Interim Report
January-September 2007

refining the future

NESTE OIL'S INTERIM REPORT FOR JANUARY-SEPTEMBER 2007
- Comparable operating profit came in at EUR 159 million in the third quarter

The third quarter in brief:

- Comparable operating profit of EUR 159 million (Q3/06: 202 million)
- Operating profit of EUR 180 million (Q3/06: 254 million)
- Earnings per share of EUR 0.52 (Q3/06: 0.72)
- Comparable operating profit of Oil Refining EUR 154 million (Q3/06: 183 million), Oil Retail EUR 22 million (Q3/06: 22 million), and Shipping EUR -2 million (Q3/06: 4 million)
- Softer refining market compared to the third quarter of 2006
- The new diesel line contributed positively to the total refining margin of USD 10.20 /bbl (Q3/06: USD 10.80 /bbl)
- The first deliveries of NExBTL Renewable Diesel were supplied

Risto Rinne, President & CEO:
"The market was very volatile during the third quarter and challenging for Oil Refining and Shipping, in particular. Despite this and the challenge of the start-up of our two new production lines, our performance was satisfactory."

"Although our new diesel line was operational for only part of the quarter, it already proved its ability to contribute to the total refining margin according to our expectation. With regard to the recent valve problems, the valves are now changed and the line is being started up."

"In renewables, we have faced two challenges, namely the new unique technology and feedstock sustainability. Now the technology is proven to function and the first deliveries have been supplied to the customers. We will use various feedstocks, and the work to ensure their sustainability will continue. This includes complete traceability of the palm oil whenever it is used, and building certification systems for sustainable production."

Further information:
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News conference and conference call
A press conference in Finnish on the third-quarter results will be held today, 30 October 2007, at 11:30 am EET in the Mirror Room at Hotel Kämp, Pohjoisesplanadi 29, Helsinki. www.nesteoil.com will feature English versions of the presentation materials.

An international conference call for investors and analysts will be held today, 30 October 2007, at 3:00 pm Finland / 1:00 pm London / 9:00 am New York. A live webcast of the conference call can be followed at www.nesteoil.com. The call-in numbers are as follows: Europe: +44 (0)20 3023 4426, US: +1 866 966 5335. An instant replay of the call will be available for one week at +44 (0)20 8196 1998 for Europe and +1 866 583 1035 for the US, using access code 725434.

NESTE OIL INTERIM REPORT 1 JANUARY - 30 SEPTEMBER 2007

Unaudited

Figures in parenthesis refer to the third quarter of 2006, unless stated otherwise.

KEY FIGURES

EUR million, unless otherwise stated.

	7-9/07	7-9/06	1-9/07	1-9/06	2006	Last 12 months
Sales	2,978	3,464	8,642	9,778	12,734	11,598
Operating profit before depreciation	235	292	797	800	1,007	1,004
Depreciation, amortization and impairment charges	55	38	139	113	153	179
Operating profit	180	254	658	687	854	825
Comparable operating profit *	159	202	542	510	597	629
Profit before income tax	168	246	633	676	841	798
Earnings per share, EUR	0.52	0.72	1.86	1.92	2.46	2.39
Capital expenditure and investment in shares	59	139	236	384	535	387
Net cash from operating activities	-32	248	321	376	512	457

	30 Sep 2007	30 Sep 2006	31 Dec 2006	Last 12 months
Total equity	2,331	1,941	2,097	-
Interest-bearing net debt	879	850	722	-
Capital employed	3,265	2,902	2,890	3,265
Return on capital employed pre-tax (ROCE), %	28.5	34.1	31.9	26.8
Return on average capital employed after tax (ROACE), %	-	-	15.4	15.8
Return on equity (ROE), %	28.7	37.3	34.3	28.9
Equity per share, EUR	9.10	7.54	8.15	-
Cash flow per share, EUR	1.25	1.46	2.00	1.79
Equity-to-assets ratio, %	49.4	43.0	48.4	-
Leverage ratio, %	27.4	30.5	25.6	-
Gearing, %	37.7	43.8	34.4	-

* Comparable operating profit is calculated by excluding inventory gains/losses, gains/losses from sales of fixed assets, and unrealized changes in the fair value of oil and freight derivative contracts from the reported operating profit.

The Group's third-quarter results

Neste Oil's sales totaled EUR 2,978 million in the third quarter (3,464 million). This decrease of 14% was mainly due to the divestment of the Group's stake in Eastex Crude Company earlier in the year. Excluding this, sales were largely unchanged.

The Group's operating profit for the period was EUR 180 million (254 million). Operating profit includes unrealized changes of oil derivatives valued at EUR -15 million (18 million) and inventory gains of EUR 36 million (-61 million).

The comparable operating profit for the quarter totaled EUR 159 million, which is some 21% lower than in the corresponding period last year (202 million). The most significant impact came in the form of a lower total refining margin, a weaker US dollar, and lower shipping crude freight rates. In addition, comparable operating profit was affected by increased fixed costs linked to the Group's growth projects and a higher level of depreciation. A fine was imposed by the European Commission on Nynäs Petroleum, a Neste Oil joint venture, and this had a negative impact of EUR 5 million.

Oil Refining posted a comparable operating profit of EUR 154 million (183 million), Oil Retail EUR 22 million (22 million), and Shipping EUR -2 million (4 million).

Profit before taxes was EUR 168 million in the third quarter (246 million), and net profit for the period was EUR 132 million (186 million). Earnings per share was EUR 0.52 (0.72).

