



Q3 2018

Matti Lievonen | President and CEO

NESTE

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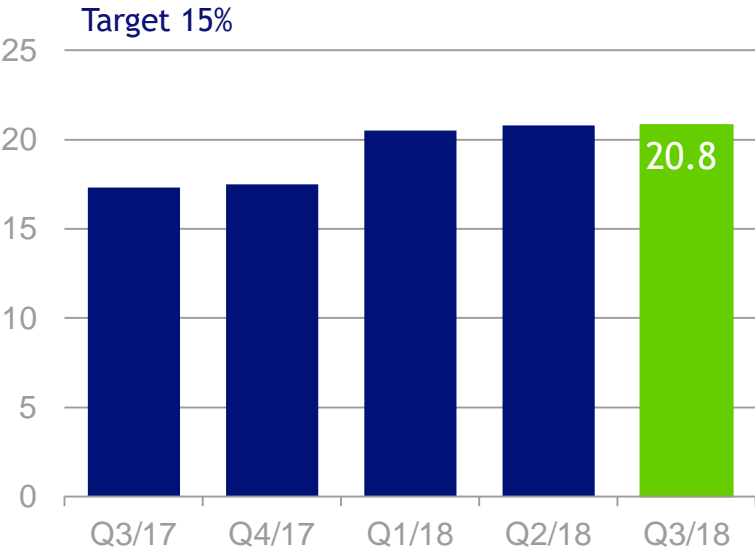


Excellent quarter - outstanding performance in Renewable Products

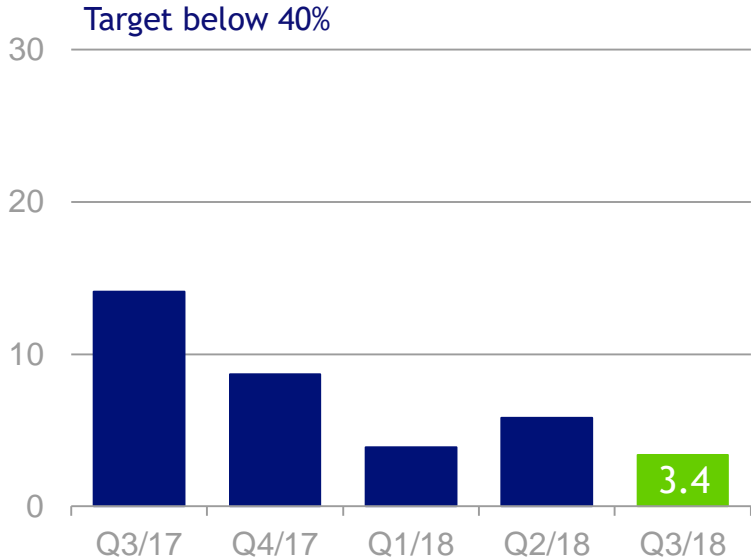
- Group comparable EBIT 395 MEUR
- Excellent result in Renewable Products
- Oil Products maintained strong additional margin
- Seasonally good quarter in Marketing & Services

Strong performance reflected in the financial targets

ROACE, rolling 12 months, %



Leverage, %



The background is a vibrant green bokeh effect, with soft, out-of-focus light spots and blurred green shapes. A large white circle is centered on the right side of the image, and a thin white line curves across the top and right edges. The text is positioned on the left side of the image.

