



Q3 2020

Peter Vanacker | President and CEO

NESTE

A person is seen from behind, walking away on a dirt path through a dense forest. The sun is low on the horizon, creating a strong golden glow and long shadows. The path is surrounded by tall trees and lush green undergrowth.

CONTENTS

1. Q3 2020 review
2. Group financials
3. Segment reviews
4. Current topics
5. 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 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 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.

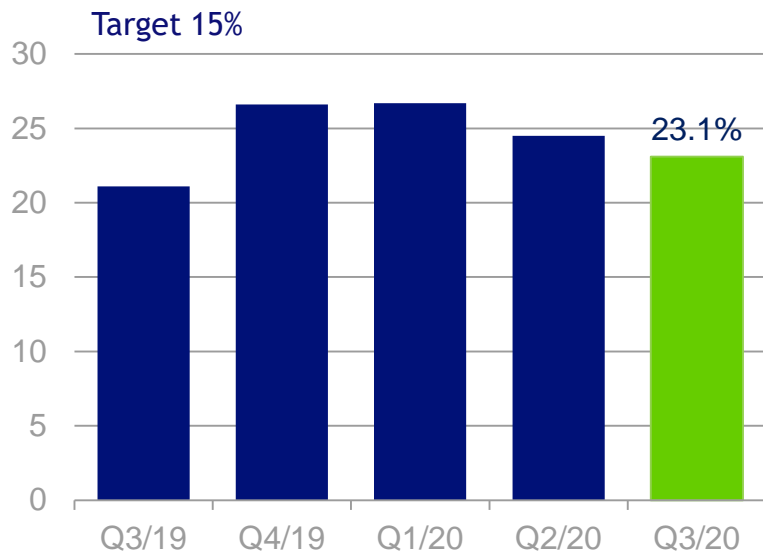
Solid overall performance during the third quarter

- Group comparable EBIT 373 MEUR
- Strong performance in Renewable Products
- Very challenging market in Oil Products continues
- Marketing & Services performed very well
- Focus on strategy execution - restructuring plan in Oil Products initiated
- Dividend: second installment of EUR 0.46 + 0.10 per share confirmed

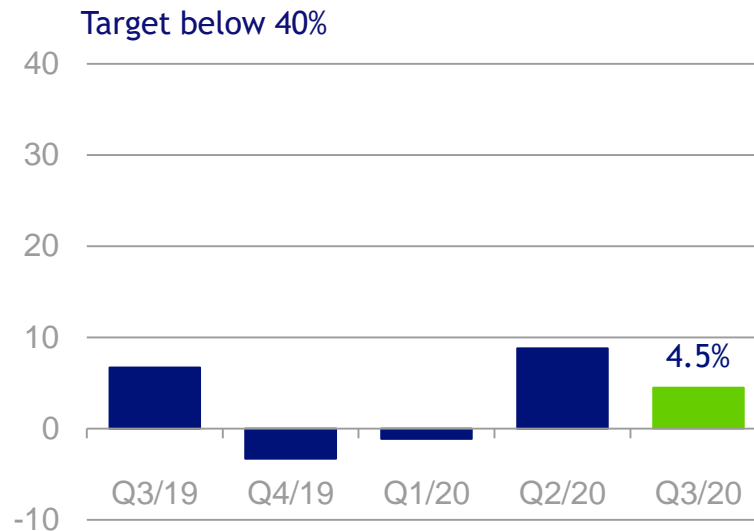


Strong financial position visible in financial targets

ROACE, rolling 12 months, %



Leverage, %



The background is a vibrant green with a bokeh effect of out-of-focus light spots. A large, thin white circle is positioned on the right side of the image, partially overlapping the text area.

