



First Quarter results 2015

Matti Lievonen, President & CEO
24 April 2015

NESTE

Agenda

- 1 Q1/15 Group financials
- 2 Q1/15 Segment reviews
- 3 Current topics
- 4 Appendix

Disclaimer

The following 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 following forward-looking statements, possibly to a material degree. All forward-looking statements made in this presentation are based on information presently available to management and Neste Oil Corporation assumes no obligation to update any forward-looking statements. Nothing in this presentation constitutes investment advice and this presentation 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.

Excellent first quarter

- Support from the market
 - Strong refining environment
 - Favorable USD/EUR currency rate
- Good internal performance
- Full-year 2015 guidance revised upwards (21 April)

Good internal performance



Strong additional margins

Capacity increased to 2.4 Mt/a (+20%) in Renewable Products

Renewable Products' utilization rate 97%

Porvoo refinery utilization rate 98%

Q1/15 Group financials

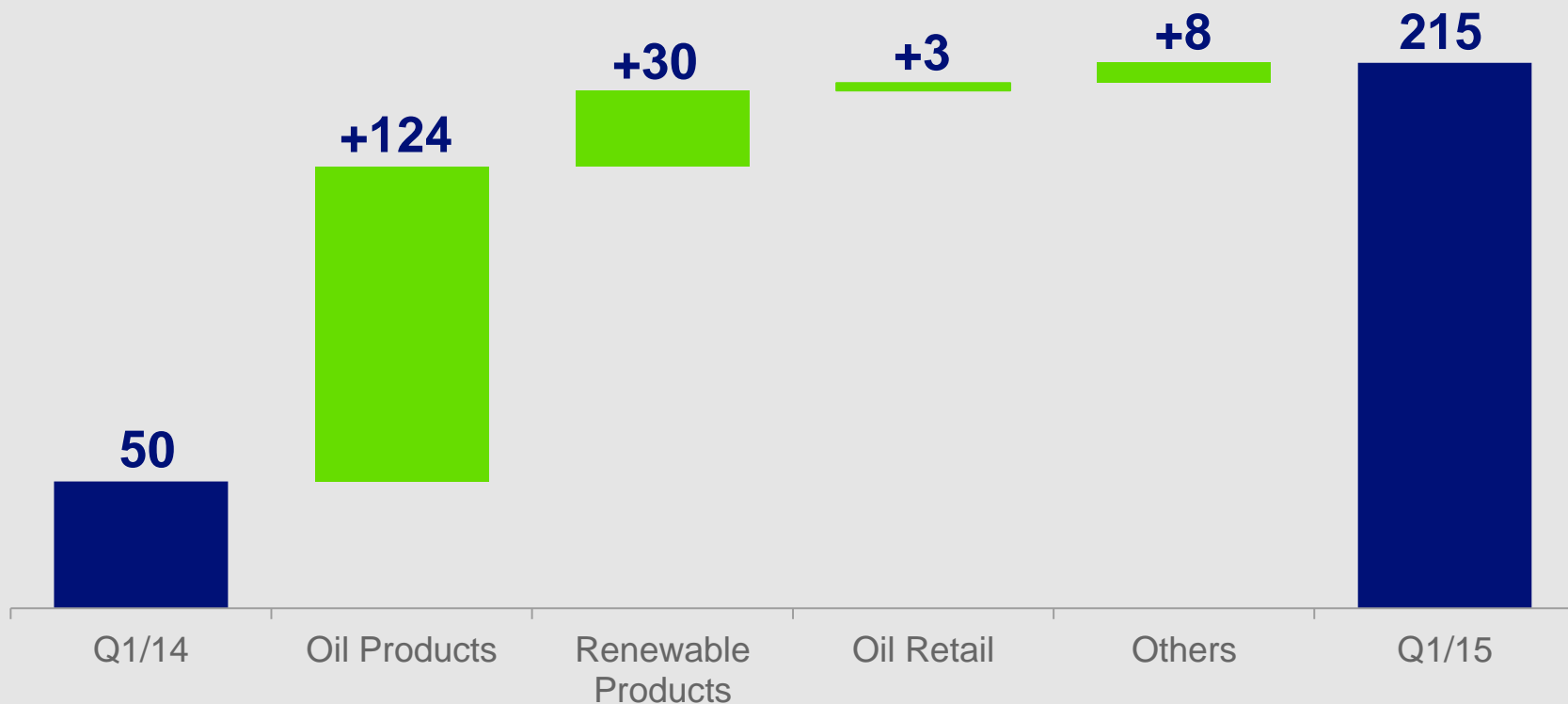


Group financials Q1/15

MEUR	Q1/2015	Q1/2014
Revenue	2,744	3,510
Comparable EBITDA	292	131
Comparable operating profit	215	50
Oil Products	156	32
Renewable Products	42	12
Oil Retail	17	14
Others (incl. eliminations)	0	-9
IFRS operating profit	233	50
Net cash from operations	-185	-178
Free cash flow	-83	-267
Comparable earnings per share, EUR	0.59	0.10

