

# SOLID GROWTH DRIVEN BY CENTRAL EUROPE IN 2024, NORTH AMERICA CHALLENGING CAUSING A SOFT Q4, ROMANIAN FACTORY GETTING READY FOR TIRE DELIVERIES

**FINANCIAL STATEMENT  
RELEASE 2024**

**PAOLO POMPEI, CEO  
NIKO HAAVISTO, CFO**

**FEBRUARY 4, 2025**



# NOKIAN TYRES AT A GLANCE

**NOKIAN TYRES DEVELOPS AND MANUFACTURES PREMIUM TIRES FOR PEOPLE WHO VALUE SAFETY, SUSTAINABILITY, AND PREDICTABILITY**

- #1 in premium tires in the Nordic countries
- Growth markets: North America and Central Europe
- Focus on high value segments, especially winter tires
- Sustainability at the heart of all operations

## BALANCED MANUFACTURING FOOTPRINT



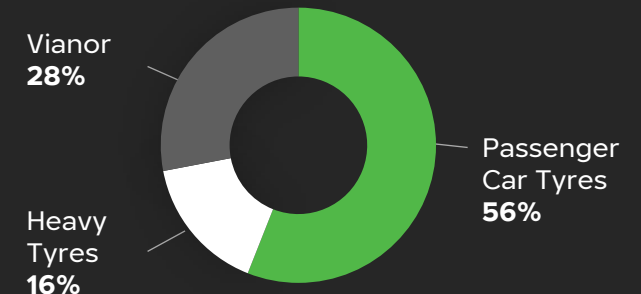
**FINLAND**  
Capacity expansion finalized in 2023

**ROMANIA**  
Tire deliveries to start in 2025

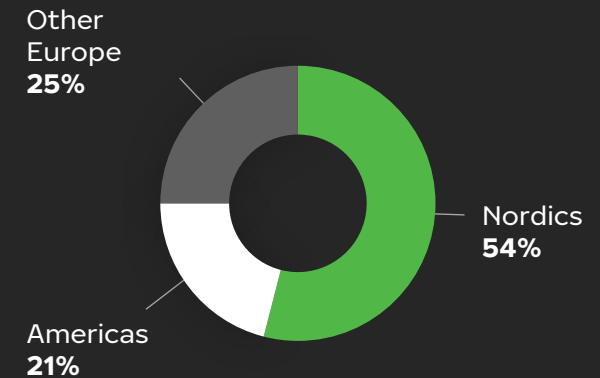
**US**  
Investment phase finalized in 2024



## NET SALES<sup>1)</sup> BY BUSINESS UNIT, %



## NET SALES BY GEOGRAPHICAL AREA, %



<sup>1)</sup> From external customers

# IMPORTANT MILESTONES REACHED IN 2024

---

- Strong performance by the Nokian Tyres team in the challenging market
- New products and steadily improving volume delivery
- Good progress with the strategic investments to add capacity
  - Opening of the world's first zero CO2 emission tire factory in Romania
  - Investment phase completed at the US factory
- Steps forward in sustainability – recognition for our efforts

# SOLID GROWTH IN 2024

- **Net sales EUR 1,289.8 million (1,173.6), +10.6% with comparable currencies**
  - Improved passenger car tire availability
  - Growth driven by Central Europe and the Nordics
- **Segments EBITDA EUR 185.2 million (170.5)**
  - 14.4% (14.5%) of net sales
- **Segments operating profit EUR 71.4 million (65.1)**
  - Increase due to sales volume growth and lower raw material costs
- **The Board proposes a dividend of 0.25 EUR/share to be paid in May 2025**





# NET SALES INCREASED IN Q4

- **Net sales EUR 415.0 million (368.0), +13.1% with comparable currencies**
  - Growth driven by Central Europe
- **Segments EBITDA EUR 67.1 million (71.9)**
  - 16.2% (19.5%) of net sales
- **Segments operating profit EUR 35.9 million (44.5)**
  - 8.7% (12.1%) of net sales
  - Decline due to lower Average Sales Price mainly related to mix, and higher operating expenses



# KEY FIGURES

Investment phase approaching its end

EUR million	10-12/2024	10-12/2023	2024	2023
Net sales	<b>415.0</b>	368.0	<b>1,289.8</b>	1,173.6
Segments EBITDA	<b>67.1</b>	71.9	<b>185.2</b>	170.5
Segments EBITDA, %	<b>16.2%</b>	19.5%	<b>14.4%</b>	14.5%
Segments operating profit	<b>35.9</b>	44.5	<b>71.4</b>	65.1
Segments operating profit, %	<b>8.7%</b>	12.1%	<b>5.5%</b>	5.5%
Segments ROCE, %			<b>3.9%</b>	4.0%
Equity ratio, %			<b>52.5%</b>	58.0%
Gearing, %			<b>48.2%</b>	16.6%
Interest-bearing net debt			<b>613.1</b>	223.6
Capital expenditure	<b>90.1</b>	95.5	<b>350.1</b>	252.1
Cash flow from operating activities	<b>314.8</b>	297.6	<b>77.4</b>	82.4

In addition to IFRS figures, Nokian Tyres publishes alternative non-IFRS segments figures, which exclude the ramp-up of the US factory, the preparations for the Romanian factory ramp-up and other possible items that are not indicative of the Group's underlying business performance. Following the completion of the Russia exit in March 2023, Nokian Tyres has excluded Russia from its IFRS and non-IFRS segments figures as of January 1, 2023.