The Group's January-September results

The Group's sales in the first nine months of 2007 totaled EUR 8,642 million (1-9/06: 9,778 million).

Operating profit totaled EUR 658 million (1-9/06: 687 million) and comparable operating profit EUR 542 million (1-9/06: 510 million). The comparable operating profit was positively impacted by high total refining margin in the first half of the year.

Oil Refining posted a comparable operating profit of EUR 493 million (1-9/06: 455 million), Oil Retail EUR 49 million (1-9/06: 49 million), and Shipping EUR 31 million (1-9/06: 31 million) during the first nine months.

Profit before taxes was EUR 633 million (1-9/06: 676 million) and net profit for the period EUR 477 million (1-9/06: 496 million). Earnings per share was EUR 1.86 (1-9/06: 1.92).

Given the capital-intensive nature of its business, Neste Oil uses return on average capital employed after tax (ROACE) as its primary financial indicator. At the end of September, the rolling twelve-month ROACE was 15.8% (2006 financial period: 15.4%).

	7-9/07	7-9/06	1-9/07	1-9/06	LTM	2006
COMPARABLE OPERATING PROFIT	159	202	542	510	629	597
- changes in the fair value of open oil derivative positions	-15	18	-9	8	-26	-9
- inventory gains/losses	36	-61	120	42	134	56
- gains/losses from sales of fixed assets	0	95	5	127	88	210
OPERATING PROFIT	180	254	658	687	825	854

Capital expenditure

After the completion of two major projects, Neste Oil's capital expenditure in January-September 2007 totaled EUR 236 million (1-9/06: 384 million). Oil Refining accounted for EUR 199 million of investments (1-9/06: 348 million), Oil Retail EUR 27 million (1-9/06: 24 million), and Shipping EUR 2 million (1-9/06: 9 million).

Depreciation in January-September was EUR 139 million (1-9/06: 113 million).

Financing

Interest-bearing net debt amounted to EUR 879 million at the end of September (31 Dec 2006: 722 million). Net financial expenses between January and September were EUR 25 million (1-9/06: 11 million).

The average interest rate of borrowings at the end of September was 4.5%, and the average maturity 3.9 years.

Net cash from operating activities between January and September was EUR 321 million (1-9/06: 376 million). A high level of working capital had a significant impact on the third-quarter cashflow of EUR -32 million (248 million).

The equity-to-assets ratio at the end of September was 49.4% (31 Dec 2006: 48.4%), the gearing ratio 37.7% (31 Dec 2006: 34.4%), and the leverage ratio 27.4% (31 Dec 2006: 25.6%).

Cash and cash equivalents and committed, unutilized credit facilities amounted to EUR 1,593 million at the end of September (31 Dec 2006: 1,667 million).

Market overview

Gasoline margins weakened dramatically in July, once higher refinery runs had balanced supply and demand in the US. Towards the end of the quarter, however, stocks dropped to their lowest level in five years as gasoline production was cut due to refinery problems and planned maintenance outages. As a result, gasoline margins increased and were further supported by growing hurricane fears.

In July, the weak gasoline market pushed refining margins down. The very strong physical North Sea crude oil market also put pressure on margins. In August and September, improving distillate margins helped refining margins recover. The international reference refining margin in North West Europe, IEA Brent Cracking, averaged USD 4.18 /bbl (4.42) during the quarter.

Turmoil on the financial markets and investor activity kept crude oil prices very volatile. After falling in the wake of weakening gasoline prices, tightening crude oil market fundamentals pushed them up again in late August, when Brent Dated reached an all-time high of USD 81.10 /bbl. In the third quarter, Brent Dated averaged USD 74.87 /bbl (69.49). New record prices for crude were seen at a number of points in October after the reporting period. The price differential between Urals and Brent Dated narrowed during the third quarter due to increased demand for heavier crudes. In addition, the Brent Dated basket has become heavier in 2007. The differential averaged USD -2.53 /bbl (-4.21) in the third quarter.

Distillate margins widened during the third quarter as inventory balances tightened on both sides of the Atlantic. The growth in diesel demand stayed healthy and refinery shutdowns supported diesel margins, especially in North-west Europe.

The price differential of both low-sulfur and high-sulfur fuel to crude remained widely negative. Low-sulfur product still suffered from poor demand, and expectations of a price increase following the tightening of the North Sea bunker fuel sulfur specification in August failed to materialize.

The first-generation biodiesel (FAME) industry has continued to suffer from over-capacity and low profitability. Public discussion on raw material sustainability has intensified and a lot of work is being done to build objective sustainability criteria. Demand for high-quality renewable diesel remains healthy.

Crude freight rates in the North Sea were 28% lower compared to the third quarter of 2006, and those from Primorsk 24% lower.

Key drivers

	7-9/07	7-9/06	1-9/07	1-9/06	Oct 07	2006
IEA Brent cracking margin, USD/bbl	4.18	4.42	5.26	4.42	2.85	3.73
Neste Oil's total refining margin, USD/bbl	10.20	10.80	10.63	9.62	n.a.	9.11
Urals-Brent price differential, USD/bbl	-2.53	-4.21	-3.18	-4.44	-2.80	-4.28
Brent dated crude oil, USD/bbl	74.87	69.49	67.13	66.96	81.42	65.14
Crude freight rates, Aframax WS points	107	147	131	138	122	145

SEGMENT REVIEWS

Neste Oil's businesses are grouped into four segments: Oil Refining, Oil Retail, Shipping, and Other. Biodiesel is included in Oil Refining.

