

WELCOME



Vopak 2016 →

**Strategy in Financial Perspective: past, present, ambition 2016**

**Capital Markets Day, 7 December 2012**

**Jack de Kreij, Vice-Chairman of the Executive Board and CFO**





# Forward-looking statement

This presentation contains statements of a forward-looking nature, based on currently available plans and forecasts. Given the dynamics of the markets and the environments of the 31 countries in which Vopak provides logistics services, the company cannot guarantee the accuracy and completeness of such statements.

Unforeseen circumstances include, but are not limited to, exceptional income and expense items, unexpected economic, political and foreign exchange developments, and possible changes to IFRS reporting rules.

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.



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## Strategy in Financial Perspective

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# Alignment of the right organization with long-term trends and strategic focus



- Solid balance sheet
- Ongoing access to capital markets
- Disciplined capital evaluations

# Value Creation Concepts supporting successful strategy execution

## Growth Leadership



Finding right location

Long-term strategic partners

Full potential evaluation matrix

## Operational Excellence



Terminal Master Plans

Fit for Purpose Approach

Cost competitiveness

## Customer Leadership



Vopak service quality index

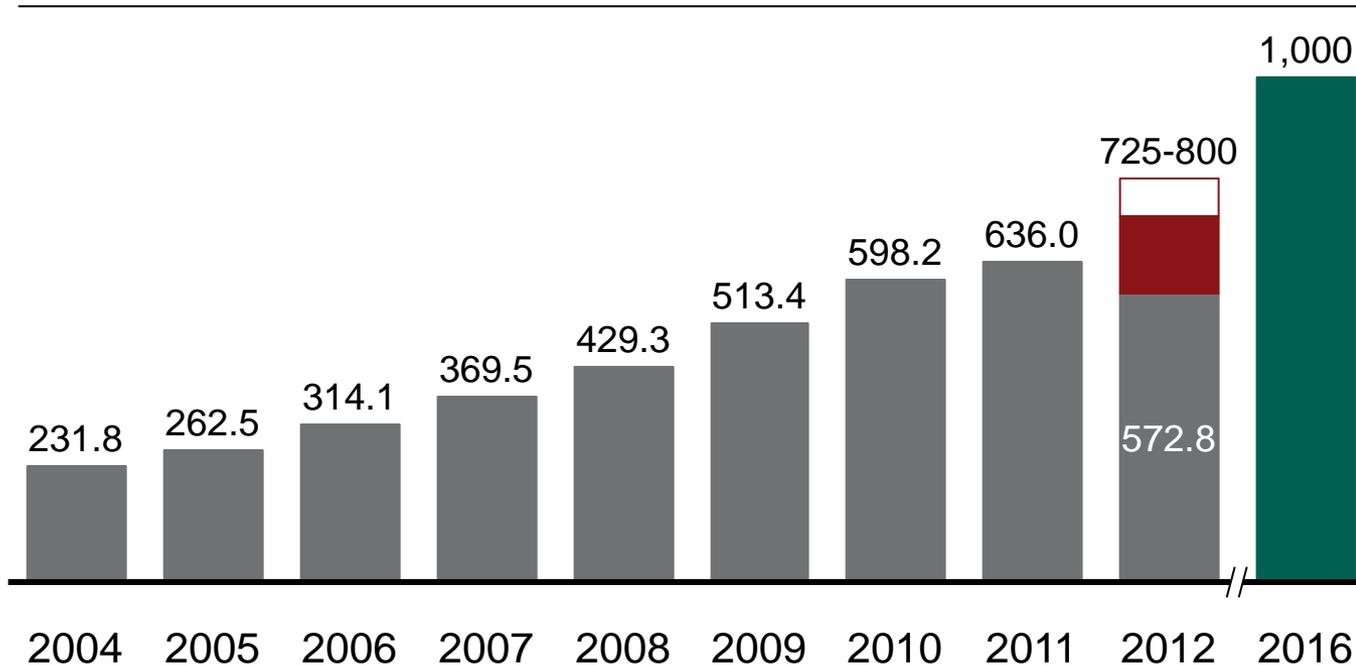
Global / Regional / Local approach

Customer focused efficiency improvements

# It is Vopak's ambition to realize an EBITDA level of EUR 1 billion in 2016

## EBITDA Development and outlook In EUR mln

- Historical results
- Outlook
- Ambition



Vopak remains on track to achieve its 2013 outlook of 725-800 million EBITDA in 2012

Note: Excluding exceptional items; including net result from Joint Ventures.

# Healthy occupancy rates and EBIT margins

Expansion projects main value driver for further EBITDA growth

	Past		Near Past	Present/ Future
	2003-06	2007-09	2010-2011	2012 >
<b>Occupancy improvements</b> 	✓✓✓	Playing field between 90 - 95%		
<b>Operational efficiency gains</b> 	✓✓	✓✓✓	✓✓	✓
<b>Capacity expansion</b> 	✓	✓✓✓	✓	✓✓✓

# Outlook assumptions

~x% Share of EBIT

	Oil products	Chemicals	Industrial terminals	Biofuels & Vegoils	LNG
2012					
	~60%	~17.5-20%	~12.5%	~7.5-10%	<1%
2014	~60-65%	~17.5-20%	~7.5-10%	~5-7.5%	~2.5-5%
	Robust	Mixed	Solid	Mixed	Solid

Note: width of the boxes do not represent actual percentages.

# Growth projects

## Main driver in realizing EBITDA growth



Note: Above examples not representative of all projects under construction.



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# Disciplined capital investment considerations

## Different concepts for different purposes

### Type of investment

- Greenfield
- Brownfield
- Acquisition

### Different concepts for different purposes

- Launching Customers
- Contracted infrastructure
- No firm commercial contracts (e.g. MoU's)

### Full potential evaluation matrix

- Local WACC
- Pay-back period
- Project NPV / IRR
- Equity IRR



Where relevant team up with joint venture partners

# Disciplined capital investments

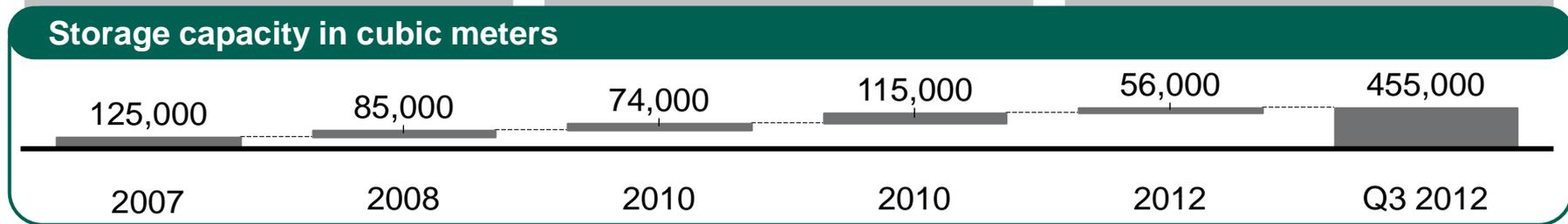
Growth: examples of capital investment decisions





# 1 Vopak Terminal Zhangjiagang (China)

Type of investment	Original business case	Actual situation
<ul style="list-style-type: none"> <li>Greenfield with future expansion opportunities</li> </ul>	<ul style="list-style-type: none"> <li>Limited formal contracts</li> <li>Entrance to a rapidly growing market</li> </ul>	<ul style="list-style-type: none"> <li>Healthy occupancy rates after 4 expansion projects</li> <li>Further opportunities to expand</li> </ul>