# Q4: PASSENGER CAR TYRES

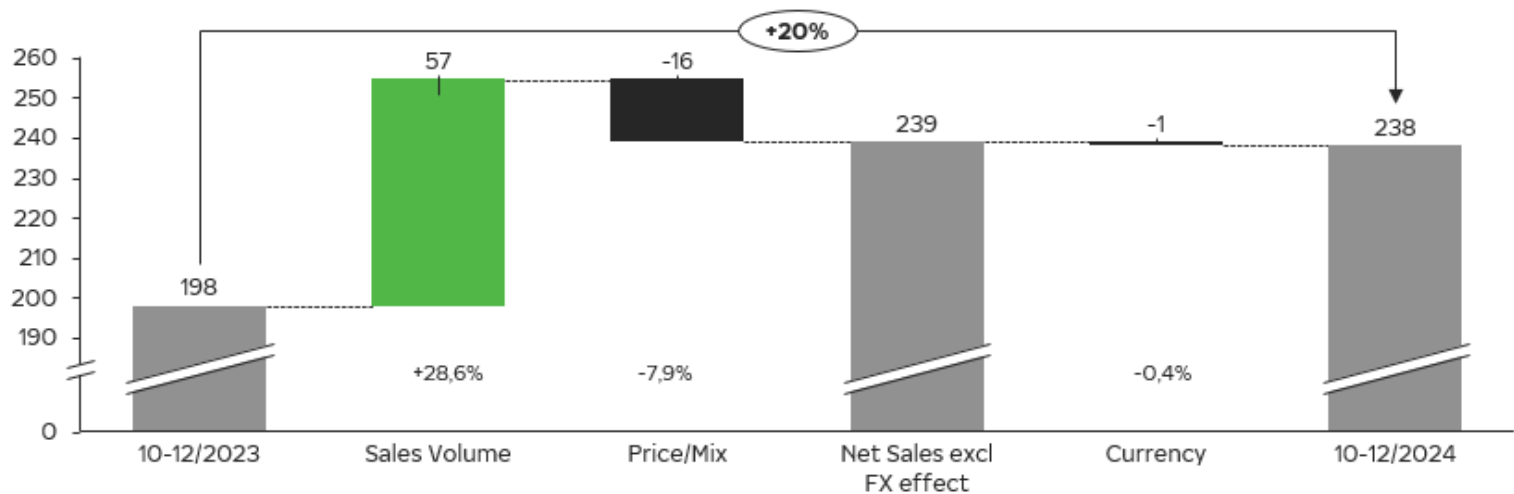
## Sales increased significantly, profitability declined

- With comparable currencies, net sales increased by 20.7%
  - Growth driven by Central Europe
- Profitability declined due to lower Average Sales Price mainly related to mix, and higher operating expenses

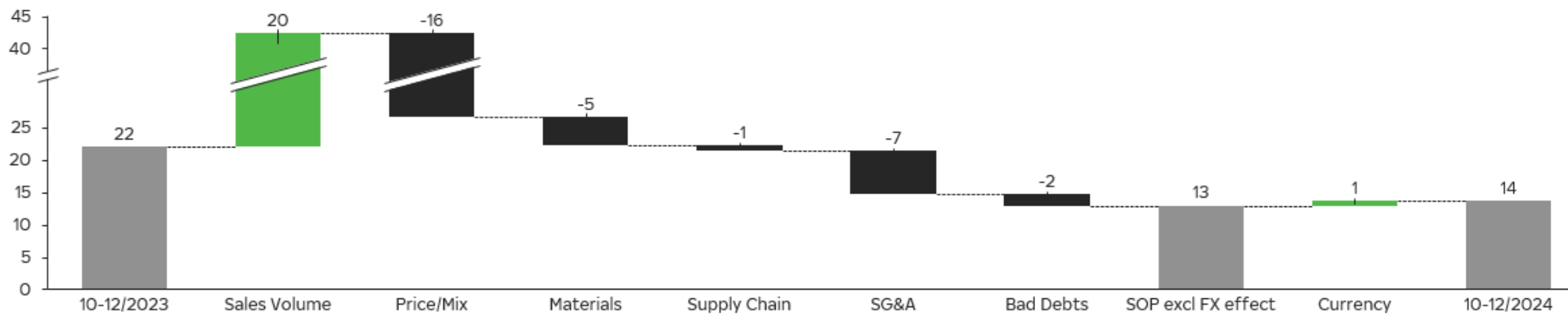
EUR million	10-12/2024	10-12/2023	2024	2023
Net sales	<b>238.2</b>	197.9	<b>779.9</b>	653.4
Net sales change in comparable currencies, %	<b>20.7%</b>	10.6%	<b>20.2%</b>	-15.8%
Segment operating profit	<b>13.6</b>	22.0	<b>52.2</b>	36.7
Segment operating profit, %	<b>5.7%</b>	11.1%	<b>6.7%</b>	5.6%

