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4 November 2019

Vopak Q3 2019 Interim Update – Analyst Presentation

Gerard Paulides - CFO of Royal Vopak



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.

Q3 Key messages



Robust financial performance

Significant increase in earnings per share

Delivery on Vopak's strategy with important steps in portfolio transformation

- LNG Colombia is 4th regas terminal in Vopak LNG portfolio
- New greenfield industrial terminal in Qinzhou, China
- Chemical capacity expansions in Antwerp and Altamira
- Divestment of terminals in Amsterdam and Hamburg completed

Key figures YTD Q3 2019

EBITDA*

In EUR million

625

CFFO (gross)

In EUR million

537

EPS*

In EUR

2.07

ROCE*

In percent

12.4

Occupancy rate**

In percent

84

Terminal network

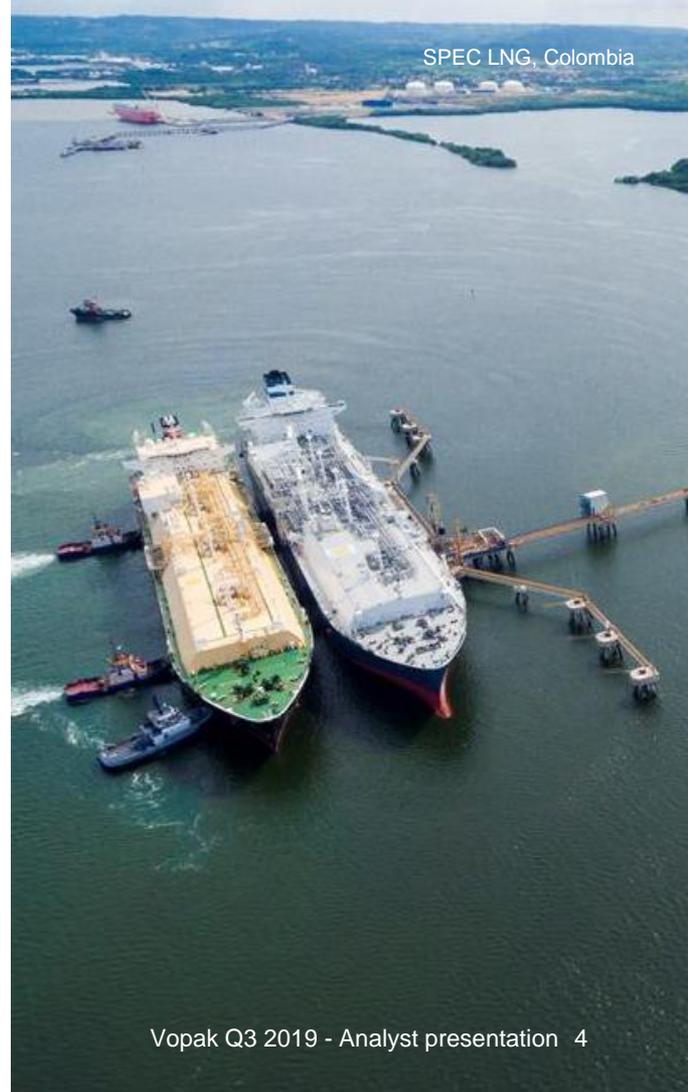
In million cbm

35.5

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

** Occupancy rate include subsidiaries only

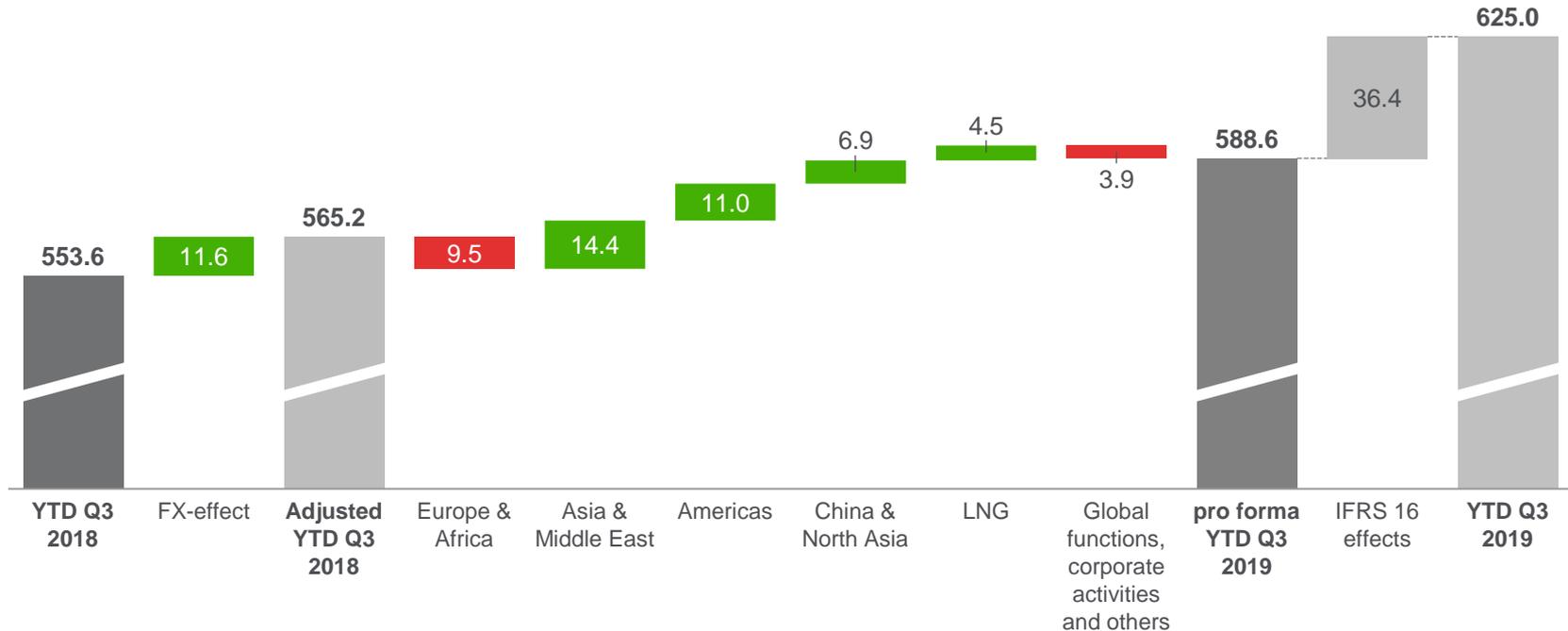
SPEC LNG, Colombia



YTD Q3 2019 vs YTD Q3 2018 EBITDA



Pro forma EBITDA increased by EUR 35 million, reflecting good aggregate business performance

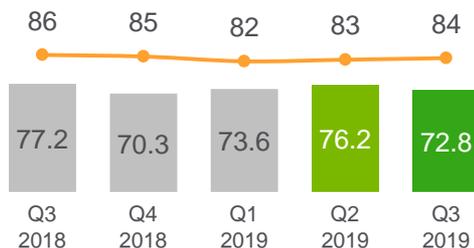


Divisional segmentation



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

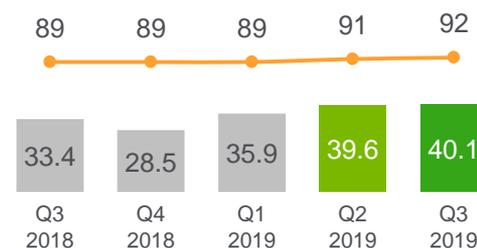
Europe & Africa



Asia & Middle East



Americas



China & North Asia



LNG



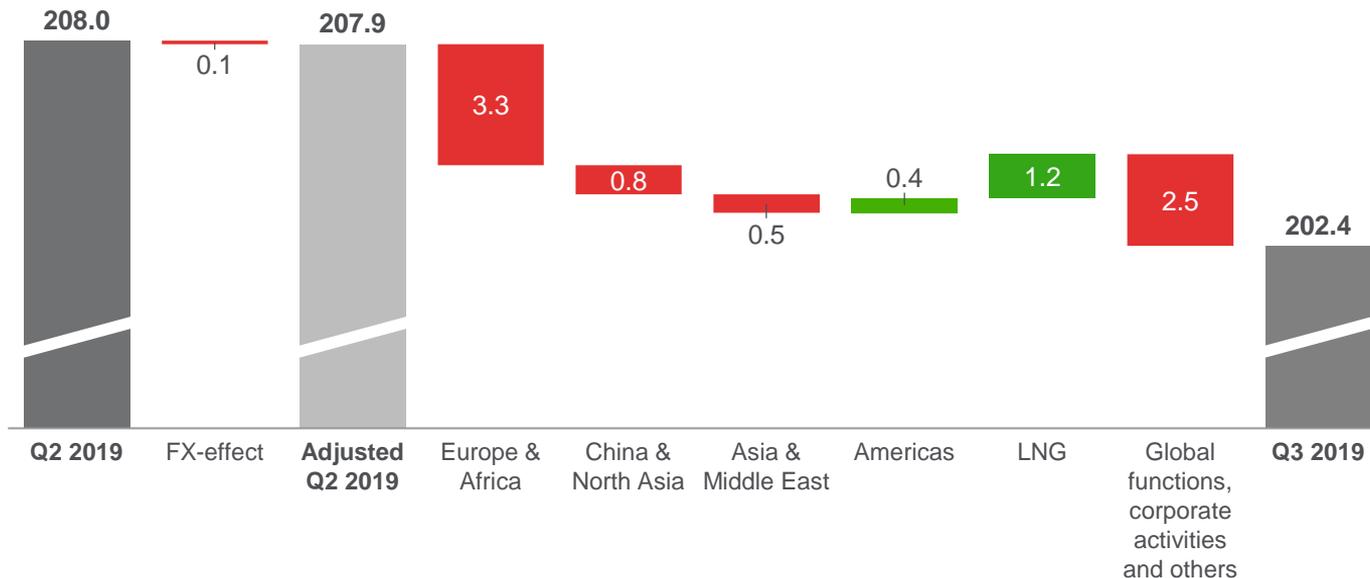
— Occupancy rate (in percent) for subsidiaries only, with the exception of LNG