Q3 2018
Group financials

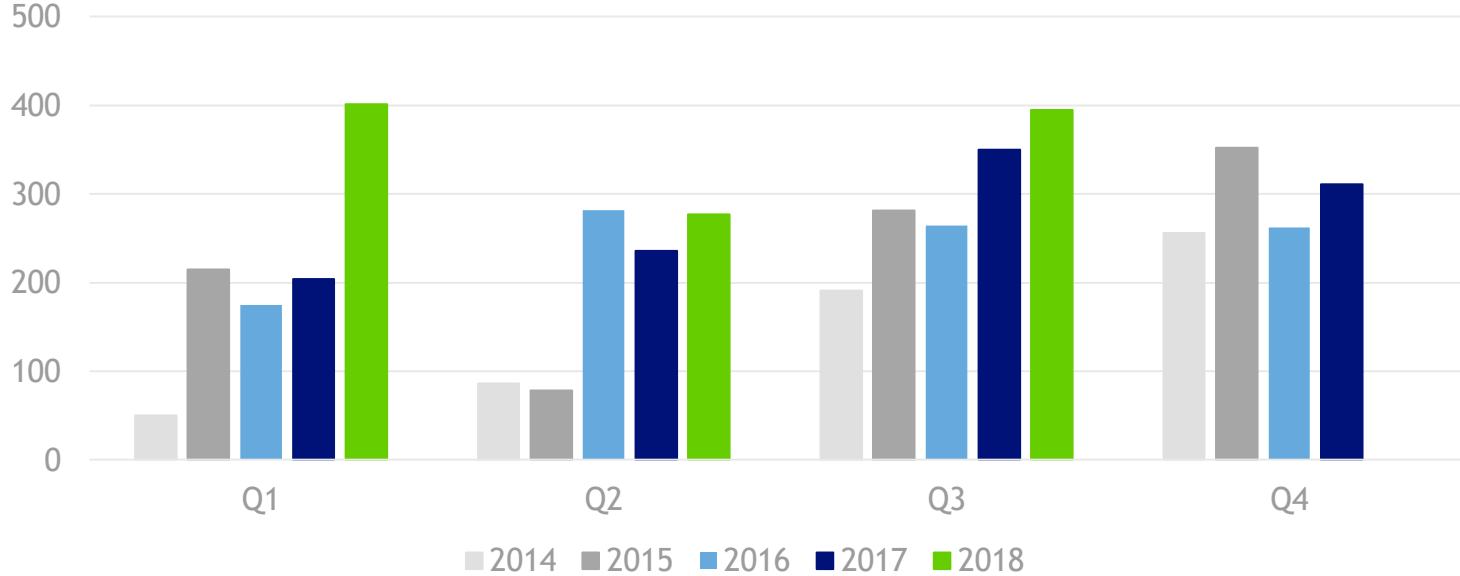
Group financials Q3/18

MEUR	Q3/2018	Q3/2017	1-9/2018	1-9/2017	2017
Revenue	3,884	3,229	11,258	9,580	13,217
Comparable EBITDA	590	442	1,469	1,063	1,472
EBITDA	445	431	1,238	1,148	1,542
Comparable operating profit	395	350	1,073	790	1,101
Renewable Products	228	171	702	352	561
Oil Products	146	158	337	406	495
Marketing & Services	24	27	58	57	68
Others (incl. eliminations)	-3	-5	-23	-25	-24
Operating profit*	250	339	842	875	1,171
Cash flow before financing activities	108	283	481	340	628
Comparable earnings per share, EUR	1.19	1.08	3.35	2.32	3.33

* Including Nynas writedown -86 MEUR in Q3/18 and 1-9/18

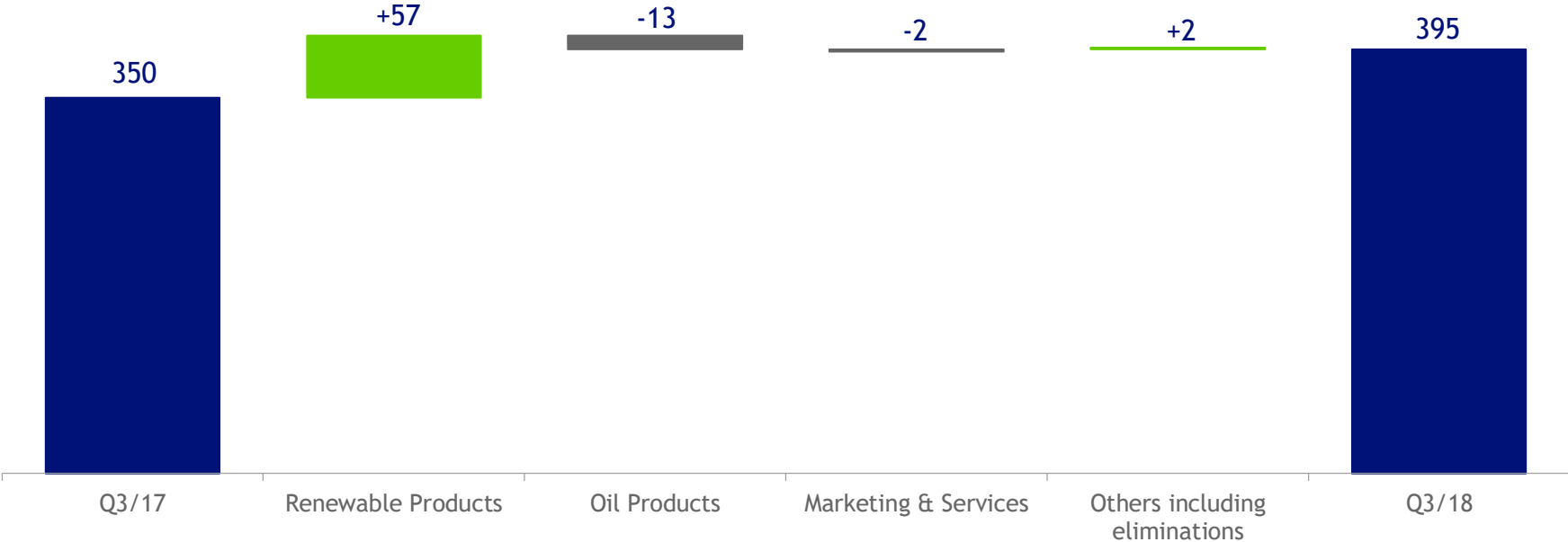
Group comparable EBIT continued to improve