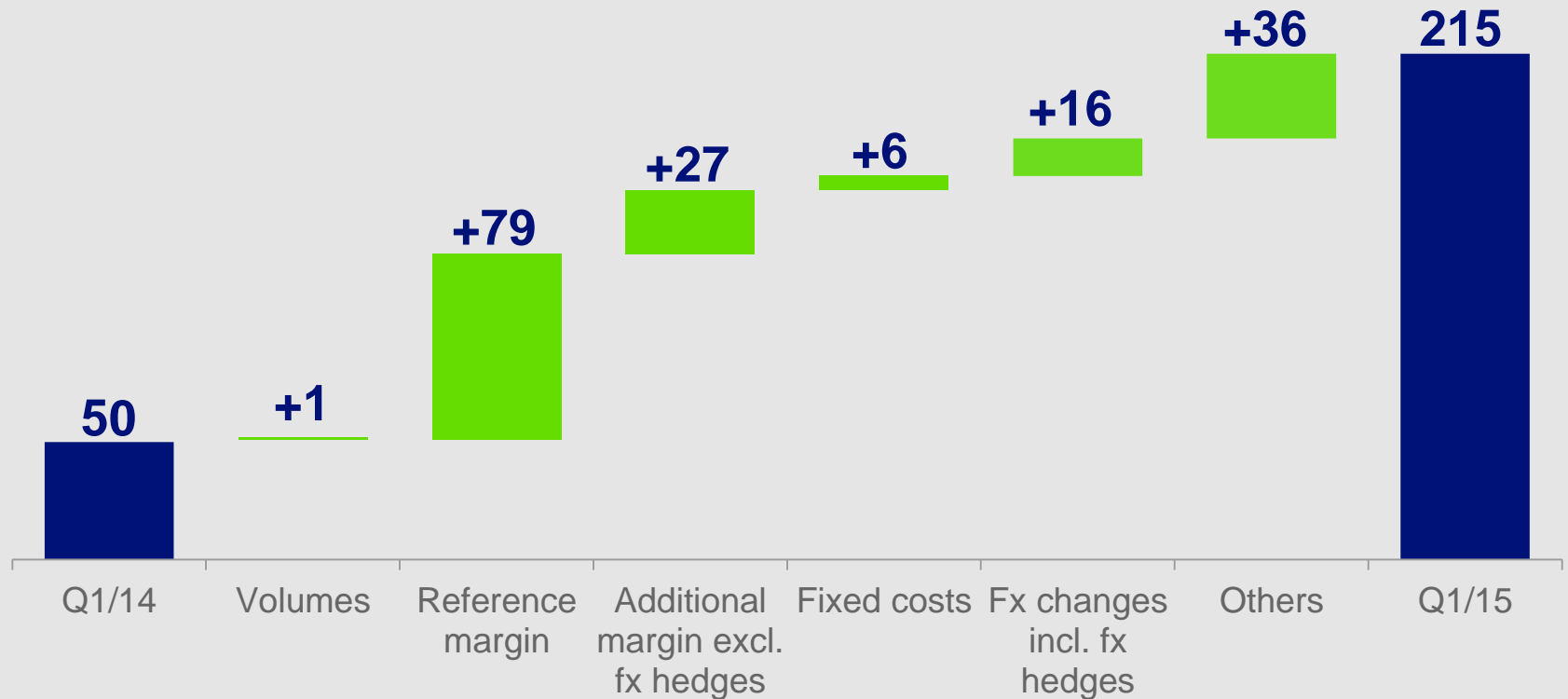
Improved result in all segments

Group comparable EBIT Q1/14 vs. Q1/15, MEUR



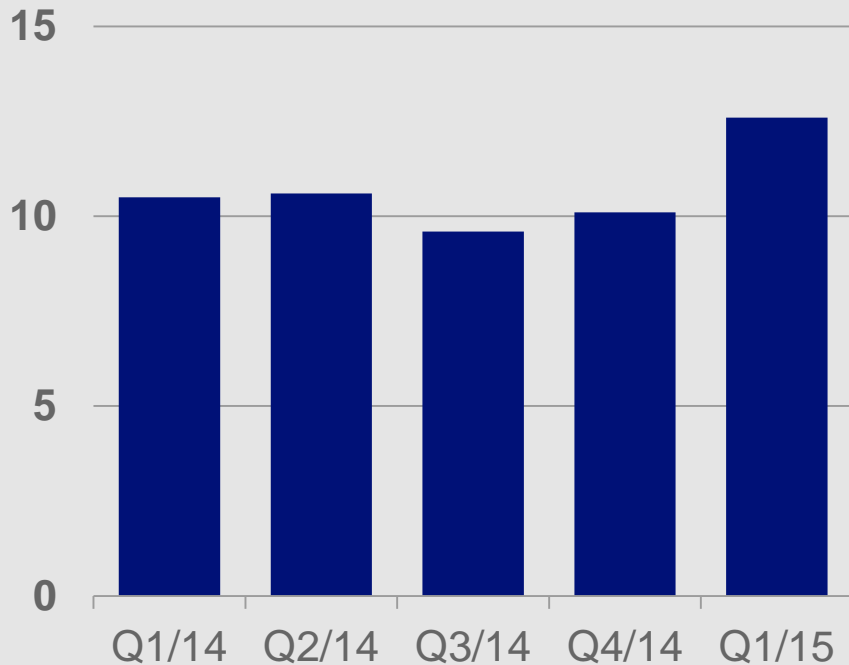
Support from favorable market

Group comparable EBIT Q1/14 vs. Q1/15, MEUR

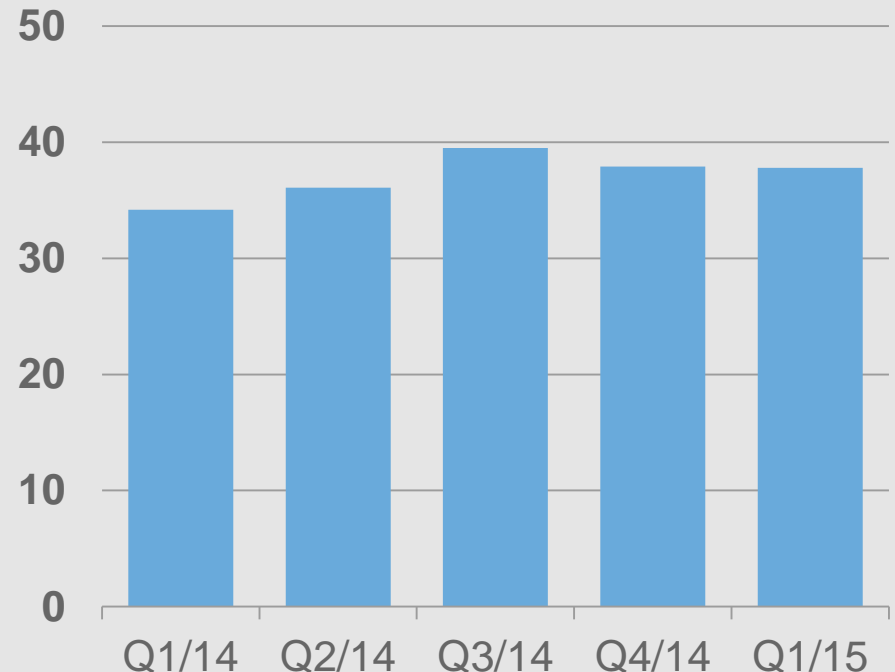


Key financial targets at solid levels

ROACE, rolling 12 months, %



Leverage, %

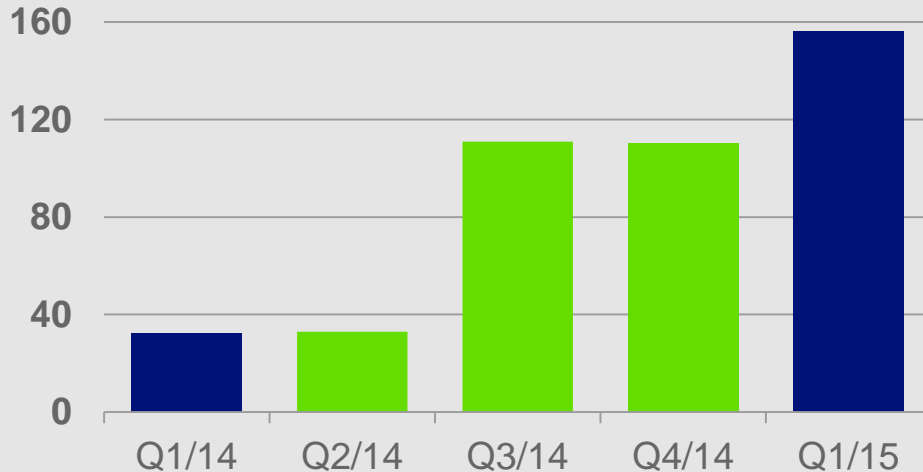


