



Storing
vital products
with care

Vopak Half Year 2019 financial results

Analyst presentation – 31 July 2019



Forward-looking statement



This presentation contains 'forward-looking statements', based on currently available plans and forecasts. 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, and Vopak cannot guarantee the accuracy and completeness of forward-looking statements.

These risks and uncertainties include, but are not limited to, factors affecting the realization of ambitions and financial expectations, developments regarding the potential capital raising, exceptional income and expense items, operational developments and trading conditions, economic, political and foreign exchange developments and changes to IFRS reporting rules.

Vopak's outlook does not represent a forecast or any expectation of future results or financial performance.

Statements of a forward-looking nature issued by the company must always be assessed in the context of the events, risks and uncertainties of the markets and environments in which Vopak operates. These factors could lead to actual results being materially different from those expected, and Vopak does not undertake to publicly update or revise any of these forward-looking statements.



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Chairman of the Executive Board and
CEO of Royal Vopak

**Eelco
Hoekstra**



Key messages



Solid financial performance and significant increase in earnings per share

Vopak's strategy delivery is well on track

- Further steps in the delivery of our strategy and alignment of our portfolio
- Significant new capacity taken into operations to meet new customers demand
- Capacity conversions for IMO 2020 bunker fuels is progressing well

Key figures HY1 2019

EBITDA*

In EUR million

423

CFFO (gross)

In EUR million

352

EPS*

In EUR

1.35

ROCE*

In percent

12.6

Occupancy rate**

In percent

85

Terminal network

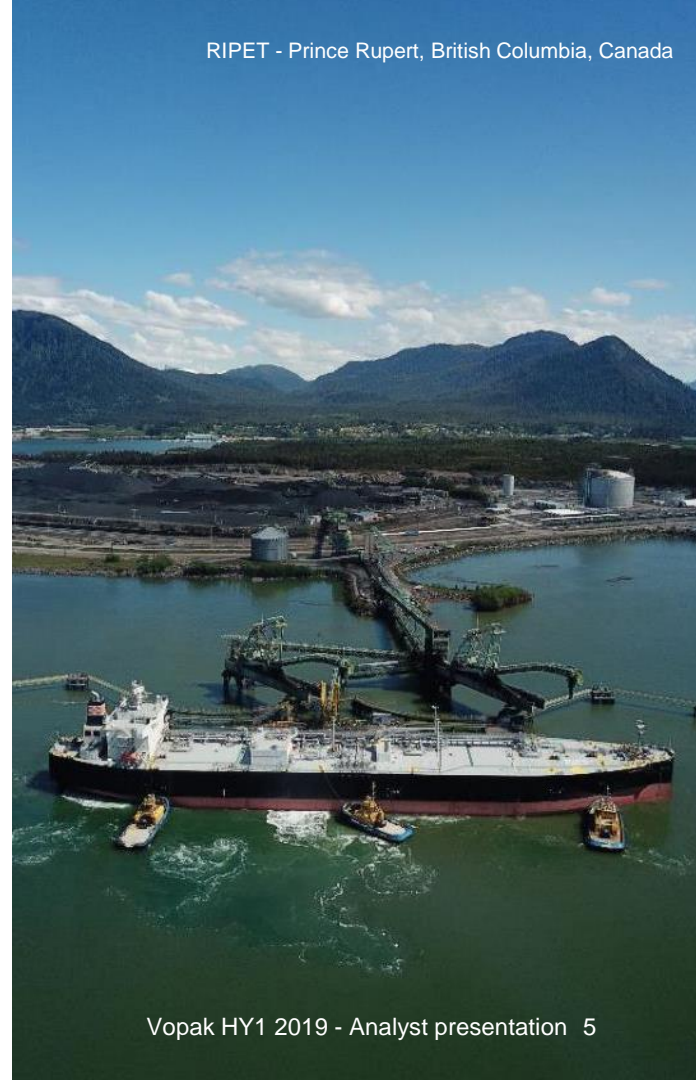
In million cbm

Growth
HY1 2019 **1.0**

HY1
2019: **36.9**

* Including net result from joint ventures and associates and excluding exceptional items

** Occupancy rate include subsidiaries only



Business environment update

Diversified portfolio, well positioned for future opportunities



Chemicals



Focus on operational delivery

- Growing global demand for chemicals
- Continued positive investment climate petrochemical industry

Oil products



On track for IMO 2020 transition

- Oil hubs: solid long-term demand drivers despite short-term weakness
- Fuel oil: on track for IMO 2020
- Import-distribution markets: Solid growth in markets with structural deficits

Gases



Steady cash flows

- Strong growing demand in LPG for residential and petrochemical markets
- Strong growth in LNG imports in Asia (including China)

Vegoils & biofuels



Reap the benefit of current market

- Strong European biofuels market despite dependency to changes in government policies
- Good global vegoil demand

Strategy execution well on track



Strategic direction is set towards growth and productivity improvements

Capture growth

- 3.2 million cbm to be commissioned in 2018 and 2019
- Projects in line with long-term market developments

Spend EUR 750 million on sustaining and service improvement capex

- Sustaining and service improvement capex budget include investments in our fuel oil network

Invest EUR 100 million in new technology, innovation programs and replacing IT systems