# Q4: PASSENGER CAR TYRES BRIDGE

## NET SALES, EUR million



## SEGMENT OPERATING PROFIT, EUR million

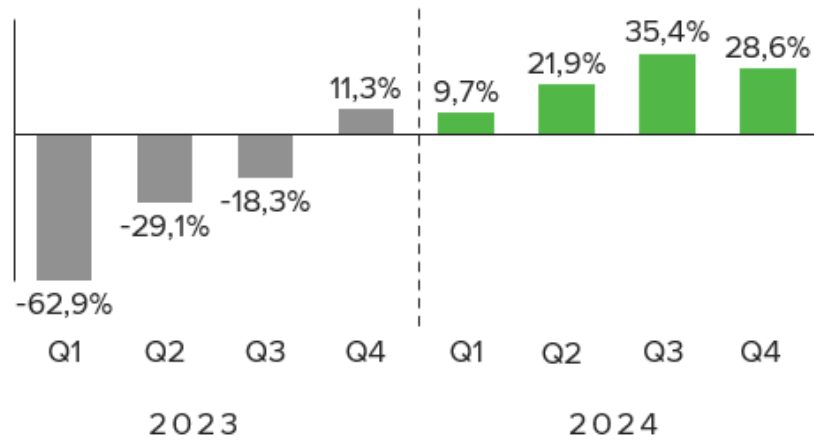




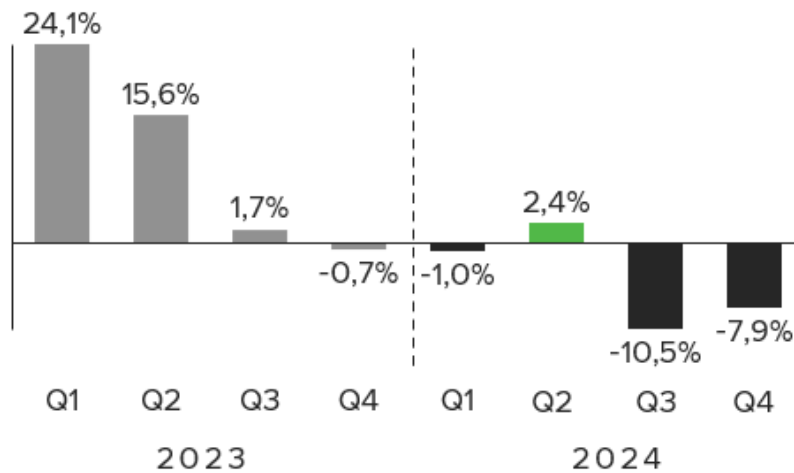
# PASSENGER CAR TYRES NET SALES - QUARTERLY CHANGES

YoY Change %

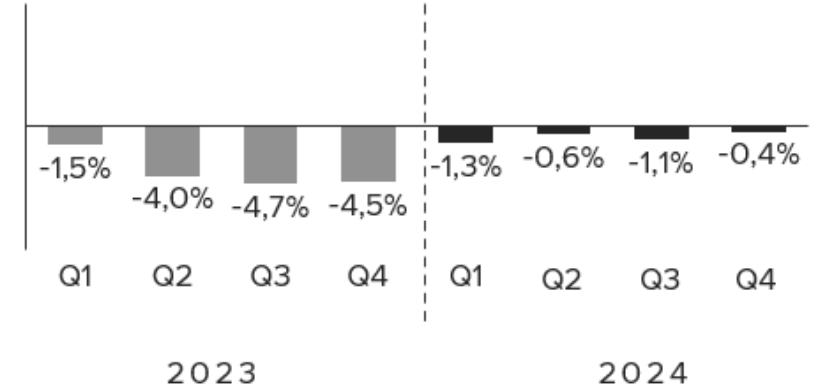
Sales Volume



Price / Mix



Currency



# Q4: HEAVY TYRES

## Solid quarter in a weak market

- Net sales were at previous year's level
- Segment operating profit percentage improved to 13.8%
- Weak OE market was compensated by strong aftermarket sales

EUR million	10-12/2024	10-12/2023	2024	2023
Net sales	<b>61.8</b>	61.8	<b>235.1</b>	257.1
Net sales change in comparable currencies, %	<b>0.4%</b>	-2.6%	<b>-8.0%</b>	-3.4%
Segment operating profit	<b>8.5</b>	7.3	<b>30.0</b>	32.8
Segment operating profit, %	<b>13.8%</b>	11.8%	<b>12.8%</b>	12.8%

## Q4: VIANOR

### Good sales performance, profitability declined

- With comparable currencies, net sales increased by 6.7%
- Segment operating profit negatively impacted by increased costs due to inflation, and a weak B2B market
- Actions taken to adapt operations to the market and demand situation and to improve profitability

EUR million	10-12/2024	10-12/2023	2024	2023
Net sales	<b>134.1</b>	126.0	<b>354.9</b>	344.0
Net sales change in comparable currencies, %	<b>6.7%</b>	3.7%	<b>3.6%</b>	1.8%
Segment operating profit	<b>11.2</b>	12.1	<b>-3.8</b>	3.4
Segment operating profit, %	<b>8.3%</b>	9.6%	<b>-1.1%</b>	1.0%
Service centers at period end			<b>174</b>	174

# GUIDANCE FOR 2025

In 2025, Nokian Tyres' net sales are expected to grow and segments operating profit as a percentage of net sales to improve compared to the previous year.

## Assumptions

Tire demand in Nokian Tyres' markets is expected to remain at the previous year's level in 2025. Development of global economy and geopolitical uncertainties may cause volatility to the company's business environment.

Nokian Tyres' sales growth is based on increasing capacity in the Romanian and US factories as well as good availability of finished goods inventories.





