Financial Statements 2014

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4 February 2015

NESTE OIL

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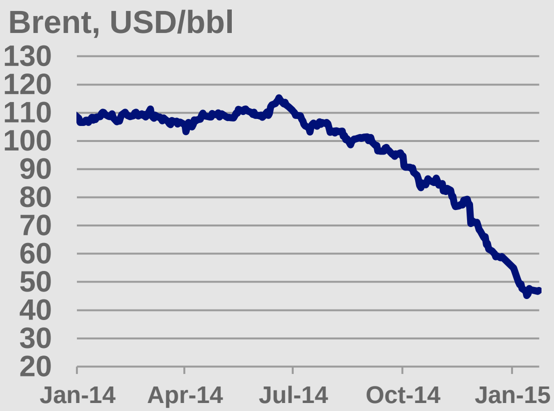
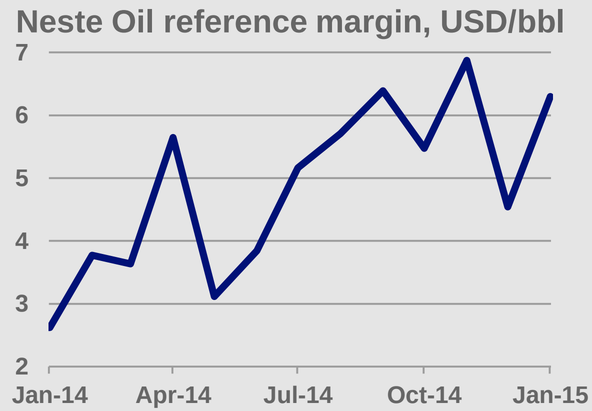
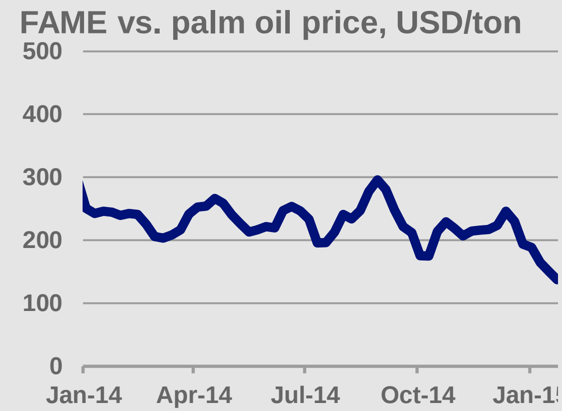
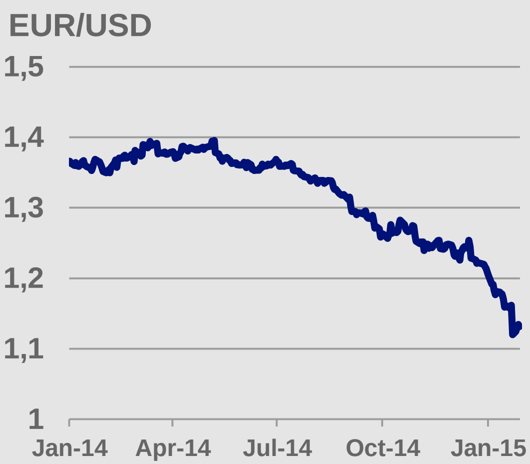
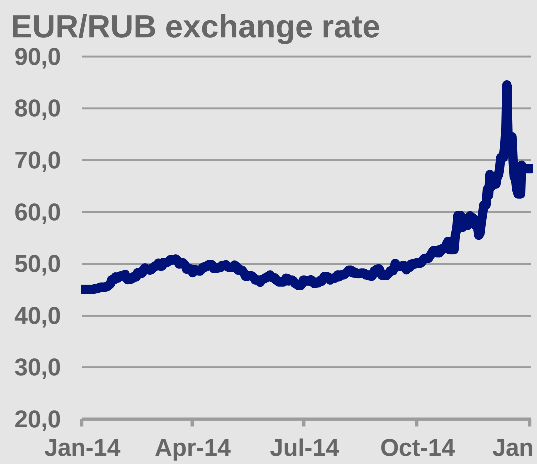
Very volatile operating environment

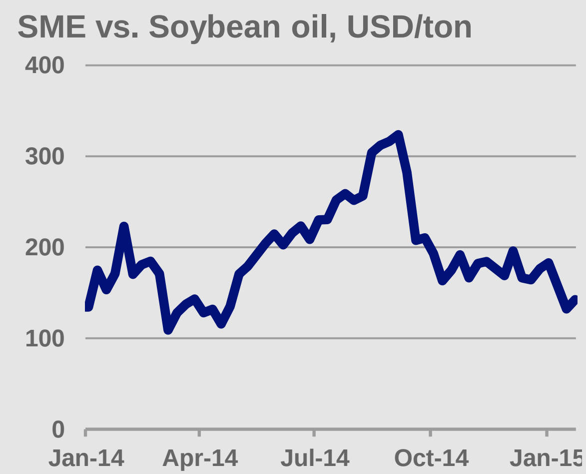












Strong year 2014

- Volatile markets
  - crude oil price declined
  - stronger US dollar
  - weaker margins in renewables
- Comparable EBIT almost at 2013 record level
- Internal improvement actions materialized

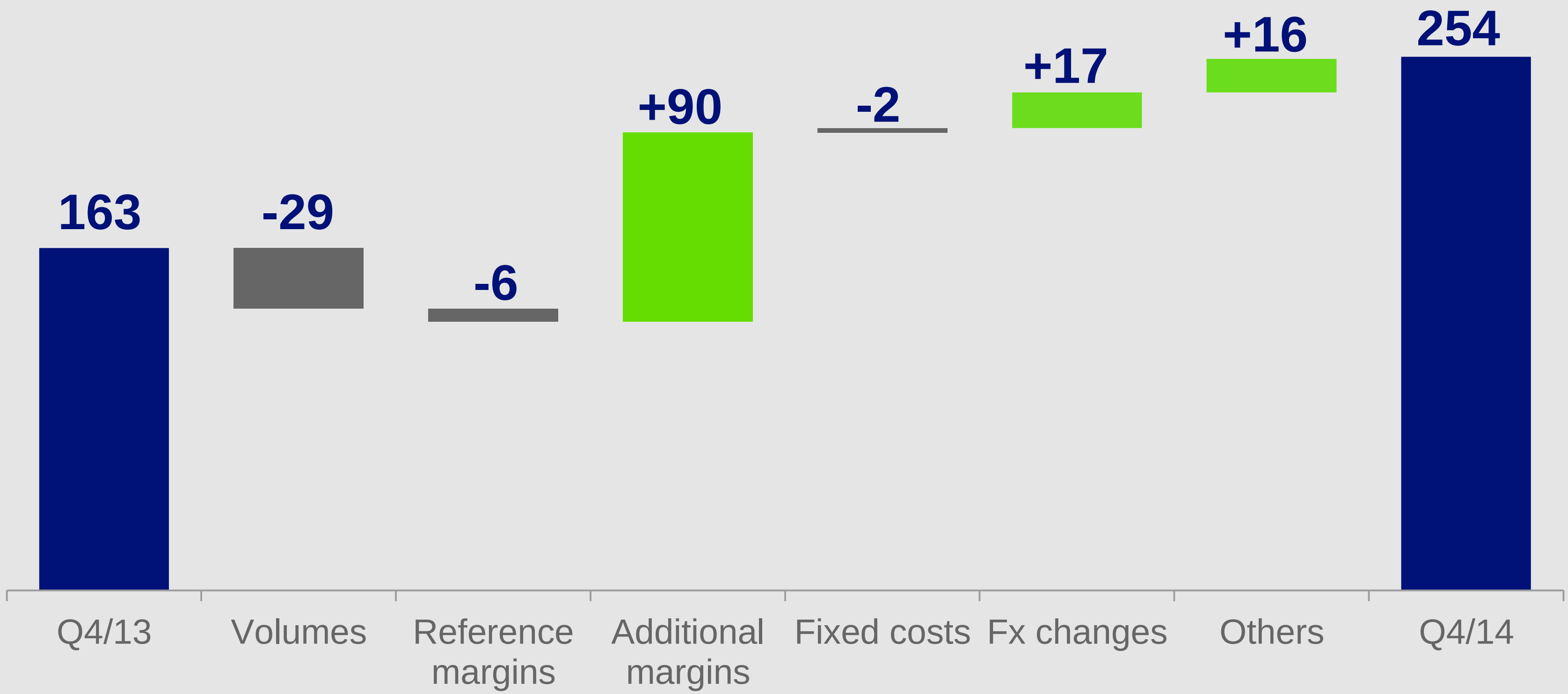
Q4/14
financials

Group financials Q4/14

MEUR	Q4/2014	Q4/2013
Revenue	**3,552**	**4,516**
Comparable EBITDA	**339**	**245**
Comparable operating profit	**254**	**163**
Oil Products	109	67
Renewable Products	141	94
Oil Retail	8	15
Others (incl. eliminations)	-4	-13
IFRS operating profit	**-27**	**185**
Net cash from operations	**351**	**629**
Comparable earnings per share, EUR	**0.80**	**0.68**

