4 February 2014

Neste Oil Corporation
Financial Statements
2013

Neste Oil's Financial Statements for 2013

Strong full-year result, with a 70% increase in comparable operating profit

2013 in brief:

- Comparable operating profit totaled EUR 604 million (2012: EUR 355 million)
- Total refining margin was USD 9.60/bbl (2012: USD 10.17/bbl)
- Net cash from operations totaled EUR 839 million (2012: EUR 468 million)
- Return on average capital employed (ROACE) was 11.8% (2012: 5.0%)
- Leverage ratio was 30.0% as of the end of December (31.12.2012: 43.2%)
- Comparable earnings per share was EUR 1.92 (2012: EUR 0.70)
- The Board of Directors will propose a dividend of EUR 0.65 per share (2012: 0.38), totaling EUR 167 million (2012: EUR 97 million).

Fourth quarter in brief:

- Comparable operating profit totaled EUR 164 million (Q4/2012: EUR 77 million)
- Total refining margin was USD 9.53/bbl (Q4/2012: USD 10.99/bbl)
- Net cash from operations was EUR 629 million (Q4/2012: EUR 327 million).

President & CEO Matti Lievonen:

"Neste Oil had a very good year in 2013. We achieved a comparable operating profit of EUR 604 million and we also further reduced our leverage through strong cash flow generation.

This was the first full year of operations at Renewable Fuels with all plants running at full capacity. The business succeeded in increasing its sales and customer base, particularly in the US, and opened up a new market in Australia. Margins were very strong, both in Europe and North America, during the summer, but declined towards the end of the year. The use of waste- and residue-based feedstock was successfully expanded to 52% of total renewable inputs. Renewable Fuels recorded a full-year comparable operating profit of EUR 273 million compared to a loss of EUR 56 million in 2012.

After a strong start to the year, Oil Products' reference refining margin began to decline and was lower on average during the year as a whole than in 2012, as European demand for petroleum products proved soft and additional refining capacity was brought on-line in the Middle East and Asia. Productivity at the Porvoo and Naantali refineries was good, which contributed to an increase in our additional margin. Oil Products recorded a comparable operating profit of EUR 280 million compared to EUR 396 million in 2012.

Oil Retail performed very well due to stronger margins in all markets, especially Finland and Northwest Russia. The segment generated a record full-year comparable operating profit of EUR 76 million in 2013, a clear improvement on the EUR 58 million booked in 2012.

Supply and demand balances for oil in Europe, together with uncertainties related to political decision-making on biofuel mandates and incentives, particularly in the US, have been reflected in the oil and renewable fuel markets. These factors are anticipated to impact our earnings during 2014 as well. Neste Oil has a strong balance sheet and has been able to generate improving returns on average capital employed. We are confident that a good result will be reached also in 2014, and we expect the Group's full-year comparable operating profit to be at the level of EUR 500 million."

Neste Oil Financial Statements, 1 January - 31 December 2013

Quarterly figures are unaudited; full-year figures are audited.

Figures in parentheses refer to the corresponding period for 2012, unless otherwise stated.

As announced on 18 April 2013, Neste Oil adopted the revised IAS 19 Employee Benefits standard on 1 January 2013. Group and segment information for 2012 has been updated to reflect the requirements of the revised standard.

Key Figures

EUR million (unless otherwise noted)

	10-12/13	10-12/12	7-9/13	2013	2012
Revenue	4,604	4,597	4,630	17,462	17,853
EBITDA	267	137	329	955	656
Comparable EBITDA*	246	162	297	927	687
Depreciation, amortization, and impairments	82	85	80	323	332
Operating profit	185	52	249	632	324
Comparable operating profit *	164	77	217	604	355
Profit before income tax	167	35	233	561	233
Net profit	193	17	194	524	159
Comparable net profit **	181	35	167	491	180
Earnings per share, EUR	0.75	0.06	0.76	2.04	0.61
Comparable earnings per share**, EUR	0.70	0.14	0.65	1.92	0.70
Investments	72	81	42	214	292
Net cash from operating activities	629	327	3	839	468

	31 Dec 2013	31 Dec 2012
Total equity	2,924	2,540
Interest-bearing net debt	1,252	1,935
Capital employed	4,681	4,885
Return on capital employed pre-tax (ROCE), %	13.4	6.6
Return on average capital employed after tax (ROACE)***, %	11.8	5.0
Return on equity (ROE), %	19.2	6.3
Equity per share, EUR	11.36	9.86
Cash flow per share****, EUR	3.28	1.83
Leverage (net debt to capital), %	30.0	43.2
Gearing, %	42.8	76.2

* Comparable operating profit is calculated by excluding inventory gains/losses, capital gains/losses, and unrealized changes in the fair value of oil, freight and electricity derivative contracts from the reported operating profit. Inventory gains/losses include changes in the fair value of all trading inventories.

** Comparable net profit for the period is calculated by excluding inventory gain/losses, capital gains/losses including disposals of business, and unrealized changes in fair value of oil, freight and electricity derivative contracts, net of tax, less non-controlling interests. Comparable earnings per share are based on comparable net profit.

*** Last 12 months

**** 1 January - 31 December

The Group's fourth-quarter 2013 results

Neste Oil's revenue of EUR 4,604 million in the fourth quarter was virtually unchanged from that during the last quarter of 2012 (EUR 4,597 million). The Group's comparable operating profit came in at EUR 164 million. Comparable operating profit for the corresponding period in 2012 was EUR 77 million. Oil Products' result was negatively impacted by reference refining margins, which were lower than in the last quarter of 2012. Renewable Fuels improved significantly and Oil Retail's performance was also clearly better than that during the corresponding period in 2012. Oil Retail's result was positively impacted by higher margins in all markets, particularly Finland. The Others segment posted a loss, but the figure was an improvement on the fourth quarter of 2012, when various one-time items were also booked.

Oil Products' fourth-quarter comparable operating profit was EUR 72 million (116 million), Renewable Fuels' EUR 94 million (-2 million), and Oil Retail's EUR 14 million (5 million). The comparable operating profit of the Others segment totaled EUR -14 million (-42 million); associated companies and joint ventures accounted for EUR -11 million (-8 million) of this figure, which mainly reflects continued unsatisfactory performance at Nynas. Nynas' result includes a EUR 6 million provision for restructuring and asset write-offs at the Dundee refinery.

The Group's IFRS operating profit was EUR 185 million (52 million), which was impacted by inventory gains totaling EUR 16 million (losses of 48 million) and changes in the fair value of open oil derivatives totaling EUR 4 million (23 million). Pre-tax profit was EUR 167 million (35 million), profit for the period EUR 193 million (17 million), and earnings per share EUR 0.75 (0.06).

The Group's full-year results for 2013

Neste Oil's revenue in 2013 totaled EUR 17,462 million (17,853 million). This decline mainly resulted from lower trading activity and the sale of the retail business in Poland. The Group's comparable operating profit for the year was EUR 604 million, an increase of 70% on the EUR 355 million reported in 2012. The Renewable Fuels segment recorded a significant improvement in comparable operating profit year-on-year, and Oil Retail's result was also clearly higher than in 2012. Oil Products' full-year comparable operating profit was lower than in 2012, mainly due to lower refining margins. The Others segment improved compared to 2012, but remained negative. The Group's fixed costs came in at EUR 691 million (664 million), an increase that was mainly caused by higher staff and maintenance costs.

Oil Products' full-year comparable operating profit was EUR 280 million (396 million), Renewable Fuels' EUR 273 million (-56 million), and Oil Retail's EUR 76 million (58 million). The comparable operating profit of the Others segment totaled EUR -27 million (-43 million), of which Nynas accounted for EUR -13 million (-6 million).

The Group's full-year IFRS operating profit was EUR 632 million (324 million), which was impacted by inventory losses totaling EUR 19 million (61 million) and net capital gains totaling EUR 43 million (45 million). Pre-tax profit was EUR 561 million (233 million), and profit for the period EUR 524 million (159 million). Comparable earnings per share were EUR 1.92 (0.70), and earnings per share EUR 2.04 (0.61). The Group's effective tax rate was low 6.6% (31.9%) mainly due to the write-down of deferred tax liabilities resulting from the Finnish corporate tax rate change, and the tax-exempt items, such as the sale proceeds of the retail network in Poland.

Return on average capital employed after tax (ROACE) and leverage ratio are Neste Oil's financial targets. The company's long-term ROACE target is 15% and ROACE figures are based on comparable results. As of the end of 2013, the rolling twelve-month ROACE was 11.8% (2012 financial year: 5.0%). The leverage ratio target is 25-50%, and leverage was 30.0% (43.2%) at the end of 2013.

	10-12/13	10-12/12	7-9/13	2013	2012
COMPARABLE OPERATING PROFIT	164	77	217	604	355
- inventory gains/losses	16	-48	26	-19	-61
- changes in the fair value of open oil derivatives	4	23	7	4	-15
- capital gains/losses	1	0	-1	43	45
OPERATING PROFIT	185	52	249	632	324

Cash flow, investments, and financing

Neste Oil Group's net cash from operating activities totaled EUR 839 million (468 million) in 2013. The year-on-year difference is mainly attributable to improved cash generation from the Group's businesses, lower working capital resulting from very successful management of receivables, and lower capital expenditure in 2013. Cash flow before financing activities was EUR 759 million (260 million).

Investments totaled EUR 214 million (292 million) in 2013. Oil Products' capital expenditure totaled EUR 142 million (180 million), while Renewable Fuels invested EUR 21 million (51 million), Oil Retail EUR 31 million (36 million), and Others EUR 20 million (25 million).