# INNOVATIVE PREMIUM PRODUCTS AND A STRONG BRAND DRIVE OUR FUTURE GROWTH

## PREMIUM BRAND

As a forerunner in the premium tire segment, the Nokian Tyres brand is a proven quality guarantee.

## SUPERIOR PRODUCTS

Our constantly renewing range of safe, sustainably manufactured and high-performing tires is the key to our success.

## FUTURE INNOVATIONS

We have a strong innovation pipeline for the future that enables us to stay ahead of the game.



# OUR PRODUCT PORTFOLIO IS RENEWING AND EXPANDING

## Examples of the latest products



**Nokian Tyres Seasonproof 1**  
all-season tire



**Nokian Tyres Remedy WRG5**  
all-weather tire



**Nokian Tyres Soil King VF**  
tire for high-power tractors

# WE ARE CREATING A BALANCED AND SCALABLE MANUFACTURING NETWORK FOR PASSENGER CAR TIRES

US  
DAYTON

~25%  
of total own production



FINLAND  
NOKIA

~35%  
of total own production



ROMANIA  
ORADEA

~40%  
of total own production



VIRTUAL  
FACTORY

A network of manufacturing partners supporting own production.



Target capacities in 2027



# ROMANIAN FACTORY IS GETTING READY FOR TIRE DELIVERIES

Already ~300 employees working on-site





# WE ARE MAKING PROGRESS IN SUSTAINABILITY

## Examples of achievements in 2024

- **Platinum Medal in EcoVadis** sustainability assessment, placing us in the top 1% of companies assessed
- **New GHG reduction targets** approved by Science Based Targets initiative – targets align with the climate science to limit global warming to 1.5°C
- **New sustainable raw materials** explored - target to increase the share of recycled or renewable materials to 50% by 2030:
  - First-ever concept tire, made in partnership with UPM, using a renewable lignin-based material with potential to replace part of fossil-based carbon black
  - Reselo Rubber material made from birch bark may replace traditional fossil-based materials



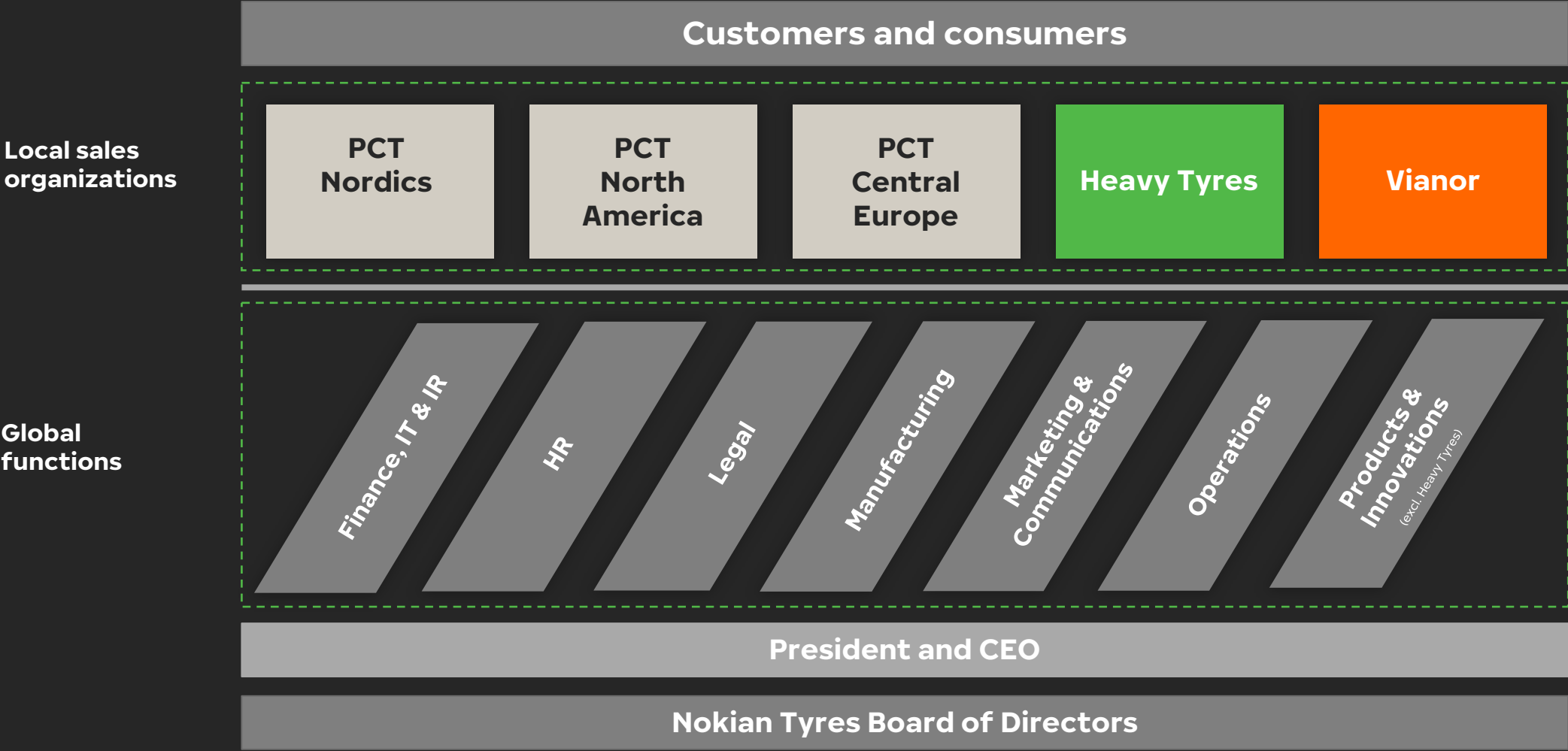
# CHANGES IN NOKIAN TYRES OPERATING MODEL AND LEADERSHIP

---

**To increase our **consumer focus**, **global synergies** and **operational excellence**, we are reorganizing the Group's organization and management structure.**