Oil Refining

Oil Refining's third-quarter operating profit stood at EUR 177 million (227 million) and the comparable operating profit at EUR 154 million (183 million). The lower comparable operating profit was mainly due to lower total refining margin, the weak US dollar exchange rate, and higher fixed costs and depreciation compared to the same period last year.

Neste Oil's total refining margin averaged USD 10.20 /bbl (10.80) in the third quarter, while the benchmark margin (IEA Brent cracking) averaged USD 4.18 /bbl (4.42).

The total refining margin was affected by low product margins in July, higher variable costs at the refineries and a narrower price differential between Brent and Russian crude. On the other hand, the new diesel line at Porvoo had a positive impact on the total refining margin.

Oil Refining's comparable return on net assets (annualized) was 25.3% (27.5%).

Key figures

	7-9/07	7-9/06	1-9/07	1-9/06	LTM	2006
Sales, MEUR	2,451	2,973	7,053	8,337	9,484	10,768
Operating profit, MEUR	177	227	603	590	684	671
Comparable operating profit, MEUR	154	183	493	455	571	533
Capital expenditure, MEUR	46	120	199	348	329	478
Total refining margin, USD/bbl	10.20	10.80	10.63	9.62	9.85	9.11

Production

Neste Oil refined 4.0 million tons (3.3 million) of crude oil and other feedstocks at its refineries in the third quarter, of which 3.3 million tons (2.9 million) at Porvoo and 0.7 million tons (0.4 million) at Naantali. Both refineries operated at their full crude distillation capacity during the quarter. In the third quarter of 2006, the Porvoo refinery also operated at full capacity, whereas utilization at Naantali was 60.2%, as a result of a planned maintenance shutdown.

As a result of the start-up of the new diesel line at Porvoo, the proportion of Russian Export Blend used increased to 62% (42%) of total refinery input in the third quarter.

Sales

Sales volumes in Finland totaled 2.0 million tons in the third quarter (2.0 million), and export volumes 1.6 million tons (1.4 million). Thanks to the new diesel production line, diesel sales increased by 22% and sales of heavy fuel oil decreased by 24%. The first deliveries of NExBTL Renewable Diesel took place in July.

Sales from in-house production, by product category (1,000 t)

	7-9/07	7-9/06	1-9/07	1-9/06	2006
Motor gasoline and components	1,194	1,169	3,630	3,799	4,974
Diesel fuel	1,421	1,163	3,839	3,550	4,821
Jet fuel	189	198	532	524	702
Base oils	74	76	227	231	302
Heating oil	164	129	539	487	684
Heavy fuel oil	180	237	775	812	1,069
NExBTL Renewable Diesel	5	0	5	0	0
Other products	407	421	1,201	1,182	1,543
TOTAL	3,634	3,393	10,748	10,585	14,095

Sales from in-house production, by market area (1,000 t)

	7-9/07	7-9/06	1-9/07	1-9/06	2006
Finland	1,987	2,031	5,981	6,034	8,083
Other Nordic countries	635	517	1,575	1,462	1,906
Russia & the Baltic countries	28	16	44	26	53
Other Europe	606	539	1,712	1,712	2,420
USA & Canada	362	284	1,366	1,140	1,417
Other countries	16	6	70	211	216
TOTAL	3,634	3,393	10,748	10,585	14,095

Oil Retail

Oil Retail posted an operating profit of EUR 22 million in the third quarter (23 million), and a comparable operating profit of EUR 22 million (22 million). The positive impact from increased volumes was partly offset by higher fixed costs related to expansion of the station network in the Baltic Rim area.

Figures for 2007 no longer include rental and other income from a number of service station properties sold in Finland in 2006.

Oil Retail's comparable return on net assets (annualized) was 19.5% (17.2%).

Key figures

	7-9/07	7-9/06	1-9/07	1-9/06	LTM	2006
Sales, MEUR	853	841	2,470	2,470	3,280	3,280
Operating profit, MEUR	22	23	51	53	136	138
Comparable operating profit, MEUR	22	22	49	49	65	65
Capital expenditure, MEUR	9	11	27	24	47	44
Product sales volume, 1,000 m3	1,087	1,070	3,330	3,248	4,505	4,424

Gasoline sales at Neste Oil's stations in Finland increased by some 4% in the third quarter compared to the same quarter in 2006. Diesel fuel sales were up by almost 6% due to good demand. Heating oil sales, however, declined by 3% as a result of lower demand.

A project is under way in Oil Retail designed to strengthen its profitability and position in Finland.

Sales volumes in the Baltic Rim station network increased by 18% compared to the same quarter in 2006. Sales of diesel fuel increased by 28%. The number of outlets in the Baltic Rim totaled 257 at the end of September.

Oil Retail sales volumes (1,000 m3)

	7-9/07	7-9/06	1-9/07	1-9/06	2006
Gasoline	405	379	1,158	1,062	1,452
Diesel fuel	407	391	1,258	1,107	1,510
Heating oil	172	192	546	686	932
Heavy fuel oil	103	108	367	394	530
TOTAL	1,087	1,070	3,330	3,248	4,424

Oil Retail sales volumes by market area (1,000 m3)

FINLAND	7-9/07	7-9/06	1-9/07	1-9/06	2006
Gasoline	182	175	494	501	652
Diesel fuel	264	250	786	748	1,008
Heating oil	172	177	537	598	814
Heavy fuel oil	103	108	367	394	530
TOTAL	721	710	2,184	2,241	3,004

BALTIC RIM *	7-9/07	7-9/06	1-9/07	1-9/06	2006
Gasoline	223	204	665	560	800
Diesel fuel	143	141	472	359	502
Heating oil	0	15	9	88	118
TOTAL	366	360	1,146	1,007	1,420
LPG (1000 t)	51	59	173	188	254

*Volumes from stations and terminals combined

Shipping

Shipping's operating profit for the third quarter came in at EUR -4 million (11 million) and the segment's comparable operating profit totaled EUR -2 million (4 million). The weaker comparable operating profit was due to significantly lower freight rates and softer US dollar exchange rate.