Interest-bearing net debt was EUR 1,252 million as of the end of December 2013, compared to EUR 1,935 million at the end of 2012. Net financial expenses for the year were EUR 71 million (91 million). The average interest rate of borrowing at the end of December was 3.7% and the average maturity 3.7 years.

The equity-to-assets ratio was 41.6% (31 Dec. 2012: 34.4%), the leverage ratio 30.0% (31 Dec. 2012: 43.2%), and the gearing ratio 42.8% (31 Dec. 2012: 76.2%).

The Group's cash and cash equivalents and committed, unutilized credit facilities amounted to EUR 2,156 million as of the end of December (31 Dec. 2012: 2,135 million). There are no financial covenants in current loan agreements.

In accordance with its hedging policy, Neste Oil has hedged the majority of its net foreign currency exposure for the next 12 months, mainly using forward contracts and currency options. The most important hedged currency is the US dollar.

Main published events during 2013

On 28 January, Neste Oil announced that Neste Shipping was to start an efficiency improvement program aimed at improving its profitability and securing the continuity of its operations. As part of this, statutory employer-employee negotiations were started and covered all of Neste Shipping's land- and sea-based personnel in Finland, around 450 people in total.

On 4 February, Neste Oil announced that it will build an isomerization unit at its Porvoo refinery. The investment, valued at approx. EUR 65 million, is intended to increase the output of high-octane gasoline and improve refining flexibility at the site.

On 26 March, Neste Oil announced that Neste Shipping had completed the statutory employer-employee negotiations initiated on 4 February. Following the negotiation process, Neste Shipping decided to terminate the ship and crew management agreements covering three vessels jointly owned with the Swedish-based Stena Group and time-chartered to Neste Shipping.

On 2 April, Neste Oil announced that the Polish competition authorities had approved the sale of Neste Oil's station network in Poland (Neste Polska Sp. z o.o.) to Shell. The transaction covered a total of 105 unmanned stations and marked the end of Neste Oil's retail operations in Poland.

On 26 April, Neste Oil announced that it will invest a total of approx. EUR 42 million in improving the energy efficiency and operational reliability of the Porvoo refinery. As part of the investment, fired heaters at the refinery's crude distillation unit will be replaced with new-generation heaters.

On 10 September, Neste Oil announced that it expected the Group's full-year comparable operating profit for 2013 to improve significantly compared to 2012 and estimated that it would be above EUR 530 million, mainly due to good performance at Renewable Fuels, which was expected to book a full-year comparable operating profit of more than EUR 200 million for 2013.

On 11 September, Neste Oil held a Capital Markets Day in London and confirmed its long-term ROACE target of 15%.

On 19 September, Neste Oil announced that it is planning to exit the shipping business. The plan is to sell all the company's own vessels and outsource the ship management functions currently covering them, with around 320 ship management personnel transferring to a new employer. The intention is to retain Neste Shipping's chartering functions and integrate them with Neste Oil's organization. Going forward, Neste Oil intends sourcing its marine transportation through contractual arrangements. In connection with the planned outsourcing, Neste Shipping commenced statutory employer-employee negotiations covering all land- and sea-based personnel. If the current plans are implemented as intended, no significant capital gains or losses are expected. The arrangement is expected to free up approx. EUR 60 million of capital from Neste Oil's balance sheet and improve the Group's result by approx. EUR 10 million annually during the coming years.

On 15 November, Neste Oil announced that Neste Shipping had completed the statutory employer-employee negotiations initiated on 1 October. Following a decision taken after the conclusion of the negotiations, Neste Shipping is considering the possibility of outsourcing its ship management functions, and is to start negotiations on the terms and conditions of an outsourcing contract with various potential ship management companies.

On 18 November 2013, Neste Oil announced its view on the US Environmental Protection Agency's (EPA) proposal on US renewable fuel mandates in 2014. The EPA proposed retaining the biomass-based diesel mandate at the 2013 level and reducing the total renewable fuel mandates by 8% compared to 2013. The view of Neste Oil and the advanced biofuels industry is that the industry has proved its capability to deliver growing volumes of advanced biofuels, and biomass-based diesel in particular, to the US market. As a result, Neste Oil favors higher 2014 mandates for advanced biofuels than those proposed, as this would support further research and investment in this area.

On December 27, Neste Oil published that it had received an announcement pursuant to Chapter 9, Section 5 of the Securities Markets Act regarding a change in its shareholders. BlackRock, Inc. had announced that its aggregate holding in Neste Oil Corporation had risen above the 5% threshold on December 18 and was 5.01%.

Strategy implementation

The implementation of Neste Oil's strategy continues to be driven by a series of Value Creation programs: Profitable Growth, Productivity, Renewable Feedstock, and Customer Focus. These programs have defined targets and their progress is measured continuously.

Key achievements in the Profitable Growth program in 2013 include further developing the business operations of Renewable Fuels and the opening-up of new markets such as Australia, Austria, Italy, and Switzerland for the fuel. Customer segments and future potential were identified in new application areas such as chemicals and solvents. Base oil sales increased and new customers were secured in Asia and North America. The product range of the base oil joint venture in Bahrain was expanded in February.

Productivity was systematically enhanced and the renewable diesel refineries in Singapore and Rotterdam achieved normal operational status, with output exceeding the refineries' nameplate capacity. Tall oil pitch was tested successfully at the Naantali refinery to gain bio-mandate status for products. The implementation of energy efficiency plans proceeded well and the energy efficiency index of the company's oil refineries hit a record high.

The main achievement in the Renewable Feedstock program was the expansion of Neste Oil's renewable feedstock portfolio; technical corn oil (TCO), spent bleaching earth oil (SBEO), and tall oil pitch (TOP) were added. All the renewable feedstocks used by Neste Oil are 100% traced back to their origin and palm oil is 100%-certified. Neste Oil has been the first company to receive a RSPO-RED certificate, developed by the Roundtable on Sustainable Palm Oil (RSPO) for biofuels meeting the Renewable Energy Directive (RED) requirements, for the NExBTL renewable diesel produced at its refineries in Singapore and Rotterdam. Extensive R&D work is continuing to develop new, long-term renewable inputs for NExBTL production. The focus during 2013 was on gaining customer and market acceptance for different types of feedstock to enable Neste Oil to leverage its extensive feedstock portfolio globally. This will also be one of the main focus areas in 2014.

Progress in the Customer Focus program during 2013 included further development of customer segmentation and other sales processes and tools, leading to the creation of new solutions with customers in areas such as logistics, premium and specialty products, and high-quality solutions. Neste Pro Diesel, a premium-quality diesel fuel developed and produced by Neste Oil in Finland, was the first anywhere to comply with the WWFC 5 specification drawn up as part of the Worldwide Fuel Charter (WWFC) by automotive manufacturers in Europe, the US, and Asia.

Market overview

Continuing uncertainties in the world economy and geopolitical tensions in oil-producing countries were the main drivers in the oil market during 2013. Brent traded in the USD 100-120/bbl range, peaking in early February, when it reached USD 120/bbl, before weakening in the lead-up to the summer as new concerns related to the international economy and future growth prospects in China drove the price close to USD 100/bbl. Following some positive signs in the international economy, combined with political unrest in Syria and strikes that reduced Libyan crude oil exports, crude trended up during the late summer and early fall towards USD 120/bbl. As the strikes ended in Libya and negotiations between Iran and Western countries pointed to the possibility of a future easing of crude export sanctions, crude prices returned to USD 105-110/bbl, ending the year at around USD 110/bbl. The increasing production of tight oil in the US limited crude price increases and resulted in narrower differentials between lighter and heavier crudes.

The price differential between Russian Export Blend (REB) and Brent averaged USD -1/bbl in 2013, which was slightly narrower than in 2012. The differential widened significantly during the spring on the back of higher crude prices and the refinery maintenance season before narrowing and reaching even positive differential levels in the late summer when delayed maintenance at Russian refineries and the strikes in Libya reduced oil exports. The refinery maintenance season in the fall and the end of the strikes in Libya saw the price differential widen again, approaching around USD -2/bbl. With the ending of the maintenance season, the differential narrowed towards USD -1-1.5/bbl, where it stood at the end of the year.

Refining margins in Europe were volatile and clearly weaker on average than in 2012. Margins during the first quarter were strong, as gasoline margins were unseasonably high due to refinery outages and relatively low gasoline inventories. After a strong start to the year, refining margins experienced growing pressure in the second half as new capacity was ramped up in the Middle East and Asia. High diesel exports from the US to Europe also pushed European refining margins down, to such an extent that many refiners were forced to make economic run cuts. Margins were lowest at the end of the year after the fall maintenance season.

Middle distillates were again the strongest part of the barrel. Gasoline margins were seasonally low during the early part of the first quarter and the fourth quarter, but were strong from the spring until the early fall. Fuel oil margins were strong during the first half of the year, but weakened significantly during the second half.

Crude palm oil (CPO) prices were volatile and traded at USD 680-825/ton (Malaysia) during the year. Lower-than-expected supply growth, combined with strong exports, kept Malaysian palm oil inventories below the 2 million ton benchmark level from March 2013 onwards, which resulted in higher prices towards the end of the year.

Rapeseed oil (RSO) and soybean oil (SBO) prices fell during the year. SBO prices, in particular, came under pressure, as the US soybean crop was better than expected, while the outlook for the 2014 crop in South America remained very good. The price differential between palm oil and rapeseed oil was wider than the long-term average during the first half of the year, but narrowed subsequently. The CPO/RSO spread fell from USD 330/ton in the first quarter to around USD 150/ton in the fourth quarter of 2013. Animal fat prices remained at a premium over palm oil, but the premium was clearly narrowed during the fourth quarter.