Q1/15 Segment reviews



Strong result in Oil Products

Comparable EBIT, MEUR

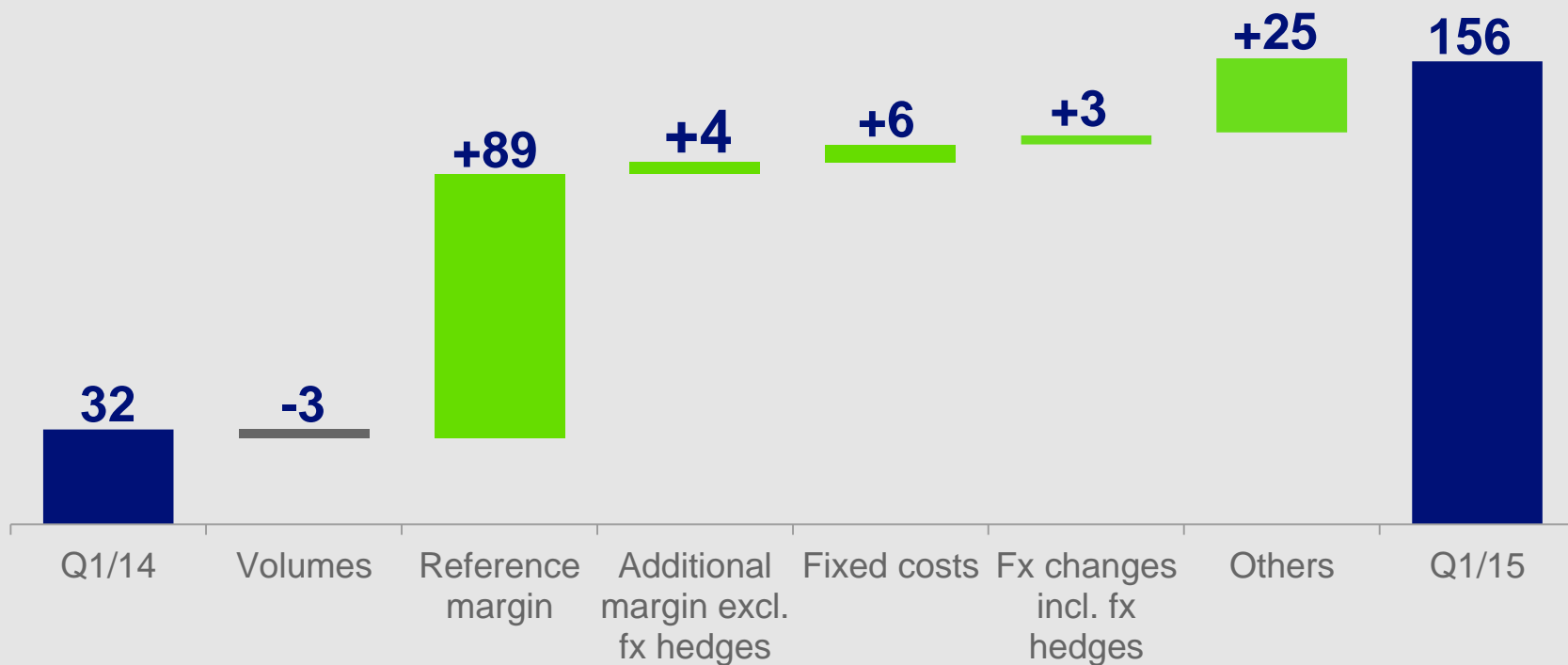


MEUR	Q1/15	Q1/14	2014
Revenue	1,976	2,630	11,285
Comparable EBIT	156	32	285
Net assets	2,439	2,404	2,160

- High comparable EBIT
- Good operational performance
- Higher reference margin year-on-year
- Porvoo major turnaround preparations proceeded according to plan