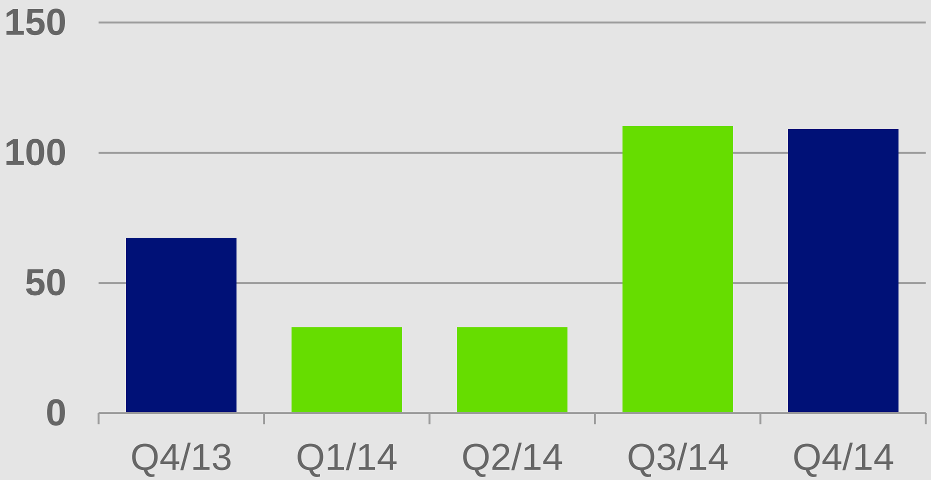
Additional margins improved

Group comparable EBIT Q4/13 vs. Q4/14, MEUR



Oil Products benefited from strong markets

Comparable EBIT, MEUR

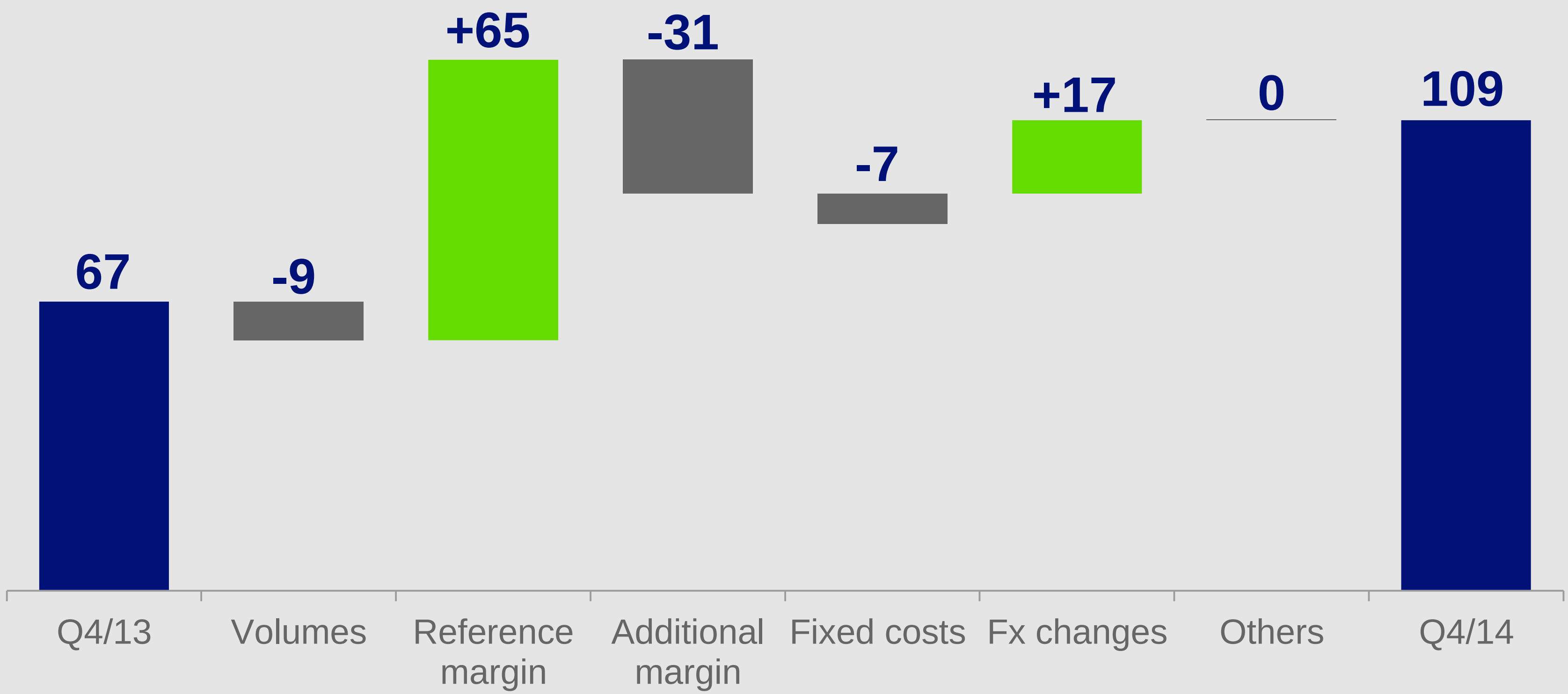


MEUR	Q4/14	Q4/13	2014	2013
Revenue	2,652	3,398	11,285	13,041
Comparable EBIT	109	67	285	275
Net assets	2,160	2,163	2,160	2,163

- Clear improvement in comparable EBIT compared to Q4/2013
- Higher reference margin year-on-year
- Impact of Porvoo hydrogen unit damage compensated by EUR 40 million insurance compensation