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

Q3 2019 vs Q2 2019 EBITDA



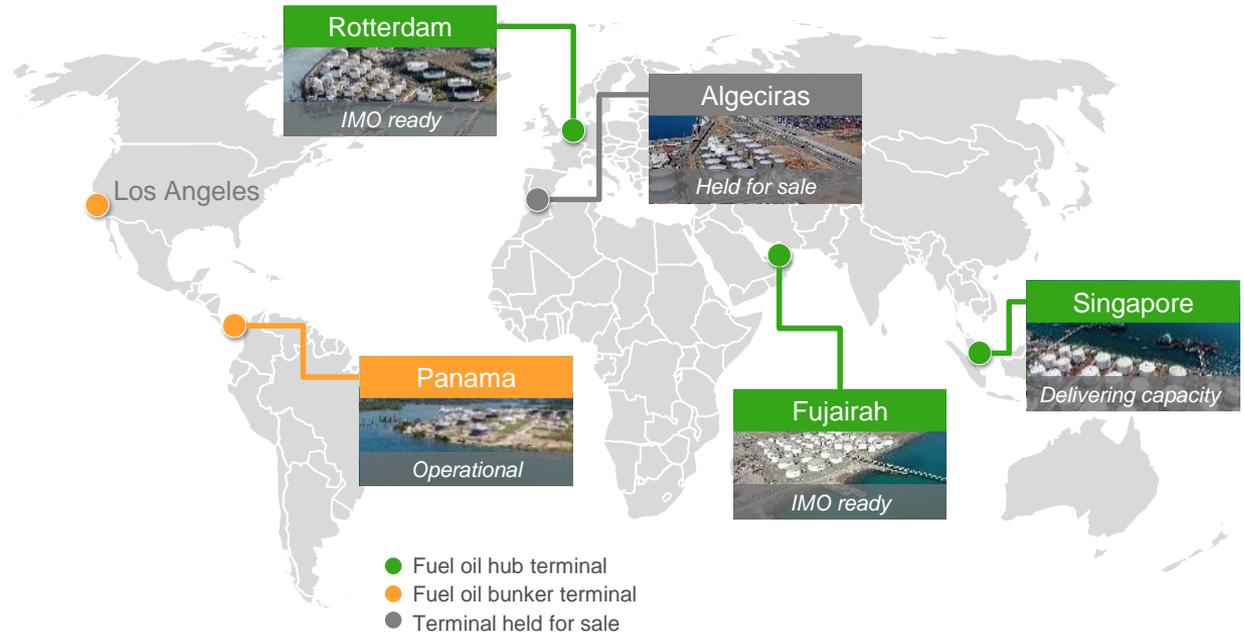
Positive new business contributions, planned temporary conversion activities related to IMO 2020 and divisional one-off items



Global fuel oil network

Most of the fuel oil capacity conversions for IMO 2020 bunker fuels have been delivered and support revenues as from Q4 2019