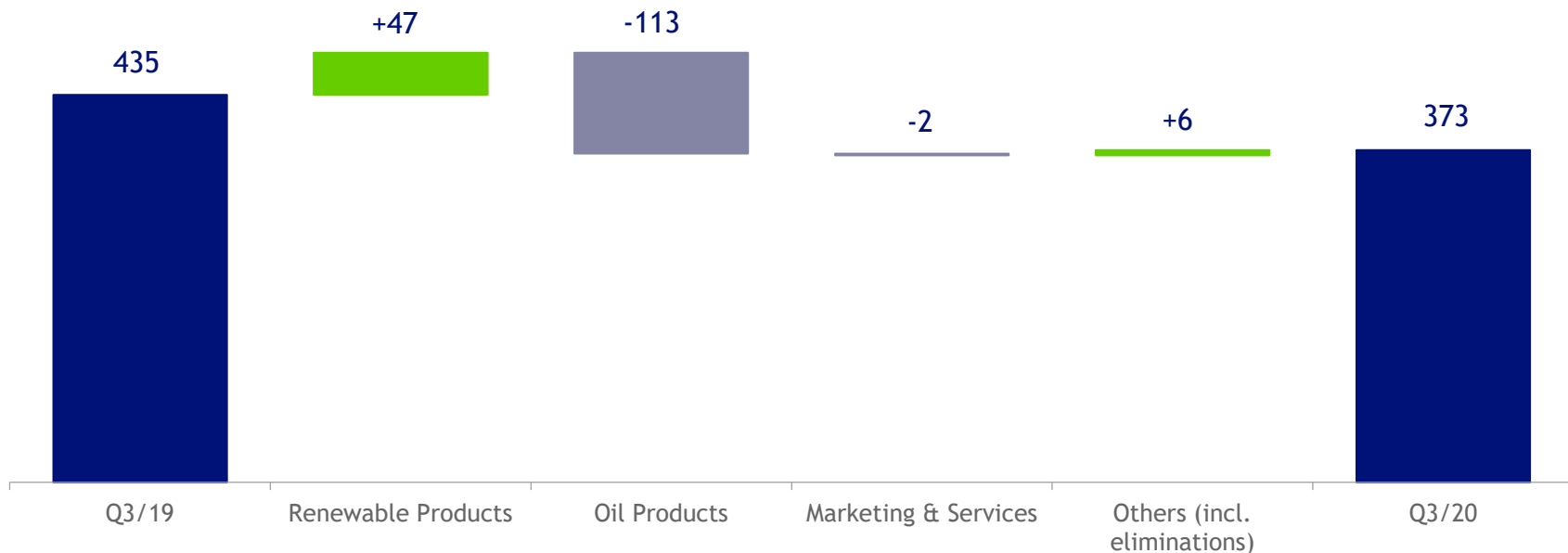
Q3 2020 Group financials

Group financials Q3/20

MEUR	Q3/20	Q3/19	1-9/20	1-9/19	2019
Revenue	2,881	3,961	8,723	11,787	15,840
EBITDA	552	605	1,210	1,567	2,731
Comparable operating profit	373	435	1,036	1,181	1,962
Renewable Products	352	305	996	928	1,599
Oil Products	-1	113	13	269	386
Marketing & Services	26	28	53	66	77
Others (incl. eliminations)	-5	-11	-26	-82	-100
Operating profit	425	442	830	1,184	2,229
Cash flow before financing activities	315	71	-51	211	1,154
Comparable earnings per share, EUR	0.40	0.35	1.16	1.12	2.04

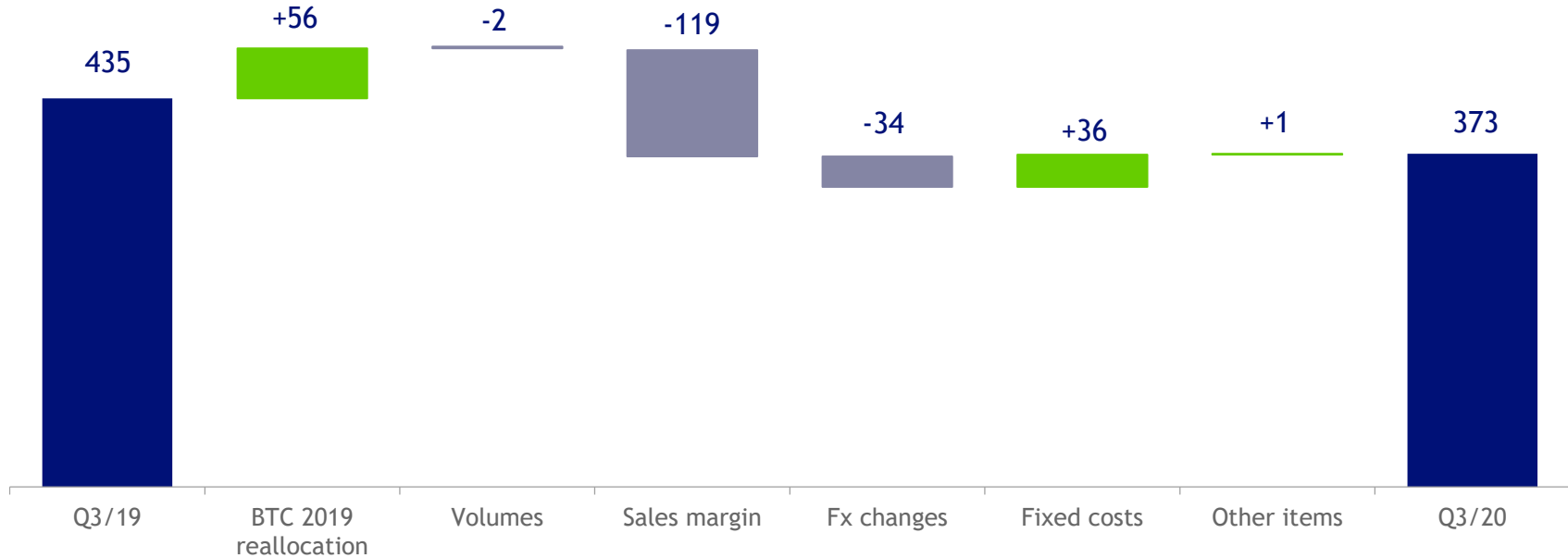
Strong margin performance in Renewables - exceptionally weak refining market continued