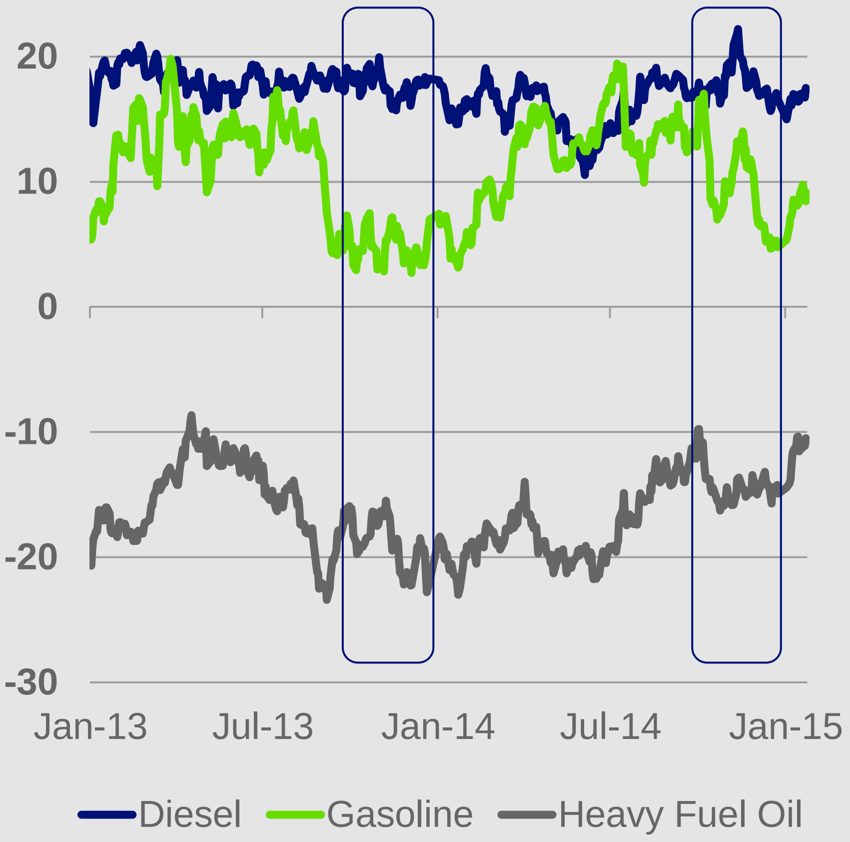
Support from stronger market

Oil Products comparable EBIT Q4/13 vs. Q4/14, MEUR

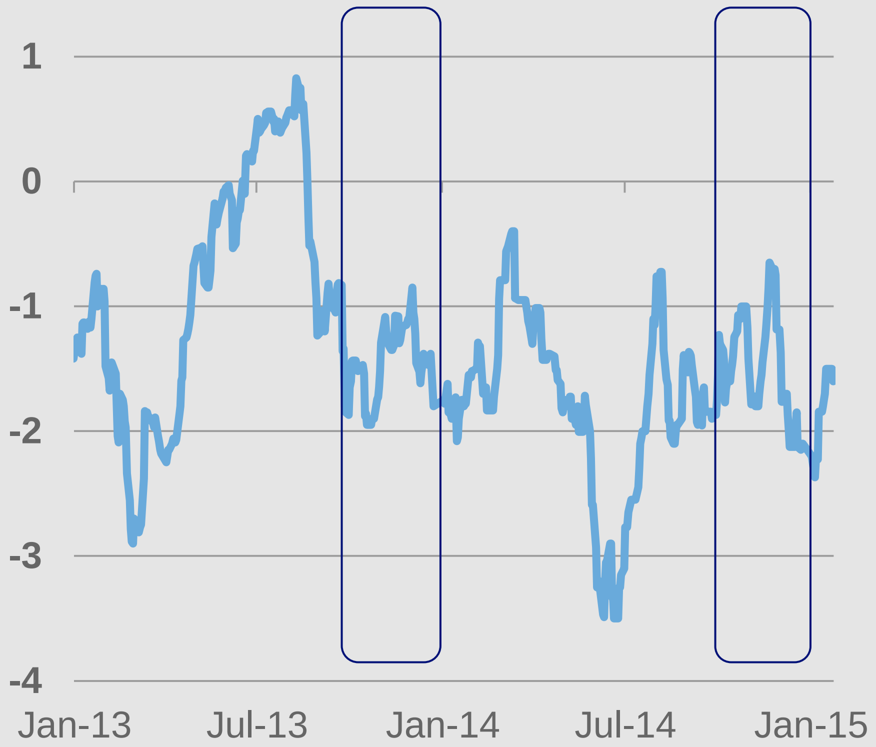


Gasoline seasonally high

Product margins (price differential vs. Brent),
USD/bbl

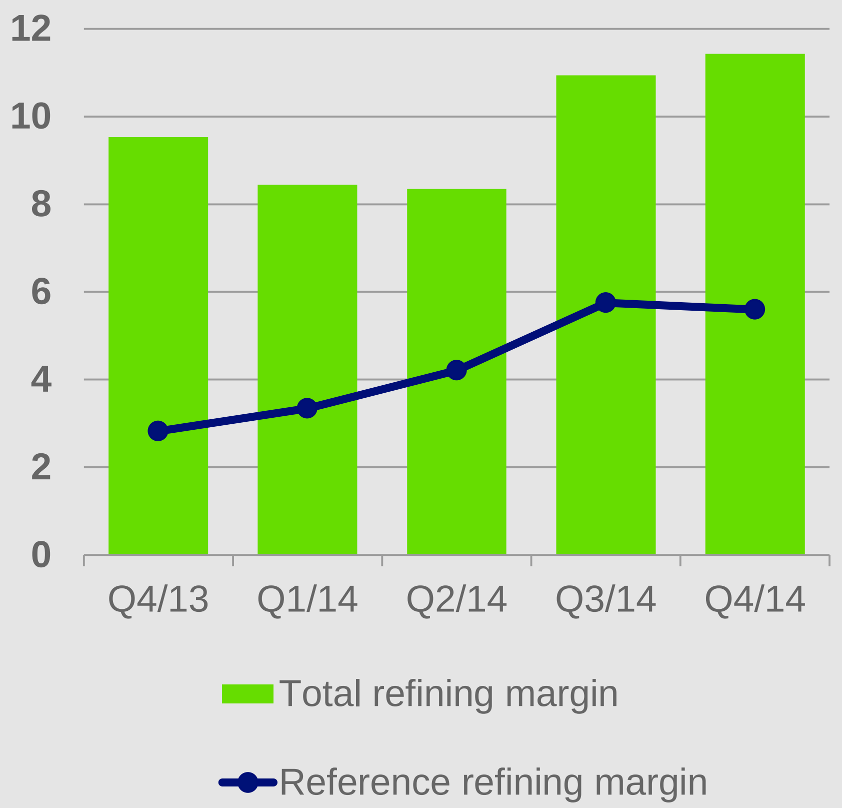


Urals vs. Brent price differential,
USD/bbl



Strong total refining margin

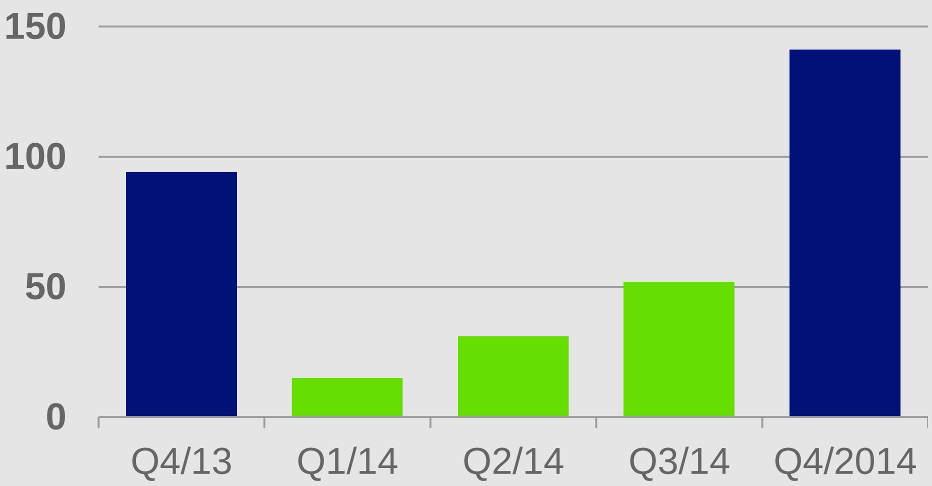
Neste Oil refining margins, USD/bbl



- Reference margin USD 5.6/bbl supported by wide Urals-Brent price differential and strong gasoline market
- Strong additional margin USD 5.8/bbl despite of Porvoo production outage

Renewable Products' earnings supported by reintroduction of BTC

Comparable EBIT, MEUR

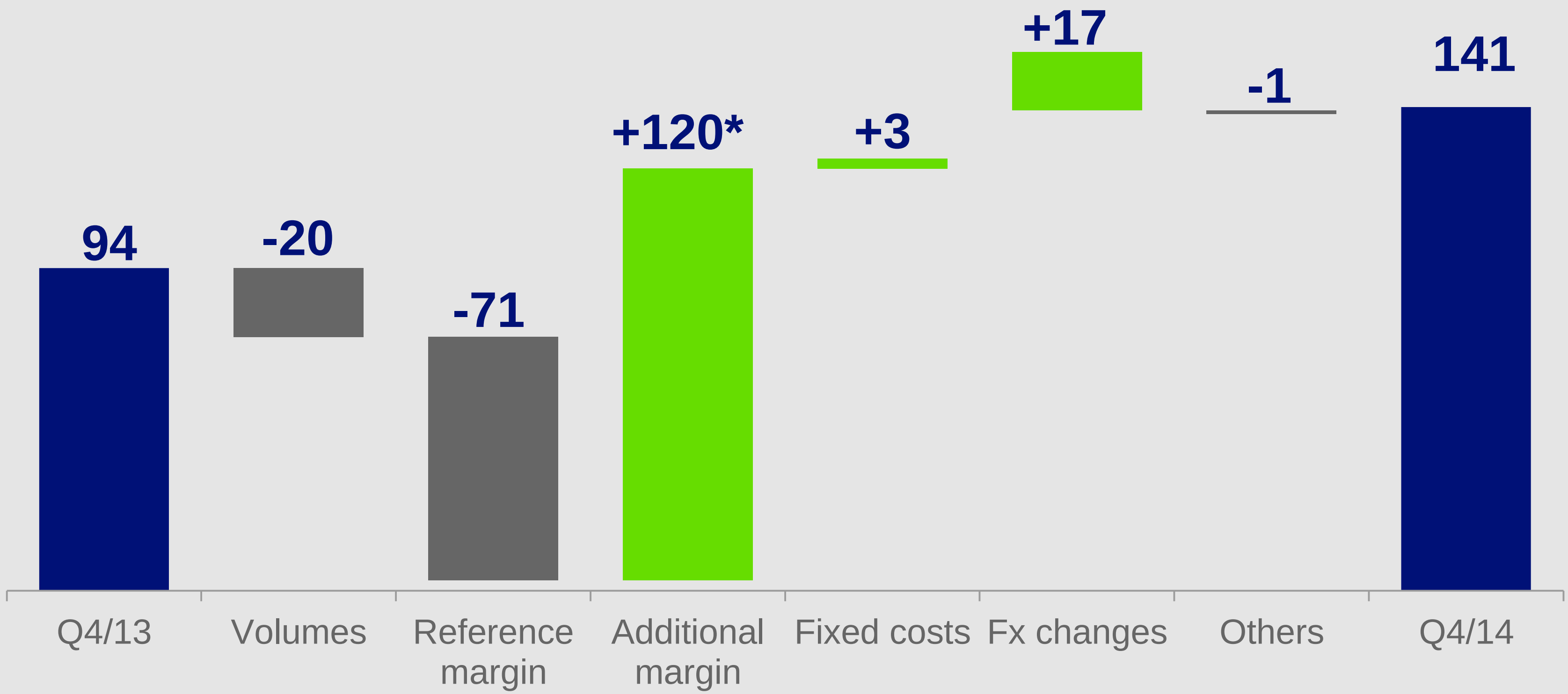


MEUR	Q4/14	Q4/13	2014	2013
Revenue	575	732	2,269	2,493
Comparable EBIT	141	94	239	273
Net assets	1,923	1,768	1,923	1,768