Fuel Oil capacity



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

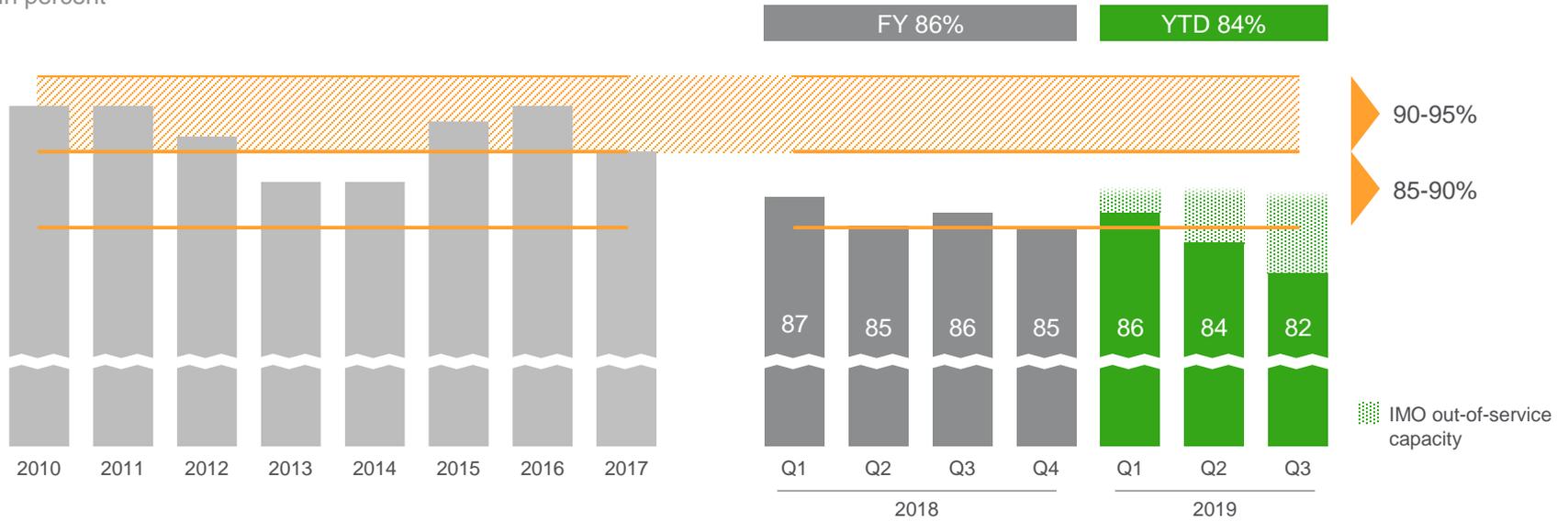
Occupancy rate developments



YTD occupancy rate reflects high out-of-service capacity;
IMO 2020 conversion impact is approximately 4-5% in Q3

Occupancy rate*

In percent



*Occupancy rate figures include subsidiaries only

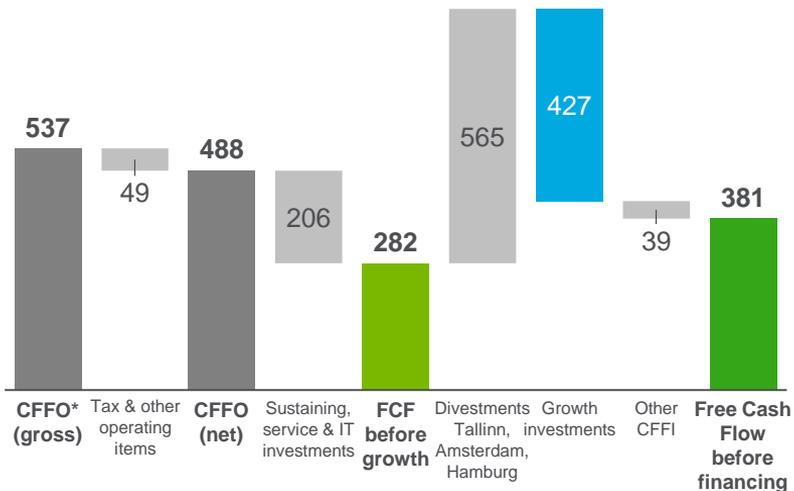
Cash flow overview



Investment momentum driven by growth project phasing towards 2019

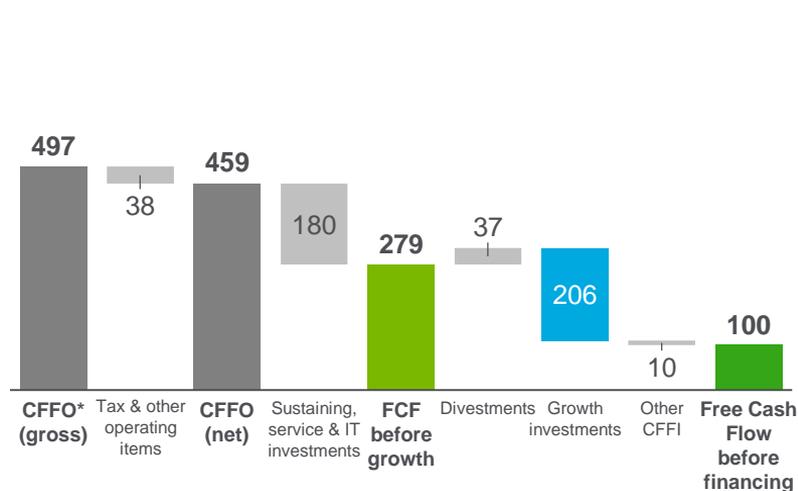
YTD Q3 2019

In EUR million



YTD Q3 2018

In EUR million



Figures in EUR million

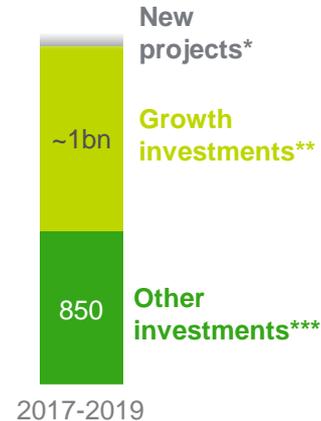
* IFRS 16 classifies lease payments mostly as financing cash flows versus operating cash flows in prior years