Demand for biodiesel in the EU fell by approximately 8% compared to 2012, due to a lower mandate in Spain, double countable biofuels reducing physical demand, and stagnating fossil diesel demand. European Fatty Acid Methyl Ester (FAME) prices remained quite stable, but the price differential compared to rapeseed oil varied significantly. The year started with narrow FAME margin levels, which began to gradually improve after the European Commission announced its intention to implement antidumping duties on imports of biodiesel from Indonesia and Argentina. Despite some occasional tightness in European markets, this eased towards the end of the year as a result of higher domestic supplies. Antidumping duties were finally introduced on Argentinean and Indonesian biodiesel in November.

In the US, the biomass-based diesel mandate was raised from 1 billion to 1.28 billion gallons for 2013. The Blender’s Tax Credit of USD 1/gallon was applied retroactively for 2012 and 2013 and led to higher demand and higher prices for Soybean Methyl Ester (SME) and renewable diesel. High demand, combined with a market approaching the 10% ethanol blend wall in gasoline, pushed biomass-based diesel and its Renewable Identification Number (RIN) value to record highs in the late summer. In response to criticism against future renewable fuels targets that were expected to exceed the ethanol blend wall, the Environmental Protection Agency (EPA) proposed lowering the targets for ethanol and cellulosic biofuel but keeping the bio/renewable diesel mandate unchanged in 2014 and 2015. By the end of the year, biofuel prices had clearly dropped compared to the exceptional highs seen during summer.

Key Drivers

	10-12/13	10-12/12	7-9/13	2013	2012	Jan 14	Jan 13
Reference refining margin, USD/bbl	2.82	6.63	4.48	4.82	7.39	2.62	4.61
Neste Oil total refining margin, USD/bbl	9.53	10.99	8.60	9.60	10.17	n.a.	n.a.
Urals-Brent price differential, USD/bbl	-1.45	-1.08	-0.18	-1.02	-1.29	-1.76	-1.07
NWE Gasoline margin, USD/bbl	4.89	8.49	11.32	10.54	13.16	5.2	9.0
NWE Diesel margin, USD/bbl	17.73	22.57	17.86	18.07	20.60	16.0	18.1
NWE Heavy fuel oil margin, USD/bbl	-19.09	-17.99	-17.42	-16.27	-12.92	-20.5	-17.7
Brent Dated crude oil, USD/bbl	109.3	110.0	110.4	108.7	111.6	108.3	113.0
FAME/Palm oil price differential, USD/ton*	331.5	407.7	366.9	356.0	234.6	242.0	398.0
SME/Soybean oil price differential, USD/ton**	370.8	160.5	526.7	388.6	175.3	181.0	274.8
USD/EUR, market rate	1.36	1.30	1.32	1.33	1.28	1.36	1.33
USD/EUR, hedged	1.32	1.30	1.30	1.30	1.33	n.a.	n.a.
Crude freights, WS points (TD7)***	102	88	87	91	91	176	87

* FAME seasonal vs. CPOBMD3rd (Crude Palm Oil Bursa Malaysia Derivatives 3rd month futures price) + 70 $/t freight to ARA (Amsterdam-Rotterdam-Antwerp)
** SME US Gulf Coast vs. SBO CBOT 1st (Soybean Oil Chicago Board of Trade 1st month futures price)
*** Worldscale (WS) points for a 80,000 ton cargo of crude from the North Sea to Continental Europe

Production and sales

Production

Neste Oil's production totaled 16.3 million tons (15.4 million) in 2013, of which 2.0 million tons (1.8 million) took the form of NExBTL renewable diesel. The increase from 2012 reflected both higher output at the Porvoo refinery and higher renewable diesel volumes at the Singapore and Rotterdam refineries. Total production during the fourth quarter was 4.2 million tons (3.9 million), of which NExBTL renewable diesel accounted for 0.6 million tons (0.5 million).

Neste Oil's production, by plant (1,000 t)

	10-12/13	10-12/12	7-9/13	2013	2012
Porvoo refinery	3,042	2,864	3,242	12,016	11,511
Naantali refinery	478	517	583	2,147	1,908
NExBTL refineries	587	489	579	2,009	1,849
Bahrain base oil plant (Neste Oil's share)	47	21	29	151	128
Edmonton iso-octane plant (Neste Oil's share)	-	-	-	-	8

The Porvoo refinery operated at an average capacity utilization rate of 88% (87%) in 2013, reflecting the maintenance outage at production line 4 during the second quarter of the year. The Naantali refinery ran at a lower rate of 78% (67%) on average to optimize the refining margin. Average capacity utilization at the Porvoo refinery in the fourth quarter was of 93% (89%), while Naantali ran at 74% (73%).

The proportion of Russian Export Blend (REB) in Neste Oil's total refinery input at Porvoo and Naantali averaged 63% (63%) for the year as a whole, and stood at 67% (68%) during the fourth quarter. Production costs at the Porvoo and Naantali refineries totaled USD 4.8/bbl (4.4) for the year, and USD 5.1/bbl (4.6) for the fourth quarter.

Neste Oil's renewable diesel facilities achieved an average capacity utilization of 91% (85%) in 2013 and operated at full capacity during the fourth quarter, compared to 90% in the last quarter of 2012.

Sales

Total sales volumes in 2013 were higher than in 2012, mainly due to increased sales volumes of NExBTL renewable diesel, while motor gasoline and diesel sales were slightly lower. Sales to Europe and North America, in particular, increased, reducing the share of domestic sales.

Higher sales of motor gasoline and NExBTL in the fourth quarter resulted in higher total sales volumes compared to the last quarter of 2012. Compared to the third quarter of 2013, diesel sales volumes were particularly high.

Neste Oil's sales from in-house production, by product category (1,000 t)

	10-12/13	%	10-12/12	%	7-9/13	%	2013	%	2012	%
Motor gasoline	1,122	*26*	1,090	*26*	1,146	*28*	4,216	*26*	4,281	*27*
Gasoline components	0	*0*	0	*0*	0	*0*	0	*0*	19	*0*
Diesel fuel	1,569	*36*	1,570	*37*	1,495	*36*	5,838	*37*	5,886	*38*
Jet fuel	193	*5*	253	*6*	132	*3*	660	*4*	651	*4*
Base oils	87	*2*	94	*2*	115	*3*	436	*3*	394	*3*
Heating oil	57	*1*	58	*1*	44	*1*	231	*1*	229	*1*
Heavy fuel oil	353	*8*	355	*9*	290	*7*	1,253	*8*	1,171	*7*
LPG	98	*2*	95	*2*	47	*1*	334	*2*	262	*2*
NExBTL renewable diesel	599	*14*	439	*10*	543	*13*	1,938	*12*	1,665	*11*
Other products	271	*6*	294	*7*	318	*8*	1,121	*7*	1,172	*7*
TOTAL	4,348	*100*	4,248	*100*	4,129	*100*	16,026	*100*	15,729	*100*

Neste Oil's sales from in-house production, by market area (1,000 t)

	10-12/13	%	10-12/12	%	7-9/13	%	2013	%	2012	%
Finland	1,469	*34*	1,851	*43*	1,540	*37*	6,057	*38*	7,104	*45*
Other Nordic countries	688	*16*	753	*18*	641	*16*	2,581	*16*	2,563	*16*
Other Europe	1,769	*41*	1,183	*28*	1,349	*33*	5,405	*34*	4,232	*27*
USA & Canada	358	*8*	263	*6*	513	*12*	1,690	*10*	1,247	*8*
Other countries	63	*1*	198	*5*	85	*2*	293	*2*	583	*4*
TOTAL	4,348	*100*	4,248	*100*	4,129	*100*	16,026	*100*	15,729	*100*

Segment reviews

Neste Oil's businesses are grouped into four reporting segments: Oil Products, Renewable Fuels, Oil Retail, and Others.

Oil Products

	10-12/13	10-12/12	7-9/13	2013	2012
Revenue, MEUR	3,492	3,607	3,476	13,271	13,764
Comparable EBITDA, MEUR	120	162	113	465	583
Comparable operating profit, MEUR	72	116	67	280	396
IFRS operating profit, MEUR	93	128	104	286	491
Total refining margin, USD/bbl	9.53	10.99	8.60	9.60	10.17
Net assets, MEUR	-	-	-	2,163	2,252
Comparable return on net assets*, %	-	-	-	11.8	16.6

* Last 12 months

Oil Products' fourth-quarter comparable operating profit totaled EUR 72 million, compared to EUR 116 million in the fourth quarter of 2012. Sales volumes were similar to those booked during the last quarter of 2012. The decrease in operating profit was largely due to a lower reference refining margin, although this was partly compensated for by a higher additional margin resulting from successful refining operations. The profit contribution made by the Base Oil business was slightly lower during the corresponding period in 2012. Neste Oil's total refining margin totaled USD 9.53/bbl during the fourth quarter, which compares to USD 10.99/bbl in the last quarter of 2012.

Oil Products’ full-year comparable operating profit for 2013 amounted to EUR 280 million, compared to EUR 396 million in 2012. This decrease was largely due to a lower refining margin and slightly higher fixed costs for staff and maintenance at refineries and terminals. The Base Oil business continued to suffer from overcapacity in the market, and its full-year profit contribution was clearly lower than in 2012. Neste Oil’s total refining margin stood at USD 9.60/bbl in 2013, compared to USD 10.17/bbl in 2012. The segment’s comparable return on net assets was 11.8% (16.6%) in 2013.