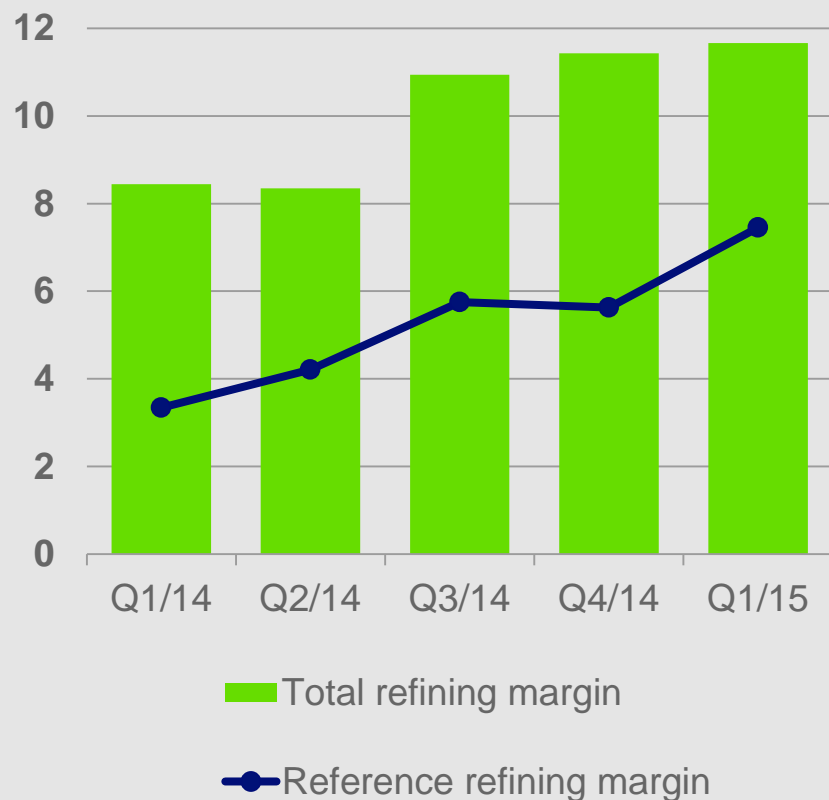
Support from stronger market

Oil Products comparable EBIT Q1/14 vs. Q1/15, MEUR



Total refining margin continued strong

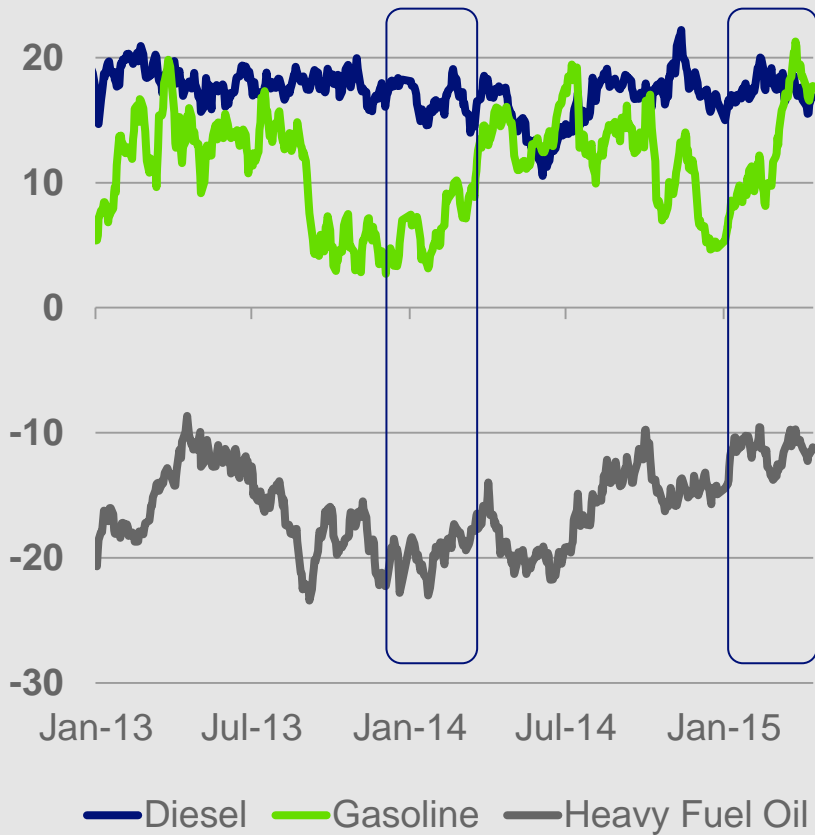
Neste Oil refining margins, USD/bbl



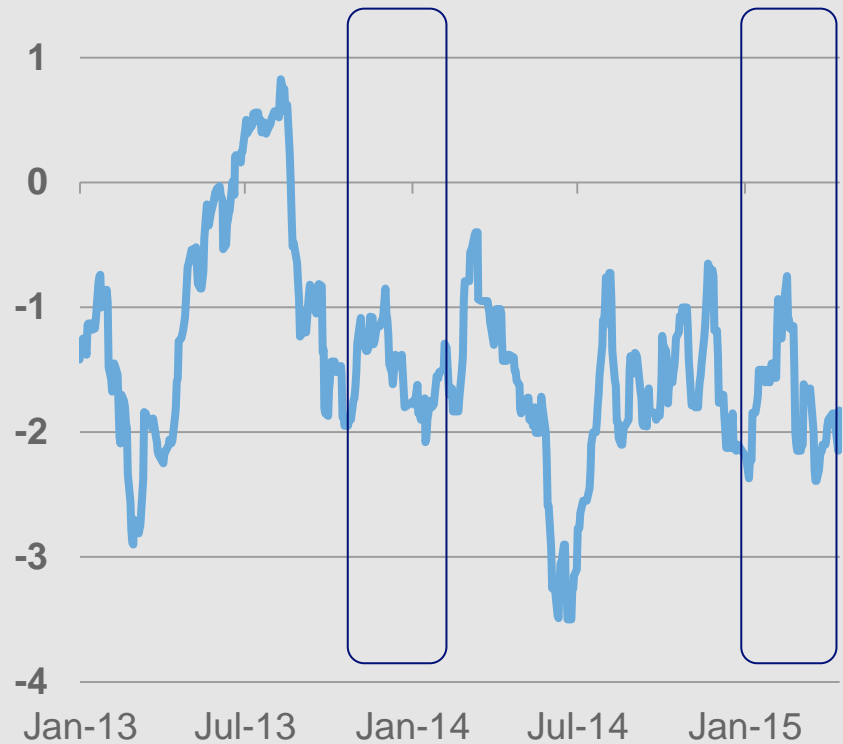
- Reference margin USD 7.5/bbl supported by low crude oil price, strong gasoline margin, contango building and US refinery strikes and outages
- Additional margin USD 4.2/bbl
 - Supported by good operational performance
 - Negative effect from currency hedging
- Low crude oil price supports reference margin due to lower yield loss value but dilutes additional margin