Investment phasing

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

Investments 2017-2019

In EUR million



Investments

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

Portfolio transformation

Shift towards industrial terminals, chemical and gas terminals



Key projects

Gas terminals

- **SPEC LNG - Colombia**
- **EETPL LNG - Pakistan**
- **RIPET LPG - Canada**
- **Vlissingen LPG - the Netherlands**

Industrial terminals

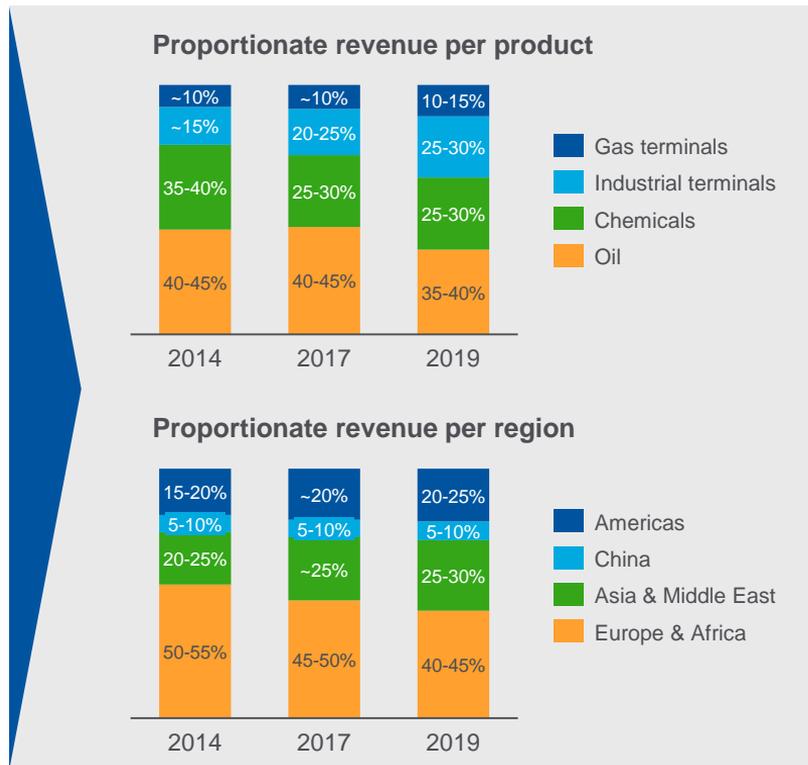
- **Qinzhou - China**
- **PT2SB - Pengerang, Malaysia**
- **Deer Park - Houston, US**

Chemicals

- **Antwerp - Belgium**
- **Altamira - Mexico**
- **Merak - Indonesia**
- **Botlek - the Netherlands**

Oil

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



* Excluding divested terminals and terminals held for sale

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

Q3 Portfolio highlights

SPEC LNG - Colombia



- LNG import facility acquired in September
- Vopak global LNG portfolio: 4 operational terminals