## 2 Hainan (China)

Vopak (49%) and SDIC (51%)

### Type of investment

- Greenfield with strategic partner with future expansion opportunities

### Business case

- Limited formal contracts
- Entrance to a rapidly growing market

### Actual situation

- First phase under construction
- Lol's / MoU's

### Storage capacity in cubic meters

1,350,000

2014

3,850,000

Options for brownfields

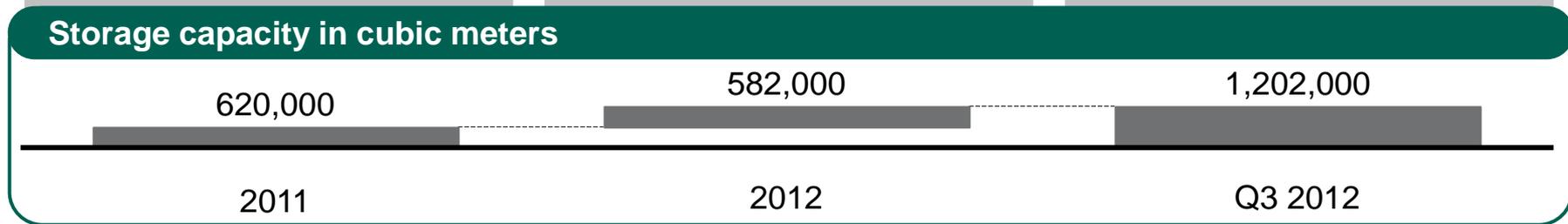
5,200,000

Future possible capacity



### 3 Vopak Terminal Amsterdam Westpoort

Type of investment	Business case	Actual situation
<ul style="list-style-type: none"><li>Greenfield</li><li>Step-by-step approach</li></ul>	<ul style="list-style-type: none"><li>Phase I: 50% contracts</li><li>Phase II based on 100% contracts in Phase I</li></ul>	<ul style="list-style-type: none"><li>First and second phase in operation</li><li>100% contracted with 3-5 year contracts</li></ul>

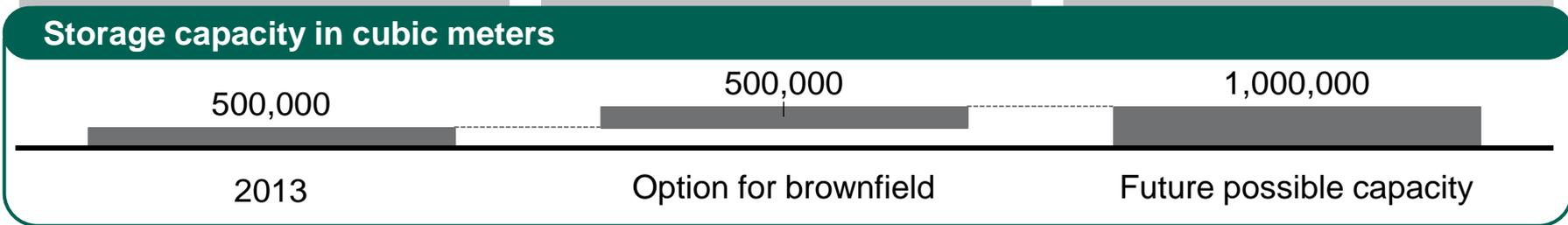




## 4 Thames Oilport (UK)

Vopak (33.3%), Shell (33.3%) and Greenergy (33.3%)

Type of investment	Business case	Actual situation
<ul style="list-style-type: none"> <li>Location acquisition with strategic partners</li> <li>Conversion / upgrading of infrastructure</li> <li>Option for brownfield</li> </ul>	<ul style="list-style-type: none"> <li>Long-term contracts with strategic partners for the first phase</li> </ul>	<ul style="list-style-type: none"> <li>Developing current facility</li> <li>100% contracted</li> <li>Studies for future expansion</li> </ul>

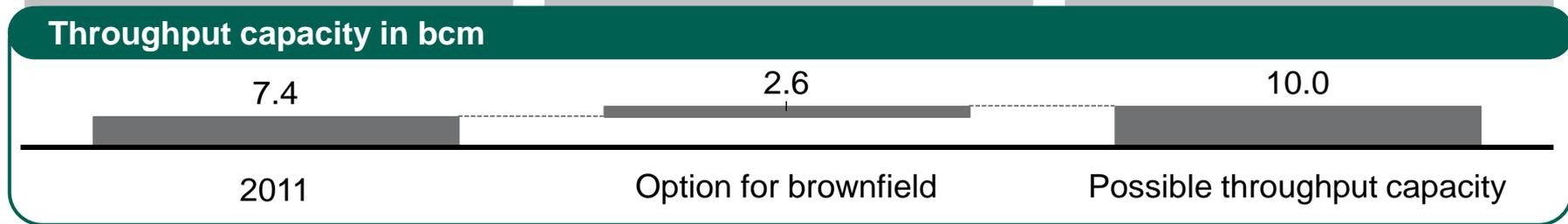




# 5 LNG Terminal Altamira (Mexico)

Vopak (60%) and Enagas (40%)

Type of investment	Business case	Actual situation
<ul style="list-style-type: none"> <li>Acquisition with strategic partner with future expansions opportunities</li> </ul>	<ul style="list-style-type: none"> <li>Contracted infrastructure</li> </ul>	<ul style="list-style-type: none"> <li>100% contracted</li> <li>Studies for future expansion opportunities (including small-scale LNG)</li> </ul>



\* Joint management control.





## 6 Houston land (USA)

### Type of investment

- Land acquisition: secure growth option where land is scarce

### Business case

- Shale gas developments in US

### Actual situation

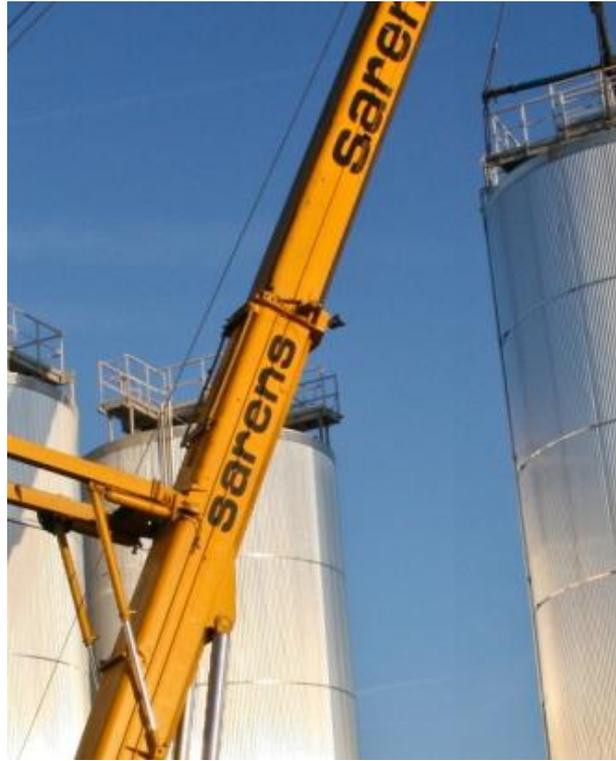
- Feasibility study chemicals and/or gasses

