial long-term debt	10,997	34,250	12,602	35,979
Dividends paid	-6,879	-8,970	-6,879	-8,963
Cash flow from financing activities (C)	-21,916	33,442	-11,809	13,533
Change in cash and cash equivalents (A+B+C) increase + / decrease -	4,245	-262	725	-1,203
Cash and cash equivalents at the beginning of the period	14,001	14,263	939	2,143
Cash and cash equivalents at the end of the period	18,246	14,001	1,665	939
	4,245	-262	726	-1,203

Notes to the cash flow statements

Acquisition of group companies				
Cash flow from the acquisition				
Acquisition cost of the acquired companies	1,307	7,551	0	669
Cash and cash equivalents of the acquired companies	-1,100	-526		
	207	7,025	0	669

PRINCIPLES OF CONSOLIDATION

The consolidated financial statements include the accounts of companies in which Nokian Tyres plc, domicile in Nokia, owns, directly or indirectly through subsidiaries, over 50% of the voting rights and associated companies, where Nokian Tyres plc owns between 20% and 50% of the voting rights. Companies acquired during the financial year are consolidated into the profit and loss account from the date of the acquisition.

All internal transactions, unrealised internal margins in the internal transactions, internal receivables and liabilities and internal dividend distributions are eliminated as part of the consolidation process.

Minority interests are presented as separate items in the consolidated profit and loss accounts and balance sheets.

Acquisitions of companies are accounted for using the purchase method. A consolidation difference arises from the acquisition cost if it is more than the total equity at the moment of the acquisition. If the fair value of the assets exceeds the book value, the elimination difference is allocated to the acquired company's assets and is amortised according to the plan on the basis of the estimated useful life of the assets. The rest of the elimination difference is treated as goodwill and is amortised on a straight-line basis over its expected useful life. This varies between five and ten years depending upon the nature of the acquisition. The goodwill arising from the acquisitions of the retail companies between years 1998 and 2001 is amortised in ten years based on the longer than normal income expectations and the major strategic significance to the business operations of the Group. The same principles are followed, where applicable, when companies within the Group are merged or dissolved.

Investments in associated companies, where Nokian Tyres plc owns between 20% and 50% of the voting rights are reported according to the equity method of accounting. The Group's share of profits and losses of associated companies is treated as selling and marketing expenses.

FOREIGN GROUP COMPANIES

All items in the balance sheets of foreign subsidiaries are translated into Finnish marks using the exchange rates published by the European Central Bank ruling at the financial statement date and in the profit and loss accounts, using average rates for the year. Translation differences arising from these are treated as part of consolidated shareholders' equity. Translation differences arising from the application of the purchase method are treated as part of consolidated shareholders' equity. The Group's policy is to hedge a portion of shareholders' equity in the foreign subsidiaries to reduce the effects of exchange rate fluctuations on the Group's net investments in foreign Group companies. Exchange gains and losses resulting from the hedging transactions are offset against the translation differences arising from consolidation and recorded in shareholders' equity.

INVENTORY VALUATION

Inventories are valued at the lower of cost and net realisable value. Cost is determined on a first in - first out (FIFO) basis. In addition to the direct costs, an appropriate proportion of production overheads is included in the value of finished goods.

FIXED ASSETS AND DEPRECIATION

Fixed assets are stated in the balance sheets at cost less depreciation according to plan. In the Parent Company, the accumulated difference between the total depreciation charged to the profit and loss account and depreciation according to plan is shown as a separate item in untaxed reserves.

Depreciations according to plan are calculated on the basis of the estimated useful life of the assets using the straight line method. The depreciation times are as follows:

Intangible assets	3 – 10 years
Goodwill	5 – 10 years
Buildings	20 – 40 years
Machinery and equipment	4 – 20 years
Other tangible assets	10 – 40 years

Land property, as well as investments in shares, are not regularly depreciated.

RESEARCH AND DEVELOPMENT

Research and development costs are charged to the other operating expenses in the profit and loss account in the year in which they are incurred. Certain significant development costs with useful life over three years are capitalised and are amortised on a systematic basis over their expected useful lives. The amortisation period is between three and five years.

PENSIONS AND COVERAGE OF PENSION LIABILITIES

Pension contributions are based on local, periodic actuarial calculations and are charged to the profit and loss account. In Finland the pension schemes are funded through payments to a pension insurance company. Foreign subsidiaries operate pension schemes for their employees in accordance with their local conditions and practices.

DIRECT TAXES

The consolidated profit and loss statement include the change in deferred tax and the direct taxes which are based on taxable profit of each company. These direct taxes are calculated according to local tax rules. The deferred tax liability and assets are recorded as separate items and are based on the prevailing corporate tax rate.

The profit and loss statement of the Parent Company include direct taxes based on the taxable profit and the change in deferred tax arising from temporary differences. The untaxed reserves of the Parent Company are shown in full in the balance sheet, and the deferred tax liability is not recorded.