- Global roll-out of Terminal Management Software in progress

Drive productivity and reduce the cost base

- Efficiency program increased to EUR 40 million by 2019

Portfolio transformation

Shift towards industrial terminals, chemical and gas terminals

Key projects

LNG, LPG & Chemical gases

- ETPL LNG - Pakistan
- RIPET LPG - Canada
- Vlissingen LPG - the Netherlands

Industrial terminals

- PT2SB - Pengerang, Malaysia
- Deer Park - Houston, US

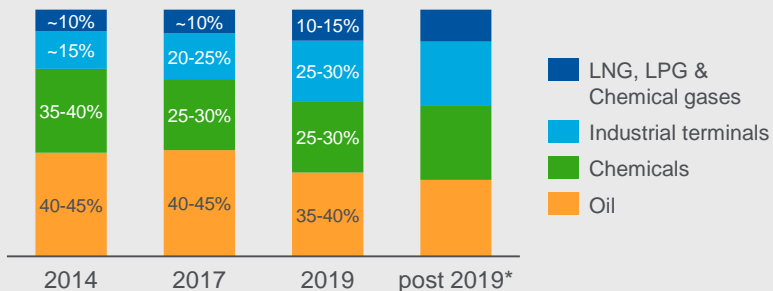
Chemicals

- Alemoa - Brazil
- Merak - Indonesia
- Botlek - the Netherlands

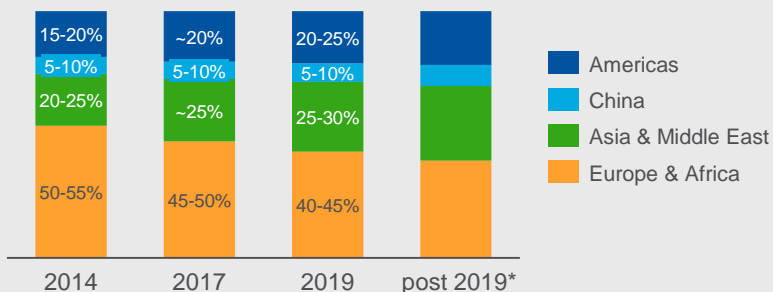
Oil

- IMO conversion
- Mexico - Veracruz
- Divestments Algeciras, Amsterdam, Hamburg and Tallinn

Proportionate revenue per product



Proportionate revenue per region



* Excluding terminals held for sale

Note: keeping market conditionals equal and only taking announced projects into account

Key messages



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Vopak's strategy delivery is well on track

- Further steps in the delivery of our strategy and alignment of our portfolio
- Significant new capacity taken into operations to meet new customers demand
- Capacity conversions for IMO 2020 bunker fuels is progressing well

A man in a white shirt and glasses is standing by the open door of a yellow taxi. The background shows a city street with buildings and other people. Several circular icons are overlaid on the image: a blue circle with a white bottle icon on the taxi door, a yellow circle with a white bottle icon near the man's head, a blue circle with a white shirt icon on the man's back, and a green circle with a white smartphone icon near the taxi door.

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Member of the Executive Board and
CFO of Royal Vopak

**Gerard
Paulides**



Summary financial performance



strategic direction

Capture
growth

Spend EUR 750m
on **sustaining and
service capex**

Invest EUR 100m
in **technology &
innovation**

Drive further
productivity

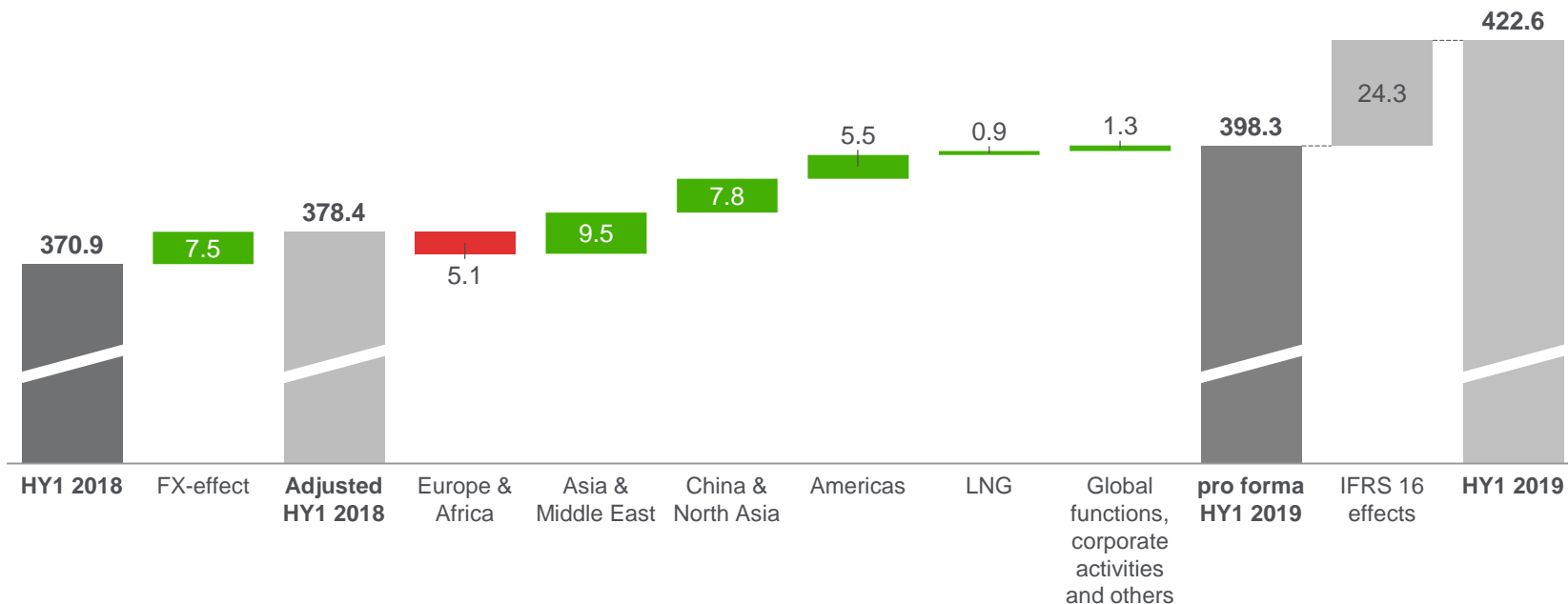
HY1 2019 key messages

- EBITDA of **EUR 423 million**, including positive IFRS 16 effects, positive currency translation effects and good performance from joint ventures and associates
- Earnings Per Share (EPS) significantly increased to **EUR 1.35**
- **Resilient CFFO** with **momentum in growth investments** (CFFI)
- Vopak will **continue to invest in growth** of its global terminal portfolio in 2020 and beyond