- Sales volumes 537,000 tons despite of Singapore maintenance
- Capacity utilization rate 98%
- Reference margin significantly lower than in Q4/13
- Reintroduction of US Blender's Tax Credit (BTC) improved EBIT by EUR 89 million
- 19% of sales to North America
- Share of waste and residues feedstock 61% in Q4

Strong result achieved

Renewable Products comparable EBIT Q4/13 vs. Q4/14, MEUR

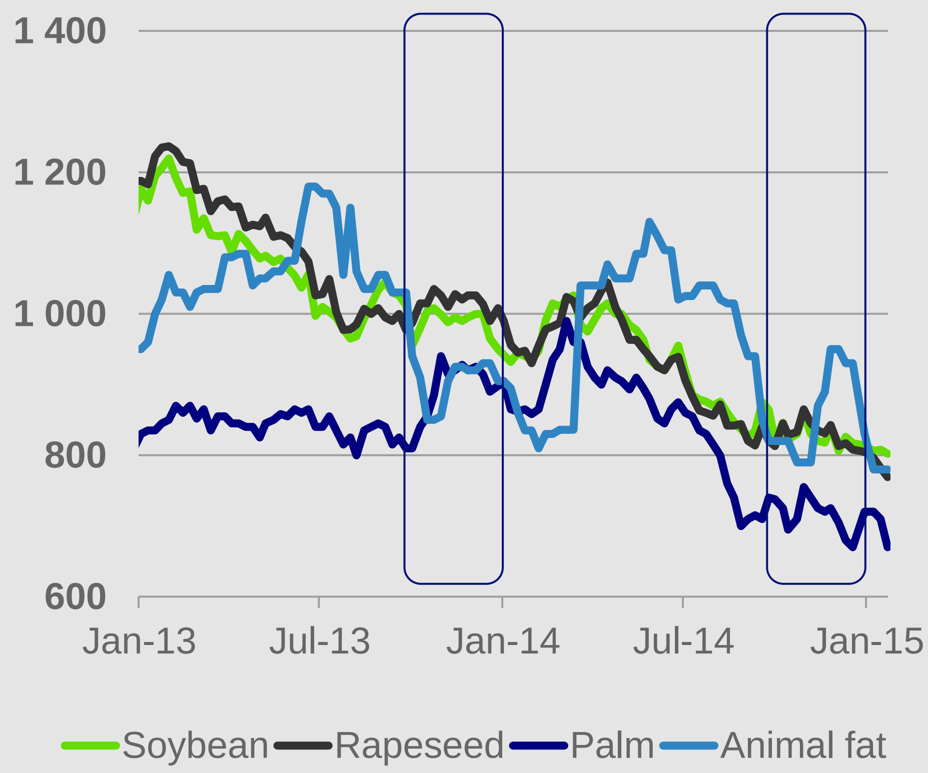


*** Full BTC impact of 89 MEUR in additional margin Q4/14.**

European margins under pressure

FAME RED Seasonal vs. Palm oil price* differential, USD/ton

Vegetable oil and animal fat prices,** USD/ton

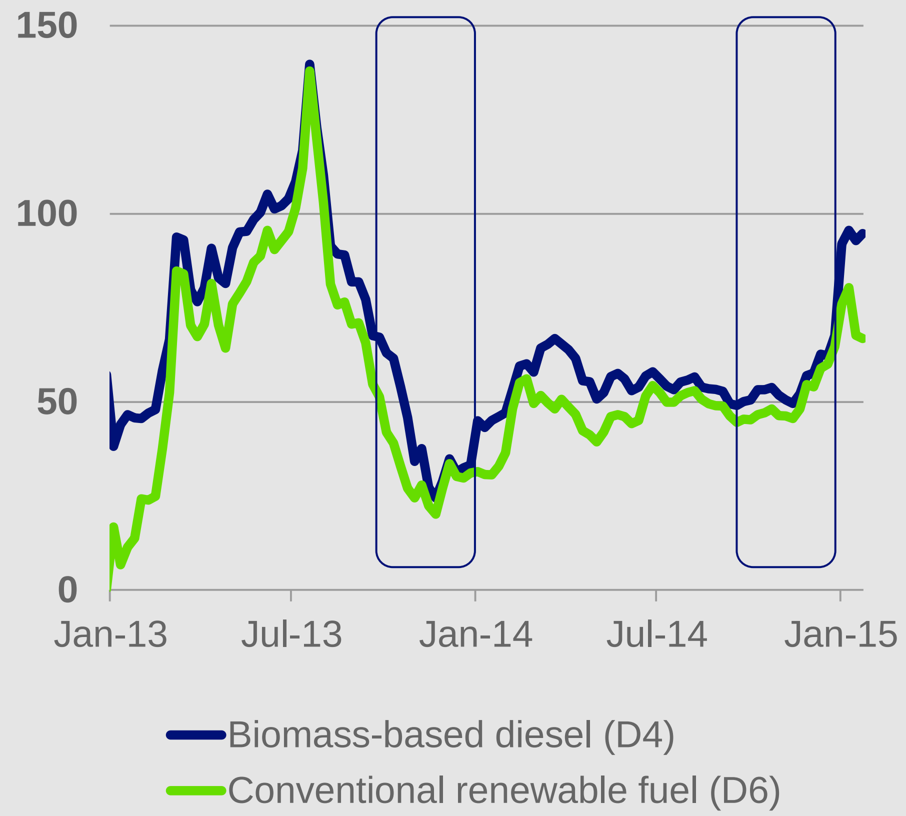


* Including $70/ton freight
**Quotations in NWE, source: Oil World

Low SME profitability in North America

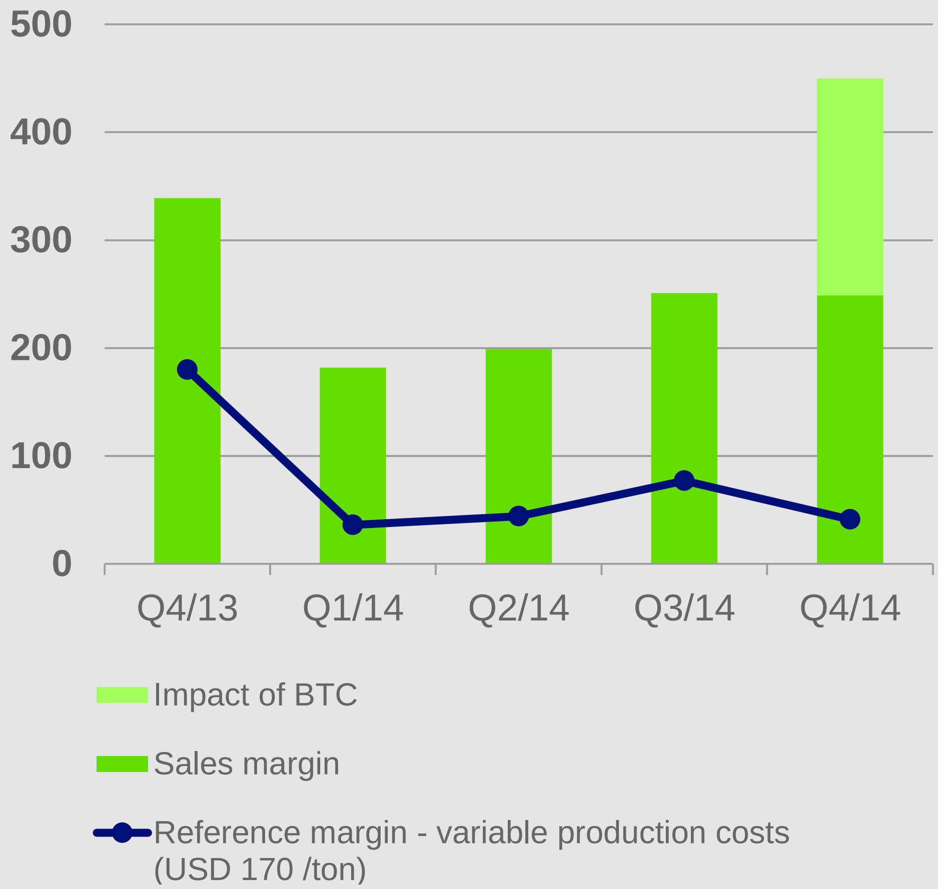
SME vs. Soybean oil price differential, USD/ton