FOREIGN CURRENCY ITEMS

Transactions in foreign currencies are recorded at the exchange rates ruling at the dates of the transactions. At the end of the accounting period unsettled balances on foreign currency transactions and forward exchange contracts are valued at the rates published by the European Central Bank as at the financial statement date.

Foreign exchange gains and losses relating to normal business operations and hedging gains and losses are treated as adjustments to sales and purchases. The exchange rate difference from hedging against estimated cash flow is accounted in profit and loss accounts under sales adjustment items when the cash flow is realised. Gains and losses associated with financial transactions and hedging are entered under financial income and expenses.

	GROUP		PARENT COMPANY	
In '000 euros	2001	2000	2001	2000

1. NET SALES BY SEGMENTS AND MARKET AREAS

	2001	2000	2001	2000
Manufacturing				
Car and Van tyres	206,622	186,187	187,591	167,084
Heavy tyres	51,339	57,262	45,325	50,259
Bicycle tyres and inner tubes	5,288	6,525	5,288	6,523
Retreading materials	11,401	10,779	11,008	10,546
Total	274,650	260,753		
Tyre chain	193,400	176,475		
Others and eliminations	-44,608	-38,739	0	-352
Total	423,442	398,489	249,212	234,059
Finland	136,890	130,562	68,385	67,808
Other Nordic countries	136,386	135,482	50,944	48,808
Baltic States and Russia	35,987	26,079	30,822	22,634
Other European countries	83,865	77,000	74,072	71,872
North America	25,207	24,481	19,881	18,054
Other countries	5,108	4,884	5,108	4,884
Total	423,442	398,489	249,212	234,059

2. TOTAL COST OF GOODS SOLD

	2001	2000	2001	2000
Raw materials	79,616	71,517	79,616	71,517
Goods purchased for resale	82,456	94,434	7,965	11,511
Wages and social costs of goods sold	36,837	34,469	36,837	34,469
Other costs	31,335	25,190	20,401	22,745
Depreciation of production	14,253	14,708	14,253	14,708
Sales freights	10,911	10,626	7,497	7,589
Change in inventories	-7,115	-12,919	1,361	-6,532
Total	248,293	238,024	167,930	156,008

3. WAGES, SALARIES AND SOCIAL EXPENSES

	2001	2000	2001	2000
Wages and salaries	74,026	72,888	40,265	41,411
Pension contributions	12,624	11,354	8,002	6,775
Other social expenses	18,041	16,009	12,889	10,469
Total	104,691	100,250	61,156	58,656
Remuneration of the members of the Boards, President and Managing Directors on accr. basis	1,481	1,387	258	282
of which incentives	0	49	0	0

No special pension commitments have been granted to the members of the Boards, President and Managing Directors.

Personnel, average during the year	2001	2000	2001	2000
Production	1,051	1,075	1,051	1,075
Sales and marketing	1,457	1,211	154	145
Others	178	176	178	176
Total	2,686	2,462	1,383	1,396

4. DEPRECIATION

Depreciation according to plan by asset category	2001	2000	2001	2000
Intangible assets	2,416	1,582	1,041	675
Goodwill	6,905	6,716		
Buildings	2,307	2,543	1,633	1,516
Machinery and equipment	19,246	16,652	16,015	13,905
Other tangible assets	464	406	336	329
Total	31,338	27,900	19,025	16,426

	GROUP		PARENT COMPANY	
In ‘000 euros	2001	2000	2001	2000

The planned depreciation times are as follows:

Intangible assets	3-10 years
Goodwill	5-10 years
Buildings	20-40 years
Machinery and equipment	4-20 years
Other tangible assets	10-40 years

Depreciation according to plan is calculated on the basis of the estimated useful life of the assets using the straight line method.

Depreciation by function

Production	16,730	14,708	16,730	14,708
Sales and marketing	5,612	4,901	204	143
Administration	884	577	884	577
Other operating depreciation	1,207	997	1,207	997
Goodwill	6,905	6,716		
Total	31,338	27,900	19,025	16,426

5. OPERATING RESULT

Manufacturing	50,274	43,004		
Tyre chain	-466	-1,700		
Eliminations	710	-1,860		
Total	50,517	39,444		

6. FINANCIAL INCOME AND EXPENSES

Dividend income				
From the Group companies			0	4,094
From others	37	16	9	13
Total	37	16	9	4,107
Interest income, long-term				
From the Group companies			1,918	590
From others	132	45	99	44
Total	132	45	2,017	633
Other interest and financial income				
From the Group companies			2,200	888
From others	1,151	1,016	420	339
Total	1,151	1,016	2,620	1,227
Exchange rate differentials (net)	-323	-115	-319	264
Interest and other financial expenses				
To the Group companies			-364	-84
To others	-13,891	-12,710	-13,587	-12,360
Other financial expenses	-575	-516	-269	-1,254
Total	-14,466	-13,226	-14,220	-13,698
Total financial income and expenses	-13,469	-12,263	-9,893	-7,467

7. EXTRAORDINARY ITEMS

The extraordinary items in the Parent Company in 2000 contain the dissolution loss arising from the changes in the Tyre chain group stucture. The effect on the direct taxes is 2,207 thousand euros.