Group comparable EBIT quarterly, MEUR



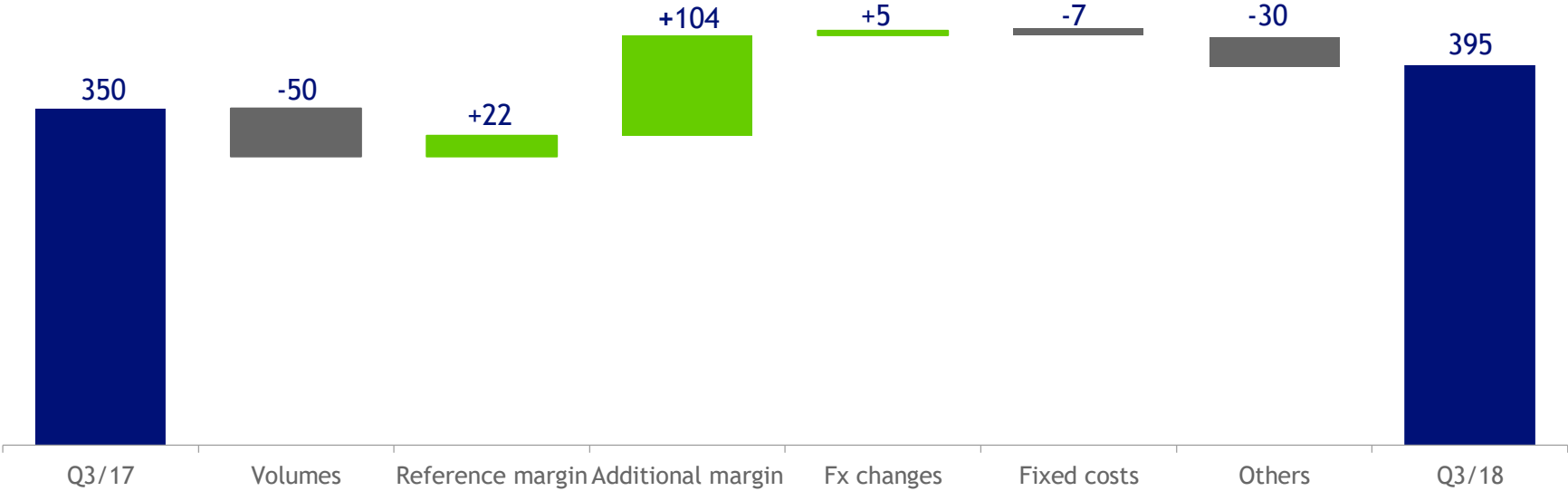
Renewable Products drove the result improvement

Group comparable EBIT by segments Q3/17 vs. Q3/18, MEUR



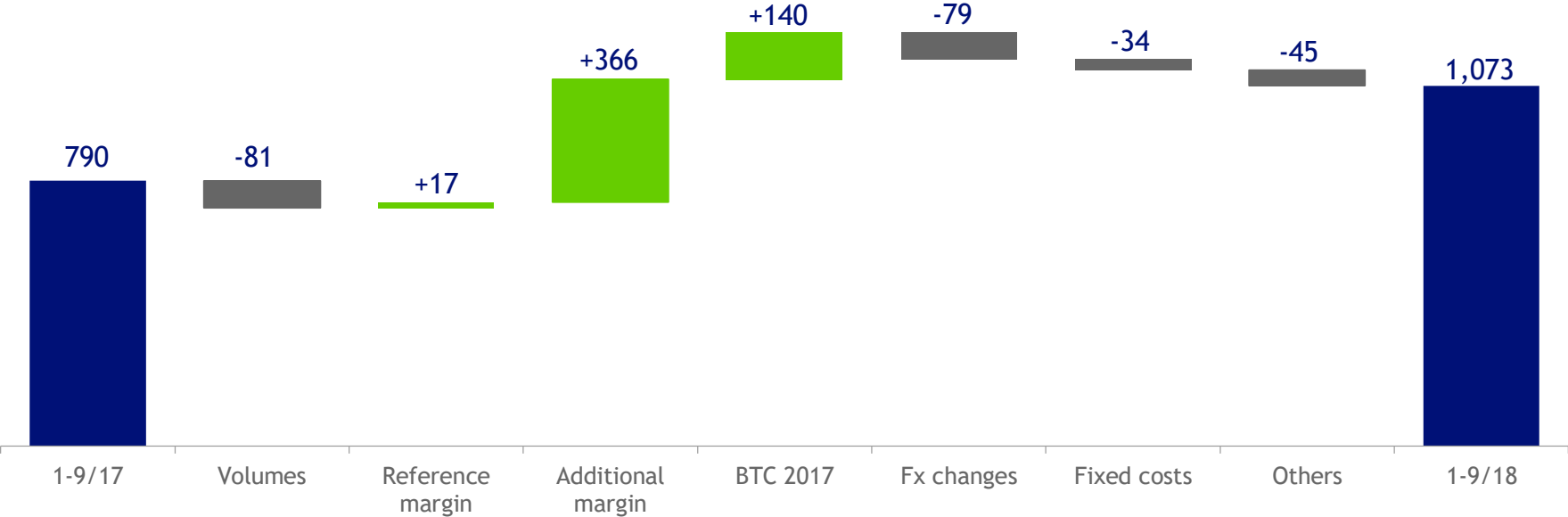
Result improvement driven by higher additional margins