Target: 1-3 new **gas investment** opportunities in 2019-2020

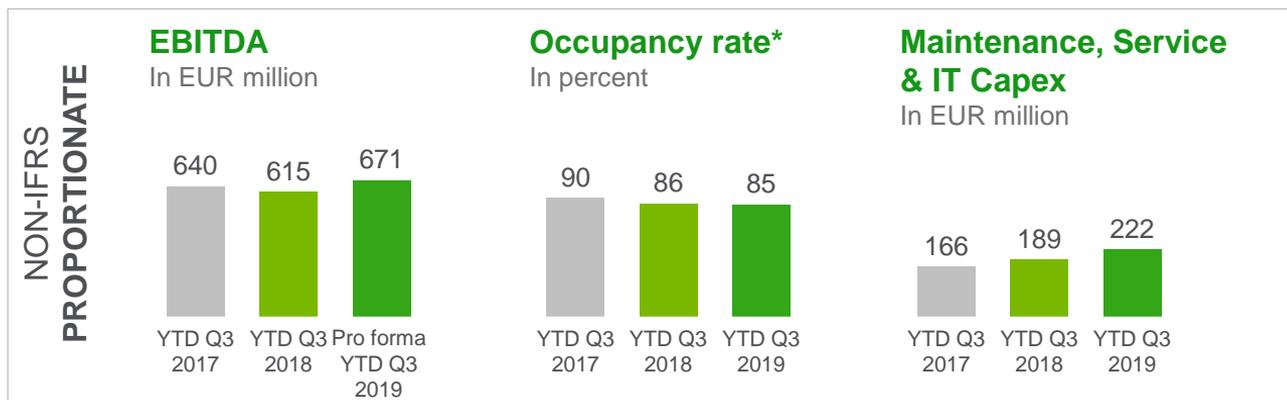
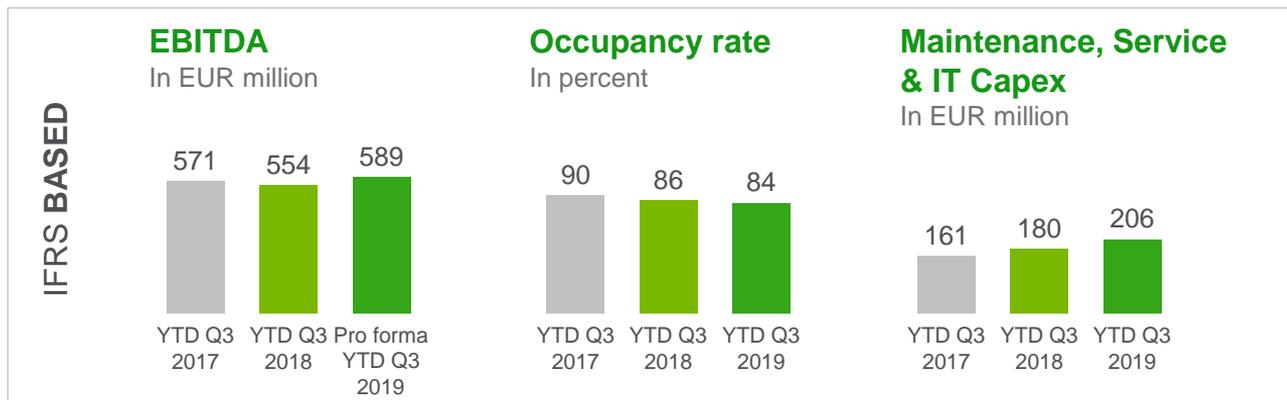
Qinzhou - China



- Greenfield industrial terminal for chemical products
- 290,000 cbm to be commissioned mid-2021

Target: 1-3 new **industrial terminal** opportunities in 2019-2020

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

Q3 Key messages



Robust financial performance

Significant increase in earnings per share

Delivery on Vopak's strategy with important steps in portfolio transformation

- LNG Colombia is 4th regas terminal in Vopak LNG portfolio
- New greenfield industrial terminal in Qinzhou, China
- Chemical capacity expansions in Antwerp and Altamira
- Divestment of terminals in Amsterdam and Hamburg completed

Looking ahead



- Most of the fuel oil capacity conversions for the IMO 2020 bunker fuel regulations have been delivered and will support revenues as from Q4 2019
- The targeted cost level of EUR 676 million for 2019, as communicated in Q2 2018 and subject to currency exchange movements, is expected to be outperformed
- Growth investments amount to approximately EUR 1 billion for the period 2017-2019
- Growth investment for 2020 could be in the range of EUR 300 million to EUR 500 million, subject to developments in the business environment
- Vopak targets 1 to 3 gas investment opportunities and 1 to 3 industrial terminal opportunities in 2019-2020



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Questions & Answers



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Upcoming events:

Publication of 2019 full-year results

12 February 2020

Publication of Q1 2019 interim update

21 April 2020

Annual General Meeting

21 April 2020

Ex-dividend quotation

23 April 2020

Dividend record date

24 April 2020

Dividend payment date

29 April 2020

Royal Vopak

4 November 2019

Analyst presentation

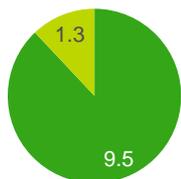
Vopak Q3 2019
interim update



Europe & Africa developments

Storage capacity

In million cbm



Total Q3 2019
10.8 million cbm

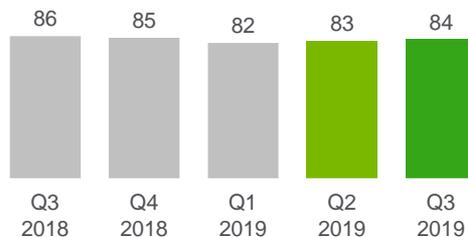
- Subsidiaries
- Joint ventures & associates
- Operatorship