HY1 2019 vs HY1 2018 EBITDA



Pro forma EBITDA increased by EUR 27 million, mainly from good contributions from joint ventures

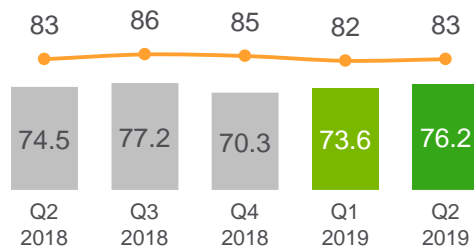


Divisional segmentation

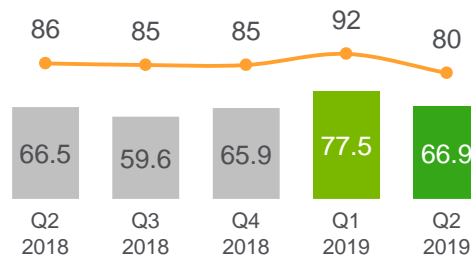


Europe & Africa and Asia & Middle East reflect temporary IMO conversion;
Americas and LNG benefit from strong chemical and gas markets

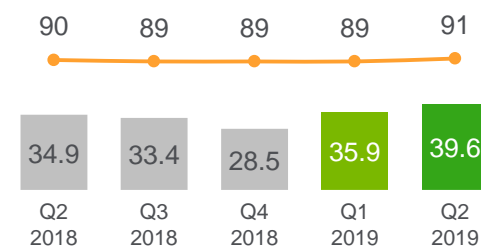
Europe & Africa



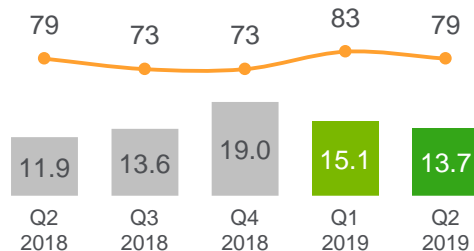
Asia & Middle East



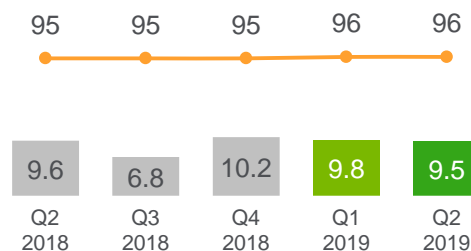
Americas



China & North Asia



LNG



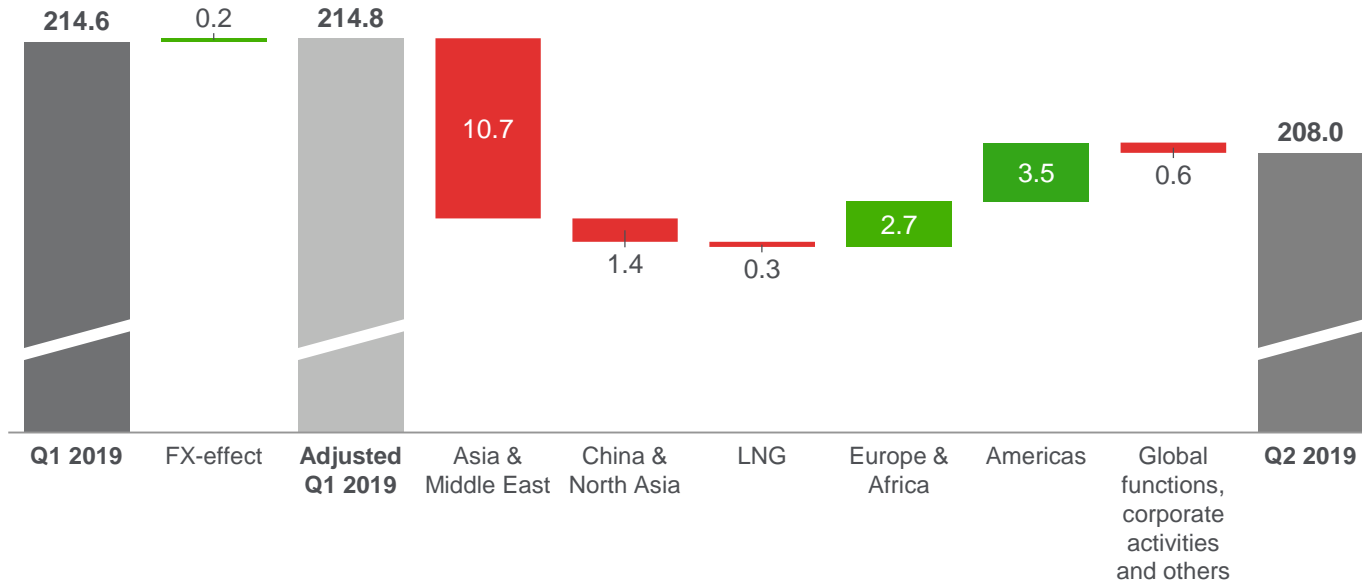
— Occupancy rate (in percent) for subsidiaries only, with the exception of LNG

■ (pro forma) EBITDA (in EUR million) excluding exceptional items and including net result from JVs & associates and currency effects