Group comparable EBIT by segments Q3/20 vs. Q3/19, MEUR



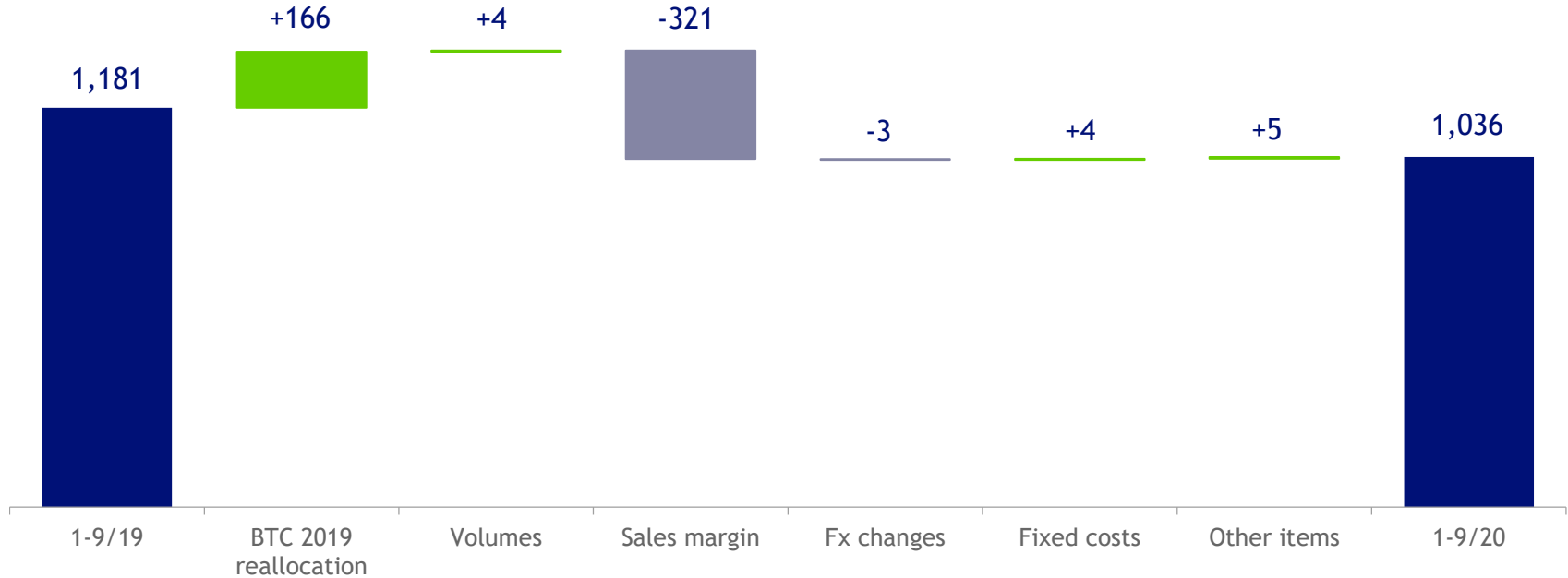
Results impacted by low refining margin and weak USD

Group comparable EBIT Q3/20 vs. Q3/19, MEUR



Resilient nine-month result despite COVID-19 pandemic crisis

Group comparable EBIT 1-9/20 vs. 1-9/19, MEUR

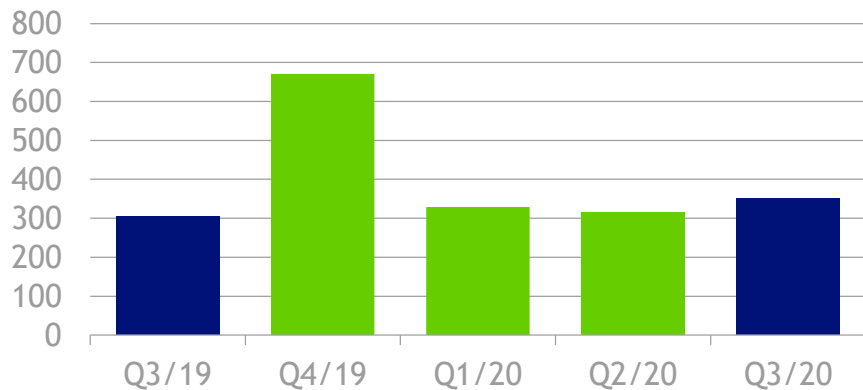


The background is a vibrant green with a bokeh effect of out-of-focus light circles. A magnifying glass is positioned over a plant stem, with its handle extending from the top right towards the center. The text is white and positioned on the left side of the image.