Gasoline unseasonably high

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

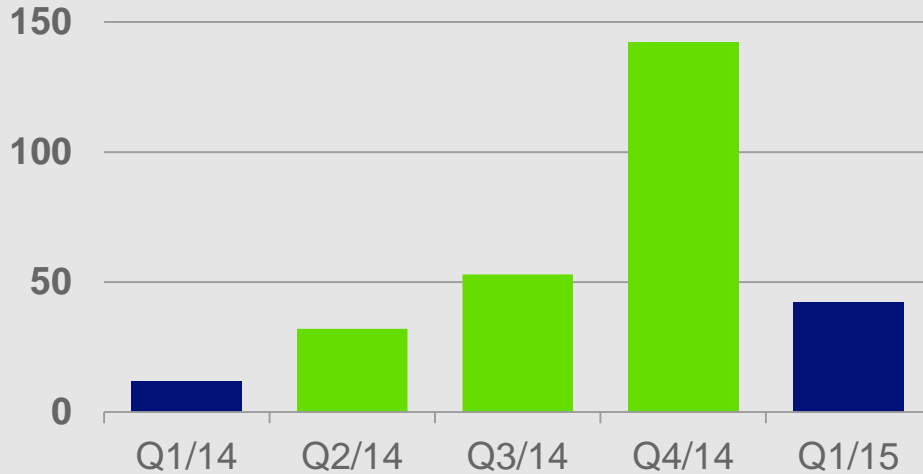


Urals vs. Brent price differential, USD/bbl



Renewable Products' result positively impacted by good additional margin

Comparable EBIT, MEUR

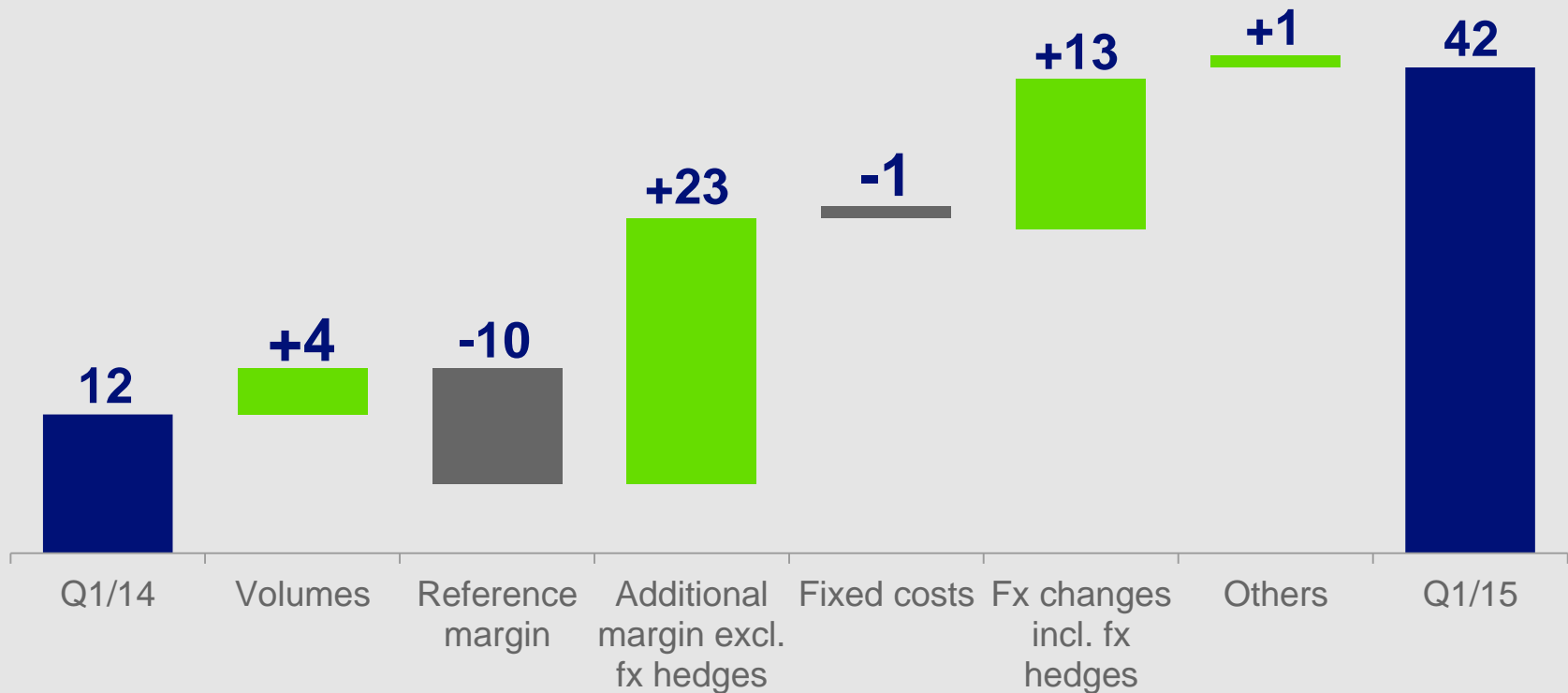


MEUR	Q1/15	Q1/14	2014
Revenue	496	531	2,269
Comparable EBIT	42	12	239
Net assets	1,930	1,765	1,923

- Clearly higher comparable EBIT compared to Q1/14
- Nameplate production capacity increased from 2.0 Mt/a to 2.4 Mt/a
- Variable production costs guidance updated from USD 170/t to USD 130/t
- Additional margin supported by successful margin management and feedstock flexibility
- 78% of sales to Europe and 22% to North America
- Share of waste and residues feedstock 62%

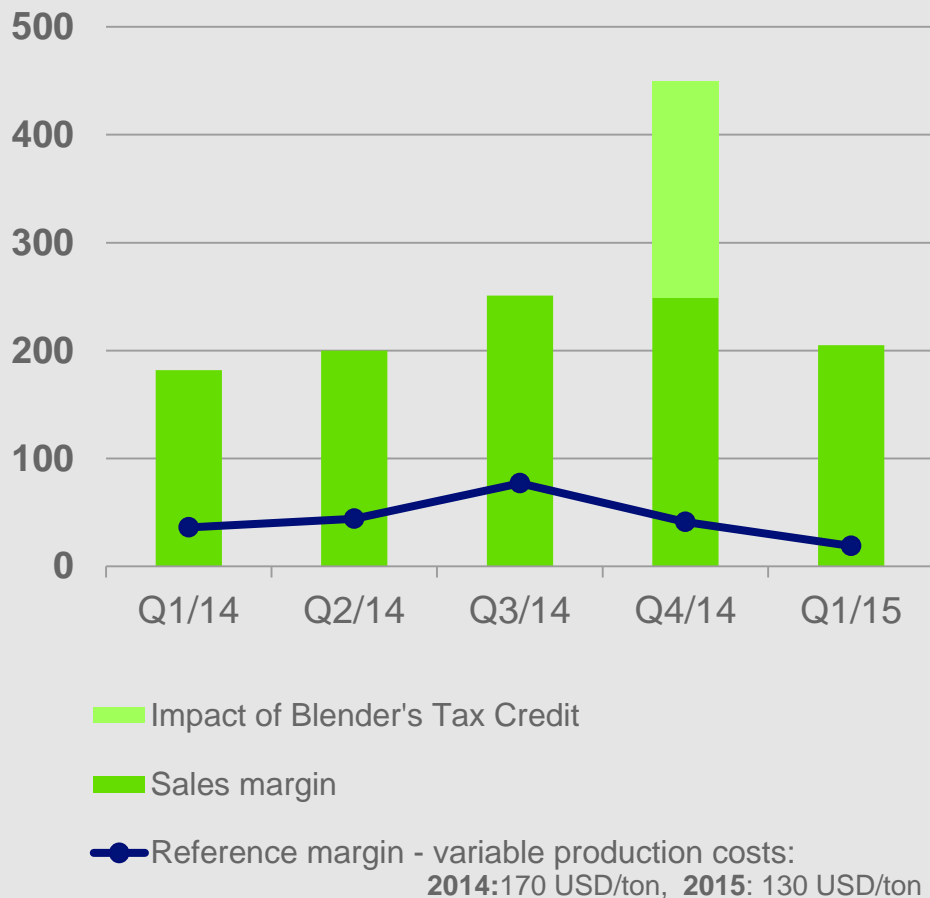
Result supported by additional margin and stronger USD