Biodiesel RIN, US cent /gal



Strong additional margin

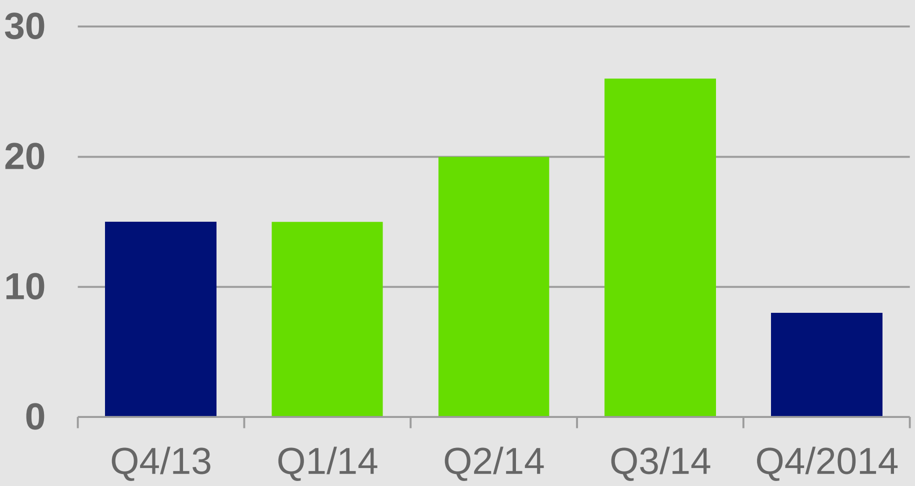
Renewable Products margins, USD/ton



- Significantly lower reference margin year-on-year
- Strong additional margin USD 409/ton; of which BTC impact USD 201/ton

Oil Retail impacted by lower margins

Comparable EBIT, MEUR

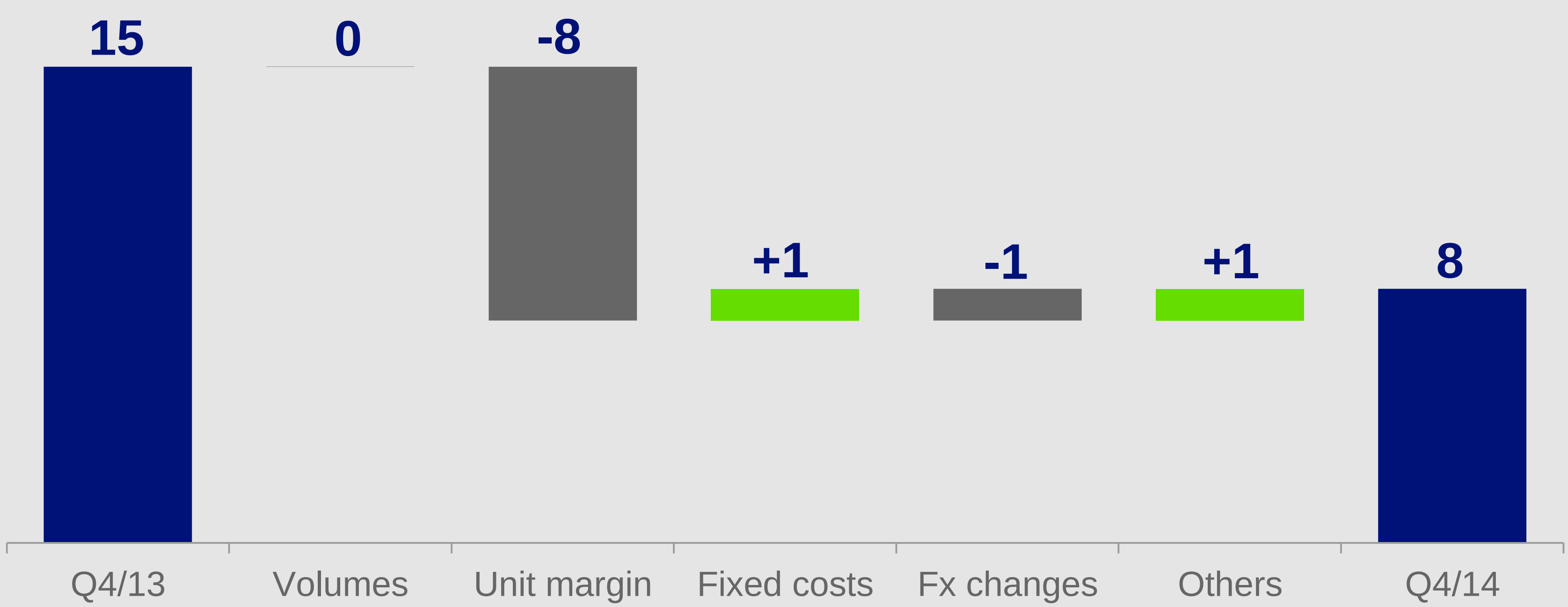


MEUR	Q4/14	Q4/13	2014	2013
Revenue	1,046	1,120	4,294	4,532
Comparable EBIT	8	15	68	77
Net assets	201	255	201	255

- Station network volumes continued to grow, but direct sales declined compared to Q4/13
- Unit margins under pressure especially in Finland and Northwest Russia
- Lower margins had a negative EBIT impact of EUR 8 million

Unit margins significantly lower

Oil Retail comparable EBIT Q4/13 vs. Q4/14, MEUR



Full-year 2014 review

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Group financials 2014

MEUR	2014	2013
Revenue	**15,011**	**17,238**
Comparable EBITDA	**913**	**919**
Comparable operating profit	**583**	**596**
Oil Products	285	275
Renewable Products	239	273
Oil Retail	68	77
Others (incl. eliminations)	-9	-29
IFRS operating profit	**150**	**632**
Net cash from operations	**248**	**839**
Comparable earnings per share, EUR	**1.60**	**1.89**

Segment reviews 2014

Oil Products

- Reference margin at previous year's level
- Strong additional margin despite of operational incidents
- Higher Base oils contribution

Comparable EBIT MEUR 285 (275)

Renewable Products

- Sales volumes up by 9%
- Significantly weaker market year-on-year
- Reintroduction of US Blender's Tax Credit had MEUR 89 positive impact

Comparable EBIT MEUR 239 (273)

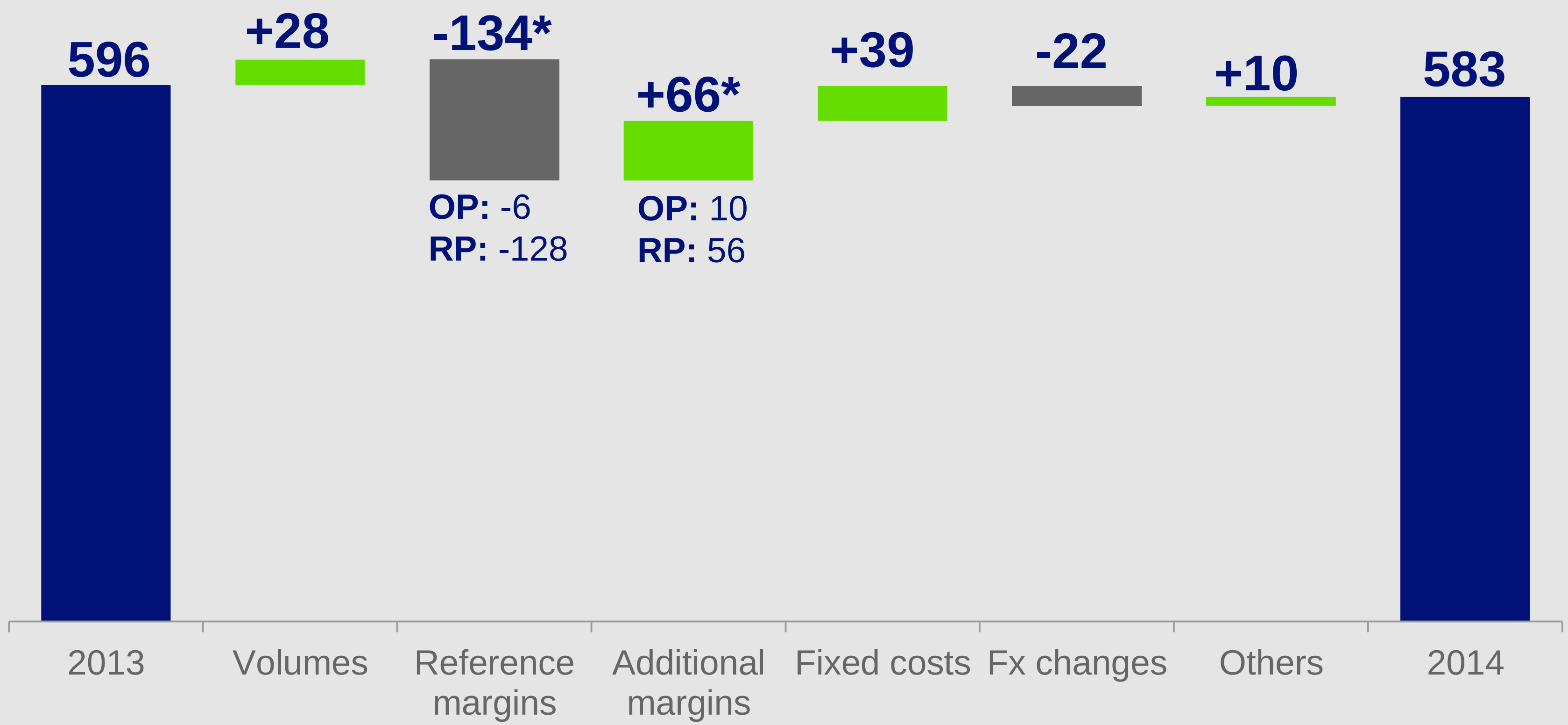
Oil Retail

- Station sales volumes increased, but direct sales declined
- Lower unit margins in Finland and Northwest Russia
- Weakening ruble had MEUR 3 negative impact