Group comparable EBIT Q3/17 vs. Q3/18, MEUR



Nine-month result boosted by additional margins and BTC

Group comparable EBIT 1-9/17 vs. 1-9/18, MEUR

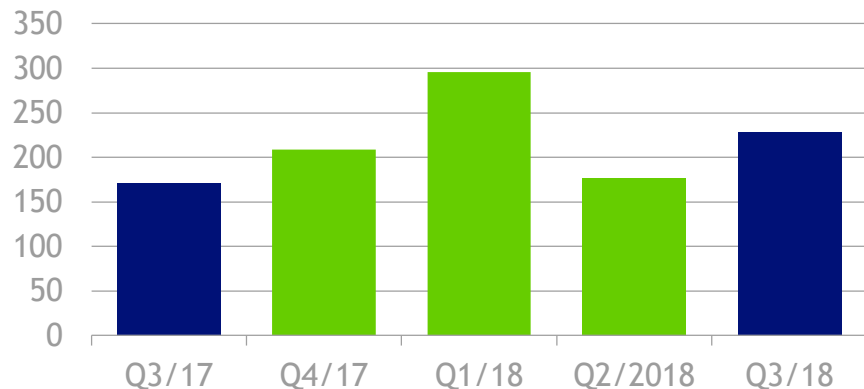


The background is a vibrant green with a bokeh effect of out-of-focus light spots. A large, thin white circle is centered on the page, partially overlapping the text and the NESTE logo.

Q3 2018
Segment reviews

Excellent quarter in Renewable Products

Comparable EBIT, MEUR



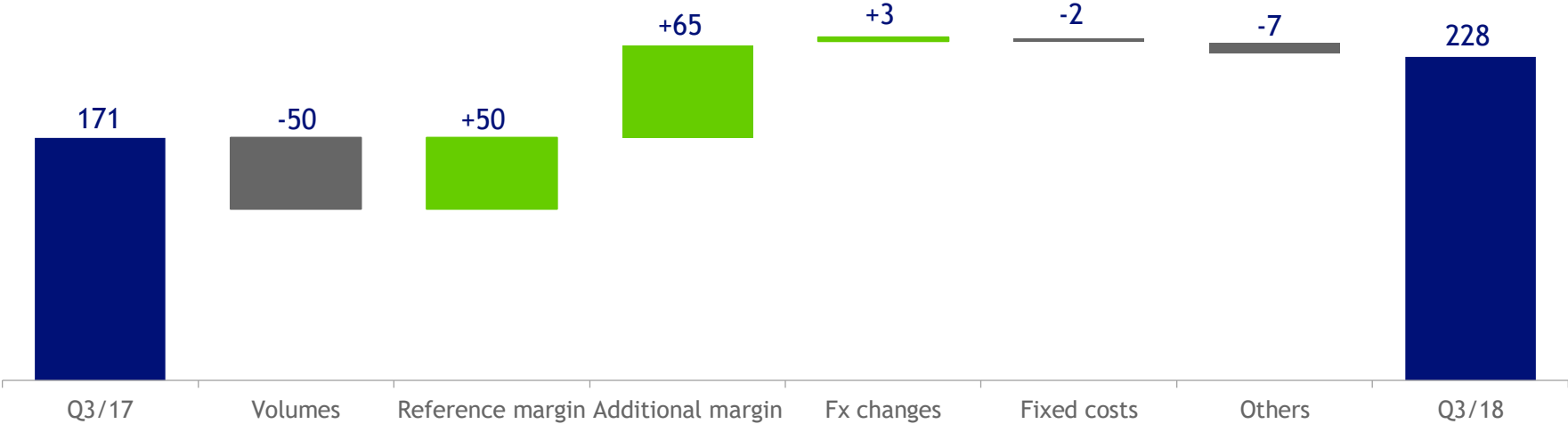
MEUR	Q3/18	Q3/17	1-9/18	1-9/17
Revenue	805	793	2,357	2,320
Comparable EBIT	228	171	702	352
Net assets	1,834	1,870	1,834	1,870

- Comparable EBIT 228 MEUR (171)
- Comparable sales margin USD 645 /ton (435)
- Sales volume 547 kton (637) and share of Europe 71% (73%)
- Share of 100% renewable diesel 29% (27%)
- Share of waste and residues feedstock 84% (77%)
- Investments 39 MEUR (22)
- Comparable RONA* 49.4% (27.0%)