Dissolution loss	0	0	0	-36,693
Total	0	0	0	-36,693

8. APPROPRIATIONS

Change in accumulated depreciation in excess of plan

Intangible assets			126	177
Buildings			867	861
Machinery and equipment			6,314	3,148
Other tangible assets			-67	-40
Total			7,240	4,146

9. FIXED ASSETS

In ‘000 euros

	Intangible assets	Goodwill	Tangible assets: Land property	Buildings	Machinery and equipment	Other tangible assets	Advances and fixed assets under construction
Group							
Accumulated cost, Jan 1st 2001	15,921	68,061	4,797	83,407	190,290	3,987	27,105
Decrease/Increase	4,319	4,349	-676	387	42,675	-135	-22,775
Accumulated cost, Dec 31st 2001	20,240	72,410	4,121	83,794	232,965	3,852	4,330
Translation difference	176	-25	-5	146	236	-14	0
Accum. depr. acc. to plan, Dec 31st 2001	-6,449	-24,608	0	-17,042	-115,041	-1,562	0
Revaluation , Dec 31st 2001	0	0	0	744	0	0	0
Book value, Dec 31st 2001	13,967	47,777	4,116	67,642	118,160	2,276	4,330
Book value, Dec 31st 2000	11,505	50,189	4,797	61,930	93,539	2,706	27,105

The amount of the revaluation is based on the independent expert statements of the probable sales price of the buildings.
The main principle used in revaluation is productive value.
Fixed assets under construction contain capitalised development expenses total 1,383 thousand euros according to resolution 50/1998 of MTI.

	Intangible assets	Goodwill	Land property	Buildings	Machinery and equipment	Other tangible assets	Advances and fixed assets under construction
Parent Company							
Accumulated cost, Jan 1st 2001	7,596		894	55,347	162,823	3,628	27,049
Decrease/Increase	2,592		-260	6,033	38,418	-179	-22,775
Accumulated cost, Dec 31st 2001	10,188		634	61,380	201,241	3,449	4,274
Translation difference							
Accum. depr. acc. to plan, Dec 31st 2001	-2,781		0	-10,028	-94,894	-1,352	0
Book value, Dec 31st 2001	7,407		634	51,352	106,347	2,097	4,274
Book value, Dec 31st 2000	5,855		894	42,909	83,313	2,505	27,049
Accum. depreciation in excess of plan, Dec 31st 2001	818			15,708	39,338	189	
Accum. depreciation in excess of plan, Dec 31st 2000	692			15,319	32,546	256	

10. COMPANIES OWNED BY THE GROUP AND THE PARENT COMPANY

	Group share ownership %	Parent Company share ownership %
Group companies		
Vianor Holding Oy, Nokia, Finland	100	100
Vianor Oy, Lappeenranta, Finland	100	
Kumi-Salama Ky, Turku, Finland, share of the active partner		
Posiber Oy, Helsinki, Finland	100	
Rengasmestarit Oy, Kuopio, Finland	100	
Lieksan Rengas Oy, Lieksa, Finland	100	
Kumi-Helenius Oy, Rovaniemi, Finland	100	
Kiint. Oy Laure, Keminmaa, Finland	100	
Iisalmen Rengas Oy, Iisalmi, Finland	100	
Suonenjoen Rengashuolto Oy, Suonenjoki, Finland	100	
Kumico Oy, Pieksamäki, Finland	100	
Posiber Kiinteistöt Oy, Nokia, Finland	100	
Porvoon Rengas Ky, Porvoo, Finland, share of the active partner		
AS Isko, Estonia	100	
Vianor AB, Sweden	100	
Handens Däck AB, Sweden	100	
Michaels Förvaltning AB, Sweden	100	
Michaels Däckservice AB, Sweden	100	
Antons Gummi AB, Sweden	100	
Christers Däck i Eksjö AB, Sweden	100	
Nils Janssons Gummiverkstad AB, Sweden	100	
NJA Gummi i Mölndal AB, Sweden	100	
Sävedalens Gummiverkstad AB, Sweden	100	
Utby Däckservice AB, Sweden	100	
Däcktjänst Norrköping AB, Sweden	100	
Butängens Däck AB, Sweden	100	
Värsås Maskiner AB, Sweden	100	
Värsås Regummering AB, Sweden	100	
Vianor AS, Norway	100	
Br Bråthen AS, Norway	100	
Larsen & Lund AS, Norway	100	
Bergs Gummi-Industri AS, Norway	100	
Marco Trading AS, Norway	100	
Hallingdal Dekkservice AS, Norway	100	