Comparable EBIT MEUR 68 (77)

Successful internal actions compensated softer markets

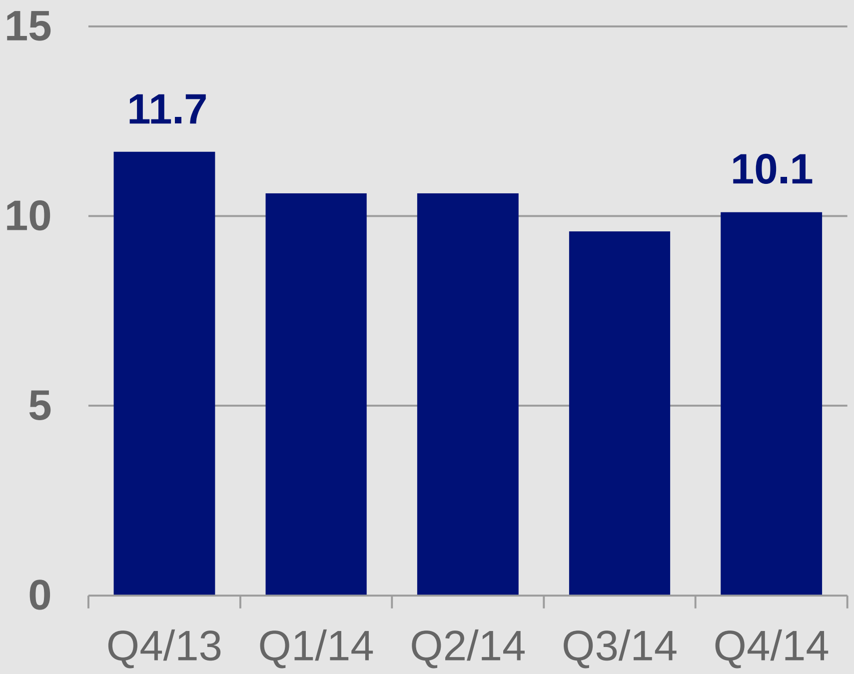
Group comparable EBIT 2013 vs. 2014, MEUR



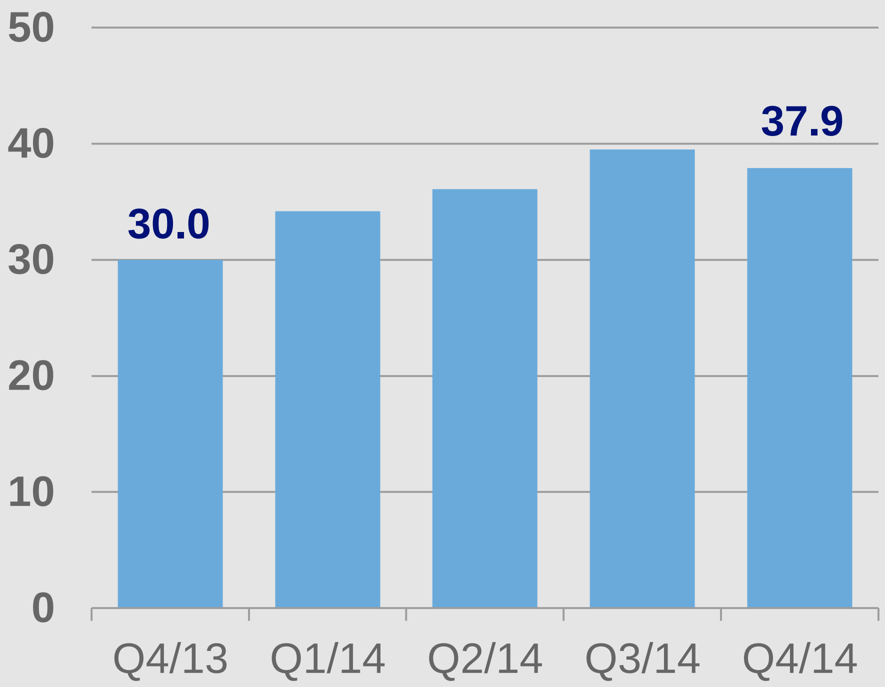
*** BTC impact of 89 MEUR transferred to reference margin.**

Key financial targets at solid levels

ROACE, rolling 12 months, %

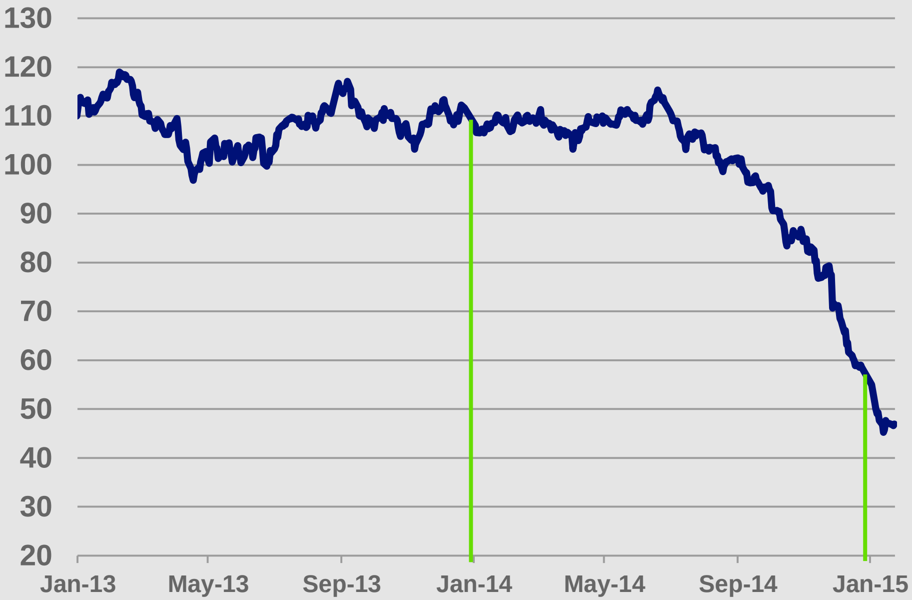


Leverage, %



Main principle for crude oil price sensitivity

Brent, USD/bbl 2013-2014



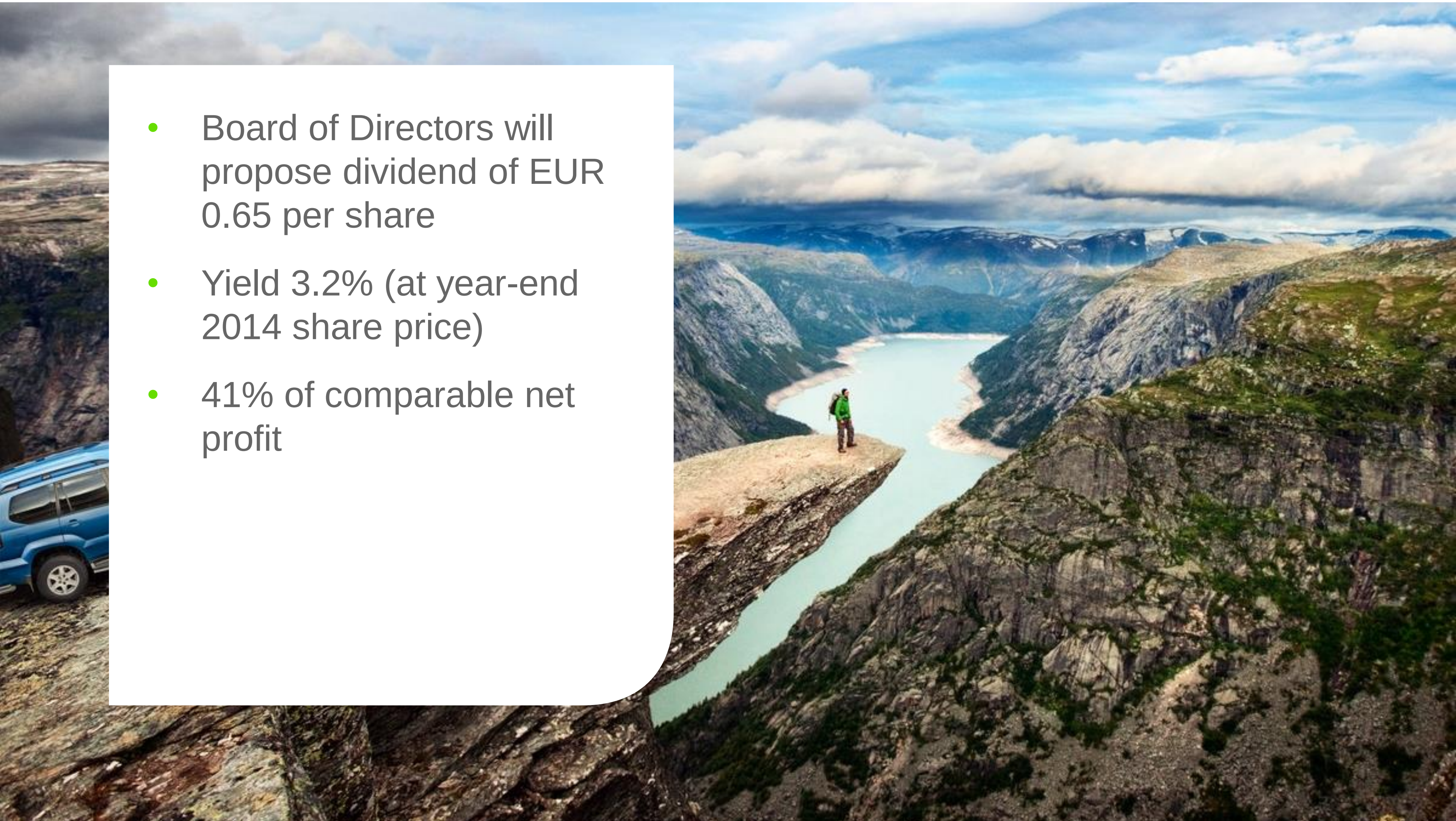
- Inventory valuation losses included in IFRS results, but excluded from comparable EBIT
- Main principle for USD - 10/bbl change in crude oil price
  - 100 MUSD decrease in IFRS EBIT through inventory valuation losses
  - 30 MUSD increase in IFRS EBIT due to lower utilities and freight costs
  - 50 MUSD decrease in net working capital
  - 20 MUSD decrease in free cash flow
- Same logic applies to oil price increases
- Timing of operations affect actual cash flow position