* Last 12 months

Reference and additional margins boosted the result

Comparable EBIT Q3/17 vs. Q3/18, MEUR

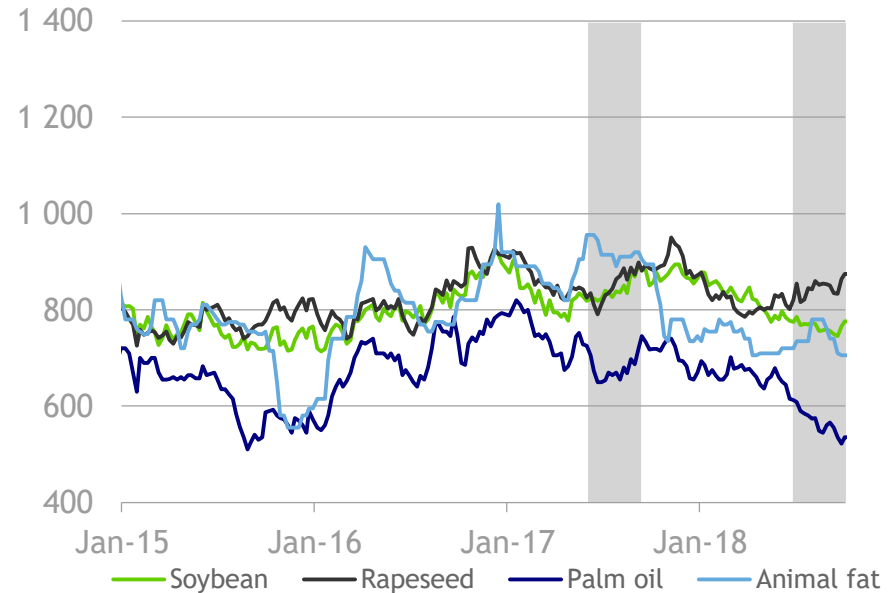


European biodiesel margins improved

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



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

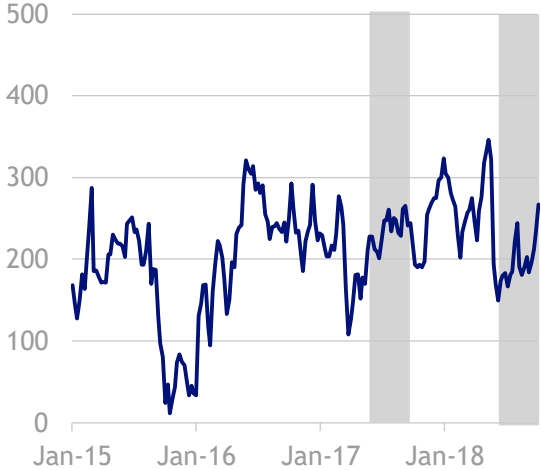


* Including \$70/ton freight

**Quotations in NWE, source: Oil World

Strong LCFS supported US renewable diesel margins

SME vs. Palm oil price* differential, USD/ton



Low Carbon Fuel Standard, LCFS credit price USD/ton



Biodiesel RIN, US cent /gal

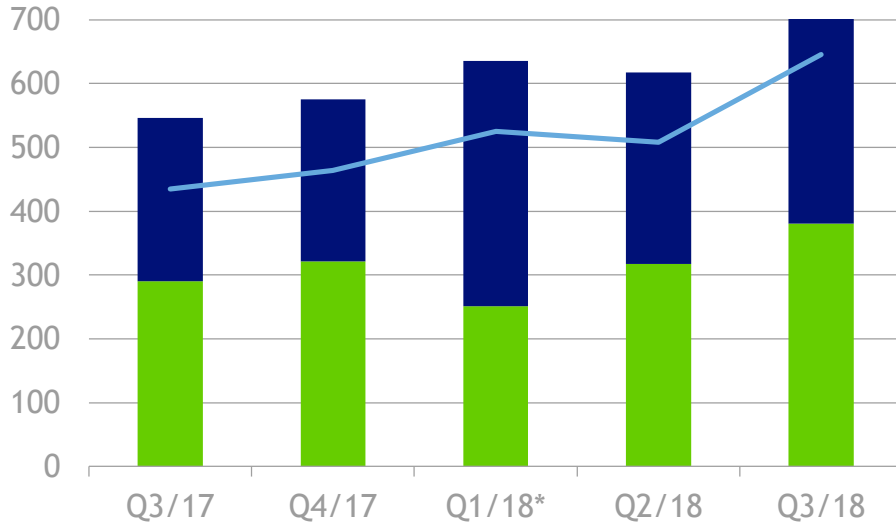


— Biomass-based diesel (D4)
— Conventional renewable fuel (D6)

* Including \$70/ton freight

Comparable sales margin at a high level

Renewable Products margin, USD/ton



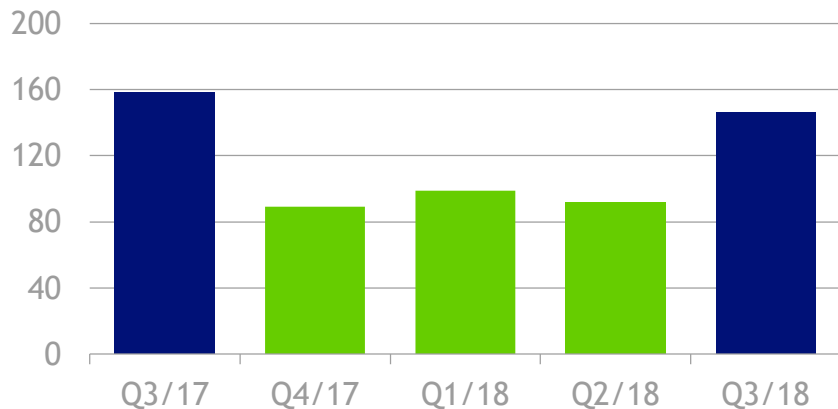
- Comparable sales margin USD 645/ton (435)
- Reference margin USD 380/ton (290)
- Additional margin USD 374/ton (256)
- Utilization rate 93% (99%)