- While maintaining our leading position in the Nordics, Nokian Tyres' strategic growth markets are Central Europe and North America.
- The new Management Team structure will enable a dedicated focus on these growth regions to achieve our long-term objectives.
- Our clear target is to achieve global synergies and operational excellence in everything we do.

# NOKIAN TYRES ORGANIZATION






# KEY PRIORITIES FOR 2025

- **Drive** growth through new products and a strong focus on generating value for consumers
- **Ramp-up** production in the Romanian factory
- **Leverage** our advanced manufacturing technologies and innovation capabilities
- **Improve** productivity and cost efficiency





# NOKIAN TYRES PURPOSE



**MAKE THE  
WORLD SAFER BY  
REINVENTING TIRES,  
AND HOW THEY ARE  
MADE, OVER AND  
OVER AGAIN.**





---

# APPENDIX

# GROUP SEGMENTS OPERATING PROFIT PER QUARTER 2020-2024

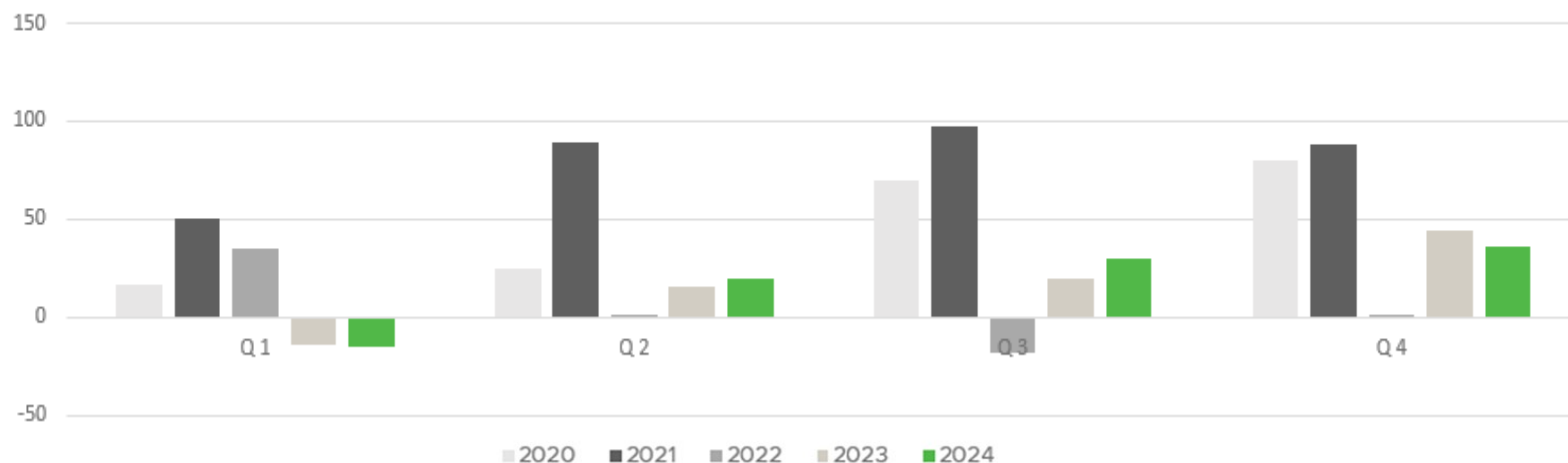
## 10-12/2024

- Net sales EUR 415.0 million (368.0), increased by 12.8%
- Segments operating profit EUR 35.9 million (44.5)