# Disciplined capital investments

## Existing business: Terminal Master Plan



- Infrastructure designed years ago



- Upgrading through Terminal Master Plan according to market requirements



- Fit for Purpose infrastructure to meet future client needs



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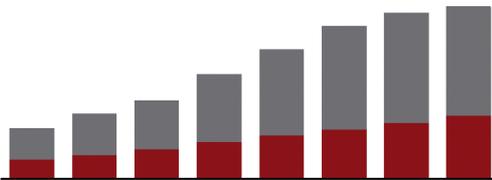
# Capital disciplined growth

## Disciplined decisions

Long-term funding



Balanced dividend policy



Capital disciplined growth

Disciplined investment decisions



Effective working capital management

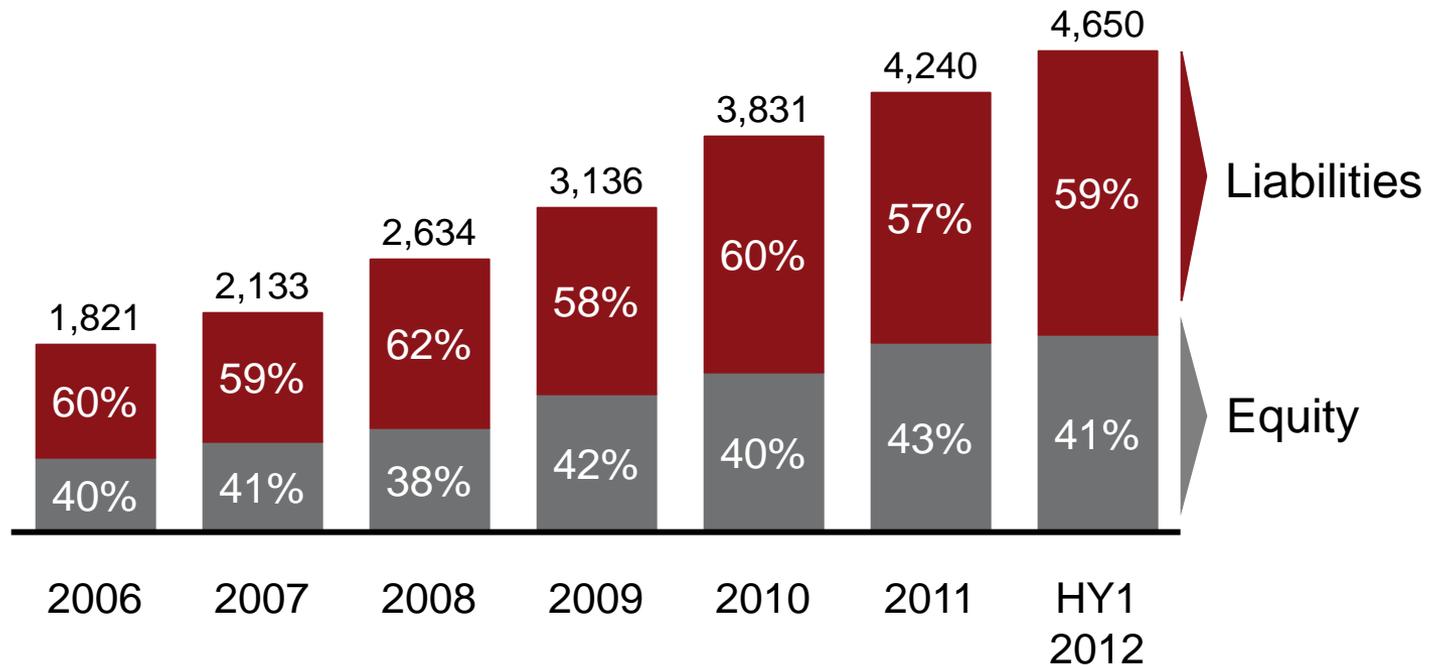


# Capital disciplined consideration

## Stable solvency ratio



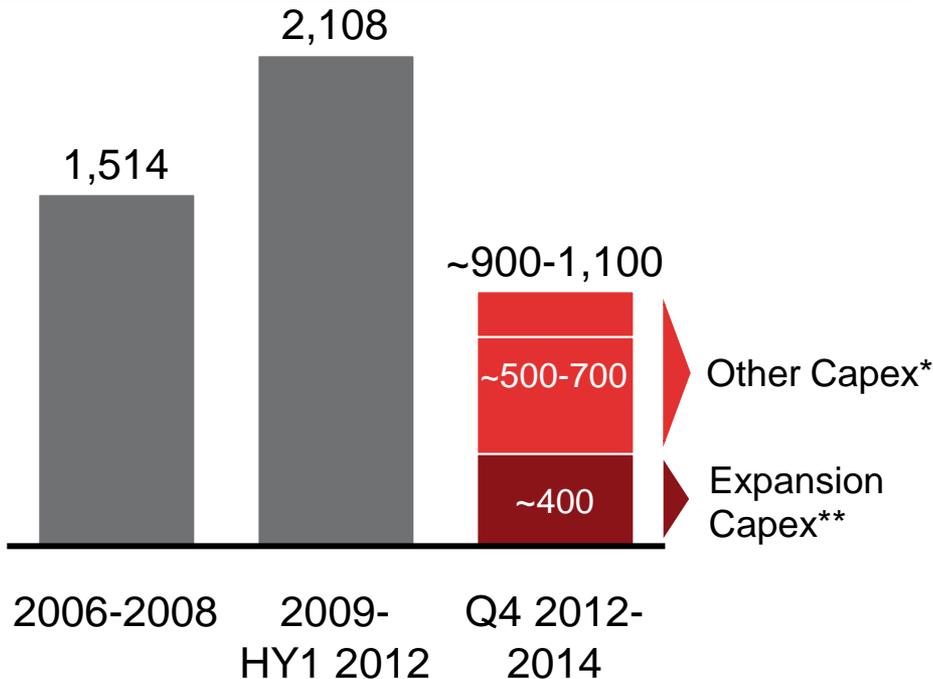
**Total equity and liabilities**  
In EUR mln



# Capital disciplined growth

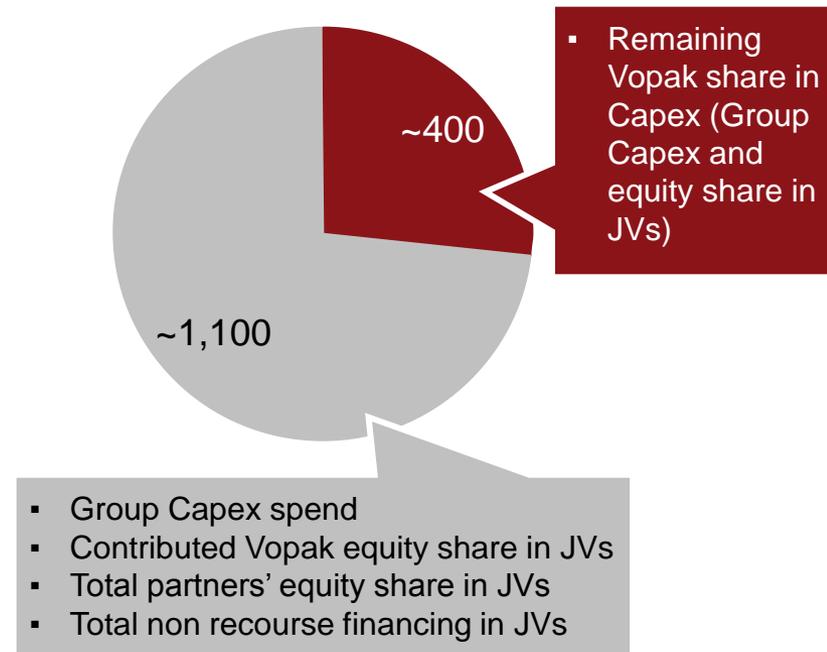
## Total investments

**Total Investments 2006-2014**  
In EUR mln



**Expansion Capex\*\***

In EUR mln; 100% = EUR 1.5 billion



\* Sustaining and Improvement Capex.