Renewable Fuels

	10-12/13	10-12/12	7-9/13	2013	2012
Revenue, MEUR	732	505	713	2,493	2,163
Comparable EBITDA, MEUR	118	24	144	371	43
Comparable operating profit, MEUR	94	-2	120	273	-56
IFRS operating profit, MEUR	93	-43	116	252	-183
Net assets, MEUR	-	-	-	1,768	1,860
Comparable return on net assets*, %	-	-	-	15.2	-2.8

* Last 12 months

Renewable Fuels' comparable operating profit reached EUR 94 million during the fourth quarter, compared to EUR -2 million in the last quarter of 2012. This increase mainly resulted from a significantly higher sales margin. Sales volumes totaled 599,000 tons, a record high and a 36% increase compared to the fourth quarter of 2012. Approximately 50% of product went to Europe and 50% to North America during the fourth quarter of 2013.

Renewable diesel production operated at full capacity compared to the 90% utilization rate recorded during the fourth quarter of 2012.

Renewable Fuels' comparable operating profit was EUR 273 million in 2013, compared to EUR -56 million in 2012. This increase resulted mainly from a higher sales margin, particularly during the third and fourth quarters, when markets were very favorable. Sales volumes for the year as a whole totaled 1,928,000 tons, over 260,000 tons higher than in 2012. Approximately 56% of volumes went to Europe and 44% to North America in 2013. Renewable diesel capacity operated at an average utilization rate of 91% compared to 85% in 2012. Renewable Fuels' comparable return on net assets was 15.2% (-2.8%) in 2013.

Oil Retail

	10-12/13	10-12/12	7-9/13	2013	2012
Revenue, MEUR	1,116	1,258	1,174	4,528	4,895
Comparable EBITDA, MEUR	21	14	35	104	91
Comparable operating profit, MEUR	14	5	29	76	58
IFRS operating profit, MEUR	15	5	29	120	58
Net assets, MEUR	-	-	-	255	345
Comparable return on net assets*, %	-	-	-	26.1	17.3
Total sales volume**, 1,000 m^3	1,007	1,066	1,052	4,000	4,160
- gasoline station sales, 1,000 m^3	277	302	308	1,151	1,256
- diesel station sales, 1,000 m^3	376	398	376	1,491	1,620
- heating oil, 1,000 m^3	164	180	164	635	651
- heavy fuel oil, 1,000 m^3	53	61	57	225	255

* Last 12 months

** includes both station and terminal sales

Oil Retail's fourth-quarter comparable operating profit was EUR 14 million compared to EUR 5 million in the fourth quarter of 2012. Sales volumes were 6% lower, impacted mainly by the sale of the Polish station network. Margins remained at good levels in all markets, particularly Finland.

Oil Retail posted a full-year comparable operating profit of EUR 76 million compared to EUR 58 million in 2012. Performance improved in all markets, especially Finland and Northwest Russia. The efficiency of the station network improved and the majority of the profit improvement came from better average margins. Overall sales volumes declined compared to 2012, mainly due to the sale of the Polish station network and a decline in truck traffic in Finland. Given the difficult market conditions, successful management of receivables contributed to the segment's good cash flow. The sale of the station network in Poland also reduced fixed costs and depreciation from the second quarter onwards. Oil Retail's comparable return on net assets was 26.1% (17.3%) in 2013.

Shares, share trading, and ownership

Neste Oil's shares are traded on NASDAQ OMX Helsinki Ltd. The share price closed the year 2013 at EUR 14.37, up by 47.1% compared to the end of 2012. The total shareholder return (TSR) was 51.0% (29.6%) in 2013. At its highest during 2013, the share price reached EUR 17.33, while at its lowest the price stood at EUR 10.13. Market capitalization was EUR 3.7 billion as of 31 December 2013. An average of 1.0 million shares were traded daily, representing 0.4% of the company's shares.

Neste Oil's share capital registered with the Company Register as of 31 December 2013 totaled EUR 40 million, and the total number of shares outstanding was 256,403,686. The company does not hold any of its own shares, and the Board of Directors has no authorization to buy back company shares or issue convertible bonds, share options, or new shares.

As of the end of the year, the Finnish State owned 50.1% (50.1% at the end of 2012) of outstanding shares, foreign institutions 17.2% (15.4%), Finnish institutions 17.8% (20.0%), and Finnish households 14.9% (14.5%).

Annual General Meeting

Neste Oil's Annual General Meeting (AGM) was held on 4 April 2013 in Helsinki. The AGM adopted the company's financial statements and consolidated financial statements for 2012 and discharged the Board of Directors and the President & CEO from liability for 2012. The AGM also approved the Board of Directors' proposal regarding the distribution of the company's profit for 2012. A dividend of EUR 0.38 per share was paid on 16 April 2013.

In accordance with the proposal made by the AGM Nomination Board, the AGM confirmed the membership of the Board of Directors at seven members, and the following were re-elected to serve until the end of the next AGM: Mr. Jorma Eloranta, Ms. Maija-Liisa Friman, Mr. Michiel Boersma, and Ms. Laura Raitio. Mr. Per-Arne Blomquist, Mr. Willem Schoeber, and Ms. Kirsi Sormunen were elected as new members. Mr. Eloranta was re-elected as Chair and Ms. Friman as Vice Chair. The AGM decided to keep the remuneration paid to Board members unchanged.

Convening after the Annual General Meeting, the Board of Directors elected the members of its two Committees. Jorma Eloranta was elected Chair and Maija-Liisa Friman and Willem Schoeber as members of the Personnel and Remuneration Committee. Per-Arne Blomquist was elected Chair and Michiel Boersma, Laura Raitio, and Kirsi Sormunen as members of the Audit Committee.

In accordance with a proposal by the Board of Directors, Ernst & Young Oy, Authorized Public Accountants, were appointed as the company's Auditor, with Authorized Public Accountant Anna-Maija Simola as Senior Auditor, until the end of the next AGM. Payment for their services shall be made in accordance with their invoice approved by the company.

Following a proposal by the Board of Directors, the AGM decided to establish a permanent Shareholders' Nomination Board to be responsible for drafting and presenting proposals covering the remuneration and number of members of the Company's Board of Directors and for presenting candidates as potential Board members to the AGM and to an Extraordinary General Meeting of Shareholders where needed. The Nomination Board shall also be responsible for identifying successors for existing Board members. The Nomination Board shall consist of four members, three of which shall be appointed by the Company's three largest shareholders, who shall appoint one member each. The Chair of the Company's Board of Directors shall serve as the fourth member. The Company's largest shareholders entitled to elect members to the Nomination Board shall be determined annually on the basis of the registered holdings in the Company's list of shareholders as of the first weekday in September in the year concerned. The Chair of the Board of Directors shall convene the first meeting of the Nomination Board, which will be responsible for electing a Chair from among its members. The Nomination Board shall serve until further notice, unless the AGM decides otherwise. Its members shall be elected annually and their term of office shall end when new members are elected to replace them. The Nomination Board shall forward its proposals for the AGM to the Company's Board of Directors annually by 31 January, prior to the holding of the AGM.

The following members were appointed to Neste Oil's Shareholders' Nomination Board on 2 September, 2013: Eero Heliövaara, Director General of the Prime Minister's Office's Ownership Steering Department; Timo Ritakallio, Deputy CEO of Ilmarinen Mutual Pension Insurance Company; Mikko Koivusalo, Vice President, Capital Markets, Varma Mutual Pension Insurance Company; and Jorma Eloranta, the Chair of Neste Oil's Board of Directors.

Personnel

Neste Oil employed an average of 5,097 (5,031) employees in 2013, of which 1,452 (1,450) were based outside Finland. As of the end of 2013, the company had 5,049 employees (5,022), of which 1,477 (1,474) were located outside Finland.

Health, safety, and the environment

Efforts to improve safety performance were stepped up due to an increase in injuries during the first half of 2013. Safety performance is the first item on the CEO's monthly report to the Board of Directors. In addition to continuous improvement in selected key safety areas, a safety project was included under the corporate Value Creation program umbrella to focus on improving safety leadership and the safety awareness of Neste Oil employees and contractors. Process safety management teams were introduced at refineries to promote harmonized process safety management and the sharing of best practices across the Group.

People safety performance declined overall during 2013, although the second half saw a clear and continuous improvement. The total recordable injury frequency (TRIF, number of cases per million hours worked) was 4.3 (3.6); this figure combines the company's own and contractors' personnel. The corporate target was 2.2. A clear improvement in process safety took place during the second half. Process Safety Event (PSE) frequency for the year as a whole was 3.0 (5.6). The corporate target was 4.0.

Operational environmental emissions were in substantial compliance at all sites. Permitted levels were exceeded seven times, but all were of a minor nature. No serious environmental incidents resulting in liability occurred at Neste Oil's refineries or other production facilities in 2013.

The European Renewable Energy Directive (RED) was implemented in key EU member states by the end of 2013, with minor exceptions. Neste Oil's internal procedures are in compliance with the directive's requirements, and the company has filed a voluntary scheme for verifying the sustainability of its biofuels with the EU. The voluntary scheme was finally approved by the European Commission in January 2014 and its implementation has been started. All of Neste Oil's NExBTL plants have received International Sustainability and Carbon Certification (ISCC) system certificates, ensuring that their output is eligible for use on the European biofuel market. All Neste Oil sites are also EPA-approved for the US market, and selected parts of the palm oil supply chain were successfully audited by a third party in Malaysia.

In April, Neste Oil published a set of No-Deforestation and Responsible Sourcing Guidelines and started active verification work with The Forest Trust (TFT), a non-profit organization focused on preventing deforestation. This extends beyond Neste Oil's own supply chain to identify potential sustainability risks in the palm oil industry as a whole.