Q2 2019 vs Q1 2019 EBITDA



Q2 reflects planned temporary conversion activities related to IMO 2020



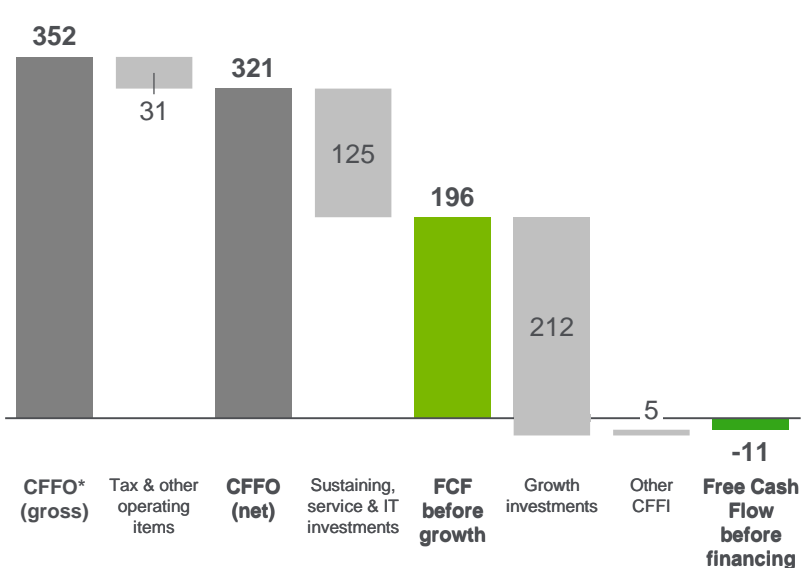
Cash flow overview



Investment momentum driven by growth project phasing towards 2019

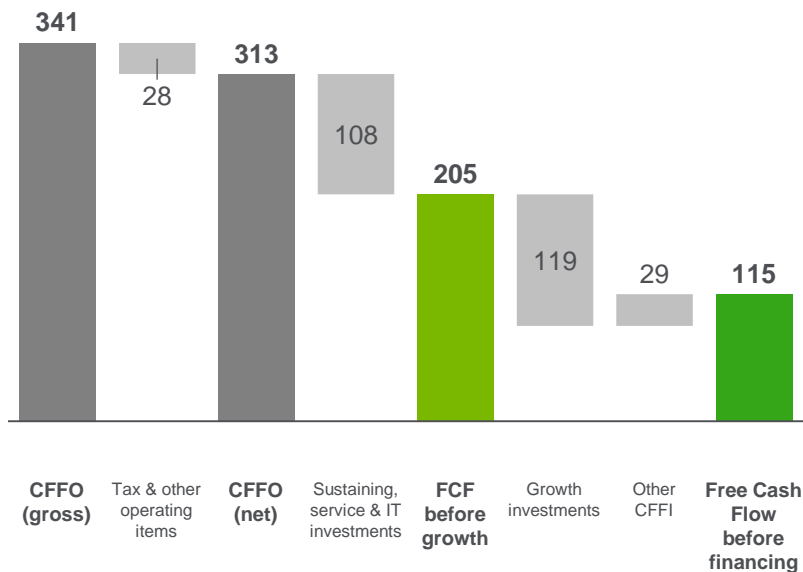
HY1 2019

In EUR million



HY1 2018

In EUR million



Figures in EUR million

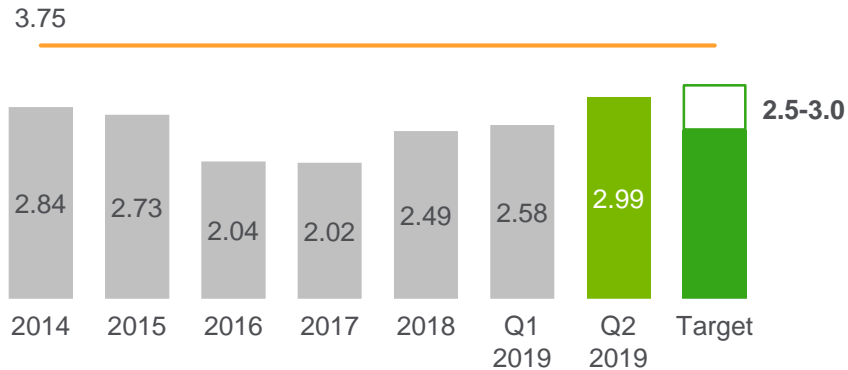
* IFRS 16 classifies lease payments mostly as financing cash flows versus operating cash flows in prior years

Robust balance sheet



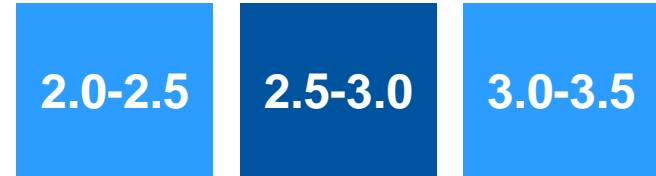
Target leverage of 2.5 to 3.0 times senior net debt to EBITDA

Senior net debt : EBITDA ratio



— Maximum ratio under other private placements programs and syndicated revolving credit facility

net debt to EBITDA ratio scenarios



Strategic considerations

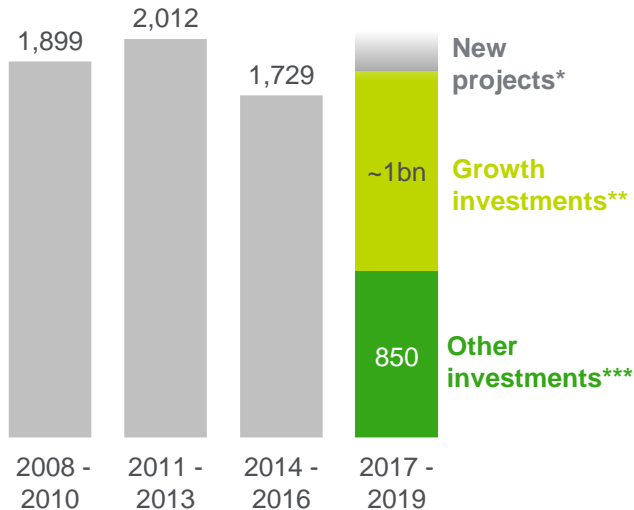
- Timing of growth opportunities
- Shareholder distributions

