

NOKIAN TYRES PLC'S STOCK OPTIONS 2007

In its meeting on 13 February 2007, the Board of Nokian Tyres Plc (Board) decided to present the Annual General Meeting of Nokian Tyres Plc (the Company) of 3 April 2007 with a motion to grant stock options to employees of the Company and its subsidiaries (the Group), as well as subsidiaries wholly owned by the Company, under the following terms:

1 WARRANT TERMS AND CONDITIONS

1. Number of stock options

A maximum total of 6,750,000 stock options will be issued, which entitle to subscribe a maximum of 6,750,000 new shares of the Company.

2. Bonds with stock options

A total of 2,250,000 stock options will be marked with the symbol 2007A, 2,250,000 with the symbol 2007B and 2,250,000 with the symbol 2007C.

The Board will notify the recipients of the warrant offer in writing. The bonds with stock options will be issued once the recipient has approved the Board's offer.

3. Recipients of stock options

The stock options shall be offered to employees with an employment contract valid until further notice with the Group, and to the wholly-owned Company subsidiary Direnic Oy (Subsidiary). There are compelling financial reasons for the warrant offering, as stock options are intended to serve as part of the Group's personnel incentive scheme.

4. Distribution of stock options

The Board decides on the distribution of bonds with stock options. The Subsidiary shall receive bonds with stock options to the extent to which they are not distributed to Group personnel.

The Board shall decide on the distribution of bonds with stock options issued or returned to the Subsidiary to employees currently employed by or recruited to the Group at a later stage.

At the issue phase, all stock options 2007B and 2007C, as well as the part of stock options 2007A that is not distributed to the personnel, shall be issued to the Subsidiary, which may, under its Board's decision, distribute stock options 2007 to employees currently employed by or recruited to the Group.

5. Transfer of stock options and obligation to offer stock options

Stock options can be freely transferred once share subscription has commenced. However, the Board may grant the permission to transfer stock options even before this. The Company retains the stock options on the part of the holder until share subscription begins. The holder is entitled to receive the stock options when their share subscription begins. The warrant holder shall immediately notify the Company in writing if he/she transfers stock options.

If a stock option holder's employment relationship with the Group ends for a reason other than statutory retirement or death, the holder shall, without delay, offer to the Company or a party appointed by the Company all stock options whose share subscription period as defined in section II.2 had not begun on the date the employment relationship with the Nokian Tyres Group ended. However, in such cases the Board may decide to let the warrant holder keep all or some of the stock options subject to this offer obligation.

Irrespective of whether the holder has offered the stock options to the Company or to a party assigned by the Company, the Company may inform the holder in writing about the forfeiture of stock options due to the reason described above. If the stock options have been transferred to the book-entry securities system, the Company is entitled to get all the stock options under the scope of the offer obligation transferred from the holder's book-entry account to the book-entry account indicated by the Company irrespective of whether the stock options have been offered to the Company or a party assigned by the Company. Furthermore, the Company is entitled to register any transfer limitations and other corresponding limitations to the warrant holder's book-entry account without the holder's consent.

II TERMS AND CONDITIONS OF STOCK OPTION-BASED SHARE SUBSCRIPTION

1. Right to subscribe new shares

Each warrant entitles the holder to subscribe for one (1) new Company share. As a result of the subscription, the number of Company shares may increase by a total of 6,750,000 new shares. As long as the Company share has a nominal value, the corresponding sum of the share subscription price shall be entered as an increase in share capital. The remaining part of the share subscription price shall be entered in the unrestricted shareholders' equity fund.

The Subsidiary cannot subscribe to shares based on stock options.

2. Subscription and payment of shares

The share subscription periods are:

- 1 March 2009 – 31 March 2011 for stock options 2007A
- 1 March 2010 – 31 March 2012 for stock options 2007B
- 1 March 2011 – 31 March 2013 for stock options 2007C

Subscription of shares will take place at the Company's headquarters and possibly at another location to be announced later. If the stock options are transferred to the book-entry securities system, stock options executed for share subscription will be deducted from the subscriber's book-entry account. The shares shall be paid at the time of subscription to the bank account indicated by the Company. All measures related to share subscription are subject to the Board's decision.