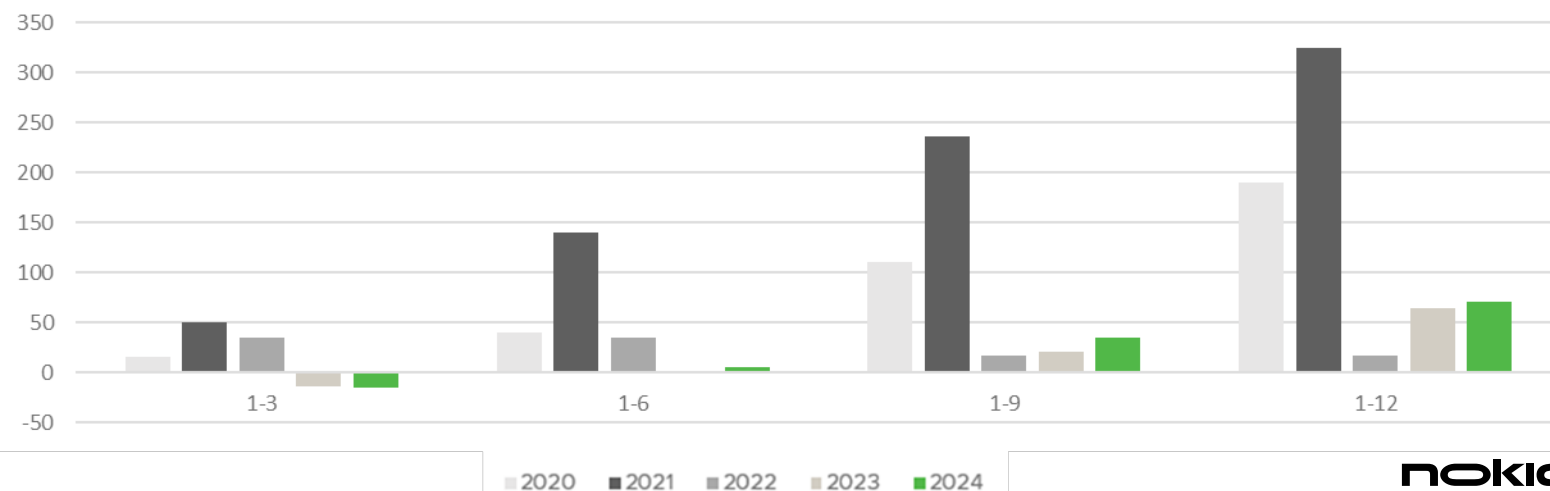
## 2024

- Net sales EUR 1,289.8 million (1,173.6), increased by 9.9%
- Segments operating profit EUR 71.4 million (65.1)