\*\* Total Capex related to 4.2 mln cbm under construction; excluding Thames Oilport (UK) and new storage terminal in Jubail (SA).

# Capital Disciplined Growth

## Strategic Finance

### Access to Capital Markets



- US Private Placements (EUR 856.7 million)\*\*

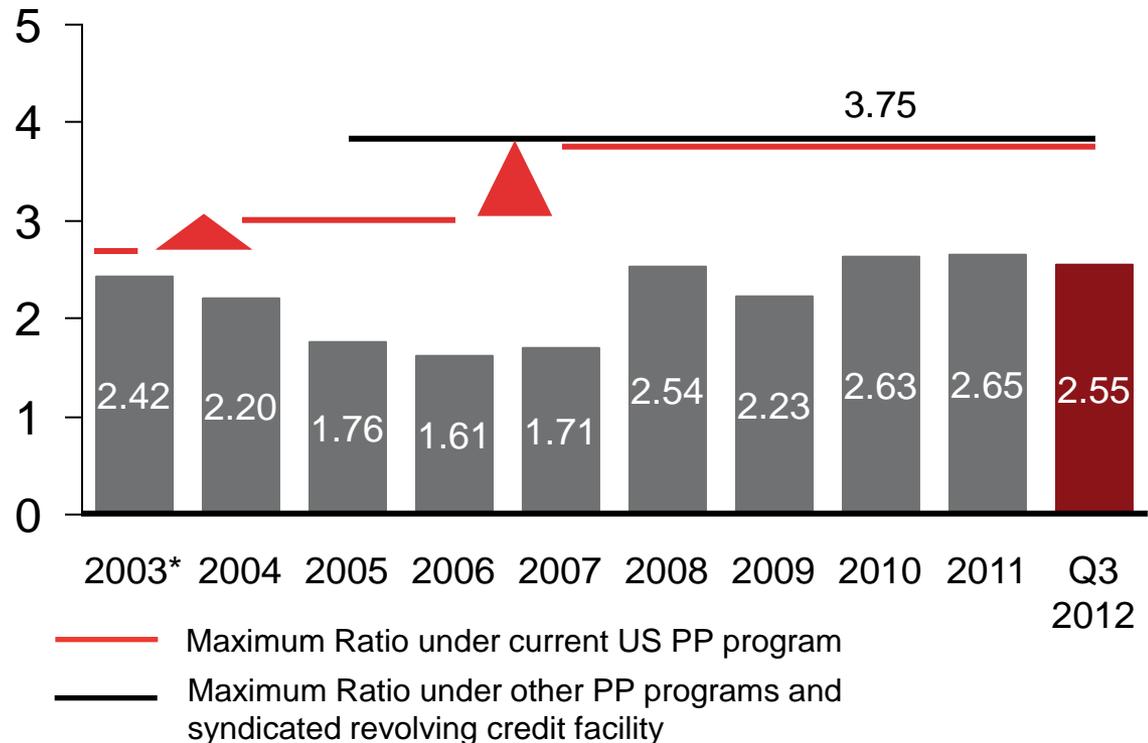


- SGD and JPY Private Placements (SGD 435 million and JPY 20 billion)



- Syndicated Revolving Credit Facility (EUR 1.2 billion)

### Net senior debt : EBITDA ratio



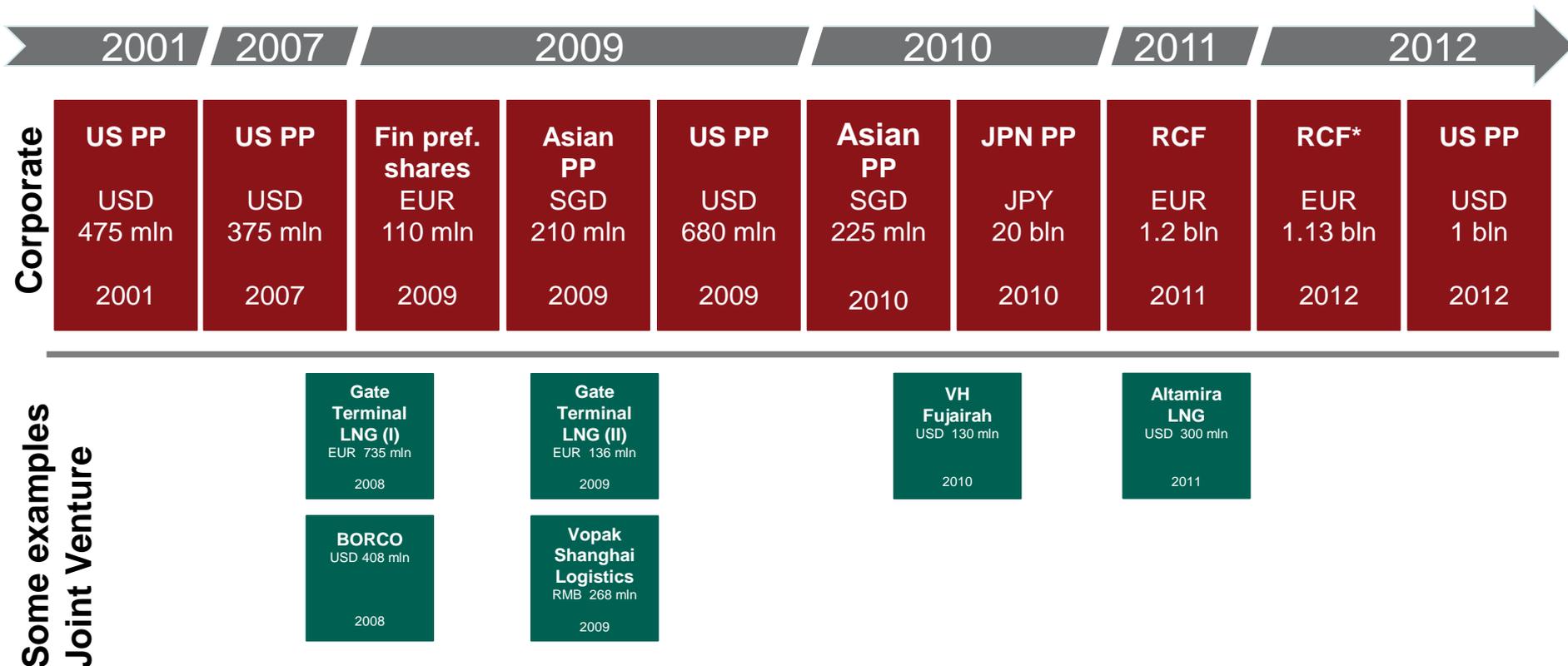
\* Based on Dutch GAAP.

\*\*Excluding new USD 1 billion US private placement notes program.

Note: Private placements and syndicated revolving credit facility per year-end 2011.