Current topics

Outlook for 2015

- Group's full-year 2015 comparable EBIT expected to remain robust, although probably lower than in 2014.
- Porvoo refinery major turnaround scheduled to start in April and last for approx. 8 weeks. Negative EBIT impact estimated to be EUR 70 million.
- Investments in 2015 expected to total EUR 450 million, including EUR 100 million for Porvoo turnaround.

Dividend proposal



- Board of Directors will propose dividend of EUR 0.65 per share
- Yield 3.2% (at year-end 2014 share price)
- 41% of comparable net profit

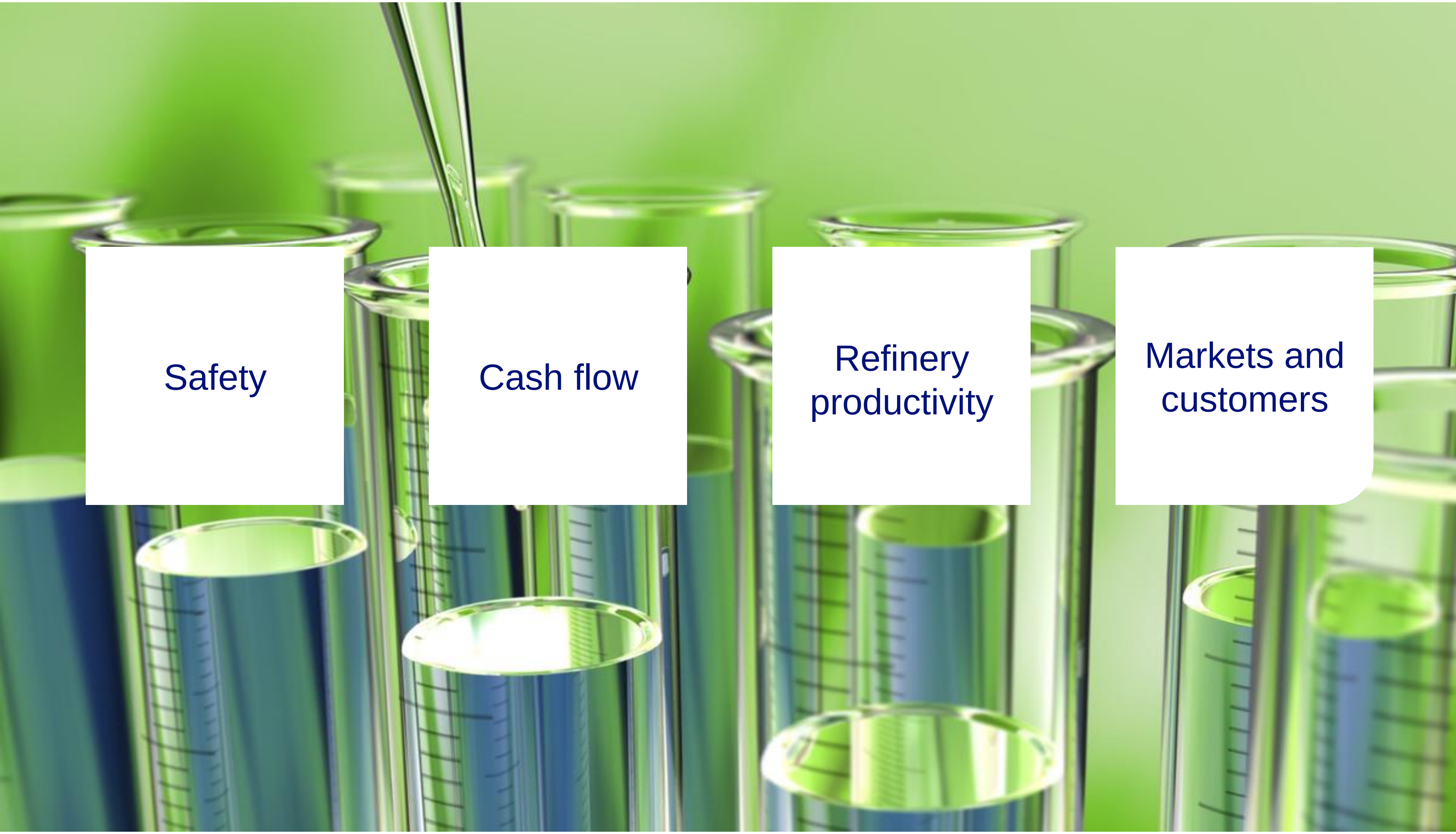
From Neste Oil to Neste

- Board of Directors' proposes to the AGM to change the company name to Neste Corp.

Main reasoning:

- Name reflects the changes in the company; we are going forward
    - Strategy emphasizes diverse growth: new products, applications, and services.
- Over 40% of profits came from Renewable Products in 2014.
- Station network will remain under Neste Oil brand for the time being.

We focus on



Safety

Cash flow

Refinery productivity

Markets and customers

Thank you.