Q3 2020 Segment reviews

One of the best quarters ever in Renewable Products

Comparable EBIT, MEUR



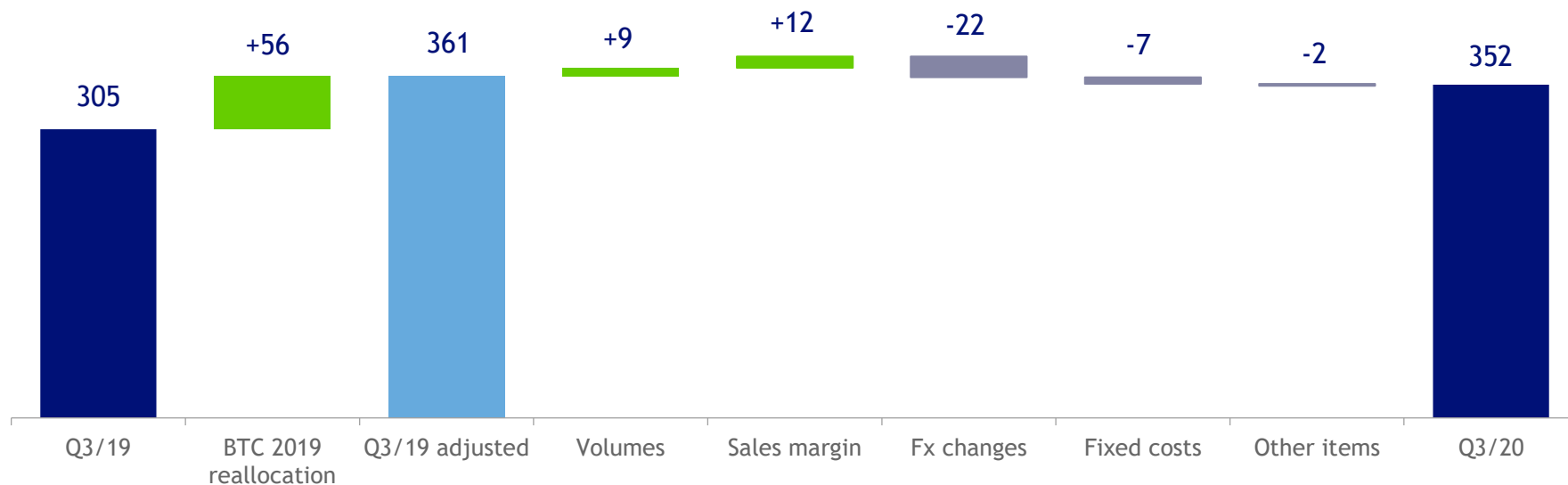
MEUR	Q3/20	Q3/19	2019
Revenue	1,074	1,025	4,033
Comparable EBIT	352	305	1,599
Net assets	3,695	2,424	3,137

- Comparable EBIT 352 MEUR (305)
- Comparable sales margin USD 744/ton (722), including BTC
- Sales volume 730 kton (716), share of Europe 72% (70%)
- Production volume 762 kton (739)
- Share of waste and residues feedstock 86% (81%)
- Investments 118 MEUR (63)
- Comparable RONA* 52.0% (56.9%)

* Last 12 months

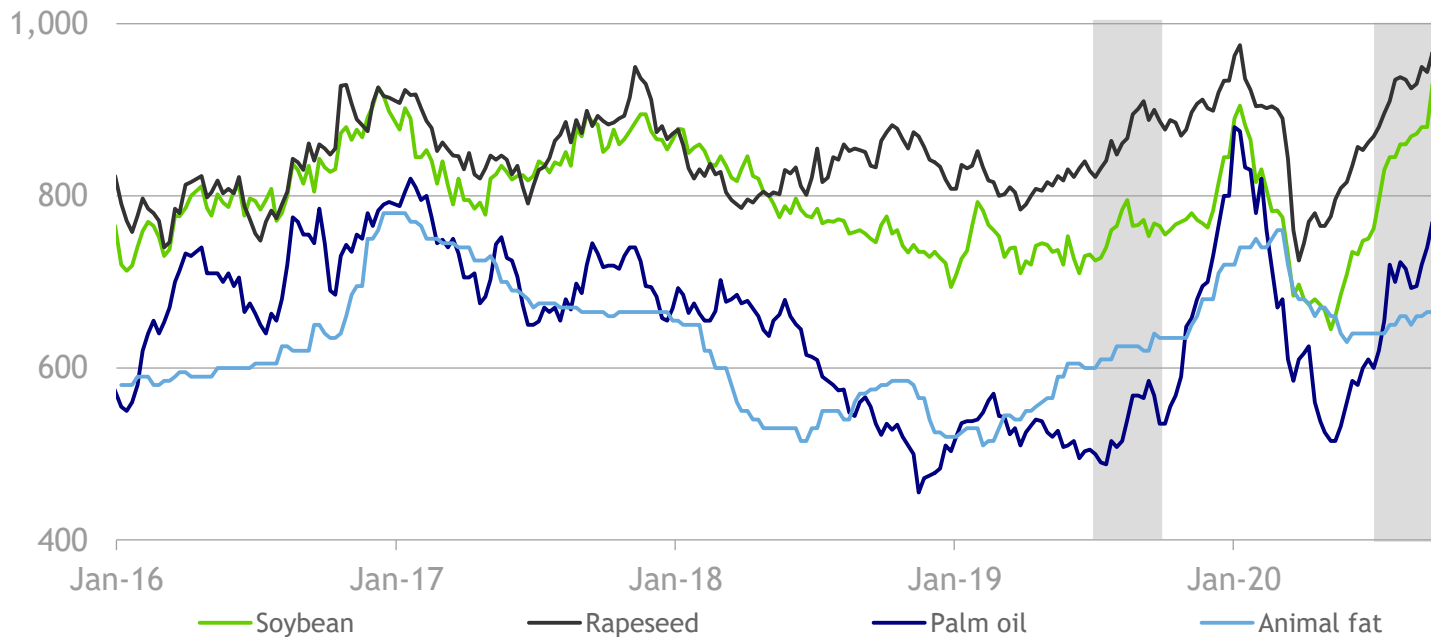
Strong sales volumes and excellent margins