# External financing

## Milestones



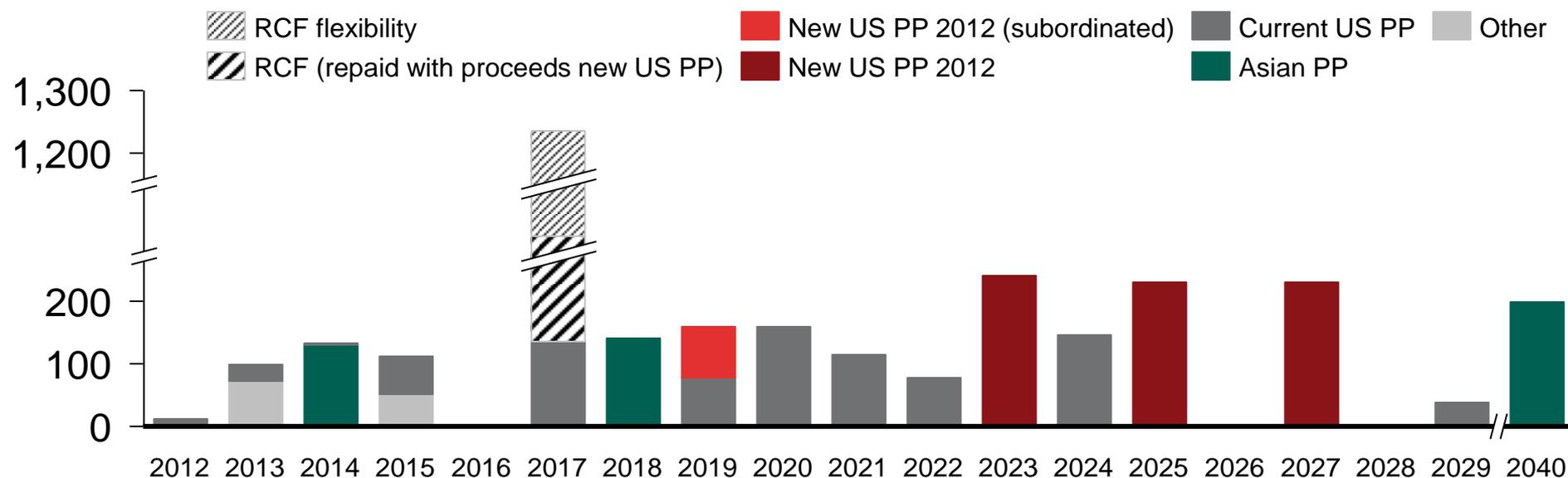
\* Extension for 1 year.  
Note: Original amounts.

# Balanced debt repayment schedule

Maturity profile aligned with long-term growth strategy

## Debt repayment schedule\*

In EUR mln



\* As of 30 September 2012, including new US PP.

Note: The proceeds of the new US PP will be made available towards the end of 2012.

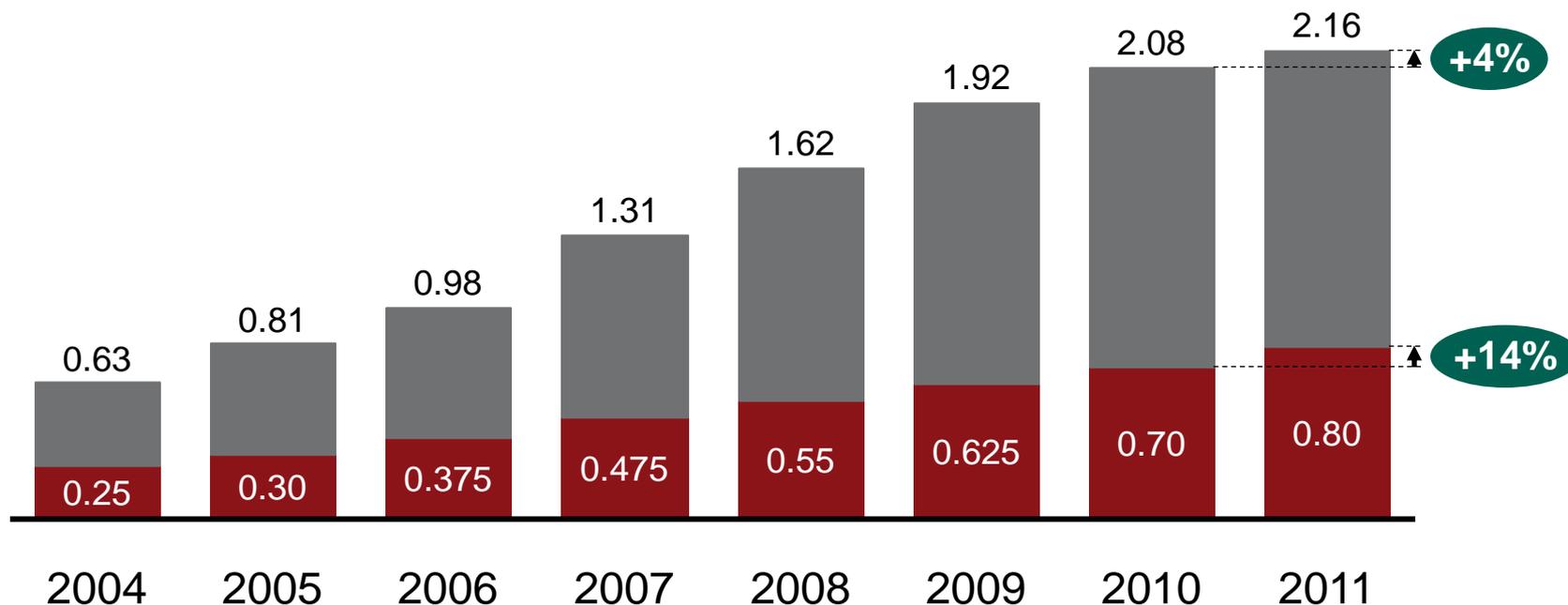
# Balanced dividend policy

It is Vopak's intention to pay 25-40% dividend of the net profit\*

## Dividend and EPS 2003-2011\*\*

In EUR

Cash Dividend



\* Barring exceptional circumstances; excluding exceptional items; attributable to holders of ordinary shares.

\*\* Excluding exceptional items; historical figures adjusted for 1:2 share split effectuated May 17, 2010.



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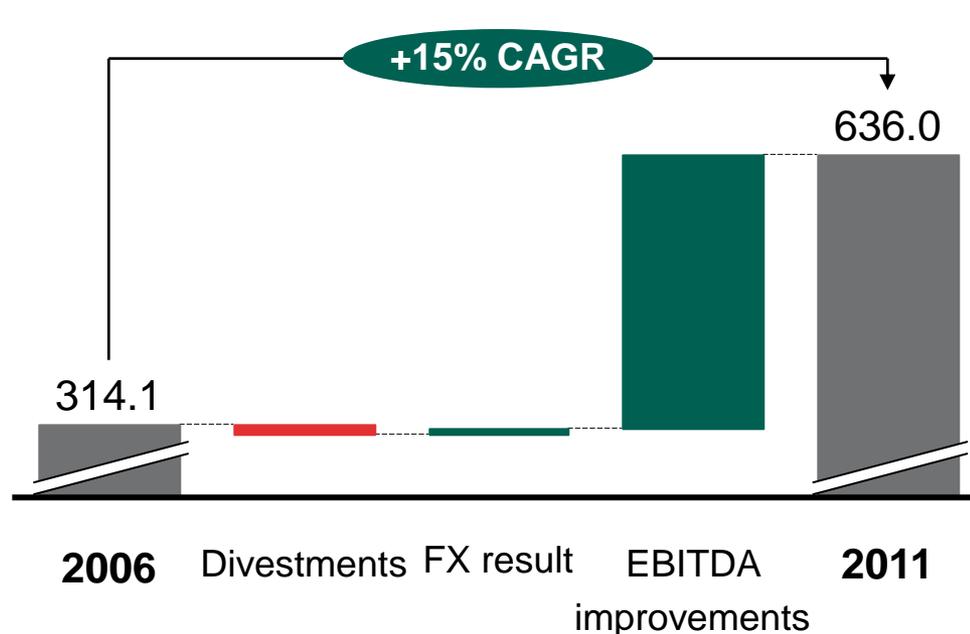
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# EBITDA growth 2006-2011