In November, Neste Oil was awarded the world's first RSPO-RED certificate, developed by the Roundtable for Sustainable Palm Oil (RSPO) for biofuels, and in December announced that it had achieved its 100% palm oil certification target two years early.

Neste Oil retained its position in a number of sustainability indexes during 2013, and was included in the Dow Jones Sustainability World Index for the seventh year in succession. It was also selected for inclusion in The Global 100 list of the world's most sustainable companies for the seventh year in succession, and was ranked fourth. Companies on The Global 100 list are considered the most capable in their sectors in managing environmental, social, and governance issues, and in their ability to make use of new business opportunities in these areas. Neste Oil was also rated among the top performers in the oil & gas sector by CDP Forest, which reviews industries using forest risk commodities.

Research and development

Research and development focusing on both crude oil-based and renewable fuels is crucial in implementing Neste Oil's strategy. Neste Oil's R&D expenditure totaled EUR 40 million (42 million) in 2013. Extending the feedstock base is one of the main goals of Neste Oil's R&D work. About 70% of the R&D project portfolio in 2013 was devoted to research on renewable raw materials. Research work concentrated on both completely new types of inputs, such as pilot-scale microbial oil and algae oil, and existing materials, such as waste animal fat, vegetable oil residues, used cooking oil, and technical corn oil. Efficiency improvements at Neste Oil's conventional oil refineries and renewable refineries were another key focus area of technology development.

Neste Oil focused on expanding the use of waste- and residue-based feedstock, particularly waste animal fat, palm fatty acid distillate (PFAD), and technical corn oil (TCO), in 2013. The usage of waste and residue-based inputs increased by 476,000 tons to 1,219,000 tons and accounted for approx. 52% (35%) of total renewable feedstock usage in 2013. Technical corn oil was used in production for the first time during 2013. Non-residue vegetable oils, principally palm oil, accounted for approx. 48% of the inputs used in renewable diesel production in 2013.

Events after the reporting period

On January 8, Neste Oil announced that it disputes the view of Finnish Customs that biofuel mandate requirements were not met in 2009 and 2010. Finnish Customs has levied a penalty payment totaling EUR 44 million on Neste Oil because Finnish biofuel mandate requirements were not met in 2009 and 2010. Neste Oil disputes Finnish Customs' interpretation and believes that it complied with the requirements according to the legislation in force at the time. Neste Oil has appealed the Finnish Customs' decision and considers the penalty payment unjustified. The penalty payment was paid in January 2014.

On January 22, the European Commission (EC) announced a proposal to amend the EU's post-2020 climate targets. The proposed key new target is to reduce greenhouse gas emissions by 40% compared to 1990 levels by 2030. In addition, a binding EU-level target of 27% was proposed for the use of renewable energy. Neste Oil sees the emission reduction target proposed by the Commission as both important and ambitious. However, Neste Oil also believes it is important that the EU continues a consistent policy on promoting the use of renewable fuels in transport, and that national targets covering their use will continue. The EC proposal for post-2020 climate targets is not expected to impact Neste Oil's business in the near- to mid-term.

On January 22, Neste Oil announced that it had been selected for inclusion in The Global 100 list for the eighth year in succession and ranked sixth.

Potential risks

The oil market has been and is expected to continue to be very volatile. Oil refiners are exposed to a variety of political and economic trends and events, as well as natural phenomena that affect the short- and long-term supply of and demand for the products that they produce and sell.

Uncertainty continues to be focused on the development of the world economy, which is likely to have a material impact on the demand for petroleum products generally and diesel fuel in particular.

Sudden and unplanned outages at Neste Oil's production units or facilities continue to represent a short-term operational risk.

Rapid and large changes in feedstock and product prices may lead to significant inventory gains or losses, or changes in working capital, and may have a material impact on the company’s IFRS operating profit and net cash from operations.

The implementation of biofuel legislation in the EU, North America, and other key market areas may influence the speed at which the demand for these fuels develops. Over the longer term, failure to protect Neste Oil’s proprietary technology or the introduction and implementation of competing technologies may have a negative impact on the company’s results. Renewable fuels margins can be volatile in various markets due to rapidly changing feedstock and product prices, and affect the profitability of the Renewable Fuels business as a result.

Over the longer term, access to funding and rising capital costs, as well as challenges in procuring and developing new competitive and reasonably priced raw materials, may impact the company's results.

The key market drivers for Neste Oil’s financial performance are refining margins, the price differential between Russian Export Blend (REB) and Brent crude, the USD/EUR exchange rate, the price differentials between different vegetable oils, and the biodiesel margins.

For more detailed information on Neste Oil's risks and risk management, please refer to the Annual Report and Notes to the Financial Statements.

Outlook

Developments in the global economy have been reflected in the oil, renewable fuel, and renewable feedstock markets, and the volatility is expected to continue. Global oil demand is generally forecasted to pick up more than 1 million barrels per day in 2014, but, as in 2013, this growth is more than compensated by new refining capacity additions in Asia and Middle East. This development is expected to lead to continued high product imports to Europe, putting pressure on average utilization rates of simple refineries in particular. Complex refiners such as Neste Oil are expected to remain the most competitive. Diesel is projected to be the strongest part of the barrel, and gasoline margins are expected to improve seasonally during the spring and summer. While demand for premium-quality base oils is continuing to grow, base oil margins are likely to remain under pressure due to overcapacity.

Vegetable oil price differentials are expected to vary, depending on crop outlooks, weather phenomena, and variations in demand for different feedstocks, but no fundamental changes in the drivers influencing feedstock price differentials are expected. Price differentials between vegetable oils are likely to widen from the current narrow levels during the year 2014 in both Europe and North America.

Uncertainties regarding political decision-making in the US are likely to be reflected in the renewable fuel markets. Examples of pending decisions include the volume targets for biomass-based diesel and renewal of the Blender's Tax Credit, which both impact the US market.

Production line 4 at the Porvoo refinery is scheduled to be shut down for decoking maintenance for approximately five weeks during the first quarter. The Singapore NExBTL refinery is scheduled to be taken down for maintenance either during the fourth quarter of 2014 or the first quarter of 2015.

The Group's investments are expected to total approx. EUR 300-350 million in 2014.

Neste Oil expects the Group's full-year comparable operating profit to be at the level of EUR 500 million in 2014. This is based on the assumption that Neste Oil's reference refining margin averages USD 4.5/bbl during the year. The reintroduction of a US Blender's Tax Credit for biofuels would impact the result positively. Weakening of the euro against the US dollar would also have a positive impact on the result.

Dividend distribution proposal

Neste Oil's dividend policy is to distribute at least one third of its comparable net profit in the form of a dividend. The parent company's distributable equity as of 31 December 2013 amounted to EUR 1,242 million, and there have been no material changes in the company's financial position since the end of the financial year. The Board of Directors will propose to the Annual General Meeting that Neste Oil Corporation pays a cash dividend of EUR 0.65 per share (0.38) for 2013, totaling EUR 167 million (97 million) based on the number of registered shares.

The proposed dividend represents a yield of 4.5% (at year-end 2013 share price of EUR 14.37) and 34% of the comparable net profit in 2013.

Reporting date for the company's first-quarter 2014 results

Neste Oil will publish its first-quarter results on 25 April 2014 at approximately 9:00 a.m. EET.

Espoo, 3 February 2014

Neste Oil Corporation
Board of Directors

Further information:

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Jyrki Mäki-Kala, CFO, tel. +358 10 458 4098
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News conference and conference call

A press conference in Finnish on 2013 results will be held today, 4 February 2014, at 11:30 a.m. EET at the company's headquarters at Keilaranta 21, Espoo. www.nesteoil.com will feature English versions of the presentation materials. A conference call in English for investors and analysts will be held on 4 February 2014 at 3 p.m. Finland / 1 p.m. London / 8 a.m. New York. The call-in numbers are as follows: Finland: +358 (0)9 2310 1621, Europe: +44 (0)20 3427 1919, US: +1 646 254 3388, using access code 2191993. The conference call can be followed at the company's web site. An instant replay of the call will be available until 11 February 2014 at +358 (0)9 2310 1650 for Finland at +44 (0)20 3427 0598 for Europe and +1 347 366 9565 for the US, using access code 2191993#.

The preceding information contains, or may be deemed to contain, "forward-looking statements". These statements relate to future events or our future financial performance, including, but not limited to, strategic plans, potential growth, planned operational changes, expected capital expenditures, future cash sources and requirements, liquidity and cost savings that involve known and unknown risks, uncertainties, and other factors that may cause Neste Oil Corporation's or its businesses' actual results, levels of activity, performance or achievements to be materially different from those expressed or implied by any forward-looking statements. In some cases, such forward-looking statements can be identified by terminology such as "may," "will," "could," "would," "should," "expect," "plan," "anticipate," "intend," "believe," "estimate," "predict," "potential," or "continue," or the negative of those terms or other comparable terminology. By their nature, forward-looking statements involve risks and uncertainties because they relate to events and depend on circumstances that may or may not occur in the future. Future results may vary from the results expressed in, or implied by, the forward-looking statements, possibly to a material degree. All forward-looking statements made in this report are based on information presently available to management and Neste Oil Corporation assumes no obligation to update any forward-looking statements. Nothing in this report constitutes investment advice and this report shall not constitute an offer to sell or the solicitation of an offer to buy any securities or otherwise to engage in any investment activity.

As announced on 18 April, 2013, Neste Oil has adopted the revised IAS 19 Employee Benefits standard as of 1 January, 2013. Group and segment information for 2012 has been updated in compliance with the requirements of the revised standard.