Comparable EBIT Q3/20 vs. Q3/19, MEUR



Feedstock market continued to tighten

Vegetable oil and animal fat prices*, USD/ton



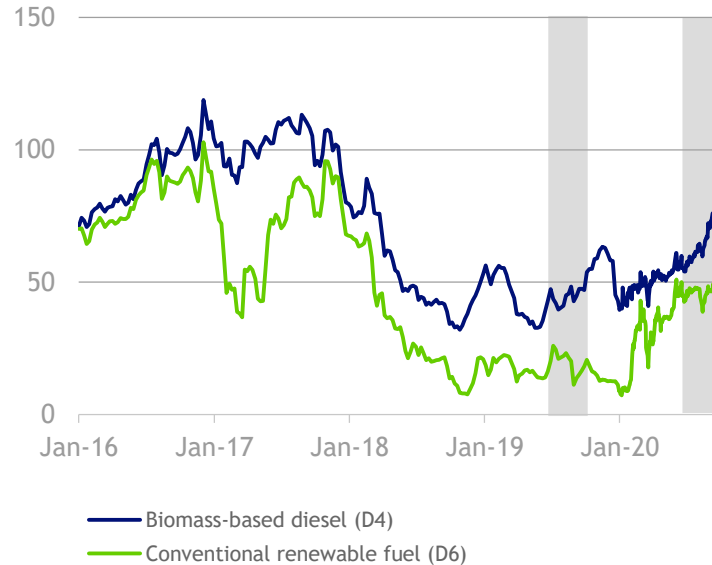
*Quotations in NWE, source: Oil World, The Jacobsen

LCFS credit and RIN prices continued to support US margins

California Low Carbon Fuel Standard, LCFS credit price, USD/ton

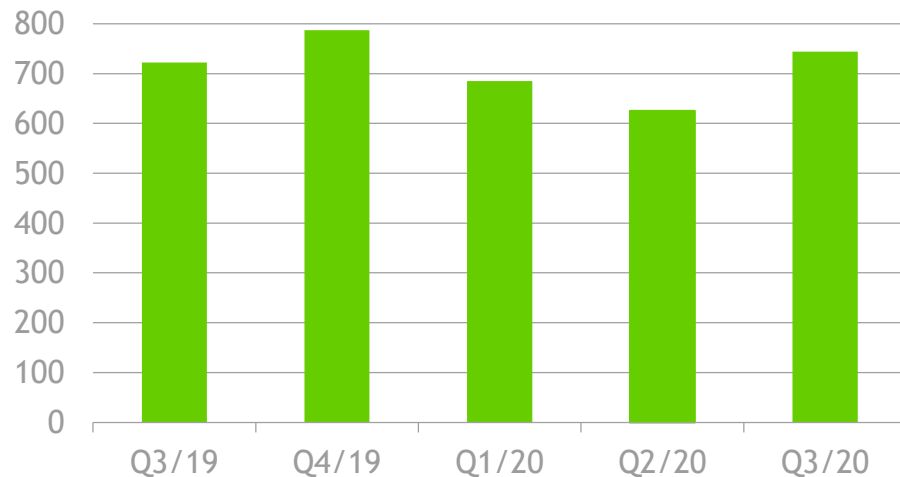


RIN prices, US cent /gal



Sales performance and hedging supported sales margin

Renewable Products comp. sales margin,
including BTC, USD/ton

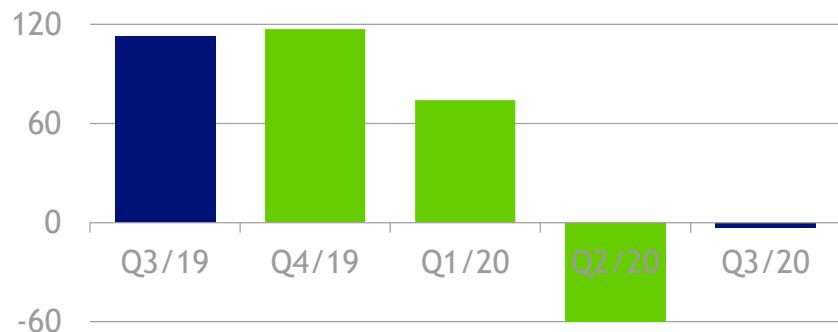


- Comparable sales margin USD 744/ton (722), including BTC*
- California LCFS credit USD 196/ton (198)
- D4 RIN USD 0.67/gal (0.46)
- Sales of 100% Neste MY diesel 31% (24%)
- Utilization rate 95% (101%)