Main value drivers: EBITDA margin improvement and capacity expansion

## EBITDA Development 2006-2011\*

In EUR mln



- Healthy occupancy rate
- Improved revenue per cubic meter
- Effective cost management
- Storage capacity growth

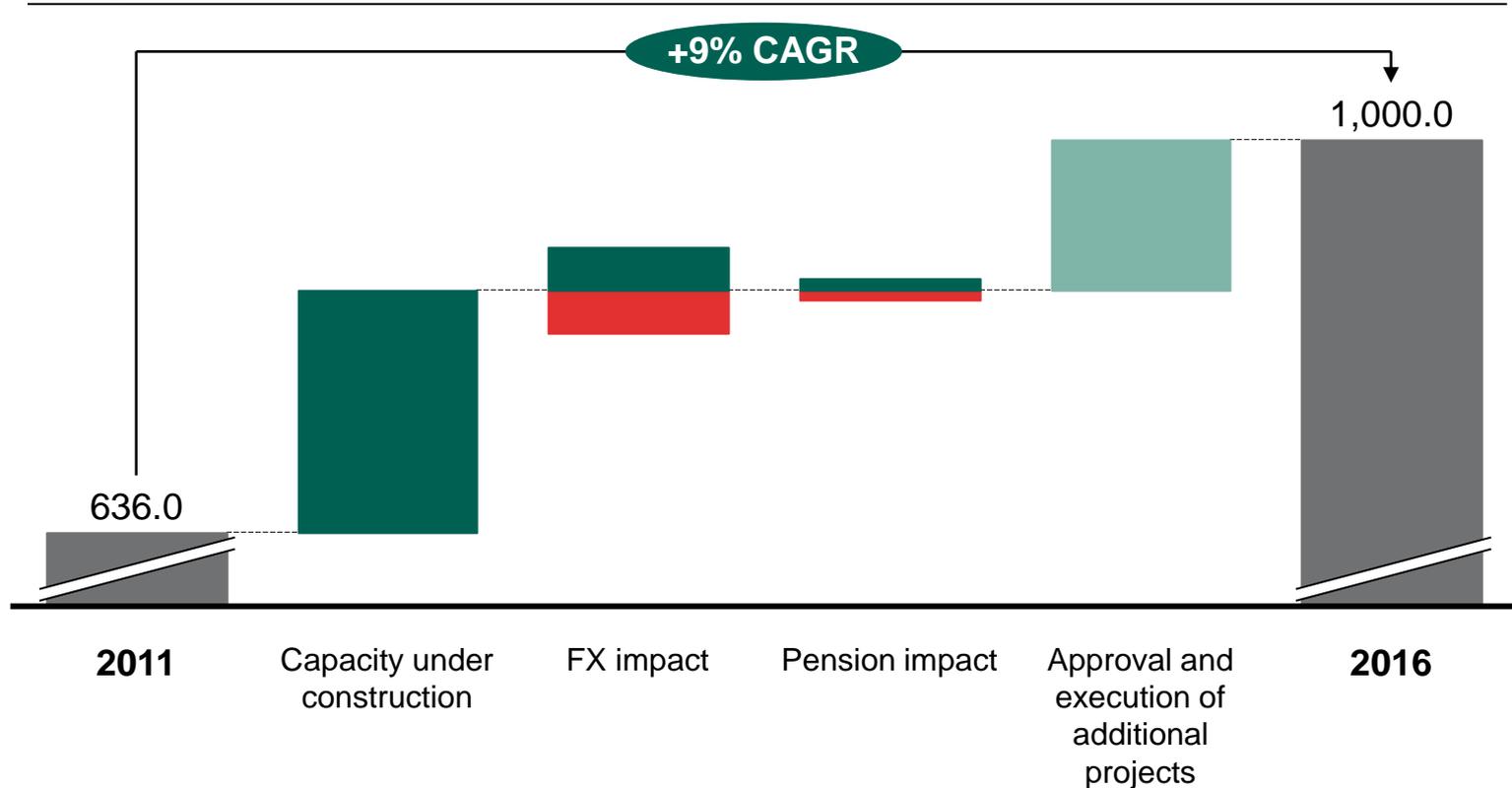
\* Excluding exceptional items; including net result from Joint Ventures.

# Ambition 2016

Capacity expansions main value driver in EBITDA growth

## EBITDA Developments

In EUR mln



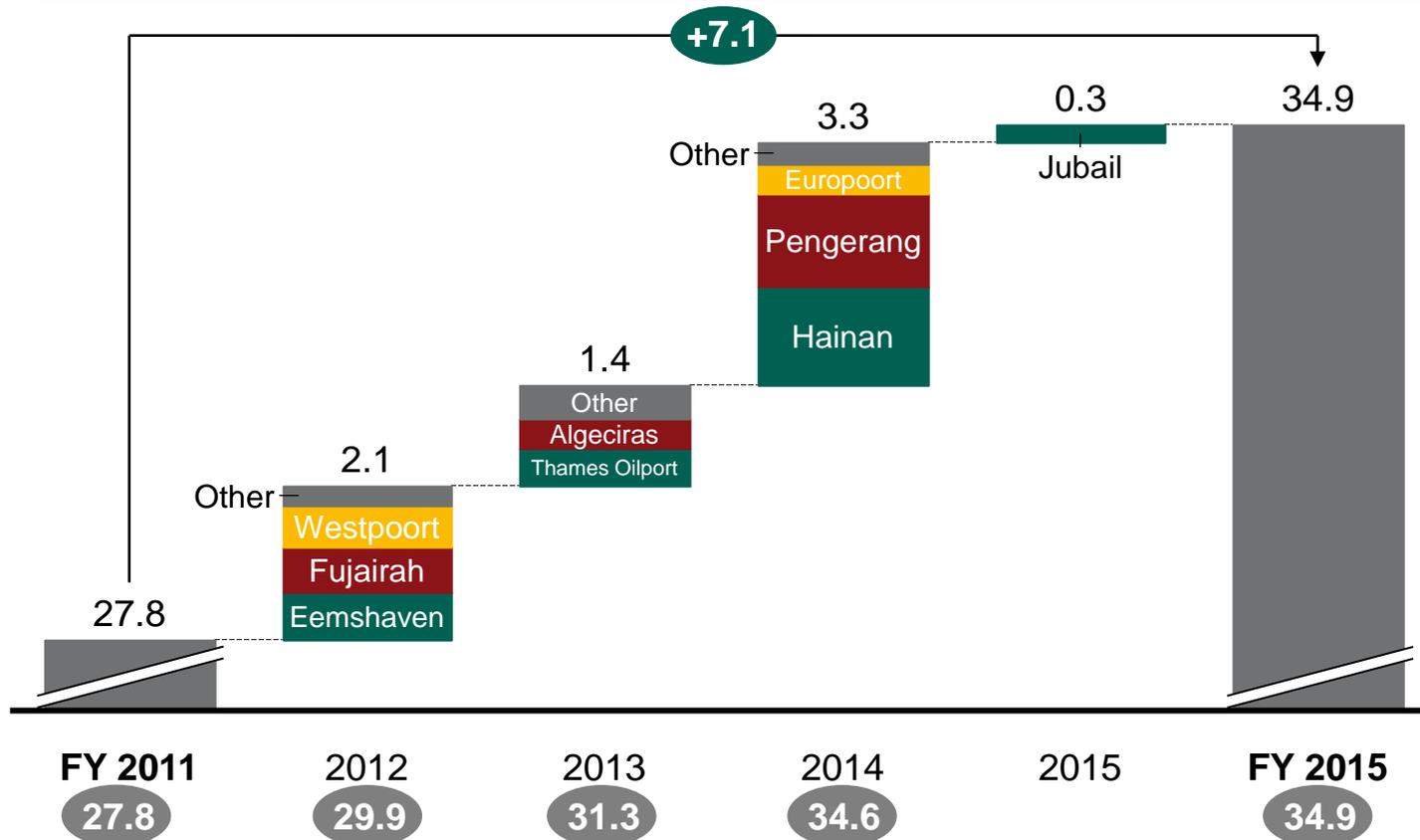
Note: Graph is for illustration purposes only; size of the bars do not represent actual figures.