Shipping's comparable return on net assets (annualized) was 13.6% (13.1%).

Key figures

	7-9/07	7-9/06	1-9/07	1-9/06	LTM	2006
Sales, MEUR	82	65	307	220	380	293
Operating profit, MEUR	-4	11	35	69	44	78
Comparable operating profit, MEUR	-2	4	31	31	32	32
Capital expenditure, MEUR	1	6	2	9	3	10
Total fleet days	2,871	2,446	8,375	7,071	11,423	10,119
Fleet utilization rate, %	95	93	95	95	94	94

Shipping's total fleet days (the number of days vessels have been operational, including repair and waiting days) amounted to 2,871 in the third quarter (2,446). Fleet days for crude fleet totaled 552 (515), and 2,319 (1,931) for the product fleet.

Neste Oil owned or controlled through contracts a total of 31 (28) tankers as of the end of September. Expansion of the fleet has focused on larger crude and product tankers. Crude carrying capacity as of the end of September was 680,407 dwt (660,767), and for products 606,723 dwt (483,604), totaling 1,287,130 dwt (1,144,371).

The fleet utilization rate for the period remained high, at 95% (93%).

Shares, share trading, and ownership

A total of 119,808,257 Neste Oil shares were traded in the third quarter, totaling EUR 3.1 billion. The share price reached EUR 29.80 at its highest and EUR 23.62 at its lowest, and closed the quarter at EUR 25.67, giving the company a market capitalization of EUR 6.6 billion as of 30 September 2007. A total of 1.8 million shares were traded daily on average, equivalent to 0.7% of the company’s shares.

Neste Oil's share capital registered with the Company Register as of 30 September 2007 totaled EUR 40 million, and the total number of shares outstanding is 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.

At the end of September, the Finnish state owned 50.1% of outstanding shares, foreign institutions 26.9%, Finnish institutions 16.0%, and Finnish households 7.0%.

Divisional restructuring and changes in segment reporting

Neste Oil announced a new divisional structure and new heads for four divisions on 27 September. These changes were designed to give the company better potential to implement its strategy going forward. A new division, Specialty Products, was formed, and includes the base oil and gasoline component businesses and is also responsible for Neste Oil's interests in the joint venture company, Nynäs Petroleum.

The heads of the five divisions are as follows: Jorma Haavisto (Oil Refining), Jarmo Honkamaa (Biodiesel), Kimmo Rahkamo (Specialty Products), Sakari Toivola (Oil Retail), and Risto Näsi (Shipping). Jarmo Honkamaa has been appointed Deputy CEO. These changes came into effect on 16 October.

Neste Oil will change its segment reporting as of 1 January 2008, after which the performance of all five divisions will be reported separately. The figures for Biodiesel and Specialty Products currently come under Oil Refining segment.

Personnel

The Group employed an average of 4,806 (4,678) employees between January and September. The number of employees at the end of September totaled 4,834 (30 September 2006: 4,693).

Health, safety, and the environment

The main indicator for safety performance used by Neste Oil – cumulative lost workday injury frequency (LWIF, number of cases per million hours worked) for all work done for the company, combining the company's own personnel and contractors – stood at 3.1 (3.5) at the end of September 2007.

Under EU emissions trading, Neste Oil's carbon dioxide allowances for 2007 are expected to equal its carbon dioxide emissions for the year and it is likely that no allowances will need to be obtained from the market by the end of 2007.

Neste Oil has been included in the Dow Jones Sustainability World Index, which features over 300 companies from 24 countries that excel in their commitment to a more sustainable future. In addition, the company has participated in the Carbon Disclosure Project (CDP). As a result, Neste Oil's record on emission disclosure was ranked among that of the top 10 Nordic companies in the energy-intensive sector.

Update on growth projects

Neste Oil will continue to implement its clean fuel strategy through a number of projects aimed at building new capacity to produce NExBTL Renewable Diesel and review alternatives for investing in new conversion capacity at its existing refineries.

The new diesel production line

The new diesel production line at the Porvoo refinery was operational for only part of the quarter. The line was stopped in mid-September for a short maintenance outage, during which a number of faulty valves were identified. This kept the line down throughout October. Despite this, the new line has already contributed to higher diesel sales and lower heavy fuel oil sales and made a positive contribution to the total refining margin in the third quarter.

The company estimates that the new line will contribute an additional refining margin of more than USD 2 /bbl on its total output of approximately 100 million barrels a year over the long term.

NExBTL Renewable Diesel

Neste Oil is aiming to become the world's leading producer of renewable diesel. The cornerstone of this strategy is the company's proprietary NExBTL technology, which produces a premium-quality diesel fuel that outperforms both existing biodiesel and crude oil-based diesel grades currently on the market.