	Group share ownership %	Parent Company share ownership %
Group companies		
Nokian Däck AB, Sweden	100	100
Nokian Dekk AS, Norway	100	100
Nokian Reifen GmbH, Germany	100	100
Nokian Reifen AG, Switzerland	100	100
Nokian Tyres Inc., USA	100	100
Nokian Tyres (North America) Ltd. , Canada	100	100
Nokian-Rosshina Tyre Holding Oy, Nokia, Finland	100	100
Direnic Oy, Nokia, Finland	100	100
Roadsoop Oy, Nokia, Finland	100	100
Alppirengas V. Suvanto Oy, Helsinki, Finland	100	100
Itä-Suomen Kumi Oy, Lappeenranta, Finland	100	100
Kokkopyörä Oyj, Lappeenranta, Finland	100	100
Mäntsälän Rengas Oy, Mäntsälä, Finland	100	100
Associated companies		
Freibi Riepas SIA, Latvia	50	
Kiint. Oy Linnarengas, Savonlinna, Finland *)	50	
Kiint. Oy Nokian Nosturikatu 18, Finland *)	33	33
Sammaliston Sauna Oy, Nokia, Finland *)	33	33

*) Omitted from the Group accounts because of no material effect on the total.

11. INVESTMENTS

In '000 euros	GROUP		PARENT COMPANY		
	Shares in associated companies	Shares in other companies	Shares in group companies	Shares in associated companies	Shares in other companies
Accumulated cost, Jan 1st 2001	78	346	27,788	66	119
Decrease/Increase	-12	-41	-169	17	-16
Accumulated cost, Dec 31st 2001	66	305	27,619	83	103
Translation difference	0	1			
Book value, Dec 31st 2001	66	306	27,619	83	103
Book value, Dec 31st 2000	78	347	27,788	66	119

No company shares are owned by the Parent Company or the Group.

	GROUP		PARENT COMPANY	
In '000 euros	2001	2000	2001	2000

12. INVENTORIES

Raw materials and supplies	6,904	10,344	6,221	9,515
Work-in-progress	3,210	3,539	3,210	3,539
Finished goods	76,894	67,405	26,134	23,872
Total book value	87,008	81,287	35,565	36,926

13. LONG-TERM RECEIVABLES

Loan receivables from the Group companies			29,801	24,746
Loan receivables from the Assoc. companies	630	917	0	0
Loan receivables	1,708	6,345	1,331	703
Other receivables	660	976	0	34
Total	2,368	7,321	1,331	737
Total long-term receivables	2,998	8,238	31,132	25,483

Loans to directors
Managing Directors and the members of the Board of Directors in the group have been granted loans, totalling 200 472 euros. Loans have yearly installments.

14. SHORT-TERM RECEIVABLES

Receivables from the Group companies				
Trade debtors			28,881	23,659
Loan receivables			58,675	70,294
Accrued revenues and deferred expenses			1,188	1,787
Total			88,744	95,740
Receivables from the Assoc. companies				
Trade debtors	765	798	0	0
Loan receivables	370	370	0	0
Accrued revenues and deferred expenses	3	9	0	0
Total	1,138	1,177	0	0
Trade debtors	76,786	81,977	28,440	33,014
Loan receivables	158	210	0	0
Other receivables	2,876	12,324	2,175	2,672
Accrued revenues and deferred expenses	7,358	7,907	2,647	4,734
Total	87,178	102,419	33,262	40,420
Total short-term receivables	88,316	103,595	122,006	136,160

Significant items under accrued revenues and deferred expenses				
Taxes	1,229	1,053	0	1,040
Annual discounts, purchases	1,105	1,419	502	690
Financial items	310	2,610	302	2,492
Social payments	916	265	520	237

In '000 euros	GROUP 2001	2000	PARENT COMPANY 2001	2000

15. SHAREHOLDERS' EQUITY

Share capital, Jan 1st	17,798	17,735	17,798	17,735
Emissions in 2001	0	63	0	63
Share capital, Dec 31st	17,798	17,798	17,798	17,798
Share issue premium, Jan 1st	5,310	5,088	5,310	5,088
Emission gains	0	223	0	223
Share issue premium, Dec 31st	5,310	5,310	5,310	5,310
Retained earnings, Jan 1st	108,173	98,177	35,948	62,130
Dividends to shareholders	-6,878	-8,970	-6,878	-8,963
Translation adjustment	-563	-867	0	0
Retained earnings, Dec 31st	100,732	88,341	29,069	53,167
Net profit for the year	25,191	19,832	21,484	-17,219
Capital loan	36,000	36,000	36,000	36,000
Total shareholders' equity	185,031	167,281	109,661	95,056

Capital loan
The amount of the capital loan is 36 million euros, interest rate 7,25%, maturing on the April 29th, 2005. Interest on the capital loan may be paid only to the extent that the amount to be paid can be used for distribution of profit in accordance with the financial statements of the Nokian Tyres plc and the Group adopted for the preceding fiscal period. The principal of the capital loan may be repaid only if the non-distributable equity and other non-distributable items, as shown in the financial statements of the Nokian Tyres plc and the Group adopted for the preceding fiscal period, are left with full cover.