# Capacity growth under construction

## Main value driver in achieving ambition 2016

### Capacity developments

In mln cbm



In order to achieve ambition 2016, the approval and successful execution of additional profitable expansion projects are required

Note: For the joint ventures, 100% of the storage capacity is included.

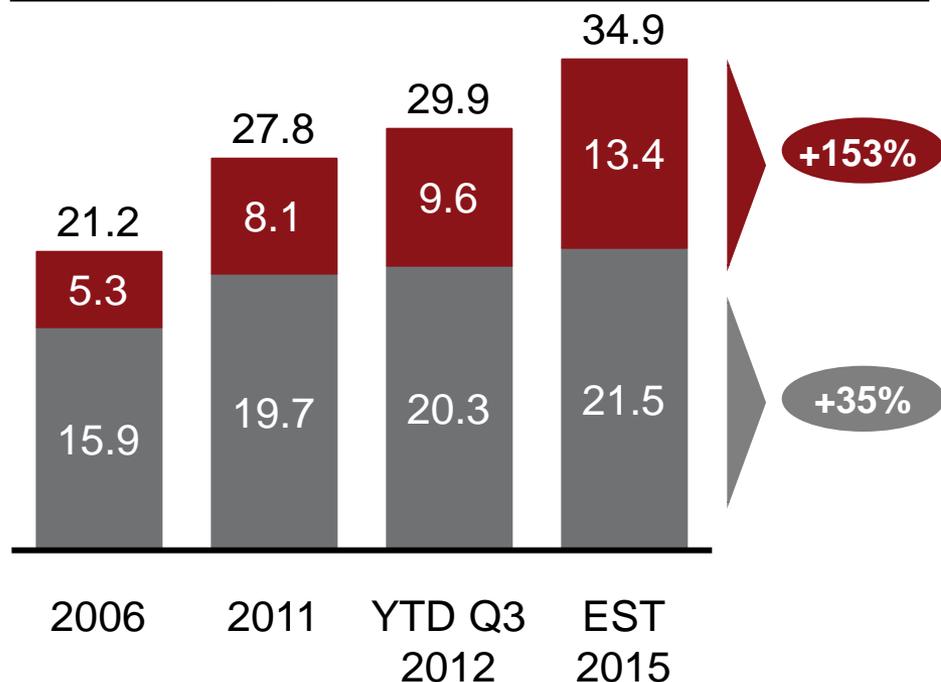
# Strategic partners of increasing importance for realizing growth

Net result of joint ventures in EBITDA based on IFRS equity accounting

## Storage capacity\*

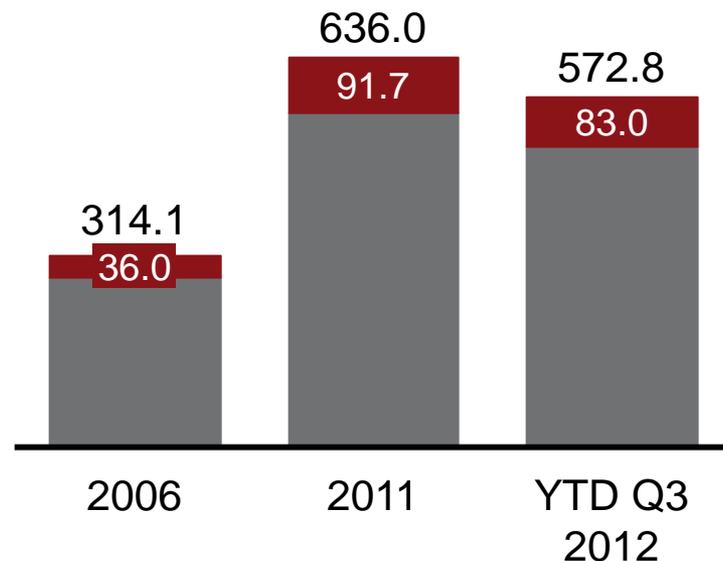
In mln cbm

Subsidiaries  
Joint Ventures



## EBITDA - including net results JVs\*\*

In EUR mln



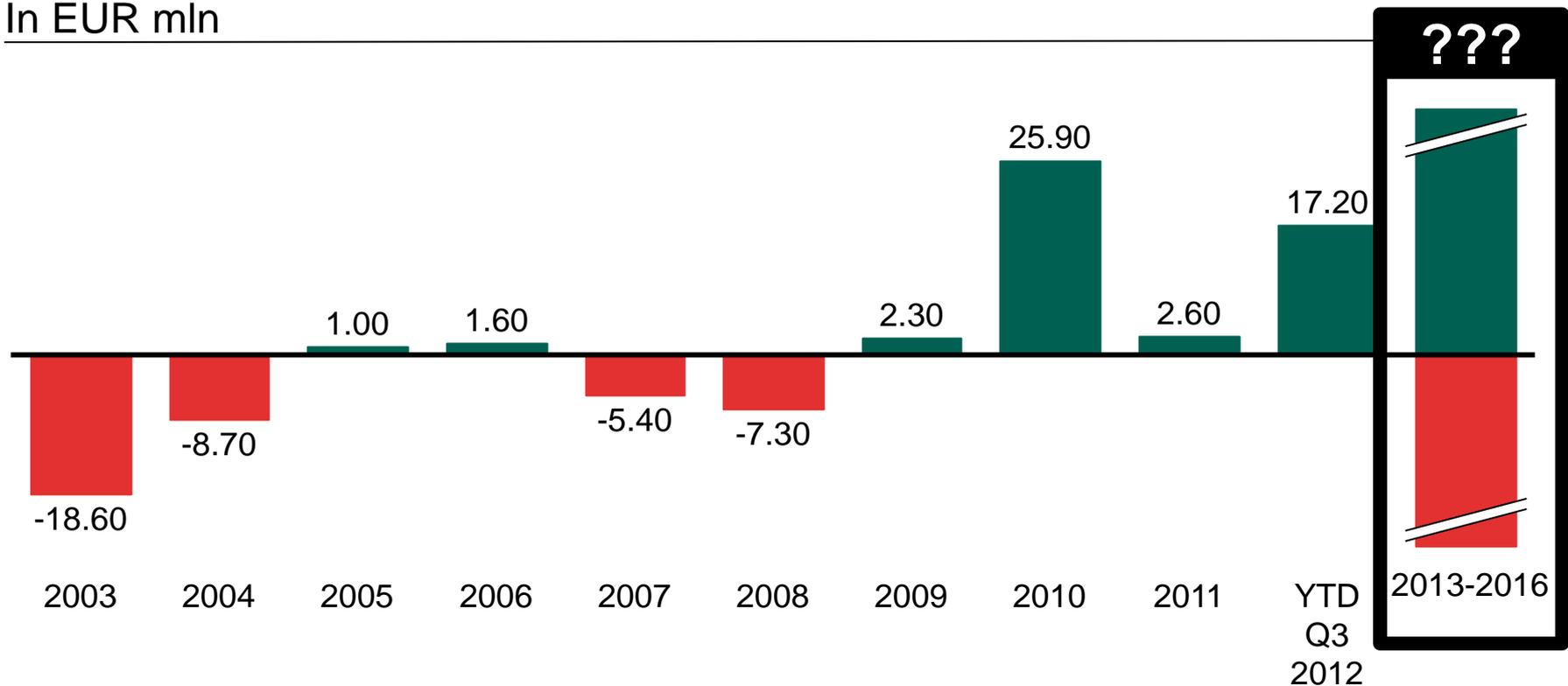
\* For the Joint Ventures 100% of the storage capacity is included; including projects under constructions for the period Q4 2012-2015.