After the initial start-up in July, the first NExBTL Renewable Diesel plant at Porvoo was shut down for modifications and repairs in August and September, and restarted in the beginning of October. The NExBTL technology is now working on an industrial scale, but various opportunities for improving the process and catalysts have been identified. Benefits from these improvements will be taken into account in the designs of future plants.

A second NExBTL plant is under construction at Porvoo with the same capacity, 170,000 t/a, as the first unit. Due to some design changes, the plant is now scheduled to be commissioned in 2009.

Planning work and a lengthy Environmental Impact Assessment (EIA) on a project for a NExBTL plant jointly owned with OMV in Austria is continuing. Neste Oil is also planning further expansion of NExBTL production.

Work to ensure the sustainability of feedstocks used in renewable diesel production is continuing on an active basis.

The company is also committed to further research and development aimed at utilizing a wider range of renewable raw materials.

Potential short-term and long-term risks

The oil market continues to prove very volatile. Oil refiners are exposed to a variety of political and economic trends and events, as well as natural phenomena, which tend to affect the short-term supply of and demand for the products that companies produce and sell. Sudden and unplanned outages at production units or facilities also represent a risk. Rising investment costs and challenges in developing new competitive raw materials may impact the company's growth plans.

The key market drivers for Neste Oil's financial performance are international refining margins, the price differential between Russian Export Blend (REB) and Brent crude, and the USD/EUR exchange rate. Short-term changes in crude oil prices impact Neste Oil's financial results mainly in the form of inventory gains or losses.

For more detailed information on Neste Oil's risks and risk management, please refer to the company's Annual Report and Financial Statements for 2006.

Outlook

Global demand for petroleum products is expected to remain healthy and the amount of new capacity coming on stream limited in the near future. As a result, the outlook for refiners with complex capacity should remain favorable. The market is likely to remain highly volatile, and the reference refining margin has been under pressure in October. Recent record-breaking crude prices have further increased uncertainty on the international oil market.

Low US inventories and refinery maintenance outages seem to keep gasoline margins higher than normal in the fourth quarter. The diesel market is supported by stronger seasonal demand.

Neste Oil's new diesel production line is expected to be operational again in November.

After the ramp-up in October, the NExBTL Renewable Diesel plant is expected to operate normally for the remainder of the fourth quarter.

Demand for high-quality lubricant base oils remains strong.

Oil Retail's margins are expected to be lower in the final quarter compared to the rather good period at end of 2006.

Shipping's market is likely to remain very challenging in the next few years.

Neste Oil's capital expenditure is projected to be approximately EUR 350 million in 2007.

Reporting date for the Financial Statements for 2007

Neste Oil will publish its Financial Statements and fourth-quarter results on 7 February 2008 at approximately 9:00 am EET.

Espoo, 29 October 2007

Neste Oil Corporation
Board of Directors

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.

NESTE OIL GROUP
JANUARY- SEPTEMBER 2007
Unaudited

CONSOLIDATED INCOME STATEMENT

MEUR	Note	7-9/2007	7-9/2006	1-9/2007	1-9/2006	1-12/2006	Last 12 months
Sales	2, 4	2978	3464	8642	9778	12734	11598
Other income		4	100	21	147	238	112
Share of profit (loss) of associates and joint ventures	4	17	20	31	27	39	43
Materials and services		-2546	-3098	-7237	-8548	-11183	-9872
Employee benefit costs		-60	-52	-187	-168	-224	-243
Depreciation, amortization and impairment charges	4	-55	-38	-139	-113	-153	-179
Other expenses		-158	-142	-473	-436	-597	-634
Operating profit		180	254	658	687	854	825
Financial income and expenses							
Financial income		2	2	6	6	8	8
Financial expenses		-13	-8	-26	-13	-16	-29
Exchange rate and fair value gains and losses		-1	-2	-5	-4	-5	-6
Total financial income and expenses		-12	-8	-25	-11	-13	-27
Profit before income taxes		168	246	633	676	841	798
Income tax expense		-36	-60	-156	-180	-205	-181
Profit for the period		132	186	477	496	636	617

Attributable to:						
Equity holders of the company	132	185	475	493	631	613
Minority interest	0	1	2	3	5	4
	132	186	477	496	636	617
Earnings per share from profit attributable to the equity holders of the Company basic and diluted (in euro per share)	0,52	0,72	1,86	1,92	2,46	2,39

CONSOLIDATED BALANCE SHEET

MEUR	Note	30 Sep 2007	30 Sep 2006	31 Dec 2006
ASSETS				
Non-current assets				
Intangible assets	5	40	38	38
Property, plant and equipment	5	2396	2218	2310
Investments in associates and joint ventures		173	148	161
Long-term interest-bearing receivables		2	14	3
Pension assets		83	65	73
Deferred tax assets		5	16	8
Derivative financial instruments	6	22	22	22
Other financial assets		3	2	3
Total non-current assets		2724	2523	2618
Current assets				
Inventories		935	739	697
Trade and other receivables		905	936	808
Derivative financial instruments	6	104	158	77
Cash and cash equivalents		55	108	62
Total current assets		1999	1941	1644
Non-currents assets classified as held for sale	2	0	53	78
Total assets		4723	4517	4340
EQUITY				
Capital and reserves attributable to the equity holders of the company				
Share capital		40	40	40
Other equity	3	2288	1894	2049
Total		2328	1934	2089
Minority interest		3	7	8