CONSOLIDATED INCOME STATEMENT

MEUR	Note	10-12/2013	10-12/2012	1-12/2013	1-12/2012
Revenue	3	**4,604**	4,597	**17,462**	17,853
Other income		**12**	13	**79**	98
Share of profit (loss) of associates and joint ventures		**-11**	-7	**-9**	-3
Materials and services		**-4,043**	-4,210	**-15,424**	-16,186
Employee benefit costs		**-90**	-96	**-353**	-339
Depreciation, amortization and impairments	3	**-82**	-85	**-323**	-332
Other expenses		**-205**	-160	**-800**	-767
Operating profit		**185**	52	**632**	324
Financial income and expenses					
Financial income		**0**	1	**2**	3
Financial expenses		**-21**	-19	**-81**	-87
Exchange rate and fair value gains and losses		**3**	1	**8**	-7
Total financial income and expenses		**-18**	-17	**-71**	-91
Profit before income taxes		**167**	35	**561**	233
Income tax expense		**26**	-18	**-37**	-74
Profit for the period		**193**	17	**524**	159
Profit attributable to:					
Owners of the parent		**193**	17	**523**	157
Non-controlling interests		**0**	0	**1**	2
		193	17	**524**	159
Earnings per share from profit attributable to the owners of the parent basic and diluted (in euro per share)		**0.75**	0.06	**2.04**	0.61

STATEMENT OF COMPREHENSIVE INCOME

MEUR	10-12/2013	10-12/2012	1-12/2013	1-12/2012
Profit for the period	**193**	17	**524**	159
Other comprehensive income net of tax:				
Items that will not be reclassified to profit or loss				
Remeasurements on defined benefit plans	**-6**	-8	**-1**	-29
Items that may be reclassified subsequently to profit or loss				
Translation differences	**-16**	-10	**-33**	10
Cash flow hedges				
recorded in equity	**2**	21	**10**	-50
transferred to income statement	**-9**	-3	**-19**	84
Net investment hedges	**0**	0	**0**	-1
Hedging reserves in associates and joint ventures	**0**	0	**-1**	-1
Total	**-23**	8	**-43**	42
Other comprehensive income for the period, net of tax	**-29**	0	**-44**	13
Total comprehensive income for the period	**164**	17	**480**	172
Total comprehensive income attributable to:				
Owners of the parent	**164**	17	**479**	170
Non-controlling interests	**0**	0	**1**	2
	164	17	**480**	172

CONSOLIDATED BALANCE SHEET

MEUR	Note	31 Dec 2013	31 Dec 2012
ASSETS			
Non-current assets			
Intangible assets	5	**62**	61
Property, plant and equipment	5	**3,741**	3,869
Investments in associates and joint ventures		**225**	242
Non-current receivables		**3**	3
Deferred tax assets		**29**	46
Derivative financial instruments	6	**22**	37
Available-for-sale financial assets		**4**	4
Total non-current assets		**4,086**	4,262
Current assets			
Inventories		**1,468**	1,464
Trade and other receivables		**946**	1,154
Derivative financial instruments	6	**34**	57
Cash and cash equivalents		**506**	409
Total current assets		**2,954**	3,084
Assets classified as held for sale [1)]		**-**	52
Total assets		**7,040**	7,398
EQUITY			
Capital and reserves attributable to the owners of the parent			
Share capital		**40**	40
Other equity	2	**2,868**	2,484
Total		**2,908**	2,524
Non-controlling interest		**16**	16
Total equity		**2,924**	2,540
LIABILITIES			
Non-current liabilities			
Interest-bearing liabilities		**1,586**	1,977
Deferred tax liabilities		**266**	340
Provisions		**37**	27
Pension liabilities		**93**	99
Derivative financial instruments	6	**7**	6
Other non-current liabilities		**7**	7
Total non-current liabilities		**1,996**	2,456
Current liabilities			
Interest-bearing liabilities		**171**	357
Current tax liabilities		**49**	40
Derivative financial instruments	6	**25**	47
Trade and other payables		**1,875**	1,925
Total current liabilities		**2,120**	2,369
Liabilities related to assets held for sale [1)]		**-**	33
Total liabilities		**4,116**	4,858
Total equity and liabilities		**7,040**	7,398

[1)] The assets and liabilities held for sale at 31 December 2012 relate to Neste Oil's operating activities in Poland. In December 2012 Neste Oil signed an agreement that Shell Polska Sp. z o.o. will buy Neste Oil's station network (Neste Polska Sp. z o.o.) in Poland. The operations are part of the Oil Retail segment. The transaction was closed on 2 April 2013.

CONSOLIDATED STATEMENT OF CHANGES IN TOTAL EQUITY

MEUR	Share capital	Reserve fund	Fair value and other reserves	Translation differences	Actuarial gains and losses	Retained earnings	Owners of the parent	Non-controlling interests	Total equity
Total equity at 1 January 2012	40	15	-23	-7	0	2,419	2,444	14	2,458
Dividend paid						-90	-90	0	-90
Share-based compensation						0	0		0
Transfer from retained earnings		3				-3	0		0
Total comprehensive income for the period			33	9	-29	157	170	2	172
Total equity at 31 December 2012	40	18	10	2	-29	2,483	2,524	16	2,540

MEUR	Share capital	Reserve fund	Fair value and other reserves	Translation differences	Actuarial gains and losses	Retained earnings	Owners of the parent	Non-controlling interests	Total equity
Total equity at 1 January 2013	**40**	**18**	**10**	**2**	**-29**	**2,483**	**2,524**	**16**	**2,540**
Dividend paid						**-97**	**-97**	**-1**	**-98**
Share-based compensation						**2**	**2**		**2**
Transfer from retained earnings		**0**				**0**	**0**		**0**
Total comprehensive income for the period			**-10**	**-33**	**-1**	**523**	**479**	**1**	**480**
Total equity at 31 December 2013	**40**	**18**	**0**	**-31**	**-30**	**2,911**	**2,908**	**16**	**2,924**

CONDENSED CONSOLIDATED CASH FLOW STATEMENT

MEUR	10-12/2013	10-12/2012	1-12/2013	1-12/2012
Cash flow from operating activities				
Profit before taxes	**167**	35	**561**	233
Adjustments, total	**101**	99	**360**	423
Change in working capital	**386**	204	**100**	-44
Cash generated from operations	**654**	338	**1,021**	612
Finance cost, net	**-13**	-13	**-98**	-106
Income taxes paid	**-12**	2	**-84**	-38
Net cash generated from operating activities	**629**	327	**839**	468
Capital expenditure	**-72**	-81	**-214**	-291
Acquisition of other shares	**0**	0	**0**	-1
Proceeds from sales of shares in subsidiaries	**-**	-	**75**	-
Proceeds from capital repayments in associates and joint ventures	**-**	-	**-**	2
Proceeds from sales of fixed assets	**1**	1	**2**	79
Change in other investments	**7**	42	**57**	3
Cash flow before financing activities	**565**	289	**759**	260
Net change in loans and other financing activities	**-145**	-247	**-557**	-65
Dividends paid to the owners of the parent	**-**	-	**-97**	-90
Dividends paid to non-controlling interests	**-**	1	**-1**	0
Net increase (+)/decrease (-) in cash and cash equivalents	**420**	43	**104**	105

KEY FINANCIAL INDICATORS

	31 Dec 2013	31 Dec 2012
Capital employed, MEUR	**4,681**	4,885
Interest-bearing net debt, MEUR	**1,252**	1,935
Capital expenditure and investment in shares, MEUR	**214**	292
Return on average capital employed, after tax, ROACE %	**11.8**	5.0
Return on capital employed, pre-tax, ROCE, %	**13.4**	6.6
Return on equity, %	**19.2**	6.3
Equity per share, EUR	**11.36**	9.86
Cash flow per share, EUR	**3.28**	1.83
Price/earnings ratio (P/E)	**7.04**	15.97
Equity-to-assets ratio, %	**41.6**	34.4
Leverage ratio, %	**30.0**	43.2
Gearing, %	**42.8**	76.2
Dividend per share [1)]	**0.65** [1)]	0.38
Dividend payout ratio, % [1)]	**31.8** [1)]	62.1
Dividend yield, % [1)]	**4.5** [1)]	3.9
Average number of shares	**255,967,244**	255,918,686
Number of shares at the end of the period	**255,982,212**	255,918,686
Average number of personnel	**5,097**	5,031

[1)] Board of Directors proposal to the Annual General Meeting

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

1. BASIS OF PREPARATION AND ACCOUNTING POLICIES

The interim report has been prepared in accordance with IAS 34, Interim Financial Reporting, as adopted by EU. The accounting policies adopted are consistent with those of the Group's annual financial statements for the year ended 31 December 2012, with the exception of the following changes due to the adoption of the new and revised IFRS standards and IFRIC interpretations.

The Group applies the following interpretations or amendments as of 1 January 2013:

- IFRS 7 Financial Instruments: Disclosures - Offsetting Financial Assets and Financial Liabilities (Amendment)
- IFRS 13 Fair Value Measurement
- IAS 1 Presentation of Items of Other Comprehensive Income (Amendment)
- IAS 12 Income Taxes - Deferred Taxes: Recovery of Underlying Assets (Amendment)
- IAS 19 Employee Benefits (Revised)
- IAS 36 Impairment of Assets - on the recoverable amount disclosures for non-financial assets (Amendment)
- Annual improvements

In consequence of the adoption of the revised IAS 19 Employee Benefits standard the Group's equity of 31 December 2012 has reduced by EUR 38 million and defined benefit liability has increased to EUR 99 million. The Group's operating profit for 2012 increased by EUR 3 million as the net interest costs related to employee benefits are reported in financial items. The impact on the Group's net profit for year 2012 was not material. The other above mentioned amendments do not have material impact on the reported income statement or balance sheet. The notes have been updated in compliance with the requirements of the above amendments.