Investment phasing

Balanced approach for growth, sustaining, service improvement and IT investments

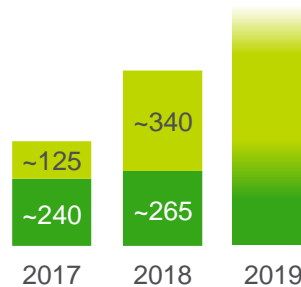
Investments 2008-2019

In EUR million



Investments 2017-2019

In EUR million



Investments

- Growth investments with clear return criteria based on future cash flow and risk profile
- Sustaining and service improvement investments influenced by (environmental) legislation and portfolio developments
- IT investments for rolling out digital systems and create value by digital opportunities

* For illustration purposes only, new announcements might increase future growth investments

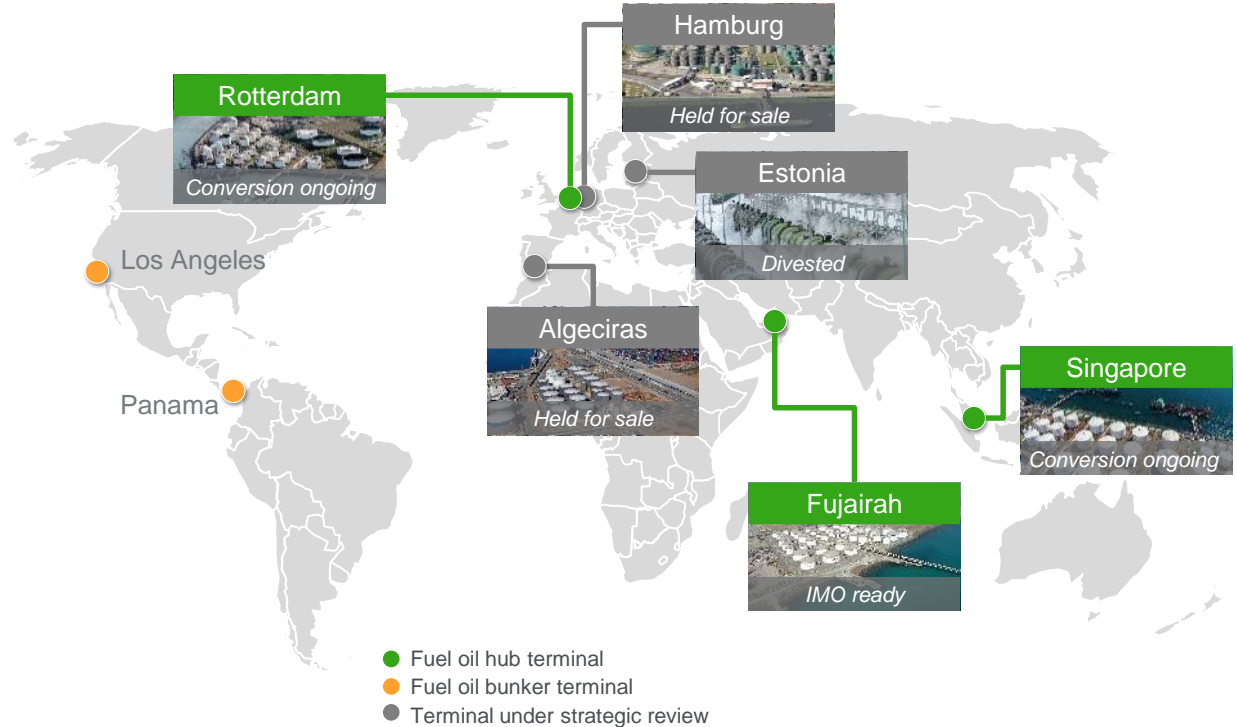
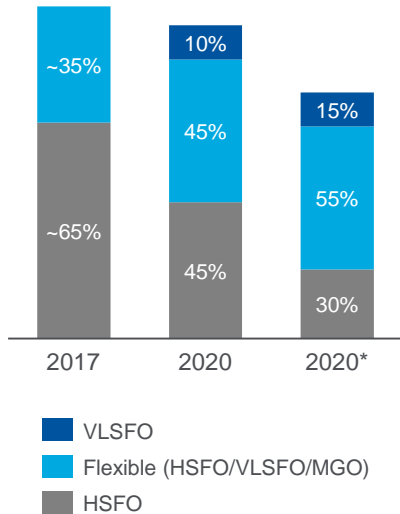
** Growth capex at subsidiaries and equity injections for JV's and associates