Specification of the distributable equity, December 31st

Retained earnings, Dec 31st	100,732	88,341	29,069	53,167
Net profit for the year	25,191	19,832	21,484	-17,219
The share of untaxed reserves and appropriations recorded in shareholders' equity	-42,039	-36,787		
Subsidiaries' reserve funds	-5,307	-6,210		
Distributable equity, Dec 31st	78,577	65,175	50,553	35,948

16. DEFERRED TAX LIABILITIES AND ASSETS

Deferred tax assets from				
Untaxed reserves and provisions	825	300		
Consolidation	1,546	1,836		
Temporary differences	2,830	2,533	2,381	2,431
Total	5,201	4,669	2,381	2,431
Deferred tax liabilities from				
Untaxed reserves and provisions	18,975	16,930		
Consolidation	0	0		
Temporary differences	0	769	0	0
Total	18,975	17,699	0	0

The deferred tax assets contain the deferred tax assets for the years 2002 and 2003 arising from the dissolution loss entered into extraordinary expenses in the Parent Company. The tax benefit will be realised during years 2000 and 2009; the proportional share of the remaining deferred tax asset, 8,307 thousand euros, has been accounted for up to year 2003.

Deferred tax liabilities arising from the goodwill of the buildings, total 952 thousand euros and revaluation, total 215 thousand euros are not included in the amounts reported above.

17. LONG-TERM LIABILITIES

Interest bearing				
Loans from financial institutions	121,337	108,441	120,422	105,835
Pension premium loans	15,639	17,291	15,639	17,291
Total	136,976	125,731	136,061	123,125
Interest-free				
Liabilities to the Group companies				
Other long-term loans			0	70
Other long-term loans	128	376	0	334
Total long-term liabilities	137,104	126,107	136,061	123,459

In '000 euros	GROUP 2001	GROUP 2000	PARENT COMPANY 2001	PARENT COMPANY 2000
Liabilities maturing after five years				
Loans from financial institutions	6,395	14,167	6,395	14,167
Pension premium loans	14,027	9,407	14,027	9,401
Total	20,422	23,574	20,422	23,567
Maturing of long-term liabilities				
Maturity				
2003	46,438	46,089	45,869	45,733
2004	42,641	20,094	42,367	19,750
2005	53,588	43,557	53,518	43,381
2006	9,887	3,153	9,887	3,147
2007 and later	20,422	20,420	20,420	20,420
Total	172,976	133,313	172,061	132,431

18. SHORT-TERM LIABILITIES

In '000 euros	GROUP 2001	GROUP 2000	PARENT COMPANY 2001	PARENT COMPANY 2000
Interest bearing				
Liabilities to the Group companies				
Finance loans			10,475	3,031
Bonds	0	8,409	0	8,409
Loans from financial institutions	37,874	60,328	36,625	58,739
Pension premium loans	1,575	1,677	1,575	1,677
Total	39,449	70,414	38,200	68,825
Total interest bearing	39,449	70,414	48,675	71,856
Interest-free				
Liabilities to the Group companies				
Trade creditors			235	34
Accrued expenses and deferred revenues			80	409
Total			315	443
Trade creditors	39,133	36,693	20,827	23,988
Liabilities to the others	6,782	13,897	2,018	9,715
Accrued expenses and deferred revenues	31,945	31,873	19,053	19,038
Total	77,860	82,463	41,898	52,741
Total interest-free liabilities	77,860	82,463	42,213	53,185
Total short-term liabilities	117,309	152,877	90,888	125,040
Significant items under accrued expenses and deferred revenues				
Wages and salaries	16,332	14,924	9,648	8,463
Annual discounts, sales	2,233	3,415	479	1,703
Taxes	2,267	2,607	396	1,042
Financial items	3,986	4,207	3,954	4,160
Royalty	220	745	220	745

In '000 euros	GROUP 2001	2000	PARENT COMPANY 2001	2000
19. CONTINGENT LIABILITIES				
For own debt				
Mortgages	715	1,354	0	0
Mortgage on company assets	0	0	0	0
Pledged assets	51	57	0	0
Guarantees	1,177	1,177	1,177	1,177
The amount of debts mortgaged or pledged for	0	160	0	0
On behalf of Group companies				
Guarantees			2,052	4,643
Rent commitments			734	250

The amount of debts that the Parent Company has guaranteed for total 2,052 thousand euros.

In '000 euros	GROUP 2001	2000	PARENT COMPANY 2001	2000
On behalf of other companies				
Guarantees	6	6	0	0
Other own commitments				
Leasing and rent commitments				
Payments due in 2002/2001	6,104	3,357	5,028	2,392
Payments due in subsequent years	21,474	13,794	12,899	2,127
Acquisition commitments	568	5,318	233	94

20. DERIVATIVE CONTRACTS

In '000 euros	GROUP 2001	2000	PARENT COMPANY 2001	2000
Interest rate derivatives				
Interest rate swaps				
Fair value	-956	23	-956	23
Underlying value	37,500	8,409	37,500	8,409
Options, purchased				
Fair value	0	48	0	0
Underlying value	0	5,046	0	0
Currency derivatives				
Forward contracts				
Fair value	-449	1,538	-449	1,538
Underlying value	50,932	58,475	50,932	58,475
Options, purchased				
Fair value	18	0	18	0
Underlying value	3,000	0	3,000	0
Options, written				
Fair value	-18	0	-18	0
Underlying value	4,000	2,000	4,000	2,000

The fair value of interest rate swaps is defined by cash flows due to contracts.