2. TREASURY SHARES

In 2007 Neste Oil entered into an agreement with a third party service provider concerning the administration of the share-based management share performance arrangement for key management personnel. As part of the agreement, the service provider purchased a total of 500,000 Neste Oil shares in February 2007 in order to hedge part of Neste Oil's cash flow risk in relation to the possible future payment of the rewards, which will take place partly in Neste Oil shares and partly in cash during 2013. Despite the legal form of the hedging arrangement, it has been accounted for as if the share purchases had been conducted directly by Neste Oil, as required by IFRS 2, Share based payments and SIC-12, Consolidation - Special purpose entities.

The consolidated balance sheet and the consolidated changes in total equity reflect the substance of the arrangement with a deduction amounting to EUR 12 million in equity. This amount represents the consideration paid for the shares by the third party service provider. As at 31 December 2013 there were 421,474 shares accounted for as treasury shares.

3. SEGMENT INFORMATION

Neste Oil's operations are grouped into four reporting segments: Oil Products, Renewable Fuels, Oil Retail and Others.
Others segment consists of Group administration, shared service functions, Research and Technology, Neste Jacobs and Nynas AB.

REVENUE

MEUR	10-12/2013	10-12/2012	1-12/2013	1-12/2012
Oil Products	**3,492**	3,607	**13,271**	13,764
Renewable Fuels	**732**	505	**2,493**	2,163
Oil Retail	**1,116**	1,258	**4,528**	4,895
Others	**47**	45	**204**	199
Eliminations	**-783**	-818	**-3,034**	-3,168
Total	**4,604**	4,597	**17,462**	17,853

OPERATING PROFIT

MEUR	10-12/2013	10-12/2012	1-12/2013	1-12/2012
Oil Products	**93**	128	**286**	491
Renewable Fuels	**93**	-43	**252**	-183
Oil Retail	**15**	5	**120**	58
Others	**-14**	-40	**-26**	-42
Eliminations	**-2**	2	**0**	0
Total	**185**	52	**632**	324

COMPARABLE OPERATING PROFIT

MEUR	10-12/2013	10-12/2012	1-12/2013	1-12/2012
Oil Products	**72**	116	**280**	396
Renewable Fuels	**94**	-2	**273**	-56
Oil Retail	**14**	5	**76**	58
Others	**-14**	-42	**-27**	-43
Eliminations	**-2**	0	**2**	0
Total	**164**	77	**604**	355

DEPRECIATION, AMORTIZATION AND IMPAIRMENTS

MEUR	10-12/2013	10-12/2012	1-12/2013	1-12/2012
Oil Products	**48**	46	**185**	187
Renewable Fuels	**24**	26	**98**	99
Oil Retail	**7**	9	**28**	33
Others	**3**	4	**13**	13
Eliminations	**0**	0	**-1**	0
Total	**82**	85	**323**	332

CAPITAL EXPENDITURE AND INVESTMENTS IN SHARES

MEUR	10-12/2013	10-12/2012	1-12/2013	1-12/2012
Oil Products	**47**	55	**142**	180
Renewable Fuels	**6**	7	**21**	51
Oil Retail	**12**	11	**31**	36
Others	**7**	8	**20**	25
Total	**72**	81	**214**	292

TOTAL ASSETS

MEUR	31 Dec 2013	31 Dec 2012
Oil Products	**3,721**	3,847
Renewable Fuels	**2,043**	2,134
Oil Retail	**555**	677
Others	**417**	417
Unallocated assets	**596**	609
Eliminations	**-292**	-286
Total	**7,040**	7,398

NET ASSETS

MEUR	31 Dec 2013	31 Dec 2012
Oil Products	**2,163**	2,252
Renewable Fuels	**1,768**	1,860
Oil Retail	**255**	345
Others	**259**	260
Eliminations	**-2**	-3
Total	**4,443**	4,714

TOTAL LIABILITIES MEUR	31 Dec 2013	31 Dec 2012
Oil Products	**1,558**	1,596
Renewable Fuels	**275**	274
Oil Retail	**301**	332
Others	**158**	154
Unallocated liabilities	**2,114**	2,784
Eliminations	**-290**	-282
Total	**4,116**	4,858

RETURN ON NET ASSETS, %	31 Dec 2013	31 Dec 2012
Oil Products	**12.1**	20.6
Renewable Fuels	**14.0**	-9.3
Oil Retail	**41.2**	17.3

COMPARABLE RETURN ON NET ASSETS, %	31 Dec 2013	31 Dec 2012
Oil Products	**11.8**	16.6
Renewable Fuels	**15.2**	-2.8
Oil Retail	**26.1**	17.3

QUARTERLY SEGMENT INFORMATION

QUARTERLY REVENUE MEUR	10-12/2013	7-9/2013	4-6/2013	1-3/2013	10-12/2012	7-9/2012	4-6/2012	1-3/2012
Oil Products	**3,492**	**3,476**	**2,996**	**3,307**	3,607	3,389	3,224	3,544
Renewable Fuels	**732**	**713**	**535**	**513**	505	597	595	466
Oil Retail	**1,116**	**1,174**	**1,085**	**1,153**	1,258	1,266	1,181	1,190
Others	**47**	**51**	**54**	**52**	45	48	54	52
Eliminations	**-783**	**-784**	**-700**	**-767**	-818	-795	-757	-798
Total	**4,604**	**4,630**	**3,970**	**4,258**	4,597	4,505	4,297	4,454

QUARTERLY OPERATING PROFIT MEUR	10-12/2013	7-9/2013	4-6/2013	1-3/2013	10-12/2012	7-9/2012	4-6/2012	1-3/2012
Oil Products	**93**	**104**	**10**	**79**	128	248	-80	195
Renewable Fuels	**93**	**116**	**34**	**9**	-43	-73	-59	-8
Oil Retail	**15**	**29**	**65**	**11**	5	23	15	15
Others	**-14**	**0**	**0**	**-12**	-40	2	3	-7
Eliminations	**-2**	**0**	**3**	**-1**	2	-4	6	-4
Total	**185**	**249**	**112**	**86**	52	196	-115	191

QUARTERLY COMPARABLE OPERATING PROFIT MEUR	10-12/2013	7-9/2013	4-6/2013	1-3/2013	10-12/2012	7-9/2012	4-6/2012	1-3/2012
Oil Products	**72**	**67**	**30**	**111**	116	154	49	77
Renewable Fuels	**94**	**120**	**33**	**26**	-2	-19	-33	-2
Oil Retail	**14**	**29**	**22**	**11**	5	23	15	15
Others	**-14**	**0**	**-1**	**-12**	-42	3	3	-7
Eliminations	**-2**	**1**	**4**	**-1**	0	-2	6	-4
Total	**164**	**217**	**88**	**135**	77	159	40	79

QUARTERLY DEPRECIATION, AMORTIZATION AND IMPAIRMENTS MEUR	10-12/2013	7-9/2013	4-6/2013	1-3/2013	10-12/2012	7-9/2012	4-6/2012	1-3/2012
Oil Products	**48**	**46**	**46**	**45**	46	46	47	48
Renewable Fuels	**24**	**24**	**25**	**25**	26	24	25	24
Oil Retail	**7**	**6**	**7**	**8**	9	8	8	8
Others	**3**	**4**	**3**	**3**	4	3	3	3
Eliminations	**0**	**0**	**0**	**-1**	0	-	-	-
Total	**82**	**80**	**81**	**80**	85	81	83	83

QUARTERLY CAPITAL EXPENDITURE AND INVESTMENTS IN SHARES MEUR	10-12/2013	7-9/2013	4-6/2013	1-3/2013	10-12/2012	7-9/2012	4-6/2012	1-3/2012
Oil Products	**47**	**27**	**44**	**24**	55	32	69	24
Renewable Fuels	**6**	**2**	**8**	**5**	7	3	26	15
Oil Retail	**12**	**9**	**9**	**1**	11	10	11	4
Others	**7**	**4**	**5**	**4**	8	6	6	5
Total	**72**	**42**	**66**	**34**	81	51	112	48

4. ACQUISITIONS AND DISPOSALS

In the second quarter 2013 Neste Oil sold its 100% interest in its subsidiary Neste Polska Sp. z o.o. The sale was completed on 2 April 2013 and a capital gain amounting to EUR 48 million resulting from the transaction has been included in the consolidated financial statements. The operations were part of the Oil Retail segment.

Assets and liabilities of Neste Polska Sp. z o.o. MEUR	Neste Polska Sp. z o.o. 2 April 2013
Property, plant and equipment	38
Inventories	5
Trade and other receivables	5
Cash and cash equivalents	12
Total assets	60
Provisions	2
Trade payable and other payable	19
Total liabilities	21
Sold net assets	39
Gain on sale	48
Total consideration	87
Cash consideration received	87
Cash and cash equivalents disposed of	12
Cash inflow arising from disposal	75

On January 19, 2012 Neste Oil sold its 50% holding in an iso-octane production plant in Edmonton, Canada to Canadian-based Keyera Corporation. A capital gain amounting to EUR 45 million resulting from the transaction has been included in the consolidated financial statements.