* Retrospective BTC 2019 allocated to quarters

Oil Products result impacted by exceptionally weak market

Comparable EBIT, MEUR



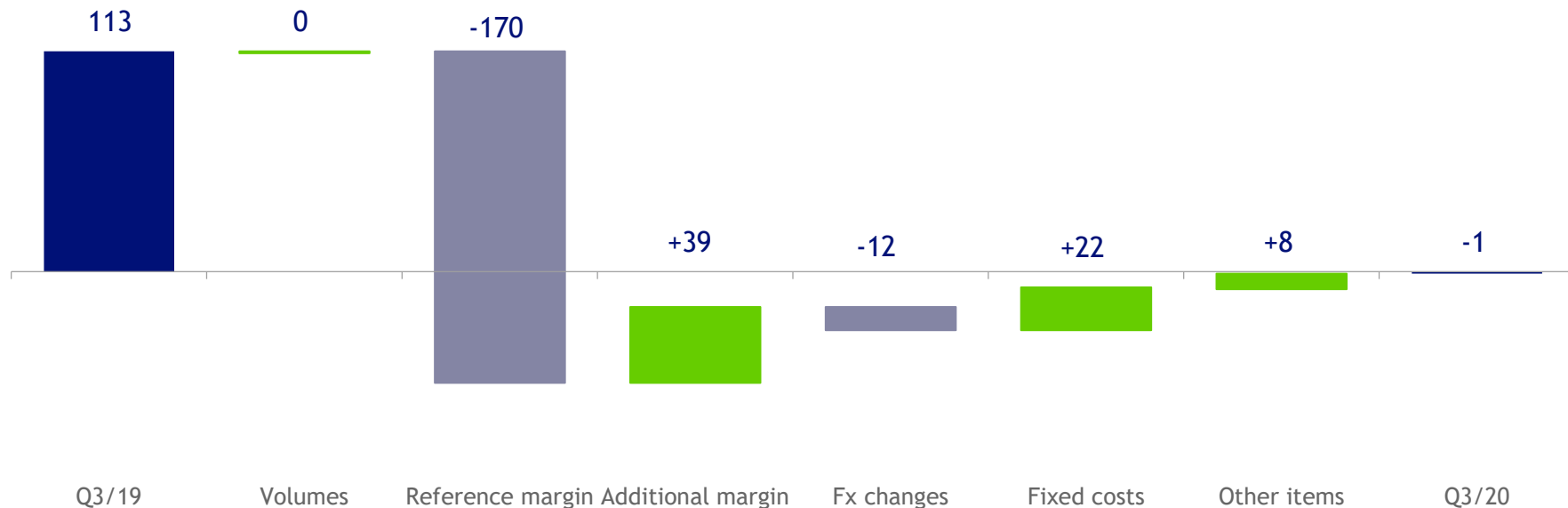
- Comparable EBIT -1 MEUR (113)
- Sales volume 3.3 Mton (3.2)
- Refinery average utilization rate 87% (89%)
- Urals' share of feed 65% (73%)
- Investments 63 MEUR (76)
- Comparable RONA* 5.1% (12.8%)

MEUR	Q3/20	Q3/19	2019
Revenue	1,405	2,578	10,416
Comparable EBIT	-1	113	386
Net assets	2,630	2,819	2,313

* Last 12 months

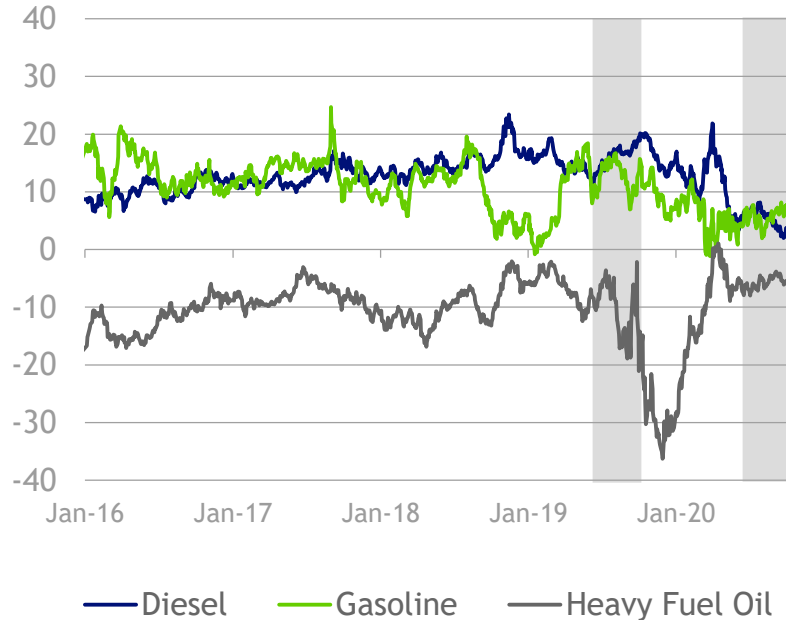
Operational performance and cost reduction supported result