16 Terminals (4 countries)



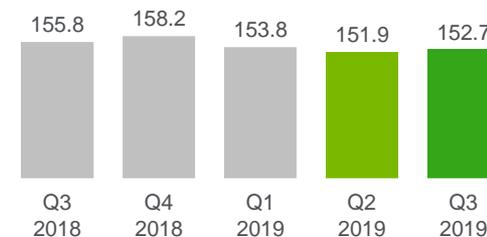
Occupancy rate*

In percent



Revenues*

In EUR million



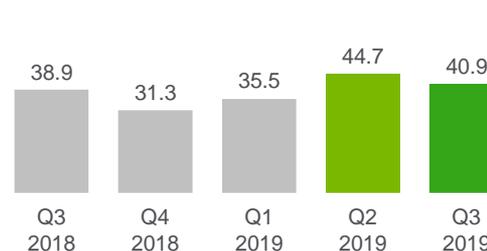
EBITDA**

In EUR million



EBIT**

In EUR million



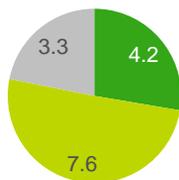
* Subsidiaries only

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

Asia & Middle East developments

Storage capacity

In million cbm

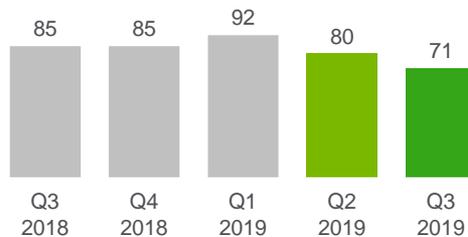


Total Q3 2019
15.1 million cbm

- Subsidiaries
- Joint ventures & associates
- Operatorship

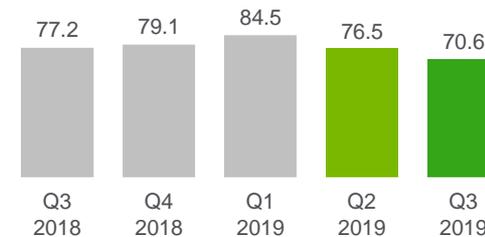
Occupancy rate*

In percent



Revenues*

In EUR million

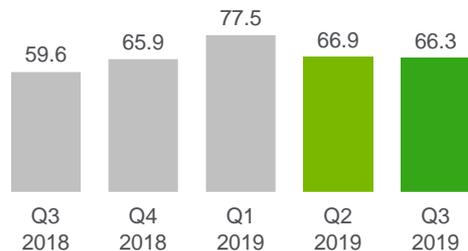


19 Terminals (9 countries)



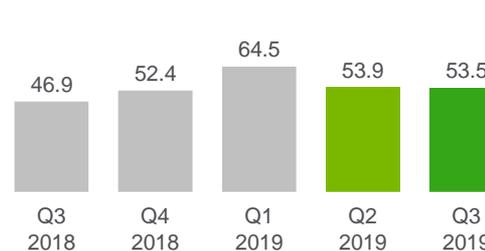
EBITDA**

In EUR million



EBIT**

In EUR million



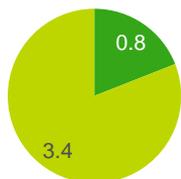
* Subsidiaries only

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

China & North Asia developments

Storage capacity

In million cbm

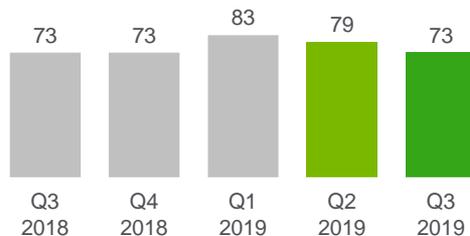


Total Q3 2019
4.2 million cbm

- 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



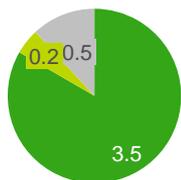
* Subsidiaries only

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

Americas developments

Storage capacity

In million cbm

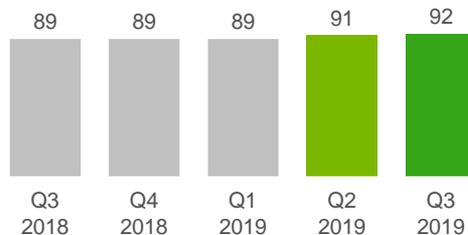


Total Q3 2019
4.2 million cbm

- Subsidiaries
- Joint ventures & associates
- Operatorship

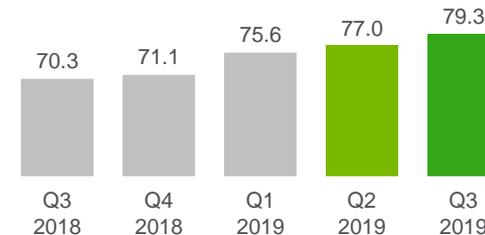
Occupancy rate*

In percent



Revenues*

In EUR million

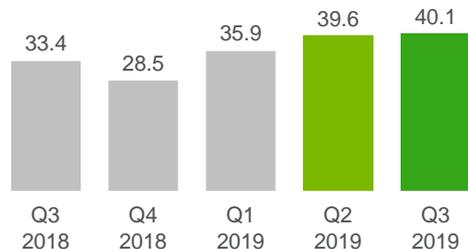