\*\* Excluding exceptional items.

# FX translation effect on EBIT

## FX translation effect on EBIT

In EUR mln

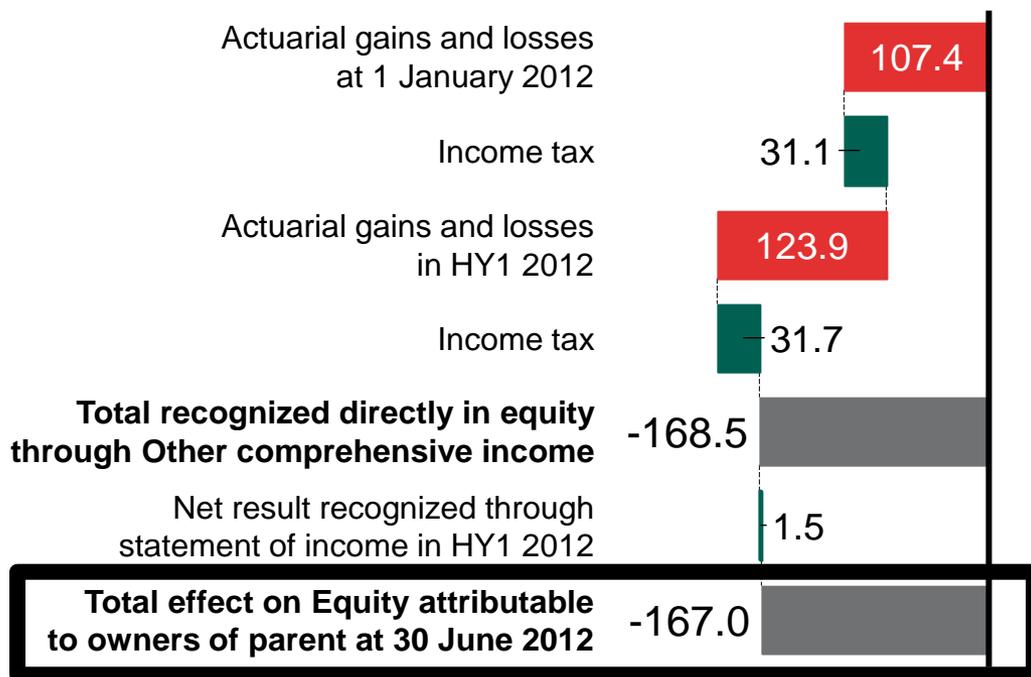


# Consequences IAS 19 Employee Benefits

Effect on comparative figures 2012 as a result of application amendment in 2013

## Total effect on equity

In EUR mln



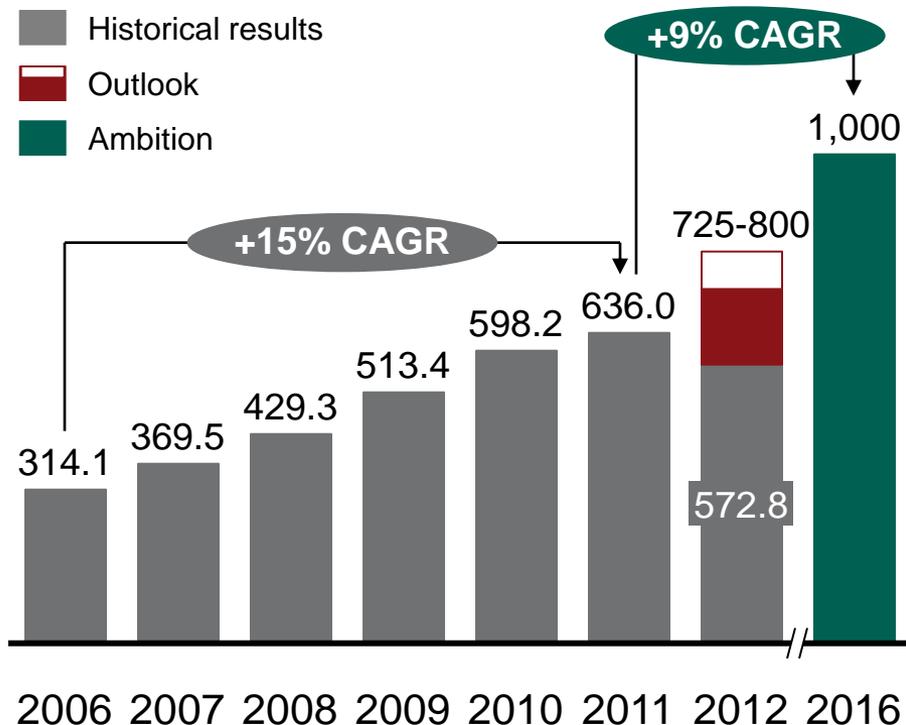
- Removal 10% corridor approach (higher volatility in net pension liability)
- Weighted average discount rate reduced from 4.68% to 4.26%\*
- Only service and net finance cost in P&L (rest of changes in other comprehensive income)
- Change of discount rate for the expected returns on plan assets (generally lower rate than used under current IAS 19)

\* From 31 December 2011 to 30 June 2012.

# Conclusion

## EBITDA Development and outlook

In EUR mln



Note: Excluding exceptional items; including net result from Joint Ventures.

- Vopak remains on track to achieve its 2013 outlook of 725-800 million EBITDA in 2012
- It is Vopak's ambition to realize an EBITDA level of EUR 1 billion in 2016
- In order to achieve ambition 2016, the approval and successful execution of additional profitable expansion projects are required
- FX and pension impact  
- Implied CAGR 9% when 2016 ambition would be realized

**“We have built  
our company  
over 400 years on  
trust and reliability.”**



**Royal Vopak**

Westerlaan 10

3016 CK Rotterdam

The Netherlands

Tel: +31 10 4002911

Fax: +31 10 4139829

[www.vopak.com](http://www.vopak.com)