Total equity		2331	1941	2097
LIABILITIES				
Non-current liabilities				
Interest-bearing liabilities		601	663	516
Deferred tax liabilities		278	224	239
Provisions		6	14	12
Pension liabilities		11	12	12
Derivative financial instruments	6	18	24	21
Other non-current liabilities		7	13	4
Total non-current liabilities		921	950	804
Current liabilities				
Interest-bearing liabilities		333	298	267
Current tax liabilities		24	63	43
Derivative financial instruments	6	62	123	38
Trade and other payables		1052	1139	1027
Total current liabilities		1471	1623	1375
Liabilities directly associated with non-current assets classified as held for sale	2	0	3	64
Total liabilities		2392	2576	2243
Total equity and liabilities		4723	4517	4340

CONSOLIDATED STATEMENT OF CHANGES IN TOTAL EQUITY

		Attributable to equity holders of the company						
		Share capital	Reser-ve fund	Fair value and other reser-ves	Transla-tion differen-ces	Retained earnings	Minority	Total
MEUR	Note							
Total equity at 1 January 2006		40	9	-33	8	1581	7	1612
Dividend paid						-205		-205
Income and expense recognized directly in equity								
Translation differences and other changes					-4			-4
Cash flow hedges								

recorded in equity, net of taxes				57				57
transferred to income statement, net of tax				-13				-13
Net investment hedges, net of taxes					1			1
Change in minority							-3	-3
Items recognized directly in equity				44	-3	0	-3	38
Profit for the period						493	3	496
Total recognized income and expenses				44	-3	493	0	534
Total equity at 30 September 2006		40	9	11	5	1869	7	1941

		Share capital	Reser-ve fund	Fair value and other reser-ves	Transla-tion diffe-rences	Retained earnings	Minority	Total
MEUR	Note							
Total equity at 1 January 2007		40	9	26	3	2011	8	2097
Dividend paid						-231		-231
Treasury shares	3					-12		-12
Income and expense recognized directly in equity								
Translation differences and other changes			1		-2	-1		-2
Cash flow hedges								
recorded in equity, net of taxes				-18				-18
transferred to income								

statement, net of tax			27				27
Net investment hedges, net of taxes				-2			-2
Share-based compensation			2				2
Change in minority						-7	-7
Items recognized directly in equity		1	11	-4	-1	-7	0
Profit for the period					475	2	477
Total recognized income and expenses		1	11	-4	474	-5	477
Total equity at 30 September 2007	40	10	37	-1	2242	3	2331

CONDENSED CONSOLIDATED CASH FLOW STATEMENT

MEUR	7-9/2007	7-9/2006	1-9/2007	1-9/2006	1-12/2006
Cash flow from operating activities					
Profit before taxes	168	246	633	676	841
Adjustments, total	60	-84	121	-34	-85
Change in working capital	-195	104	-254	-166	-106
Cash generated from operations	33	266	500	476	650
Finance cost, net	-17	13	-24	-3	-7
Income taxes paid	-48	-31	-155	-97	-131
Net cash from operating activities	-32	248	321	376	512
Capital expenditures	-59	-132	-236	-375	-526
Acquisition of shares	0	-7	0	-9	-9
Proceeds from sales of fixed assets	2	14	14	57	77
Proceeds from sales of shares	0	79	-5	79	201
Change in other investments	-17	68	-30	19	20
Cash flow before financing activities	-106	270	64	147	275
Net change in loans and other financing activities	90	-247	152	91	-74
Dividends paid to the equity holders of the company	0	0	-231	-205	-205
Net increase (+)/decrease (-) in cash and marketable securities	-16	23	-15	33	-4

KEY RATIOS

	30 Sep 2007	30 Sep 2006	31 Dec 2006	Last 12 months
Capital employed, MEUR	3265	2902	2890	3265
Interest-bearing net debt, MEUR	879	850	722	-
Capital expenditure and investments in shares, MEUR	236	384	535	387
Return on average capital employed, after tax, ROACE %	-	-	15,4	15,8
Return on capital employed, pre-tax, ROCE %	28,5	34,1	31,9	26,8
Return on equity, %	28,7	37,3	34,3	28,9
Equity per share, EUR	9,10	7,54	8,15	-
Cash flow per share, EUR	1,25	1,46	2,00	1,79
Equity-to-assets ratio, %	49,4	43,0	48,4	-
Gearing, %	37,7	43,8	34,4	-
Leverage ratio, %	27,4	30,5	25,6	-
Average number of shares	255994173	256403686	256403686	256097393
Number of shares at the end of the period	255903686	256403686	256403686	255903686
Average number of employees	4806	4678	4678	-

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

1. BASIS OF PREPARATION AND ACCOUNTING POLICIES

The interim financial statements have been prepared in accordance with IAS 34, Interim Financial Reporting, as adopted by the EU. The interim financial report should be read in conjunction with the annual financial statements for the year ended 31 December 2006.

The accounting policies adopted are consistent with those of the Group's annual financial statements for the year ended 31 December 2006.

The following interpretations are mandatory for the financial year ending 31 December 2007, but not relevant for the Group:
- IFRIC 7 Applying the Restatement Approach under IAS 29 Financial Reporting in Hyperinflationary Economies
- IFRIC 8 Scope of IFRS 2
- IFRIC 9 Reassessment of Embedded derivatives
- IFRIC 10 Interim Financial Reporting and Impairment.