3. Share subscription price

The share subscription prices are

- stock options 2007A: the trade volume weighted average quotation of the Company's share in the Helsinki Exchanges between 1 January and 31 March 2007
- stock options 2007B: the trade volume weighted average quotation of the Company's share in the Helsinki Exchanges between 1 January and 31 March 2008
- stock options 2007C: the trade volume weighted average quotation of the Company's share in the Helsinki Exchanges between 1 January and 31 March 2009

The price of warrant-based share subscriptions may be decreased in special cases mentioned in Item 7. However, the share subscription price is never less than the nominal value of the share. If no nominal value has been set for the share, the subscription price shall always be no less than 0.01 euros.

4. Recording of shares

Subscribed shares paid in full will be recorded in the subscriber's book-entry account.

5. Shareholder's rights

The right to dividend and other shareholder's rights become effective as of the recording of new shares.

6. Share issues, stock options and other special rights entitling to shares before share subscription

If the Company decides to arrange a share issue or grant new stock options or other special rights entitling to share subscription before share subscription, warrant holders have equal rights with shareholders. Equality shall be implemented as decided by the Board by changing the number or subscription price of shares available for subscription, or both.

7. Rights in some special cases

If the Company distributes dividend or other payments from the unrestricted shareholders' equity fund, the amount of the cash dividend or unrestricted equity distributed after the beginning of the subscription price definition period but before the date of the share subscription shall be deducted from the share subscription price of stock options on the dividend record date.

If the Company decreases its share capital by distributing share capital to shareholders, the amount of the share capital distributed after the beginning of the subscription price definition period but before the date of the share subscription shall be deducted from the share subscription price of stock options on the share capital return record date

If the Company is placed in liquidation before share subscription, warrant holders shall be given the opportunity to exercise their subscription right within the time period set by the Board before commencement of liquidation. If the Company is removed from the register before share subscription, warrant holders have equal rights with shareholders.

If the Company decides to merge with another company as a merging company or with a company formed through a combination merger or to split, warrant holders shall be given the right to use all their stock options for share subscription during a period defined by the Board before the merger or

split. After this the warrant-based subscription right will expire. Under the conditions mentioned above, warrant holders do not have the right to demand the Company to redeem the stock options at current price.

Acquisition or exercise of the Company's own shares, or acquisition of stock options or other special rights entitling to share subscription does not affect the warrant holder's position. If, however, the Company decides to acquire or exercise its own shares from all shareholders, warrant holders must be presented with an equal offer.

Should such a situation arise before the end of the subscription period as described in Chapter 18, section 1 of the Finnish Companies Act, where a single party holds more than 90% of the company's shares and votes and thus has redemption right and obligation towards other shareholders, warrant holders shall be given the opportunity to exercise their subscription right within the time period set by the Board, or an equal opportunity to sell the stock options to the exerciser regardless of the transfer limitation set forth in Section I5 above. The shareholder who holds more than 90% of the company's shares and votes is entitled to purchase the stock options from their holder for a due price.

III OTHER QUESTIONS

These terms and conditions are subject to the Finnish law. Any disputes concerning stock options shall be resolved by means of arbitration in accordance with the rules of the Arbitration Institute of the Central Chamber of Commerce of Finland. However, disputes related to the application of the Companies Act shall be resolved in a competent court of law as specified in Chapter 24, Section 1 of the Companies Act.

The Board may decide to postpone the transfer of stock options to the book-entry securities system to a later time, in which case corresponding technical changes shall be made to these terms and conditions. The Board may also decide to make other non-essential amendments and specifications to these terms and conditions. Other warrant-related issues are subject to the Board's decision.

The Company is entitled to take any stock options that are not transferred or executed for subscription back from the holder, if the warrant holder violates these terms and conditions or specific orders given by the Company on the basis of these terms and conditions, or the applicable law or authority regulations.

These warrant terms and conditions have been documented in Finnish, Swedish, English and Russian. In case of contradiction between the language versions, the Finnish-language terms and conditions shall prevail.