*** Sustaining, service improvement and IT capex including investments in fuel oil network

Global fuel oil network

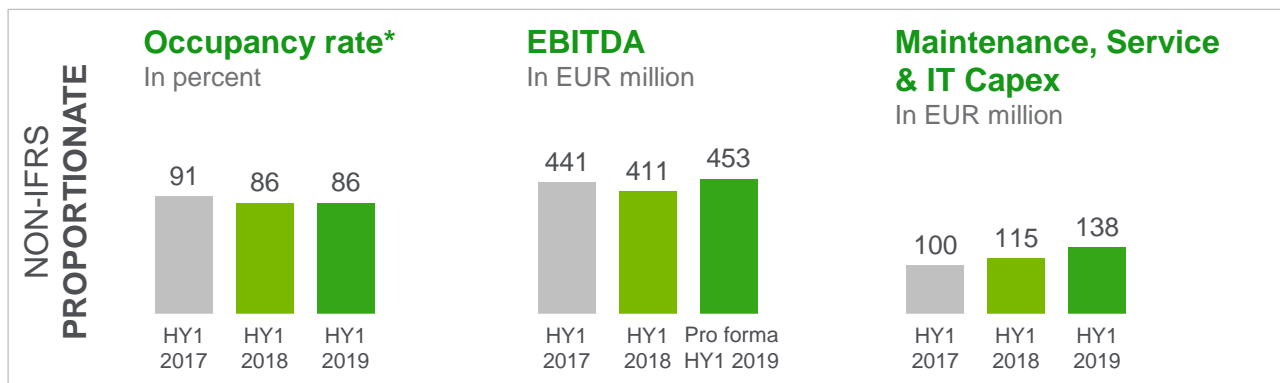
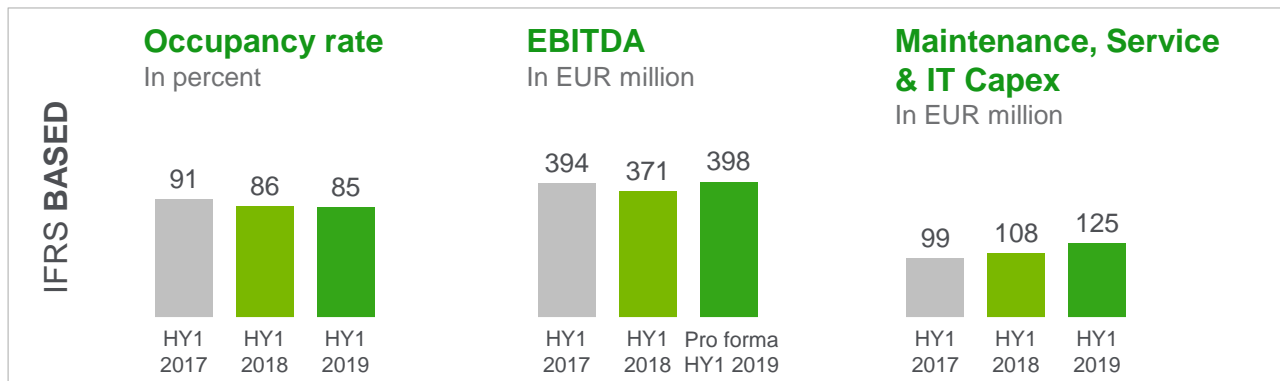
Fuel oil capacity conversions for the IMO 2020 bunker fuels will support new market requirements as from Q4 2019

Fuel Oil capacity



* Fuel oil capacity excluding divested terminals and terminals held for sale.

Non-IFRS proportionate information



Non-IFRS proportionate information provides transparency in Vopak's **underlying performance** and **free cash flow generating capacity**

Excluding exceptional items

* Proportionate occupancy rate excluding divested joint venture in Estonia and fully impaired joint venture in Hainan

Summary financial performance



strategic direction

Capture
growth

Spend EUR 750m
on **sustaining and
service capex**

Invest EUR 100m
in **technology &
innovation**

Drive further
productivity

HY1 2019 key messages

- EBITDA of **EUR 423 million**, including positive IFRS 16 effects, positive currency translation effects and good performance from joint ventures and associates
- Earnings Per Share (EPS) significantly increased to **EUR 1.35**
- **Resilient CFFO** with **momentum in growth investments** (CFFI)
- Vopak will **continue to invest in growth** of its global terminal portfolio in 2020 and beyond

Looking ahead



- Vopak's expansion program will add in total 3.2 million cbm in 2018 and 2019, of which 2.1 million cbm was commissioned up to the end of June 2019
- Growth investments amount to approximately EUR 1 billion for the period 2017-2019
- Fuel oil capacity conversions for the IMO 2020 bunker fuel regulations are progressing well and will support new market requirements as from Q4 2019
- Vopak will continue to invest in growth of its global terminal portfolio in 2020 and beyond



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Vopak Half Year 2019
financial results

Questions &
Answers



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Upcoming events:

Publication of Q3 2019 interim update

04 November 2019

Publication of annual results

12 February 2020

Publication of Q1 2020 interim update

21 April 2020

Annual General Meeting

21 April 2020

Royal Vopak

31 July 2019

Analyst presentation

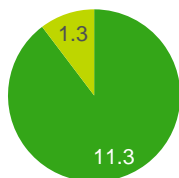
Vopak HY1 2019
financial results



Europe & Africa developments

Storage capacity

In million cbm

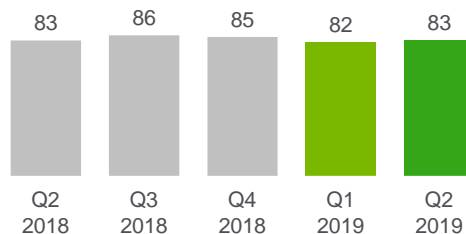


Total Q2 2019
12.6 million cbm

- Subsidiaries
- Joint ventures & associates

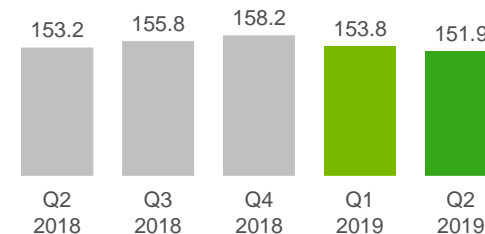
Occupancy rate*

In percent

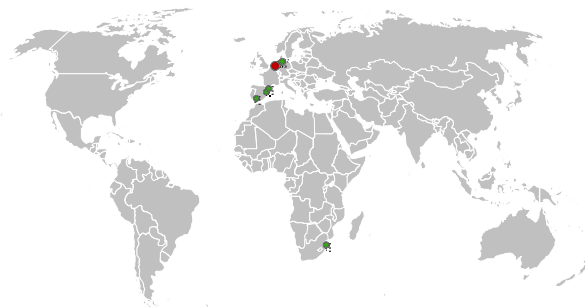


Revenues*

In EUR million

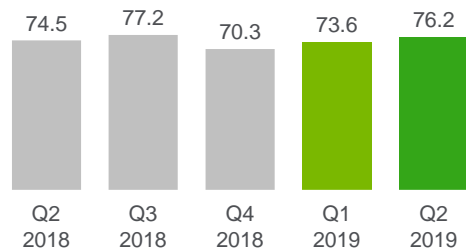


18 Terminals (5 countries)



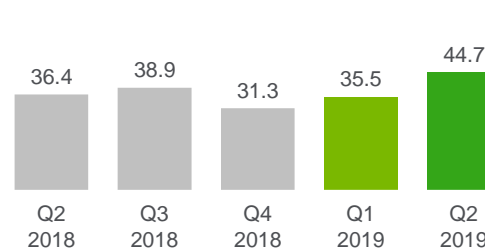
EBITDA**

In EUR million



EBIT**

In EUR million



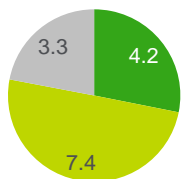
* Subsidiaries only

** Pro forma EBIT(DA) for 2019 only - including net result from joint ventures and associates and excluding exceptional items