Matti Lievonen, President & CEO

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Appendix

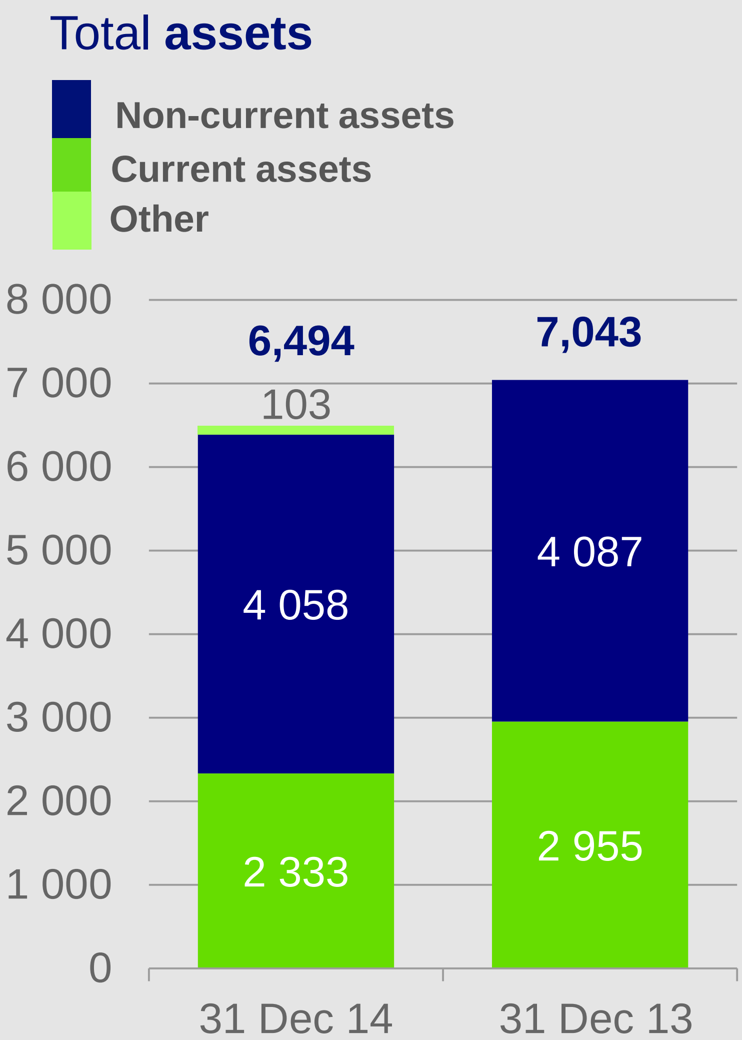
Renewable Products EBIT calculation

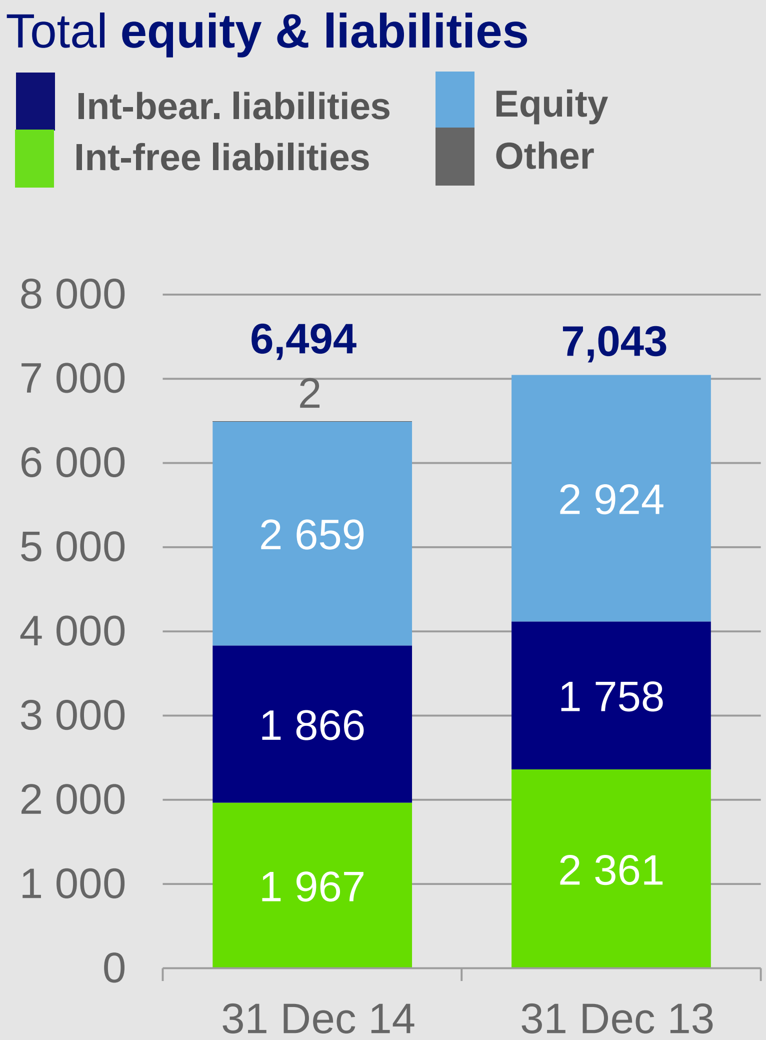
	Q1/13	Q2/13	Q3/13	Q4/13	2013	Q1/14	Q2/14	Q3/14	Q4/14	2014
Sales volume, kt	385	411	532	599	1,928	488	561	516	540	2,104
Reference margin, $/ton	365	346	453	350	371	206	214	247	211	221
Additional margin, $/ton	66	88	135	159	127	146	155	174	409	227
Variable production costs, $/ton	170	170	170	170	170	170	170	170	170	170
Comparable sales margin, $/ton	**261**	**264**	**418**	**338**	**328**	**182**	**200**	**251**	**450**	**278**
Comparable sales margin, MEUR	76	83	168	150	477	65	84	98	196	440
Fixed costs, MEUR	25	25	24	32	106	26	29	22	29	105
Depreciations, MEUR	25	25	24	24	98	24	24	24	25	96
Comparable EBIT, MEUR	**26**	**33**	**120**	**94**	**273**	**15**	**31**	**52**	**141**	**239**

Refinery production costs, Porvoo & Naantali

		Q1/13	Q2/13	Q3/13	Q4/13	2013	Q1/14	Q2/14	Q3/14	Q4/14	2014
Refined products	Million barrels	26.7	24.7	28.8	26.6	106.9	25.3	26.2	26.0	25.8	103.4
Exchange rate	EUR/USD	1.32	1.31	1.33	1.36	1.33	1.37	1.37	1.33	1.25	1.33
Utilities costs	EUR million	62.8	58.8	58.0	61.6	241.3	55.6	56.5	56.6	57.0	225.7
	$/bbl	3.1	3.1	2.7	3.1	3.0	3.0	3.0	2.9	2.8	2.9
Fixed costs	EUR million	52.8	73.1	51.5	59.9	237.3	55.9	60.5	49.4	71.2	237.1
	$/bbl	2.6	3.9	2.4	3.1	3.0	3.0	3.2	2.5	3.4	3.0
External sales	EUR million	-23.9	-23.1	-21.3	-22.0	-90.3	-23.5	-20.1	-18.1	-17.9	-79.6
	$/bbl	-1.2	-1.2	-1.0	-1.1	-1.1	-1.3	-1.1	-0.9	-0.9	-1.0
Total	EUR million	91.7	108.8	88.3	99.5	388.3	88.0	96.9	88.0	110.3	383.2
	$/bbl	4.5	5.8	4.1	5.1	4.8	4.8	5.1	4.5	5.3	4.9

Balance sheet

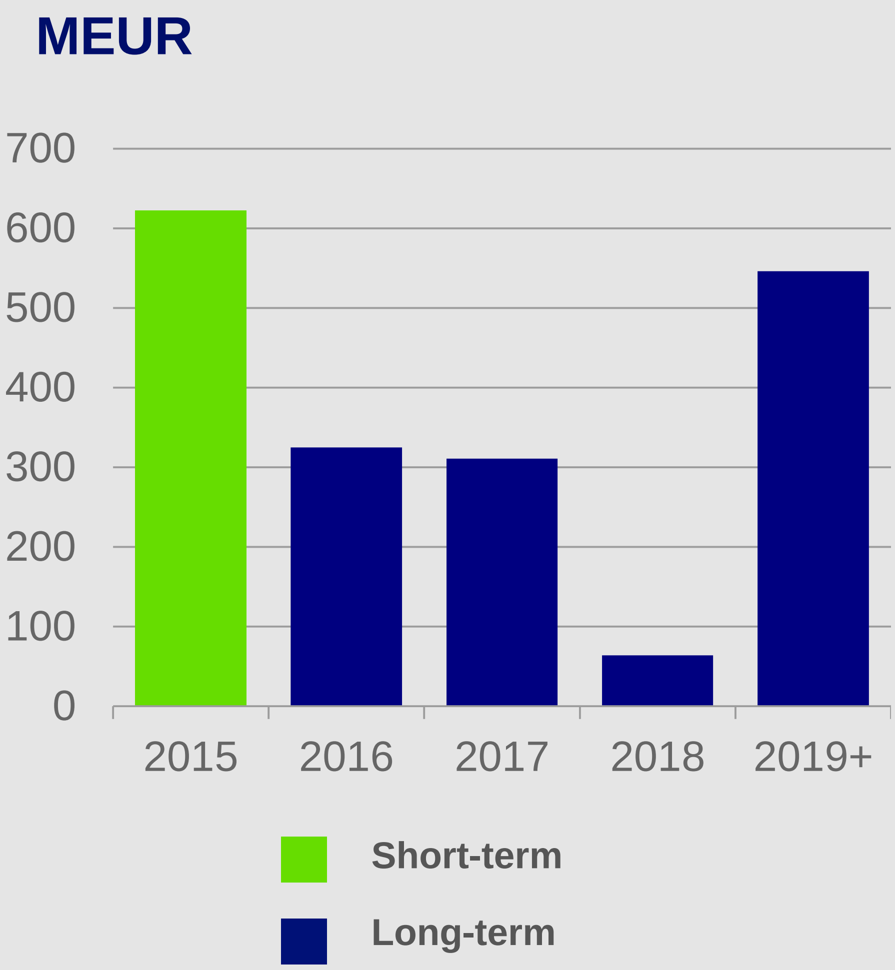




Cash flow

MEUR	Q4/14	Q4/13	Q3/14	2014	2013
Profit before income taxes	-32	167	25	78	561
Adjustments total	33	101	75	325	360
Change in working capital	370	386	-219	-33	100
Cash from operations	370	654	-119	369	1,021
Net finance costs	-20	-13	-4	-44	-98
Taxes	0	-12	-21	-77	-84
Net cash from operations	351	629	-144	248	839
Capital expenditure and investments in shares	-115	-72	-52	-272	-214
Other	1	8	-4	-34	134
Cash flow before financing activities	237	565	-200	-59	759
Net change in loans	-166	-145	103	-23	-557
Purchase of treasury shares				-15	
Dividends paid (incl. non-controlling interests)	0	0	0	-167	-98
Net increase/decrease in cash	71	420	-97	-263	104

Liquidity & maturity profile



- Total liquidity at the end of December 2014 was EUR 2,194 million
  - Cash and cash equivalents totalled EUR 246 million
  - Unused committed credit facilities totalled EUR 1,603 million
  - Unused CP programmes (not committed) totalled EUR 345 million
- Average interest rate was 3.6 % and maturity 2.7 years at the end of December
- No financial covenants in Group's existing loan agreements

The only way is forward.

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