*Excluding BTC

■ Reference margin
■ Additional margin
— Comparable sales margin

Solid quarter in Oil Products

Comparable EBIT, MEUR



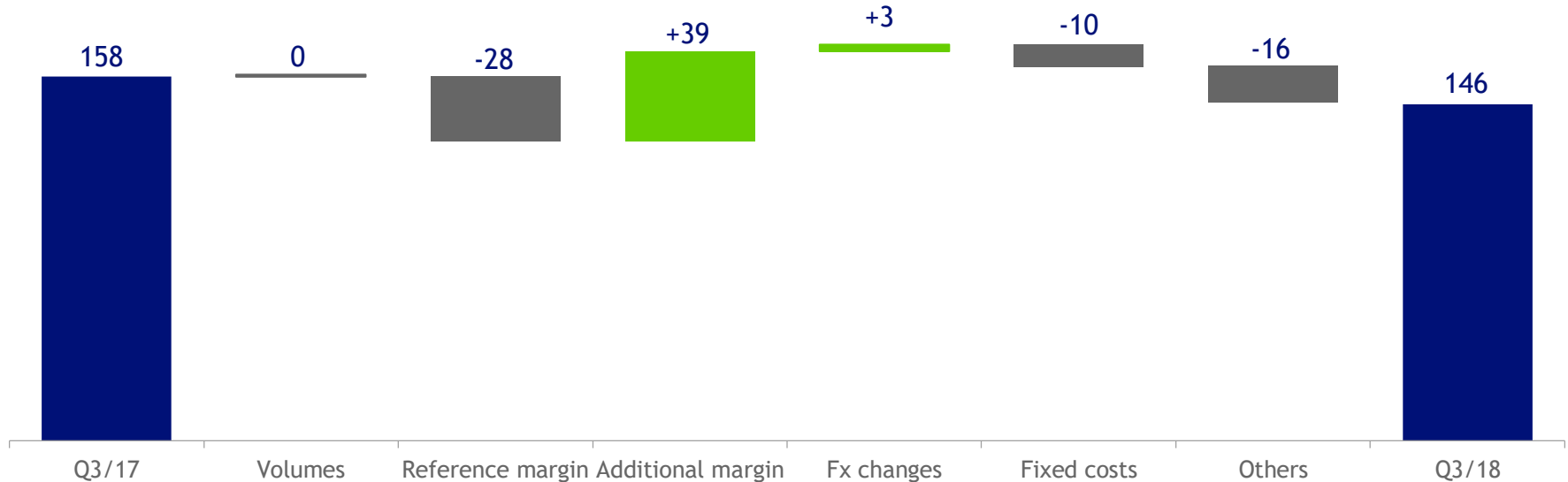
- Comparable EBIT 146 MEUR (158)
- Sales volume 3.6 Mton (3.6)
- Refinery average utilization rate 97% (92%)
- Urals' share of feed 72% (66%)
- Investments 23 MEUR (61)
- Comparable RONA* 16.4% (20.0%)

MEUR	Q3/18	Q3/17	1-9/18	1-9/17
Revenue	2,661	2,045	7,649	6,134
Comparable EBIT	146	158	337	406
Net assets	2,665	2,538	2,665	2,538

* Last 12 months

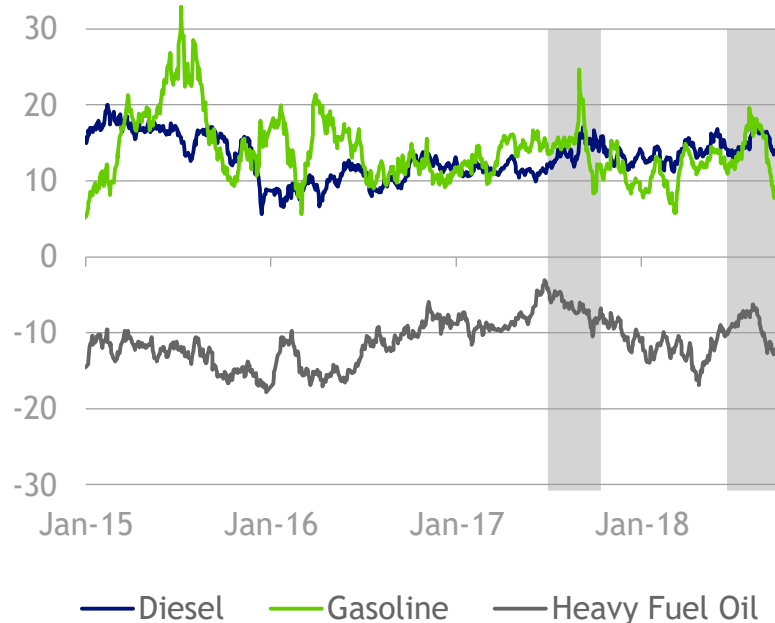
Strong additional margin supported the result