Asia & Middle East developments

Storage capacity

In million cbm

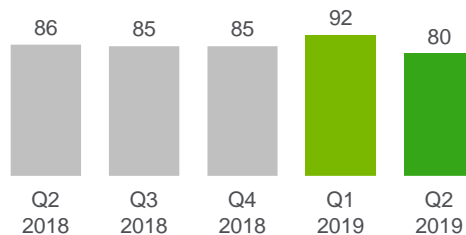


Total Q2 2019
14.9 million cbm

- Subsidiaries
- Joint ventures & associates
- Operatorship

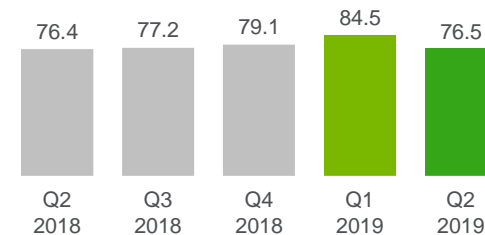
Occupancy rate*

In percent

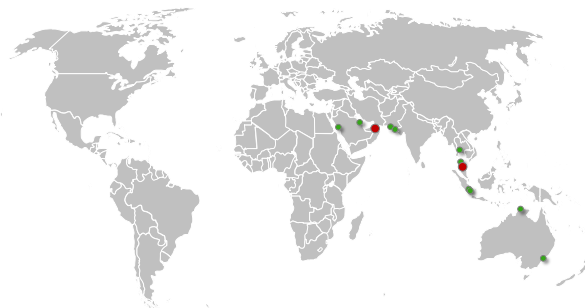


Revenues*

In EUR million

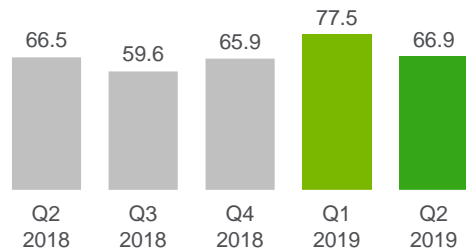


19 Terminals (9 countries)



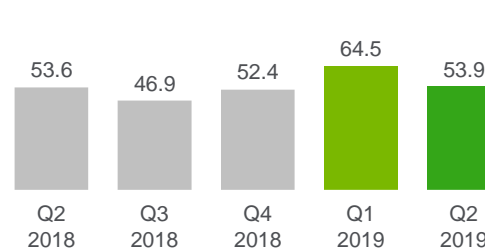
EBITDA**

In EUR million



EBIT**

In EUR million



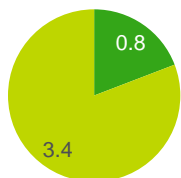
* Subsidiaries only

** Pro forma EBIT(DA) for 2019 only - including net result from joint ventures and associates and excluding exceptional items

China & North Asia developments

Storage capacity

In million cbm

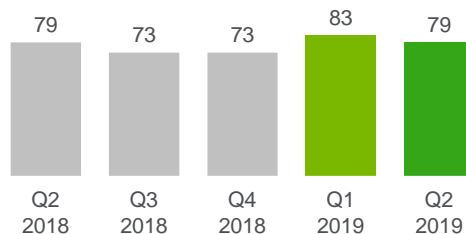


Total Q2 2019
4.2 million cbm

- Subsidiaries
- Joint ventures & associates
- Operatorship

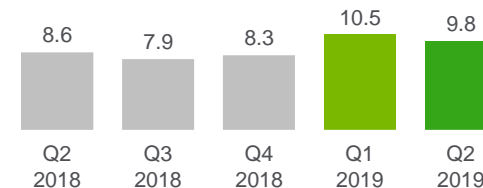
Occupancy rate*

In percent



Revenues*

In EUR million

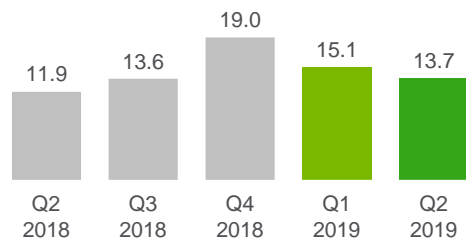


9 Terminals (3 countries)



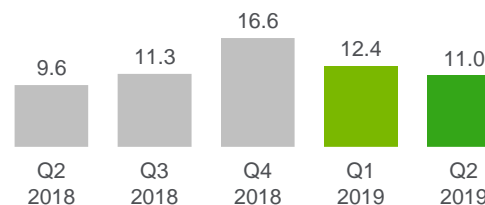
EBITDA**

In EUR million



EBIT**

In EUR million



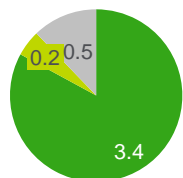
* Subsidiaries only

** Pro forma EBIT(DA) for 2019 only - including net result from joint ventures and associates and excluding exceptional items