2. DISPOSALS

Neste Oil closed the divestment of its 70 % holding in Eastex Crude Company in mid February The company has been consolidated as a subsidiary in Neste Oil consolidated financial statements until the closing date and included in the Oil Refining segment. The company had an insignificant impact on Neste Oil's results, but has contributed significant revenues, accounting for EUR 1.8 billion of Neste Oil's total consolidated sales of EUR 12.7 billion in 2006 In 2007, Eastex Crude Company accounted for EUR 151 million of Neste Oil's sales (1-9/2006: EUR 1,441 million).

Non-current assets classified as held for sale comprise of the carrying amount of Eastex Crude Company at 31 December 2006, and carrying amount of
Best Chain Ltd as at 30 September 2006.

3. TREASURY SHARES

Neste Oil has entered into an agreement with a third party service provider concerning the administration of the new share-based long-term incentive
plan for key management personnel. As part of the agreement, the service provider has 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 future payment of the rewards, which will take place partly in Neste Oil shares and partly
in cash during 2010 and 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.

4. SEGMENT INFORMATION

Neste Oil's businesses are grouped into four segments for external reporting purposes: Oil Refining, Oil Retail, Shipping and Other. The biodiesel business is included in Oil Refining, Other segment includes corporate centre.

SALES

MEUR	7-9/ 2007	7-9/ 2006	1-9/ 2007	1-9/ 2006	1-12/ 2006	Last 12 months
Oil Refining	2451	2973	7053	8337	10768	9484
Oil Retail	853	841	2470	2470	3280	3280
Shipping	82	65	307	220	293	380
Other	5	4	14	12	16	18
Eliminations	-413	-419	-1202	-1261	-1623	-1564
Total	2978	3464	8642	9778	12734	11598

OPERATING PROFIT

MEUR	7-9/ 2007	7-9/ 2006	1-9/ 2007	1-9/ 2006	1-12/ 2006	Last 12 months
Oil Refining	177	227	603	590	671	684
Oil Retail	22	23	51	53	138	136
Shipping	-4	11	35	69	78	44
Other	-18	-8	-32	-26	-35	-41
Eliminations	3	1	1	1	2	2
Total	180	254	658	687	854	825

COMPARABLE OPERATING PROFIT

MEUR	7-9/ 2007	7-9/ 2006	1-9/ 2007	1-9/ 2006	1-12/ 2006	Last 12 months
Oil Refining	154	183	493	455	533	571
Oil Retail	22	22	49	49	65	65
Shipping	-2	4	31	31	32	32
Other	-18	-8	-32	-26	-35	-41
Eliminations	3	1	1	1	2	2
Total	159	202	542	510	597	629

DEPRECIATION, AMORTIZATION AND WRITE-DOWNS

MEUR	7-9/ 2007	7-9/ 2006	1-9/ 2007	1-9/ 2006	1-12/ 2006	Last 12 months
Oil Refining	43	25	106	75	105	136
Oil Retail	7	7	20	21	27	26
Shipping	4	5	11	15	18	14
Other	1	1	2	2	3	3
Total	55	38	139	113	153	179

SHARE OF PROFITS IN ASSOCIATED COMPANIES AND JOINT VENTURES

MEUR	7-9/ 2007	7-9/ 2006	1-9/ 2007	1-9/ 2006	1-12/ 2006	Last 12 months
Oil Refining	17	20	31	27	39	43
Oil Retail	0	0	0	0	0	0
Shipping	0	0	0	0	0	0
Other	0	0	0	0	0	0
Total	17	20	31	27	39	43

NET ASSETS

MEUR	30 Sep 2007	30 Sep 2006	31 Dec 2006
Oil Refining	2713	2294	2389
Oil Retail	368	426	336
Shipping	298	308	298
Other	9	5	10
Eliminations	2	-1	-1
Total	3390	3032	3032

RETURN ON NET ASSETS, %

	30 Sep 2007	30 Sep 2006	31 Dec 2006	Last 12 months
Oil Refining	31,0	35,7	29,9	27,0
Oil Retail	20,3	18,6	37,2	38,5
Shipping	15,4	29,2	25,0	14,4

COMPARABLE RETURN ON NET ASSETS, %

	30 Sep 2007	30 Sep 2006	31 Dec 2006	Last 12 months
Oil Refining	25,3	27,5	23,8	22,5
Oil Retail	19,5	17,2	17,5	18,4
Shipping	13,6	13,1	10,3	10,5

QUARTERLY SEGMENT INFORMATION

QUARTERLY SALES

MEUR	7-9/ 2007	4-6/ 2007	1-3/ 2007	10-12/ 2006	7-9/ 2006	4-6/ 2006	1-3/ 2006
Oil Refining	2451	2673	1929	2431	2973	3056	2308
Oil Retail	853	843	774	810	841	817	812
Shipping	82	115	110	73	65	69	86
Other	5	4	5	4	4	5	3
Eliminations	-413	-428	-361	-362	-419	-429	-413
Total	2978	3207	2457	2956	3464	3518	2796

QUARTERLY OPERATING PROFIT

MEUR	7-9/ 2007	4-6/ 2007	1-3/ 2007	10-12/ 2006	7-9/ 2006	4-6/ 2006	1-3/ 2006
Oil Refining	177	288	138	81	227	234	129
Oil Retail	22	18	11	85	23	17	13
Shipping	-4	16	23	9	11	38	20
Other	-18	-5	-9	-9	-8	-9	-9
Eliminations	3	-3	1	1	1	0	0
Total	180	314	164	167	254	280	153