SEGMENTS OPERATING PROFIT PER QUARTER



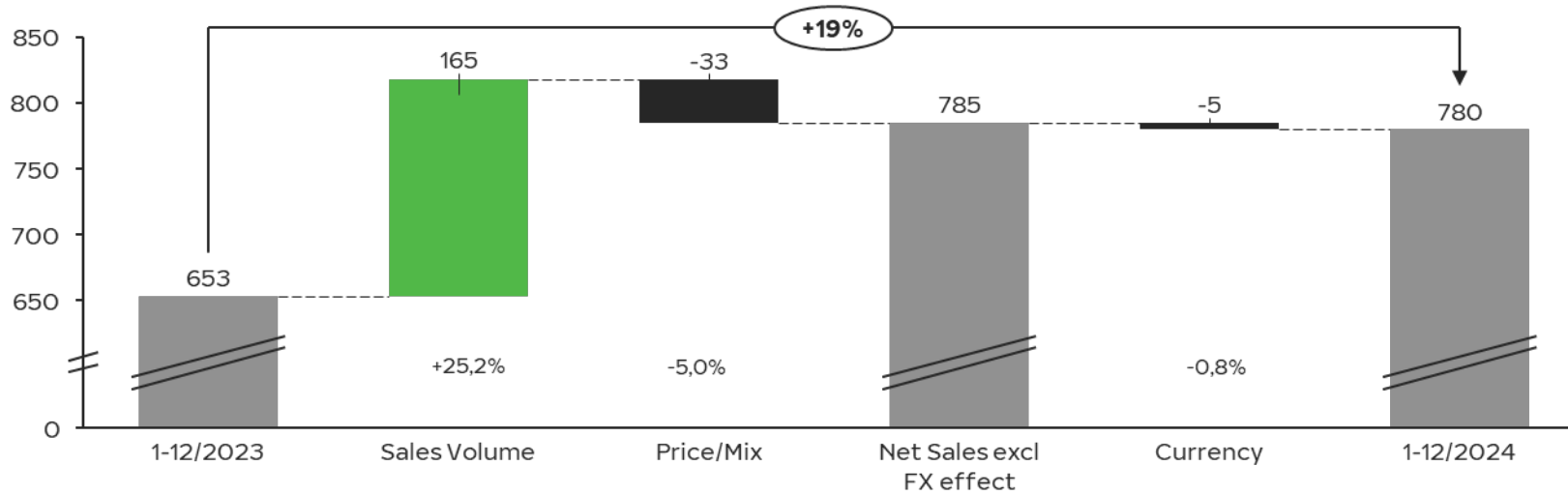
CUMULATIVE SEGMENTS OPERATING PROFIT PER REVIEW PERIOD



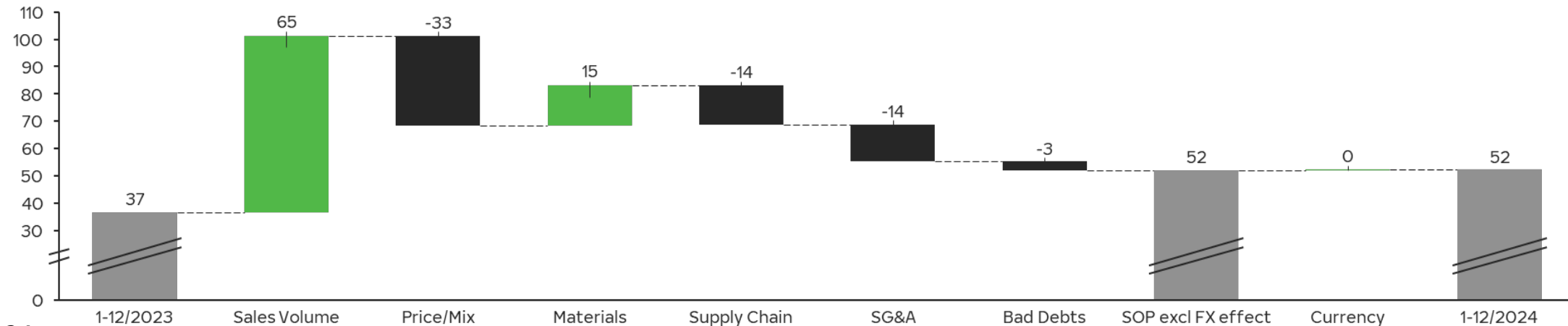
# 2024: PASSENGER CAR TYRES BRIDGE

Volume impacted segment operating profit positively by EUR 65 million

## NET SALES, EUR million



## SEGMENT OPERATING PROFIT, EUR million

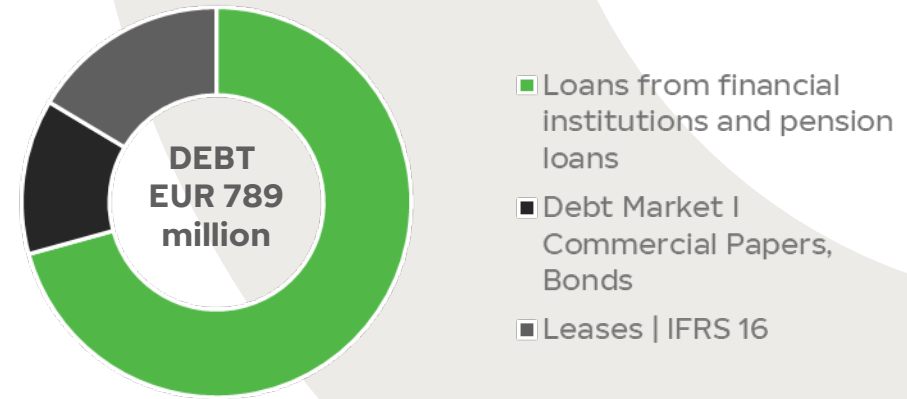




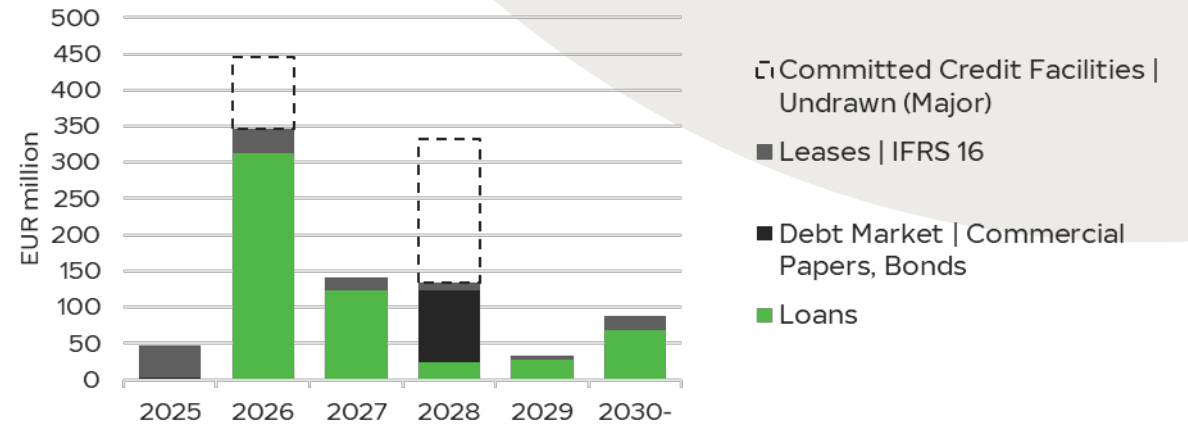
# BUILDING DIVERSIFIED DEBT PORTFOLIO

- EUR 100 million sustainability-linked term loan was refinanced in May 2024 with a similar three-year term loan that includes extension options of up to two years
- EUR 300 million long-term bilateral sustainability-linked credit facilities originally due in 2025 extended to be due in 2026
- EUR 150 million 8-year bilateral loan with the European Investment Bank (EIB) to support Nokian Tyres’ strategic investment project in Romania withdrawn in August 2024
- EUR 200 million sustainability-linked revolving credit facility originally due in 2027 extended to be due in 2028
- Committed credit limits and EUR 500 million commercial paper program in place for NWC financing
- Additional debt funding can be sourced from banks and/or debt capital markets to balance financing channels and to extend maturities