Renewable Products comparable EBIT Q1/14 vs. Q1/15, MEUR



Additional margin remained solid

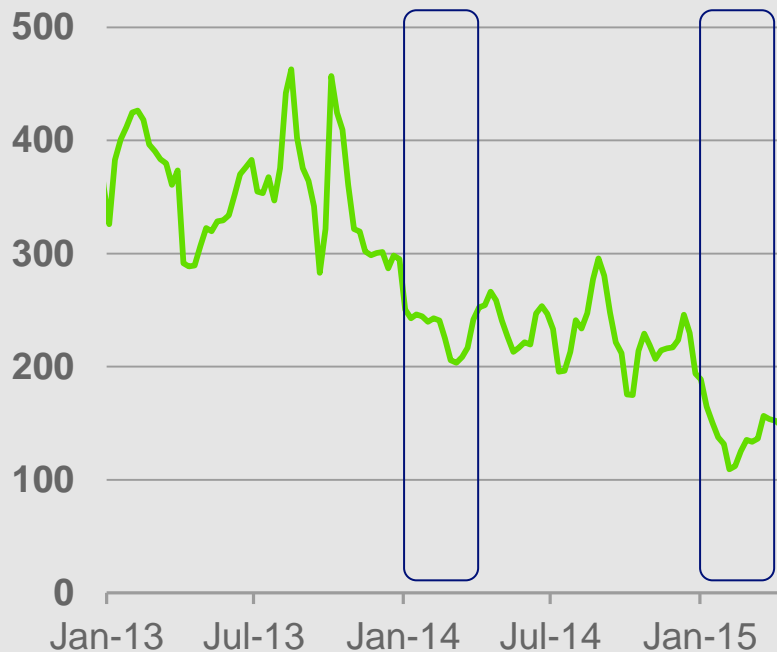
Renewable Products margins, USD/ton



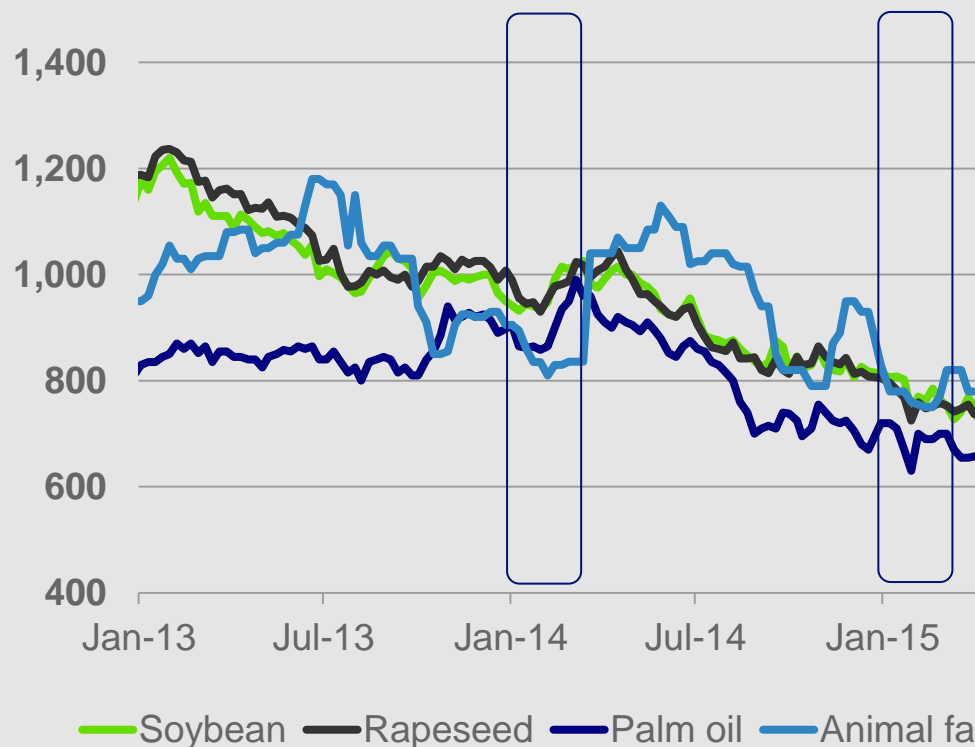
- Lower reference margin year-on-year
- Good additional margin USD 186/ton (equals USD 226/ton at previous production cost)
- Additional margin supported by successful margin management and feedstock flexibility

European margins remain low

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



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



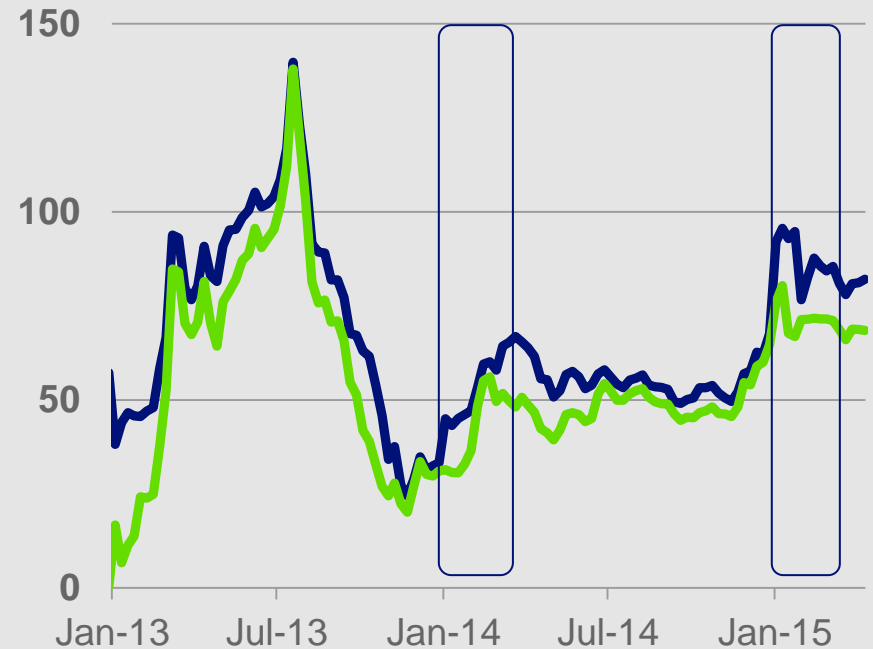
* Including \$70/ton freight
**Quotations in NWE, source: Oil World

RIN prices strengthened in North America

SME vs. Soybean oil price differential, USD/ton



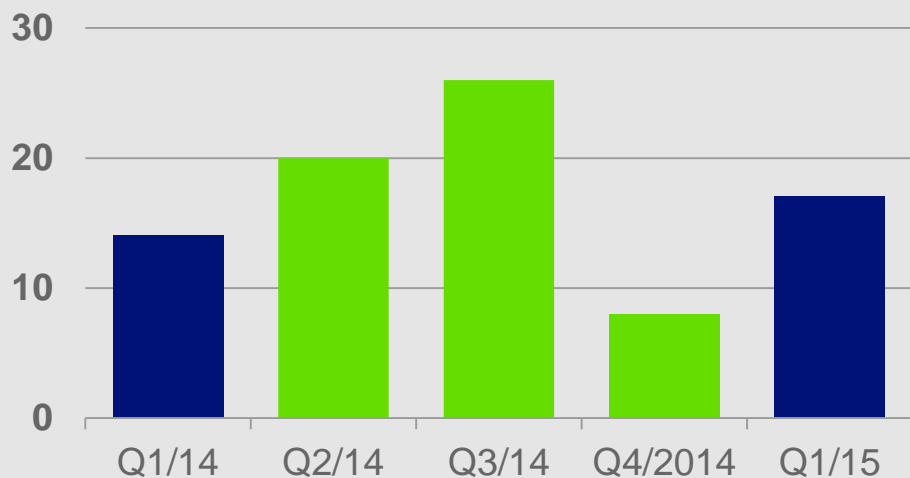
Biodiesel RIN, US cent /gal



- Biomass-based diesel (D4)
- Conventional renewable fuel (D6)