QUARTERLY COMPARABLE OPERATING PROFIT

MEUR	7-9/ 2007	4-6/ 2007	1-3/ 2007	10-12/ 2006	7-9/ 2006	4-6/ 2006	1-3/ 2006
Oil Refining	154	205	134	78	183	178	94
Oil Retail	22	16	11	16	22	15	12
Shipping	-2	12	21	1	4	5	22
Other	-18	-5	-9	-9	-8	-9	-9
Eliminations	3	-3	1	1	1	0	0
Total	159	225	158	87	202	189	119

QUARTERLY DEPRECIATION, AMORTIZATION AND WRITE-DOWNS

MEUR	7-9/ 2007	4-6/ 2007	1-3/ 2007	10-12/ 2006	7-9/ 2006	4-6/ 2006	1-3/ 2006
Oil Refining	43	35	28	30	25	25	25
Oil Retail	7	7	6	6	7	7	7
Shipping	4	3	4	3	5	4	6

Other	1	0	1	1	1	1	0
Total	55	45	39	40	38	37	38

QUARTERLY SHARE OF PROFITS IN ASSOCIATED COMPANIES AND JOINT VENTURES

MEUR	7-9/ 2007	4-6/ 2007	1-3/ 2007	10-12/ 2006	7-9/ 2006	4-6/ 2006	1-3/ 2006
Oil Refining	17	13	1	12	20	11	-4
Oil Retail	0	0	0	0	0	0	0
Shipping	0	0	0	0	0	0	0
Other	0	0	0	0	0	0	0
Total	17	13	1	12	20	11	-4

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

CHANGES IN INTANGIBLE ASSETS AND PROPERTY, PLANT AND EQUIPMENT

MEUR	30 Sep 2007	30 Sep 2006	31 Dec 2006
Opening balance	2348	2059	2059
Depreciation, amortization and impairment	-139	-113	-153
Capital expenditure	236	375	526
Disposals	-12	-14	-22
Disposal of a subsidiary	0	0	-39
Classified as assets held for sale	0	-48	-10
Translation differences	3	-3	-13
Closing balance	2436	2256	2348

CAPITAL COMMITMENTS

MEUR	30 Sep 2007	30 Sep 2006	31 Dec 2006
Commitments to purchase property, plant and equipment	76	47	44
Commitments to purchase intangible assets	1	2	2
Total	77	49	46

6. DERIVATIVE FINANCIAL INSTRUMENTS

	30 Sep 2007	30 Sep 2006	31 Dec 2006

Interest rate and currency derivative contracts and share forward contracts MEUR	Nominal value	Net fair value	Nominal value	Net fair value	Nominal value	Net fair value
Interest rate swaps	297	2	304	1	301	2
Forward foreign exchange contracts	1155	35	1072	7	992	23
Currency options						
Purchased	334	7	458	-6	290	4
Written	199	2	458	8	274	5
Share forward contracts	17	3	8	1	8	1

Oil and freight derivative contracts

	Volume	Net fair value	Volume	Net fair value	Volume	Net fair value
	1 000 bbl	Meur	1 000 bbl	Meur	1 000 bbl	Meur
Sales contracts	73394	-38	97038	110	79094	29
Purchase contracts	86953	34	116930	-87	106339	-25
Purchased options	2503	0	2185	-5	0	0
Written options	671	0	2160	4	0	0

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.

7. CONTINGENT LIABILITIES

MEUR	30 Sep 2007	30 Sep 2006	31 Dec 2006
Contingent liabilities			
On own behalf			
For debt			
Pledges	9	8	8
Real estate mortgages	26	27	25
For other commitments			
Real estate mortgages	0	1	0
Other contingent liabilities	28	13	28
Total	63	49	61
On behalf of associated companies			
Guarantees	3	13	6
Other contingent liabilities	1	4	1
Total	4	17	7
On behalf of others			
Guarantees	5	2	6

Other contingent liabilities	0	1	1
Total	5	3	7
Total	72	69	75

MEUR	30 Sep 2007	30 Sep 2006	31 Dec 2006
Operating lease liabilities			
Due within a year	116	111	117
Due later than one year and not later than 5 years	178	176	191
Due later than five years	125	144	165
Total	419	431	473

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.

NESTE OIL GROUP
JANUARY - SEPTEMBER 2007
Unaudited

CALCULATION OF KEY FIGURES

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 profits (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 and freight 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 sales of fixed assets and investments - unrealized change in fair value of oil and freight derivative contracts

Return on equity, (ROE) % = 100 x (Profit before taxes - taxes) / Total equity average

Return on capital employed, pre-tax (ROCE) % = 100 x (Profit before taxes + interest and other financial expenses) / Capital employed average

Return on average capital employed, after-tax (ROACE) % = 100 x (Profit for the period (adjusted for inventory gains/losses, gains/losses from sales of shares or non-financial assets and unrealized gains/losses on oil and freight derivative contracts, net of tax) + minority interest + interest expenses and other financial expenses related to interest-bearing liabilities (net of taxes)) / 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 Interest- bearing net debt / (Interest- bearing net debt + Total equity)

Gearing, % = 100 x (Interest bearing net debt / Total equity)

Equity-to assets ratio, % = 100 x Total equity / (Total assets - advances received)

Return on net assets, % = 100 x Segment operating profit / Average segment net assets

Comparable return on net assets, % = 100 x Segment comparable operating profit / Average segment net assets

Segment net assets = Property, plant and equipment, intangible assets, investment in associates and joint ventures, pension assets, inventories and interest-free receivables and liabilities allocated to the business segment, provisions and pension liabilities

CALCULATION OF KEY SHARE RATIOS

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