The fair value of exchange forward contracts is calculated at the rates at the balance sheet closing date on the basis of cash flow arising from contracts. The fair value of options is based on the market price calculated by Black & Scholes' option pricing model.

The underlying value of currency derivatives is the euro equivalent of the contracts' currency denominated amount at the balance sheet closing date.

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

Currency derivatives are included in the financial result at market value except those relating to budgeted net currency positions, which are entered in the profit and loss account as the cash flow is received.

All Group finances and financial risks at Nokian Tyres are managed by the parent company's Treasury unit, in accordance with the financial policy approved by the Board of Directors. By centralising these activities, the company can effectively manage the Group's financial risks and obtain benefits of scale in the pricing of finances. The objective of financial risk management is to secure the Group's planned profit development.

CREDIT AND LIQUIDITY RISKS

In accordance with the Group's financial policy, the Treasury unit is responsible for maintaining the Group's liquidity and for ensuring sufficient funding.

The Group's liquid assets and investments totalled EUR 18 million at the end of 2001. Furthermore, the Group had unused short-term credit limits in the amount of approximately EUR 125 million. Short-term limits are used to finance stocks, receivables and subsidiaries that act as distribution channels, and to manage the regular seasonal cash flow fluctuations that are typical of Nokian Tyres. In October 2001, the parent company combined bilateral commercial paper programs into one commercial paper program, the total value of which is EUR 85 million.

At the year-end, the company's interest-bearing liabilities stood at EUR 176 million compared to EUR 196 million a year earlier. Non-euro currencies represented 16 per cent of all long-term loans (17 per cent in 2000). The average interest rate of long-term loans was 4.37 per cent (5.04 per cent in 2000). Moreover, Nokian Tyres has a EUR 36-million capital loan issued in 2000 with an interest rate of 7.25 per cent. The capital loan will mature in 2005.

Investments in 2001 totalled EUR 45 million (EUR 67 million in 2000). Short-term interest-bearing liabilities amounted to EUR 39 million (EUR 70 million in 2000), which includes loan repayments to be made within one year.

INTEREST RATE RISK

The Group's borrowing is divided into floating and fixed interest rate instruments. The Treasury unit monitors the interest risk and steers it with forward rate agreements, interest rate options and interest rate swaps. During 2001, EUR 40 million worth of the Group's debts were changed to fixed rate debts using interest rate swaps. Fair values of the interest rate swaps are informed in the Notes to the Financial Statements. The average interest rate tying time'for the Group's interest portfolio was 28 months at the end of the year, compared with 23 months a year earlier.

CURRENCY EXCHANGE RISK

The Nokian Tyres group comprises the Finland-based parent company, sales companies based in Sweden, Norway, Germany, Switzerland and the USA as well as the tyre chain extending from the Nordic countries to Estonia and Latvia. The business activities of the sales companies and the tyre chain are primarily carried out in the currency of the country in question, and therefore the parent company bears almost the entire currency exchange risk. The introduction of the euro has reduced Nokian Tyres' currency exchange risk, and in 2001, 41 per cent of the Group's invoicing was in non-euro currencies. The most significant exchange rate gains and losses incurred from the fluctuation of the Swedish and Norwegian krona as well as the US dollar.

The company's currency position consists of receivables and payables in foreign currencies as well as binding purchase and sale agreements (transaction position), to which the estimated currency-denominated cash flows will be added to make a review period of the upcoming 12 months. Under the hedging policy, the Treasury unit will hedge the entire transaction position, allowing + / - 20 per cent over- and underhedging. The estimated cash flow is hedged according to the market situation. The maximum hedging may be up to 70 per cent of the estimated cash flow. The exchange rate gains or losses resulting from the hedging are entered under sales and purchase adjustment items in the profit and loss account. Exchange rate gains or losses from hedgings made against the estimated cash flow will be entered under sales adjustment items in the profit and loss account when the cash flow is realised. Exchange rate gains or losses incurred from the hedging of long-term loans are entered as financial income and expenses.

To hedge its currency position, Nokian Tyres uses intra-Group netting, currency credits and currency derivatives. Derivatives are used for hedging purposes only. Fair values of the derivatives are informed in the Notes to the Financial Statements.