Good result in Oil Retail

Comparable EBIT, MEUR

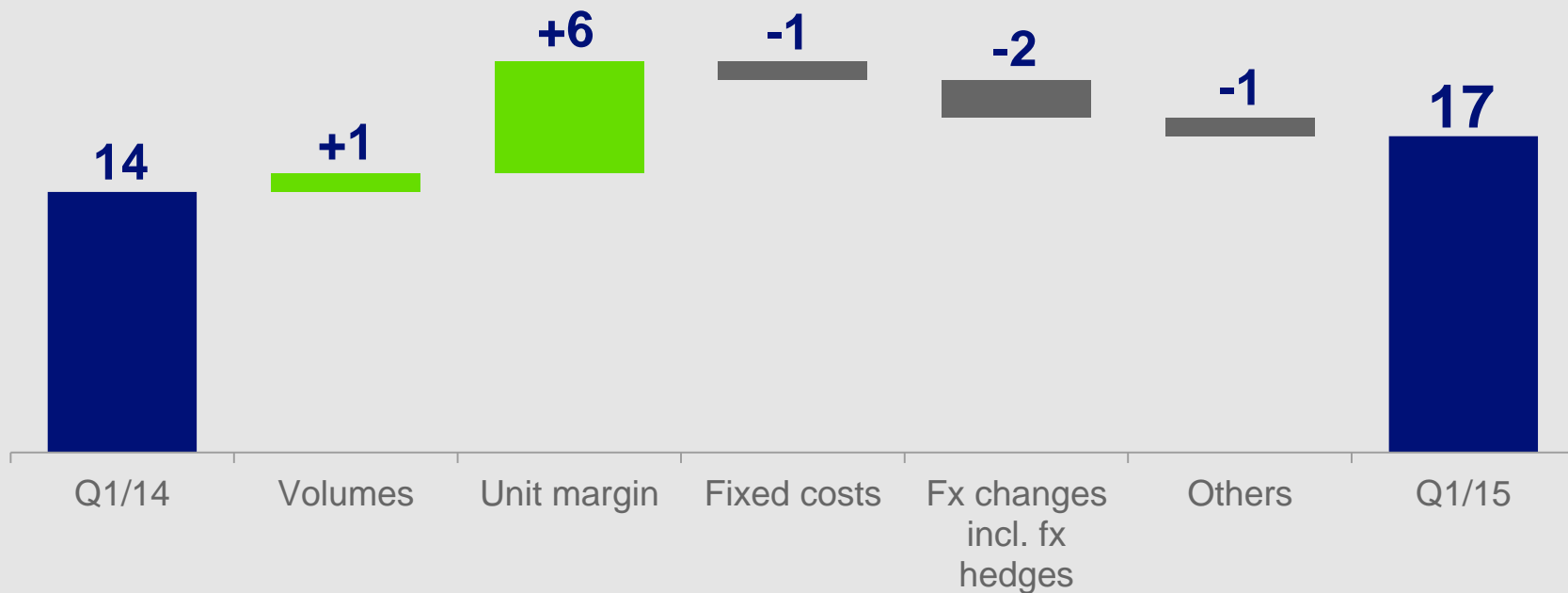


MEUR	Q1/15	Q1/14	2014
Revenue	882	1,019	4,294
Comparable EBIT	17	14	68
Net assets	220	254	201

- Unit margins improved, particularly in Northwest Russia
- Low-sulphur marine fuel introduced
- Weaker ruble had EUR 2 million negative impact

Unit margins improved

Oil Retail comparable EBIT Q1/14 vs. Q1/15, MEUR



Current topics



Outlook

- Guidance revised on 21 April 2015
- Group's full-year 2015 comparable EBIT estimated to remain robust and to be higher than in 2014.

EUR 500 million bond issue in March

- 7-year bond carries a coupon of 2.125%
- Offering clearly oversubscribed
- Bond allocated to approx. 150 investors
- Proceeds will be used for refinancing and general corporate purposes

Major turnaround in Porvoo

- Approx. eight week maintenance turnaround started in early April
- Employs approx. 4,500 people
- Estimate of negative impact on Oil Products' comparable EBIT EUR 100 million



Capital Markets Day 2015

- Neste will host a Capital Markets Day in London on 15 September 2015
- Invitations will follow

We focus on



Safety

Cash flow

Refinery
productivity

Markets and
customers

A decorative graphic in the top right corner consists of several overlapping circles in shades of blue and green. A semi-transparent photograph of an industrial staircase is integrated into the design, showing a person walking on the stairs and the number '1-36' on the wall.

NESTE

Appendix



Renewable Products comparable EBIT calculation

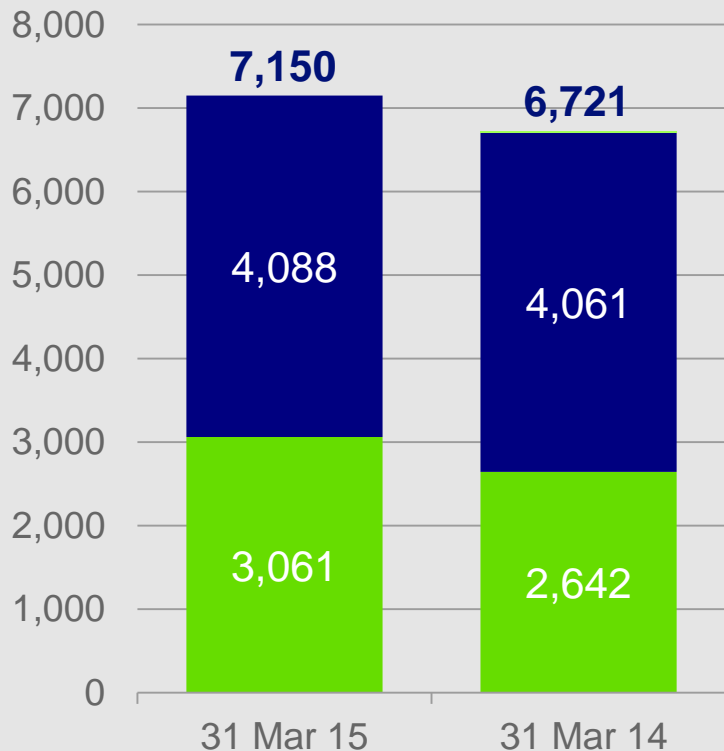
	Q1/14	Q2/14	Q3/14	Q4/14	2014	Q1/15
Sales volume, kt	488	561	516	540	2,104	513
Reference margin, \$/ton	206	214	247	211	221	149
Additional margin, \$/ton	146	155	174	409	227	186
Variable production costs, \$/ton	170	170	170	170	170	130
Comparable sales margin, \$/ton	182	200	251	450	278	205
Comparable sales margin, MEUR	65	84	98	196	440	94
Fixed costs, MEUR	26	29	22	29	105	30
Depreciations, MEUR	24	24	24	25	96	22
Comparable EBIT, MEUR	12	32	53	142	239	42