Comparable EBIT Q3/17 vs. Q3/18, MEUR

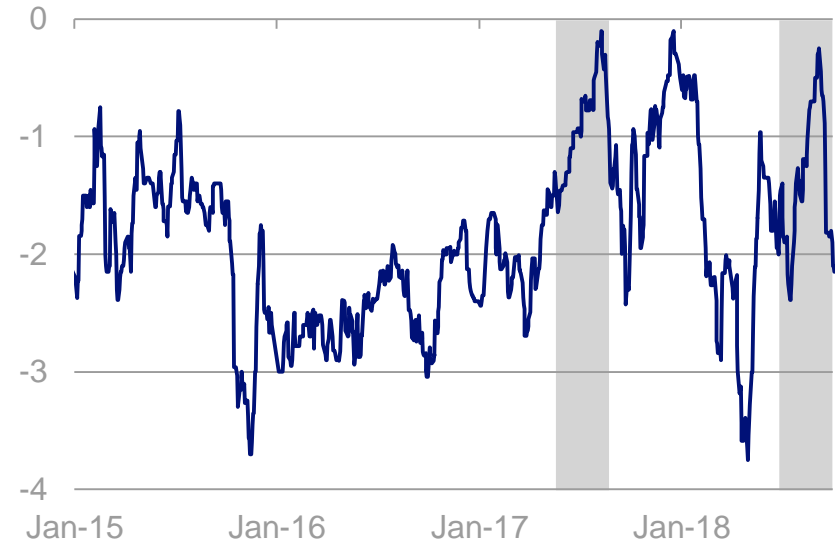


Weakening gasoline and stable diesel margin

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

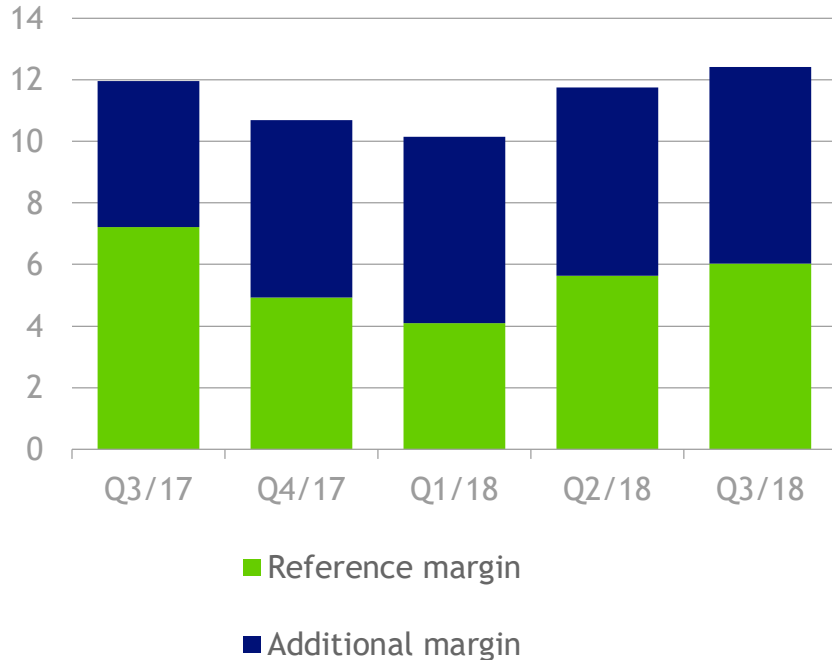


Urals vs. Brent price differential, USD/bbl



Total refining margin improved

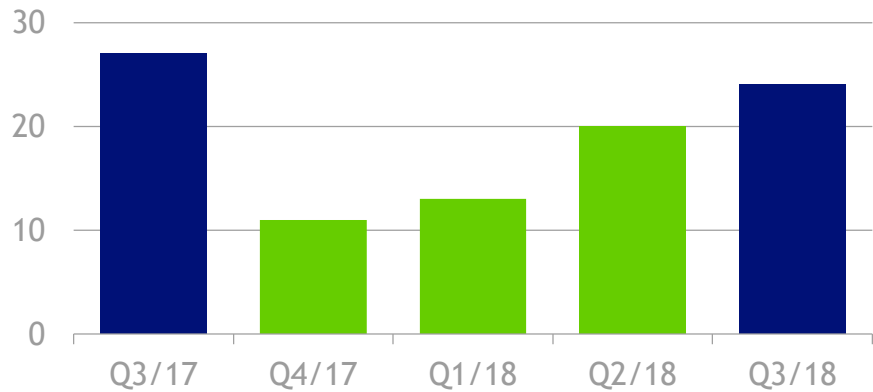
Total refining margin, USD/bbl



- Total refining margin USD 12.4/bbl (12.0)
- Reference margin USD 6.0/bbl (7.2)
- Additional margin USD 6.4/bbl (4.8)
- Refinery production costs USD 4.2/bbl (4.0)