Comparable EBIT Q3/20 vs. Q3/19, MEUR



Low product margins and unfavorable Urals-Brent differential

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

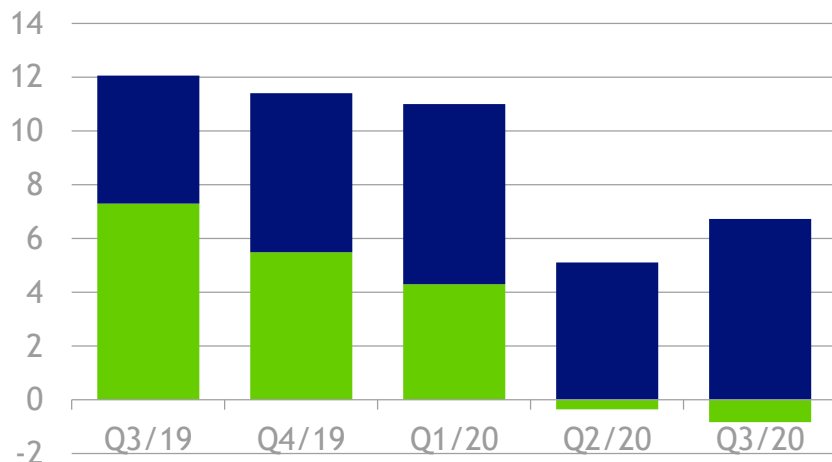


Urals vs. Brent price differential,
USD/bbl



Stronger additional margin supported total refining margin

Total refining margin, USD/bbl



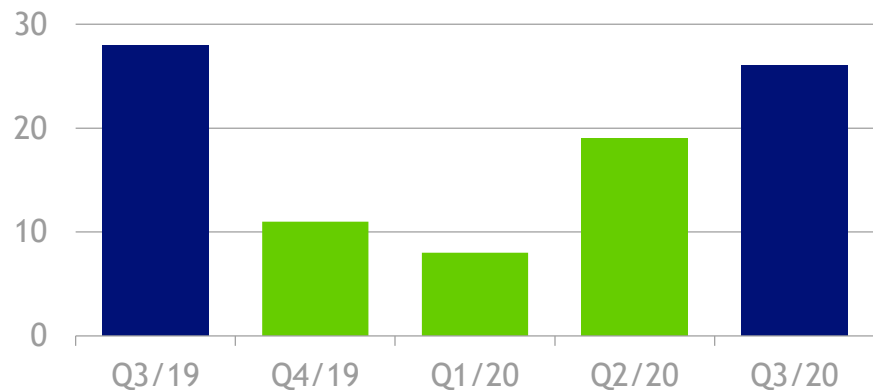
- Total refining margin USD 5.9/bbl (12.1)
- Reference margin USD -0.8/bbl (7.3)
- Additional margin USD 6.7/bbl (4.8)
- Refinery production costs USD 4.3/bbl (4.6)

■ Reference margin

■ Additional margin

Excellent performance in Marketing & Services

Comparable EBIT, MEUR



MEUR	Q3/20	Q3/19	2019
Revenue	788	1,086	4,193
Comparable EBIT	26	28	77
Net assets	208	319	235

- Comparable EBIT 26 MEUR (28)
- Russian business sold in Q4/19; EBIT impact -4 MEUR in Q3/20
- Unit margins improved
- Sales volumes still impacted by COVID-19
- Lower fixed costs
- Investments 5 MEUR (5)
- Comparable RONA* 26.1% (28.8%)

* Last 12 months

The background is a vibrant green with a bokeh effect of out-of-focus light spots. A magnifying glass is positioned over a plant stem, which is in sharp focus, while the surrounding foliage is blurred. The magnifying glass is represented by a white circular outline and a handle extending towards the top right.

Current topics

Focusing on strategy implementation

Focus areas

Progress during Q3

Scale up faster and bolder



- Singapore expansion project proceeding and the updated completion schedule remains valid
- Future renewables capacity expansion project's feasibility study phase is progressing
- Several new contracts and partnerships made in Renewable Aviation and Renewable Polymers & Chemicals businesses despite the COVID-19 situation

Drive efficiency in operations



- Business continuity plans continue to focus on short-term cost reduction activities
- Co-operation negotiations regarding the restructuring of Oil Products' refining operations expected to be completed in Q4

Increase innovations



- Further development of NEXBTL pretreatment technology to enable higher throughput
- Industrial scale test run of co-processing liquefied waste plastic successfully carried out

Segment outlook for Q4/2020

RENEWABLE PRODUCTS

MARKET

Sales volumes for Renewable Diesel in Q4 expected to be slightly lower or similar to the previous quarter. Waste and residue markets anticipated to remain tight.

UTILIZATION RATE

Utilization rates forecasted to remain high in Q4, except for scheduled catalyst change at Rotterdam refinery, which is estimated to have negative EBIT impact of 50 MEUR mainly in Q4.

OIL PRODUCTS

MARKET AND MARGIN

Market demand seen to continue slowly recovering, but to be still impacted by COVID-19 pandemic.

Reference margin expected to remain very low and very volatile.

Contango inventory profits are expected to positively impact also Q4 result.

MARKETING & SERVICES

SALES VOLUMES AND UNIT MARGINS

Sales volumes and unit margins are expected to follow previous years' seasonality pattern in Q4.