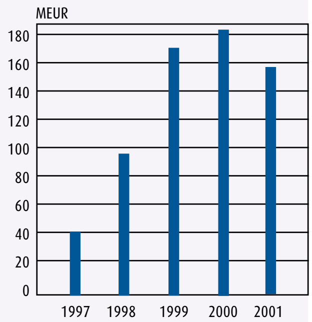
In the financial statements, the foreign subsidiaries' equities are translated into euros using the average exchange rate of the European Central Bank at the end of the period, and the exchange rate gains and losses are shown as translation differences in the Consolidated Financial Statements. Subsidiaries' significant equities have been hedged using long-term currency credits. The exchange gains and losses arising from the hedging are booked in their net value in the Consolidated Financial Statements against the translation differences of shareholders' equity.

COUNTERPARTY RISK

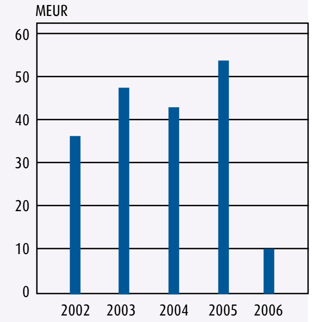
The Group makes only short-term investments, and agreements are only signed with counterparties with a high credit rating.

Derivative contracts are signed with banks and credit institutions with adequate solvency.

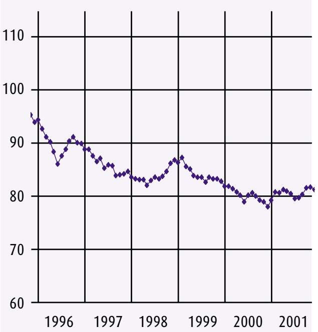
INTEREST BEARING
NET DEBT



CURRENT MATURITIES
OF LONG-TERM LOANS



EXCHANGE RATE INDEX
WEIGHTED BY EXPORT
CURRENCIES
(Index 1990=100, euros)



THE BOARD'S PROPOSAL FOR THE USE OF PROFIT

The distributable reserves in the shareholders' equity of the Parent Company on 31 December 2001 total 50,553,469.51 euros, which can be distributed as dividends. The distributable reserves in the shareholders' equity of the Group total 78,577,000 euros and do not restrict the profit distribution of the Parent Company. There are 10,582,286 shares entitled to a dividend.

The Board of Directors proposes that a dividend of 0.83 euros (a total of 8,783,297.38 euros) be paid out for the 2001 fiscal year.

Nokia, 15 February 2002

Olli-Pekka Kallasvuo	*Bo-Erik Haglund*
Matti Oksanen	*Hannu Penttilä*
Antti Saarialho	*Kim Gran* President

AUDITORS' REPORT

To the shareholders of Nokian Tyres plc.

We have audited the accounting records and the financial statements, as well as the administration by the Board of Directors and the President of Nokian Tyres plc for the period ending 31 December 2001. The financial statements, which include the report of the Board Of Directors, consolidated and parent company income statements, balance sheets and notes to the financial statements, have been prepared by the Board of Directors and the President. Based on our audit, we express our opinion on these financial statements and the company's administration.

We have conducted our audit in accordance with Finnish Generally Accepted Auditing Standards. Those standards require that we plan and perform the audit in order to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by the management as well as evaluating the overall financial statement presentation. The purpose of our audit of the administration has been to examine that the Board of Directors and the President have complied with the rules of the Finnish Companies' Act.

In our opinion, the financial statements have been prepared in accordance with the Finnish Accounting Act and other rules and regulations governing the preparation of financial statements in Finland. The financial statements give a true and fair view, as defined in the Accounting Act, of both the consolidated and parent company result of operations as well as of the financial position. The financial statements can be adopted and the members of the Board of Directors and the President of the parent company can be discharged from liability for the period audited by us. The proposal by the Board of Directors regarding the handling of the profit, is in compliance wiht the Finnish Companies' Act.

Nokia, 15 February 2002 KPMG WIDERI OY AB
Matti Sulander, Authorised Public Accountant

The Board of Directors

Chairman:
Olli-Pekka Kallasvuo
Master of Laws
Chief Financial Officer,
Nokia Corporation
Chairman of the Board from 1992 to 1997
Chairman of the Board since 1999
Nokian Tyres shareholding on 31 December 2001: 3,000

Matti Oksanen
M. Sc. (Chem. Eng.)
Managing Director,
Fortum Oil and Gas
Member of the Board since 1999
Nokian Tyres shareholding on 31 December 2001: 600

Bo-Erik Haglund
Doctor of Science (Economics and Business Administration) h.c.
Member of the Board since 2001
No Nokian Tyres shares

Hannu Penttilä
Master of Laws
Managing Director, Stockmann plc
Member of the Board since 1999
No Nokian Tyres shares

Antti Saarialho
Licentiate of Technology
Professor (emeritus) (Helsinki University of Technology, Automotive Engineering)
Member of the Board since 1999
No Nokian Tyres shares

Kim Gran
B.Sc. (Econ.)
President and CEO of
Nokian Tyres plc as of
1 September 2000
No Nokian Tyres shares






STOCK EXCHANGE BULLETINS IN 2001

Nokian Tyres published a total of 13 stock exchange bulletins or releases in 2001. Short summaries of the most significant bulletins are given below.