5. CHANGES IN INTANGIBLE ASSETS AND PROPERTY, PLANT AND EQUIPMENT AND CAPITAL COMMITMENTS

CHANGES IN INTANGIBLE ASSETS AND PROPERTY, PLANT AND EQUIPMENT MEUR	31 Dec 2013	31 Dec 2012
Opening balance	**3,930**	4,023
Depreciation, amortization and impairments	**-323**	-332
Capital expenditure	**214**	291
Disposals	**-7**	-20
Classified as asset held for sale	**-**	-39
Translation differences	**-11**	7
Closing balance	**3,803**	3,930

CAPITAL COMMITMENTS MEUR	31 Dec 2013	31 Dec 2012
Commitments to purchase property, plant and equipment	**36**	10
Total	**36**	10

6. DERIVATIVE FINANCIAL INSTRUMENTS

Interest rate and currency derivative contracts and share forward contracts MEUR	31 Dec 2013 Nominal value	31 Dec 2013 Net fair value	31 Dec 2012 Nominal value	31 Dec 2012 Net fair value
Interest rate swaps	**800**	**17**	1,030	27
Forward foreign exchange contracts	**1,048**	**7**	1,639	20
Currency options				
Purchased	**196**	**2**	113	0
Written	**192**	**3**	92	1

Commodity derivative contracts	31 Dec 2013 Volume GWh	31 Dec 2013 Volume million bbl	31 Dec 2013 Net fair value Meur	31 Dec 2012 Volume GWh	31 Dec 2012 Volume million bbl	31 Dec 2012 Net fair value Meur
Sales contracts	**-**	**7**	**-8**	-	21	-1
Purchase contracts	**1,627**	**9**	**3**	-	17	-6

Commodity derivative contracts include oil, freight, vegetable oil and electricity derivative contracts.

The fair values of derivative financial instruments subject to public trading are based on market prices as of the balance sheet date. The fair values of other derivative financial instruments are based on the present value of cash flows resulting from the contracts, and, in respect of options, on evaluation models. The amounts also include unsettled closed positions. Derivative financial instruments are mainly used to manage the Group's currency, interest rate and price risk.

Carrying amounts of financial assets and liabilities by measurement categories

Financial assets and liabilities divided by categories were as follows as of December 31, 2013:

Balance sheet item	Financial assets/liabilities at fair value through income statement: Hedge accounting	Financial assets/liabilities at fair value through income statement: Non-hedge accounting	Loans and receivables	Available-for-sale financial assets	Financial liabilities measured at amortized cost	Carrying amounts by balance sheet item	Fair value
Non-current financial assets							
Non-current receivables	-	-	3	-	-	3	-
Derivative financial instruments	22	-	-	-	-	22	22
Available-for-sale financial assets	-	-	-	4	-	4	-
Current financial assets							
Trade and other receivables	-	-	946	-	-	946	-
Derivative financial instruments	18	16	-	-	-	34	34
Carrying amount by category	40	16	949	4	-	1,009	56
Non-current financial liabilities							
Interest-bearing liabilities	-	-	-	-	1,586	1,586	1,643
Derivative financial instruments	5	2	-	-	-	7	7
Other non-current liabilities	-	-	-	-	7	7	-
Current financial liabilities							
Interest-bearing liabilities	-	-	-	-	171	171	-
Current tax liabilities	-	-	-	-	49	49	-
Derivative financial instruments	8	17	-	-	-	25	25
Trade and other payables	-	-	-	-	1,875	1,875	-
Carrying amount by category	13	19	-	-	3,688	3,720	1,675

Financial instruments that are measured in the balance sheet at fair value are presented according to following fair value measurement hierarchy:

Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities

Level 2: inputs other than quoted price included within Level 1 that are observable for the assets or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices)

Level 3: inputs for the assets or liability that is not based on observable market data (unobservable inputs).

Fair value hierarchy, MEUR

Financial assets	**Level 1**	**Level 2**	**Level 3**	**Total**
Non-current derivative financial instruments	-	22	-	22
Current derivative financial instruments	1	33	-	34

Financial liabilities	**Level 1**	**Level 2**	**Level 3**	**Total**
Non-current derivative financial instruments	-	7	-	7
Current derivative financial instruments	3	22	-	25

During the financial period 2013, there were no transfers between Level 1 and Level 2 fair value measurements, and no transfers into and out of Level 3 fair value measurements.

The fair values of non-current interest-bearing liabilities that are carried at amortised cost, but for which fair value is disclosed, are determined by using the discounted cash flow method employing market interest rates or market values at the balance sheet date. Non-current interest-bearing liabilities are classified into fair value measurement hierarchy level 2.

7. RELATED PARTY TRANSACTIONS

The group has a related party relationship with its subsidiaries, associates, joint ventures and with the members of the Board of Directors, the President and CEO and other members of the Neste Executive Board (key management persons), close members of the families of the mentioned key management persons and entities controlled or jointly controlled by the mentioned key management persons or close members of those persons' families.

Transactions carried out with associates and joint ventures	**1-12/2013**	1-12/2012
Sales of goods and services	**121**	102
Purchases of goods and services	**89**	90
Receivables	**8**	6
Financial income and expenses	**0**	0
Liabilities	**12**	15

8. CONTINGENT LIABILITIES

MEUR	31 Dec 2013	31 Dec 2012
Contingent liabilities		
On own behalf for commitments		
Real estate mortgages	**17**	26
Pledged assets	**0**	1
Other contingent liabilities	**16**	12
Total	**33**	39
On behalf of associates and joint ventures		
Guarantees	**1**	1
Total	**1**	1
On behalf of others		
Guarantees	**2**	1
Other contingent liabilities	**3**	3
Total	**5**	4
Total	**39**	44

MEUR	31 Dec 2013	31 Dec 2012
Operating lease liabilities		
Due within one year	**58**	69
Due between one and five years	**82**	116
Due later than five years	**66**	79
Total	**206**	264

The Group's operating lease commitments primarily relate to time charter vessels, land and office space.

Other contingent liabilities
Neste Oil Corporation has a collective contingent liability with Fortum Heat and Gas Oy of the demerged Fortum Oil and Gas Oy's liabilities based on the Finnish Companies Act's Chapter 17 Paragraph 16.6.

Calculation of key financial indicators

Calculation of key financial indicators			
Operating profit	=		Operating profit includes the revenue from the sale of goods and services, other income such as gain from sale of shares or non-financial assets, share of profit (loss) of associates and joint ventures, less losses from sale of shares or non-financial assets, as well as expenses related to production, marketing and selling activities, administration, depreciation, amortization, and impairment charges. Realized and unrealized gains or losses on oil, freight and electricity derivative contracts together with realized gains and losses from foreign currency and oil derivative contracts hedging cash flows of commercial sales and purchases that have been recycled in the income statement, are also included in operating profit.
Comparable operating profit	=		Operating profit -/+ inventory gains/losses -/+ gains/losses from sale of shares and non-financial assets including disposals of business - unrealized change in fair value of oil, freight and electricity derivative contracts. Inventory gains/losses include the change in fair value of all trading inventories.
Return on equity, (ROE) %	=	100 x	$\frac{\text{Profit before taxes - taxes}}{\text{Total equity average}}$
Return on capital employed, pre-tax (ROCE) %	=	100 x	$\frac{\text{Profit before taxes + interest and other financial expenses}}{\text{Capital employed average}}$
Return on average capital employed, after-tax (ROACE) %	=	100 x	$\frac{\text{Profit for the period (adjusted for inventory gains/losses, gains/losses from sale of shares and non-financial assets and unrealized gains/losses on oil, freight and electricity derivative contracts, net of tax) + non-controlling interests + interest expenses and other financial expenses related to interest-bearing liabilities (net of tax)}}{\text{Capital employed average}}$
Capital employed	=		Total assets - interest-free liabilities - deferred tax liabilities - provisions
Interest-bearing net debt	=		Interest-bearing liabilities - cash and cash equivalents
Leverage ratio, %	=	100 x	$\frac{\text{Interest-bearing net debt}}{\text{Interest bearing net debt + total equity}}$
Gearing, %	=	100 x	$\frac{\text{Interest-bearing net debt}}{\text{Total equity}}$
Equity-to-assets ratio, %	=	100 x	$\frac{\text{Total equity}}{\text{Total assets - advances received}}$
Return on net assets, %	=	100 x	$\frac{\text{Segment operating profit}}{\text{Average segment net assets}}$
Comparable return on net assets, %	=	100 x	$\frac{\text{Segment comparable operating profit}}{\text{Average segment net assets}}$
Segment net assets	=		Property, plant and equipment, intangible assets, investment in associates and joint ventures including shareholder loans, pension assets, inventories and interest-free receivables and liabilities allocated to the business segment, provisions and pension liabilities
Research and development expenditure	=		Research and development expenditure comprise of the expenses of the Research & Technology unit serving all business areas of the Group, as well as research and technology expenses incurred in business areas, which are included in the consolidated income statement. Depreciation and amortization are included in the figure. The expenses are presented as gross, before deducting grants received.

Calculation of share-related indicators

Earnings per share (EPS)	=		Profit for the period attributable to the equity holders of the company / Adjusted average number of shares during the period
Equity per share	=		Shareholder's equity attributable to the equity holders of the company / Adjusted average number of shares at the end of the period
Cash flow per share	=		Net cash generated from operating activities / Adjusted average number of shares during the period
Price / earnings ratio (P/E)	=		Share price at the end of the period / Earnings per share
Dividend payout ratio, %	=	100 x	Dividend per share / Earnings per share
Dividend yield, %	=	100 x	Dividend per share / Share price at the end of the period
Average share price	=		Amount traded in euros during the period / Number of shares traded during the period
Market capitalization at the end of the period	=		Number of shares at the end of the period x share price at the end of the period
Trading volume	=		Number of shares traded during the period, and number of shares traded during the period in relation to the weighted average number of shares during the period

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