19 Terminals (6 countries)



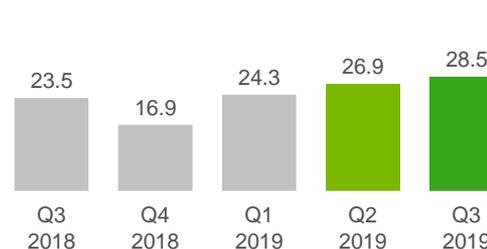
EBITDA**

In EUR million



EBIT**

In EUR million



* Subsidiaries only

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

JVs & associates developments

Net result JVs and associates*

In EUR million



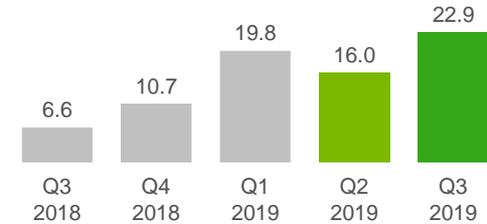
Europe & Africa*

In EUR million



Asia & Middle East*

In EUR million



China & North Asia*

In EUR million



Americas*

In EUR million



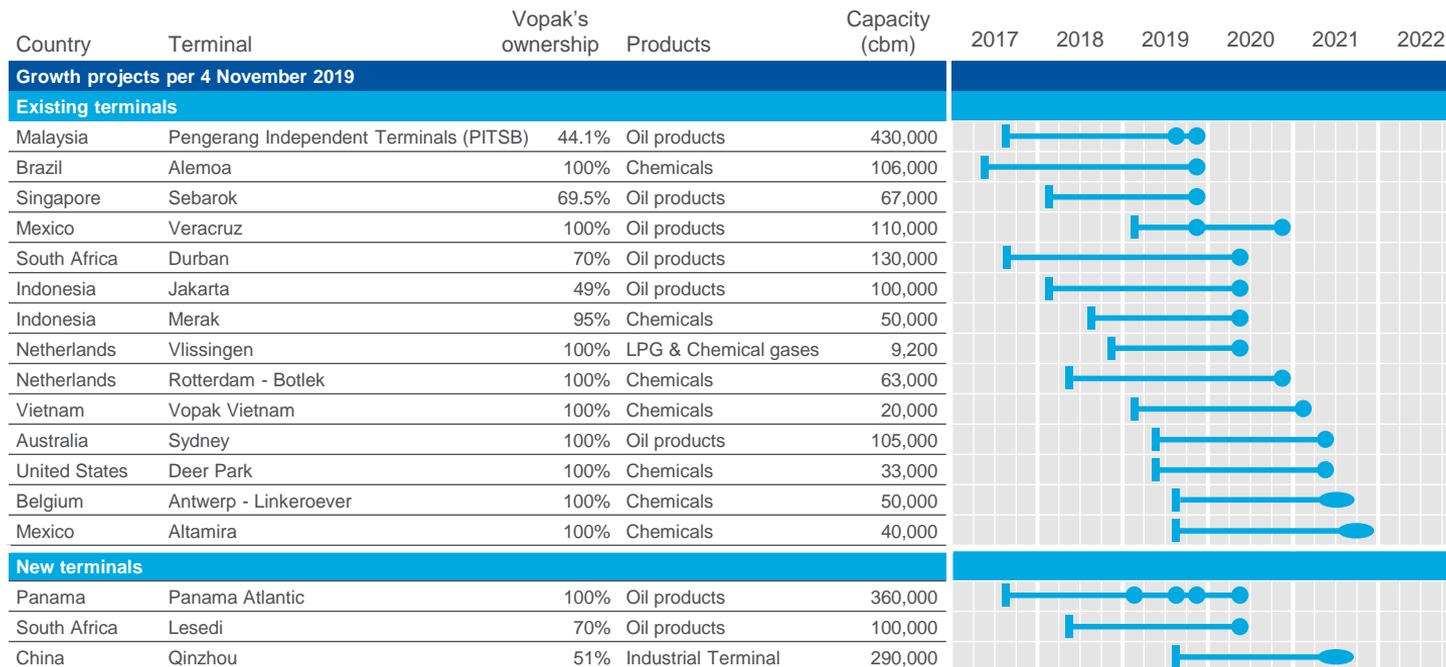
LNG*

In EUR million



* Excluding exceptional items

Project timelines



 start construction
 expected to be commissioned

IFRS 16 Leases

Significant impact from long-term land leases



IFRS 16 Leases

- No economic impact on the business and how we manage it, accounting change only
- Sizeable portfolio of long-term land leases (explains more than 90% of the lease liability)
- Modified retrospective method
- Pro forma -excluding IFRS 16- figures presented for comparison purposes

Impact Vopak

Key figures*	In EUR million
EBITDA	40 – 50
Net profit	0 – (10)
IFRS 16 Lease liabilities	~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

* Impact is based on the lease contract portfolio, foreign currency rates and discount rates per the end of 2019, Actual financial impact may change due to sensitivities, new projects, acquisitions and divestments

Growth investments



Shift towards industrial terminals, chemical and gas terminals



- LNG, LPG and chemical gases
- Industrial
- Chemicals
- Oil

* Fully or partly commissioned in 2019