13.2. Financial statement bulletin.
Earnings per share were EUR 1.88 in 2000 (EUR 2.51 in 1999). Net sales were up by 23.5% to EUR 398.5 million (EUR 322.6 million). Net sales and operating profit from the manufacturing business improved somewhat from the previous year. The tyre chain's sales and profitability did not meet expectations. The Board of Directors proposes that a dividend equalling 35% of the net profit, in other words EUR 0.65 (0.85) per share, be distributed.

28.3. Decisions made at the Annual General Meeting.
The Annual General Meeting of Nokian Tyres approved the financial statements for 2000 and discharged the members of the Board and the President and CEO from liability. A decision was made to pay a dividend of EUR 0.65 per share. Furthermore, a decision was made at the Annual General Meeting to offer a bond loan with warrants, to be subscribed for by the Nokian Tyres Group and its subsidiary.

27.4. Interim report for January-March 2001.
Earnings per share were EUR -0.35 (EUR -0.41 in the corresponding period in 2000). Net sales were up by 14.1% to EUR 76.6 million (EUR 67 million). Operating loss totalled EUR –1.9 million (EUR -4.4 million). The company is well positioned to reach sales growth of more than 10% and to make a better profit in 2001 than in the previous year.

2.8. Interim report for January-June 2001.
The net sales and operating profit of Nokian Tyres saw marked improvement from the previous year in the second quarter and the entire period under review. Operating profit in the January to September period amounted to EUR 6.7 million (EUR –1.5 million in the corresponding period a year earlier) and earnings per share were EUR –0.07 (EUR -0.39).–Net sales were up by 13% to EUR 171.6 million (EUR 152.2 million). Our objective is to reach sales growth of more than 10% and to make a better profit in 2001 than in the previous year.

18.10. Nokian Tyres introduced the first-generation RoadSnoop product into the market.
The RoadSnoop pressure watch monitors the tyre pressure and temperature, and warns the driver of insufficient tyre pressure over a radio channel into a small receiver. The product is targeted primarily at replacement markets, and deliveries will begin in March 2002.

23.10. Interim report for January-September 2001.
During the period under review, both the manufacturing business and the Vianor tyre retail chain were able to improve their profits and net sales. Operating profit in the January to September period of 2001 amounted to EUR 25.3 million (EUR 11. 9 million in the corresponding period in 2000). Earnings per share were EUR 0.86 (EUR 0.26). Net sales rose by 7.4% to EUR 277.7 million (EUR 258.6 million). Our overall objective is to reach sales growth of some 10% and to make a better profit in 2001 than in the previous year.

1.11. Nokian Tyres extends its Vianor chain in Sweden
with the acquisition of Däckaffären 2000 AB. The transaction involves 13 tyre outlets in Southern and Central Sweden. The sale price is EUR 4.3 million. The sellers are Börje Ernedahl and Kurt Johansson.

ANALYSTS

At least the following analysts have made investment analyses of Nokian Tyres in 2001.

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Managing director Petri Siipola

Annual General Meeting

The Annual General Meeting of Nokian Tyres plc will be held at the company's headquarters in Nokia on Wednesday 3 April 2002, starting at 4 p.m. Registration of attendants and the distribution of ballots will begin at 3 p.m.

Shareholders registered by no later than 22 March 2002 in the company's shareholder register, which is maintained by the Finnish Central Securities Depository Ltd, are entitled to attend the Annual General Meeting. Shareholders who wish to attend must register by 3 p.m. on 28 March 2002 either in writing to Nokian Tyres plc, P.O. Box 20, FIN-37101 Nokia, by phone on +358 3 340 7641 or by fax on +358 3 340 7799. Any powers of attorney should be delivered in connection with the registration.

Financial statements will be available for one week prior to the Annual General Meeting at the company's headquarters.

Dividend payment

The Board of Directors proposes to the Annual General Meeting that a dividend of EUR 0.83 per share be paid for the financial year 2001. The record date for the dividend payment will be 8 April 2002 and the dividend payment date 15 April 2002, provided that the Board's proposal is approved.

Share register

Shareholders are requested to notify any changes in their contact information to the book-entry register in which they have a book-entry securities account.

Financial reports

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

Interim Report for three months on 25 April 2002
Interim Report for six months on 8 August 2002
Interim Report for nine months on 24 October 2002
Financial Statements Bulletin 2002 in February 2003
Annual Report 2002 in March 2003.

Financial reports may be ordered from Nokian Tyres' corporate communications telephone
+358 3 340 7641
fax +358 3 340 7799
e-mail: info@ nokiantyres.com

As of 2002, Nokian Tyres will publish its Interim Reports on the Internet: the printed reports can be ordered from Nokian Tyres´ Communications department.
www.nokiantyres.com

This product is a translation. The original, which is in Finnish, is the authoritative version. Printed in Finland by Hämeen Kirjapaino in 2002.
Communications Agency Selander & Co.

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