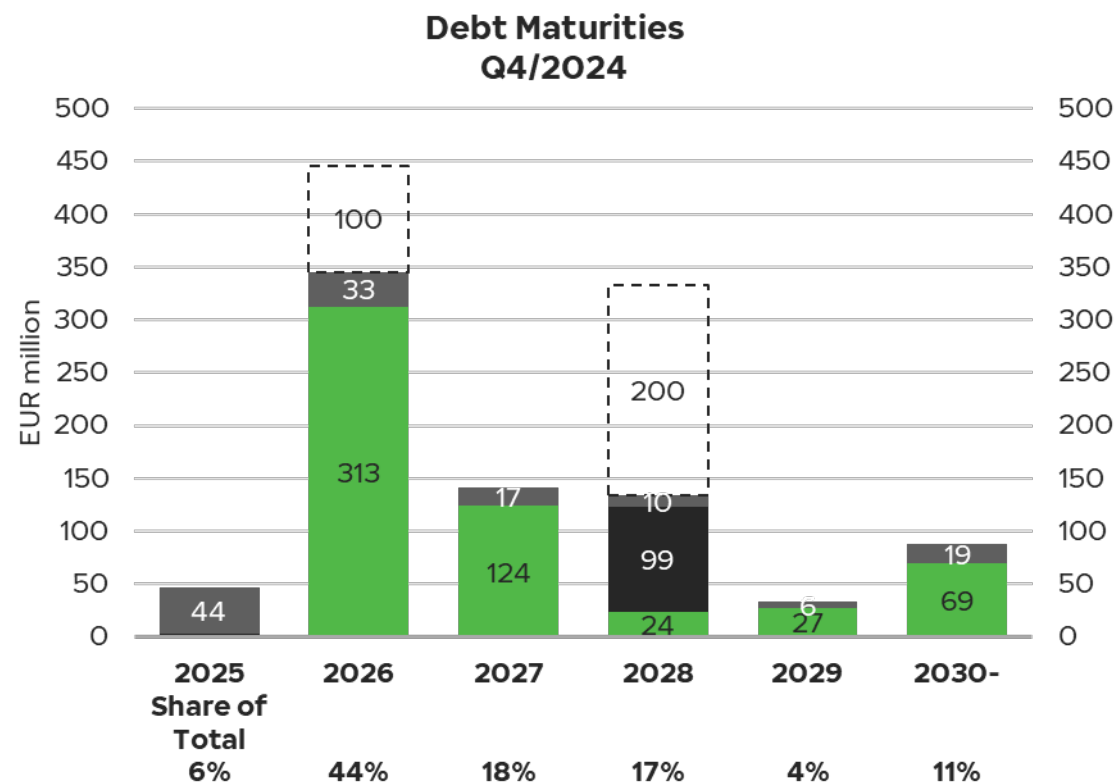
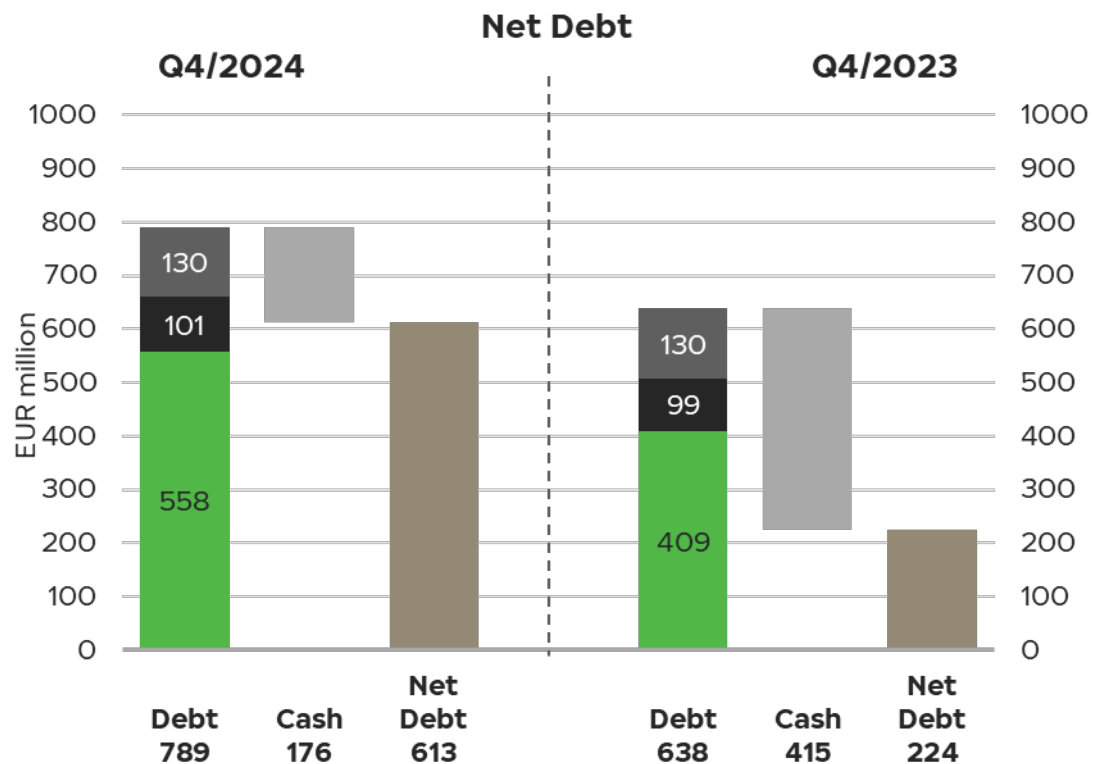
DEBT COMPOSITION AS OF DEC 31, 2024



MATURITY STRUCTURES AS OF DEC 31, 2024



# NET DEBT AND DEBT MATURITIES



Available liquidity, EUR million	Q4/2024	Q4/2023
Cash	176	415
Committed undrawn credit facilities	304	330
Total	481	745

**DISCLAIMER**

Statements in this presentation, which are not historical facts, such as expectations, anticipations, beliefs and estimates, are forward-looking statements within the meaning of the United States Private Securities Litigation Reform Act of 1995. Such statements involve risks and uncertainties which may cause actual results to materially differ from those expressed in such forward-looking statements. Nokian Tyres assumes no responsibility to update any of the forward-looking statements contained herein. No representation or warranty, express or implied, is made or given by or on behalf of Nokian Tyres or its employees or any other person as to the accuracy, completeness or fairness of the information or opinions contained in this presentation.