Refinery production costs, Porvoo & Naantali

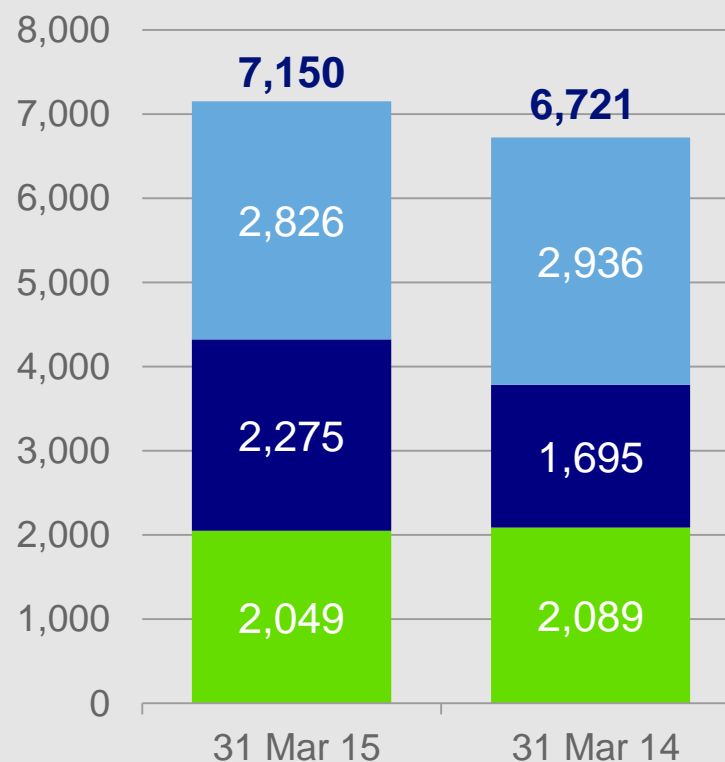
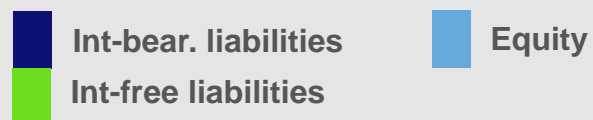
		Q1/14	Q2/14	Q3/14	Q4/14	2014	Q1/15
Refined products	Million barrels	25.3	26.2	26.0	25.8	103.2	27.3
Exchange rate	EUR/USD	1.37	1.37	1.33	1.25	1.33	1.08
Utilities costs	EUR million	42.1	43.6	40.5	47.2	173.4	36.6
	USD/bbl	2.3	2.3	2.1	2.3	2.2	1.5
Fixed costs	EUR million	57.2	58.4	50.8	71.7	238.0	52.1
	USD/bbl	3.0	3.1	2.6	3.5	3.1	2.1
External cost sales	EUR million	-8.6	-6.0	-4.9	-4.9	-24.4	-5.2
	USD/bbl	-1.3	-0.3	-0.2	-0.2	-0.3	-0.2
Total	EUR million	90.7	96.0	86.4	113.9	387.1	83.5
	USD/bbl	4.8	5.0	4.4	5.5	5.0	3.3

Balance sheet

Total assets



Total equity & liabilities

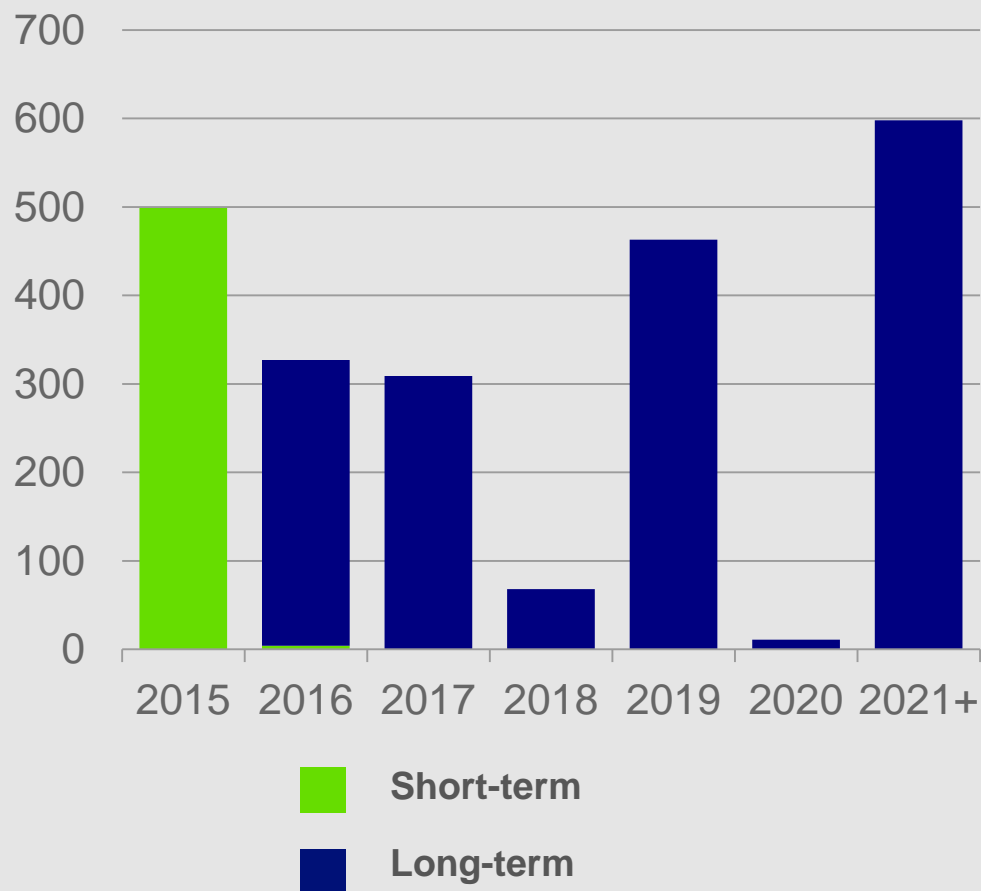


Cash flow

MEUR	Q1/15	Q1/14	Q4/14	2014
Profit before income taxes	205	33	-30	78
Adjustments total	-9	101	33	325
Change in working capital	-367	-282	370	-33
Cash from operations	-172	-148	368	369
Net finance costs	-11	-10	-20	-44
Taxes	-2	-20	0	-77
Net cash from operations	-185	-178	351	248
Capital expenditure and investments in shares	-83	-43	-115	-272
Other	184	-46	1	-34
Cash flow before financing activities	-83	-267	237	-59
Net change in loans	396	-67	-166	-23
Purchase of treasury shares	0	0	0	-15
Dividends paid (incl. non-controlling interests)	0	0	0	-167
Net increase/decrease in cash	313	-334	71	-263

Liquidity & maturity profile

MEUR



- Total liquidity at the end of March 2015 was EUR 2,611 million
 - Cash and cash equivalents totalled EUR 561 million
 - Unused committed credit facilities totalled EUR 1,650 million
 - Unused CP programmes (not committed) totalled EUR 400 million
- Average interest rate was 3.4% and maturity 3.6 years at the end of March
- No financial covenants in Group's existing loan agreements



**The only way
is forward.**

NESTE