Americas developments

Storage capacity

In million cbm

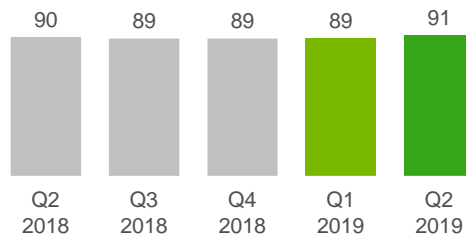


Total Q2 2019
4.1 million cbm

- Subsidiaries
- Joint ventures & associates
- Operatorship

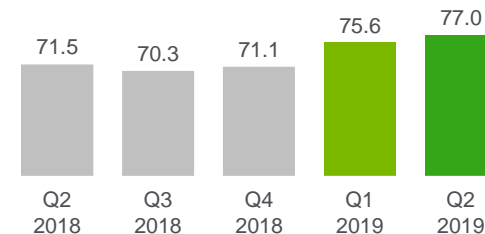
Occupancy rate*

In percent



Revenues*

In EUR million

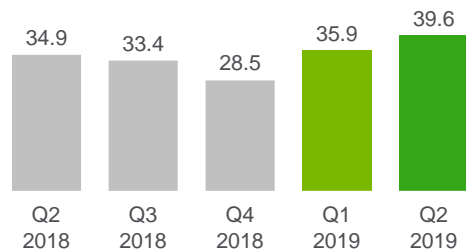


19 Terminals (6 countries)



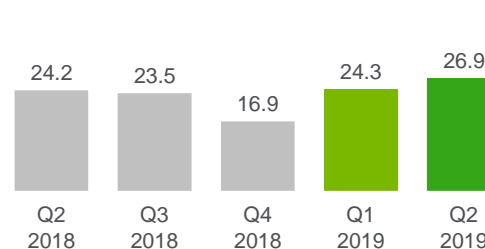
EBITDA**

In EUR million



EBIT**

In EUR million



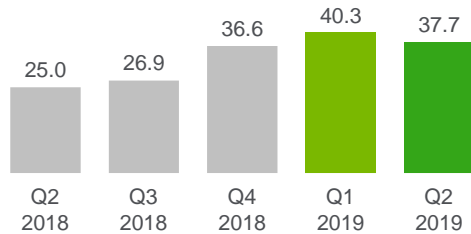
* Subsidiaries only

** Pro forma EBIT(DA) for 2019 only - including net result from joint ventures and associates and excluding exceptional items

JVs & associates developments

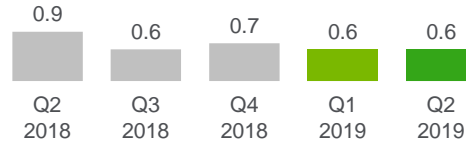
Net result JVs and associates*

In EUR million



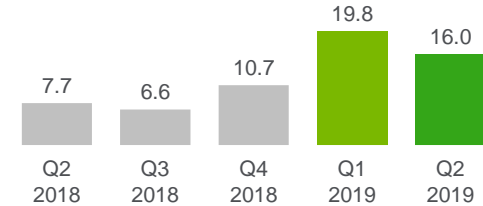
Europe & Africa*

In EUR million



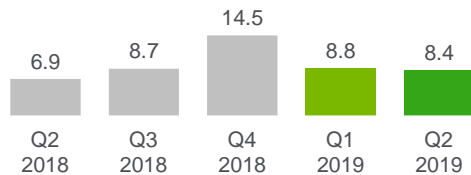
Asia & Middle East*

In EUR million



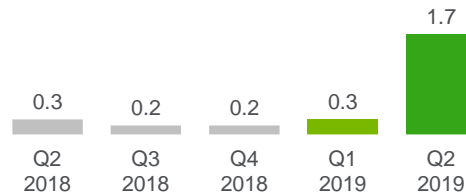
China & North Asia*

In EUR million



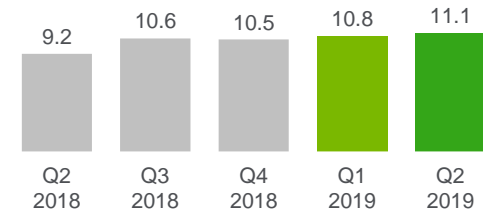
Americas*

In EUR million



LNG*

In EUR million



* Pro forma net result for 2019 only - excluding exceptional items

Project timelines



Country	Terminal	Vopak's ownership	Products	Capacity (cbm)	2016	2017	2018	2019	2020	2021
Existing terminals										
Malaysia	Pengerang Independent Terminals (PITSB)	44.1%	Oil products	430,000						
Brazil	Alemoa	100%	Chemicals	106,000						
Singapore	Sebarok	69.5%	Oil products	67,000						
Indonesia	Jakarta	49%	Oil products	100,000						
Mexico	Veracruz	100%	Oil products	110,000						
Indonesia	Merak	95%	Chemicals	50,000						
South Africa	Durban	70%	Oil products	130,000						
Vietnam	Vopak Vietnam	100%	Chemicals	20,000						
Netherlands	Vlissingen	100%	LPG & Chemical gases	9,200						
Netherlands	Rotterdam Botlek	100%	Chemicals	63,000						
Australia	Sydney	100%	Oil products	105,000						
United States	Deer Park	100%	Chemicals	33,000						
New terminals										
Panama	Panama Atlantic	100%	Oil products	240,000						
South Africa	Lesedi	70%	Oil products	100,000						
Divestments										
Netherlands	Amsterdam	100%	Oil Products	-1,216,000						
Germany	Hamburg	100%	Oil Products	-669,000						
Spain	Algeciras	80%	Oil Products	-403,000						

| start construction
● expected to be commissioned

IFRS 16 Leases

IFRS 16 Leases

- No commercial impact
- Accounting change only, no net cash impact
- No economic impact on the business and how we manage it
- Modified retrospective method
- Pro forma -excluding IFRS 16- figures presented for comparison purposes

Impact Vopak 2019

Key figures	In EUR million
EBITDA	40 – 50
Net profit	0 – (10)
IFRS 16 Lease liabilities (jan 1 st)	~675
Return on Capital Employed (ROCE)	reported on consistent basis
Net debt to EBITDA ratio	'Frozen GAAP'

Cash Flows

Cash flows from operating activities	45 – 55
Cash flows from financing activities	(45) – (55)
Total cash flows	No impact