Some negative impact anticipated on demand and sales volumes in Q4 due to COVID-19 pandemic.

Other 2020 topics

GROUP CAPEX

- Capital expenditures in 2020 estimated to be approx. 800 MEUR, excluding M&A. Previously CAPEX was estimated to be approx. 850 MEUR.

Appendix

Renewable Products comparable EBIT calculation

	Q1/19	Q2/19	Q3/19	Q4/19	2019	Q1/20	Q2/20	Q3/20
Sales volume, kton	692	745	716	693	2,846	731	773	730
Comparable sales margin, including BTC, USD/ton	756	674	722	787	733	685	625	744
Comparable sales margin, MEUR	461	447	465	493	1,866	454	439	464
Fixed costs, MEUR	-50	-55	-59	-81	-246	-81	-82	-66
Depreciations, MEUR	-36	-36	-46	-49	-166	-44	-43	-47
Reallocation of BTC 2019, MEUR	-40	-70	-56	-64				
BTC 2019 & 2018, MEUR (added back)				372	142			
Comparable EBIT, MEUR	337	286	305	671	1,599	329	314	352

Refinery production costs, Porvoo & Naantali

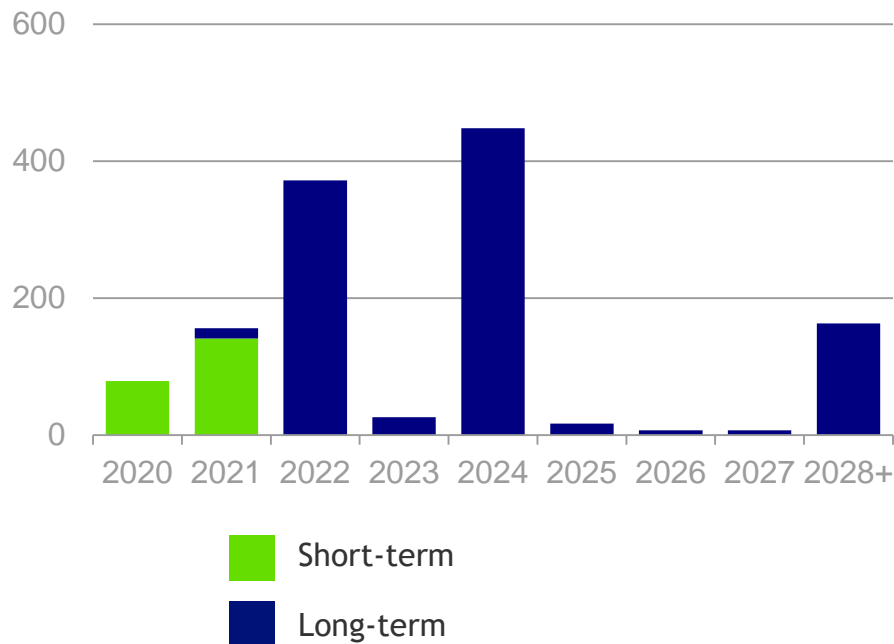
		Q3/19	Q4/19	2019	Q1/20	Q2/20	Q3/20
Refined products	Million barrels	26.9	27.9	109.2	29.7	23.0	26.0
Exchange rate	EUR/USD	1.11	1.11	1.12	1.10	1.10	1.17
Utilities costs	MEUR	49.8	58.5	211.4	49.7	41.3	48.7
	USD/bbl	2.1	2.3	2.2	1.8	2.0	2.2
Fixed costs	MEUR	61.2	75.9	256.4	63.3	76.6	48.4
	USD/bbl	2.5	3.0	2.6	2.4	3.7	2.2
External cost sales	MEUR	-0.3	-0.3	-1.5	-0.4	-0.3	-0.3
	USD/bbl	0.0	0.0	0.0	0.0	0.0	0.0
Total	MEUR	110.7	134.2	466.3	112.5	117.6	96.8
	USD/bbl	4.6	5.3	4.8	4.2	5.6	4.3

Cash flow

MEUR	Q3/20	Q3/19	Q2/20	1-9/20	1-9/19	2019
EBITDA	552	605	333	1,210	1,567	2,731
Capital gains/losses	0	-9	0	0	-9	-37
Other adjustments	19	-39	219	118	81	-77
Change in net working capital	-17	-439	-432	-412	-961	-780
Net finance costs	-18	-1	-19	-37	-29	-48
Income taxes paid	-38	-60	-40	-129	-189	-333
Net cash generated from operating activities	497	58	61	751	461	1,456
Capital expenditure	-195	-157	-348	-741	-346	-568
Other investing activities	14	169	41	-60	96	265
Cash flow before financing activities	315	71	-246	-51	211	1,154

Liquidity & maturity profile

MEUR



- Group's liquidity EUR 2,329 million at end of September 2020
 - Liquid funds EUR 979 million
 - Unused committed credit facilities EUR 1,350 million
- Average interest rate for interest-bearing liabilities was 1.9% and maturity 2.4 years at end of September
- No financial covenants in Group companies' existing loan agreements

NESTE