Seasonally good quarter in Marketing & Services

Comparable EBIT, MEUR



- Comparable EBIT 24 MEUR (27)
- Sales volumes maintained year-on-year
- Unit margins were similar to corresponding period last year
- Investments 6 MEUR (8)
- Comparable RONA* 25.1% (34.0%)

MEUR	Q3/18	Q3/17	1-9/18	1-9/17
Revenue	1,123	986	3,180	2,886
Comparable EBIT	24	27	58	57
Net assets	275	304	275	304

* Last 12 months



Current topics

Outlook for 2018

We maintain our view that we expect 2018 to be a very strong year for Neste

Segment outlook for 2018

RENEWABLE PRODUCTS

MARGIN

Additional margin expected to be at strong level in Q4.

UTILIZATION RATE

Utilization rates expected to be high, except for 9 week major turnaround at Singapore refinery in Q4. Current EBIT impact estimate for turnaround is approx. -100 MEUR, mostly in Q4.

OIL PRODUCTS

MARGIN

Reference margin is expected to be seasonally weak in Q4.

UTILIZATION RATE

High reliability to continue in refinery operations. Scheduled unit maintenances to be implemented during Q4. Current EBIT impact estimate of the maintenances is approx. -50 MEUR in Q4.

MARKETING & SERVICES

UNIT MARGINS AND SALES VOLUMES

Expected to follow previous years' seasonality pattern.

Welcome Peter Vanacker!

Peter has already been onboarding since 1 September, and will start as the President and CEO on 1 November.



A wide-angle photograph of a lush green park in the foreground, with a dense line of trees in the middle ground, and the London skyline in the background. The skyline includes the Shard, several skyscrapers, and the London Eye. The sky is bright blue with scattered white clouds. A semi-transparent white box is overlaid on the middle of the image, containing text.

Capital Markets Day 2019

- Neste will host Capital Markets Day in London on 27 February 2019
- More information coming on neste.com/investors

We continue to focus on

Safety and
operational
excellence

Cash flow

Customer
satisfaction



Appendix

Renewable Products comparable EBIT calculation

	Q3/17	Q4/17	2017	Q1/18	Q2/18	Q3/18
Sales volume, kton	637	713	2,567	550	589	547
Reference margin, \$/ton	290	321	291	251	317	380
Additional margin, \$/ton	256	254	184	384	300	374
Variable production costs, \$/ton	110	110	110	110	110	110
Comparable sales margin, \$/ton	435	464	365	525	508	645
Comparable sales margin, MEUR	236	281	828	374	251	303
Fixed costs, MEUR	39	44	159	51	46	41
Depreciations, MEUR	27	28	110	28	32	34
Comparable EBIT, MEUR	171	209	561	296	177	228

Refinery production costs, Porvoo & Naantali

		Q3/17	Q4/17	2017	Q1/18	Q2/18	Q3/18
Refined products	Million barrels	27.3	26.8	108.4	28.5	26.4	28.0
Exchange rate	EUR/USD	1.17	1.18	1.13	1.23	1.19	1.16
Utilities costs	MEUR	43.0	46.4	177.6	45.5	45.6	44.9
	USD/bbl	1.8	2.0	1.9	2.0	2.1	1.9
Fixed costs	MEUR	55.0	75.3	250.6	57.5	71.2	58.9
	USD/bbl	2.4	3.3	2.6	2.5	3.2	2.4
External cost sales	MEUR	-3.7	-0.1	-10.8	-2.1	-1.8	-1.8
	USD/bbl	-0.2	0.0	-0.1	-0.1	-0.1	-0.1
Total	MEUR	94.4	121.6	417.3	100.9	114.9	101.9
	USD/bbl	4.0	5.4	4.4	4.4	5.2	4.2

Cash flow

MEUR	Q3/18	Q3/17	Q2/18	1-9/18	1-9/17	2017
EBITDA	445	431	275	1,238	1,148	1,542
Capital gains/losses	0	0	0	-2	-3	-3
Other adjustments	0	101	56	98	-52	-82
Change in working capital	-163	-80	56	-256	-249	-104
Net finance costs	-5	-12	0	-31	-81	-90
Income taxes paid	-29	-51	-32	-122	-114	-169
Net cash generated from operating activities	247	390	354	925	650	1,094
Capital expenditure	-87	-131	-109	-281	-338	-502
Other investing activities	-53	24	-105	-163	28	36
Cash flow before financing activities	108	283	140	481	340	628

Liquidity & maturity profile

MEUR



- Total liquidity 3,049 MEUR at end of September 2018
 - Liquid funds 999 MEUR
 - Unused committed credit facilities 1,650 MEUR
 - Unused CP programmes (not committed) 400 MEUR
- Average interest rate for interest-bearing liabilities was 3.2%* and maturity 3.9 years at end of September
- No financial covenants in Group companies' existing loan agreements

*Average interest rate for interest-bearing liabilities excluding finance leases was 2.2%

NESTE
The only way is forward

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