



**ANALYST MEETING**  
**ANTWERP**  
**JULY 10, 2008**



# **Jack de Kreij**

Member of the Executive Board

Chief Financial Officer

# Sharp strategic focus & an eye for detail



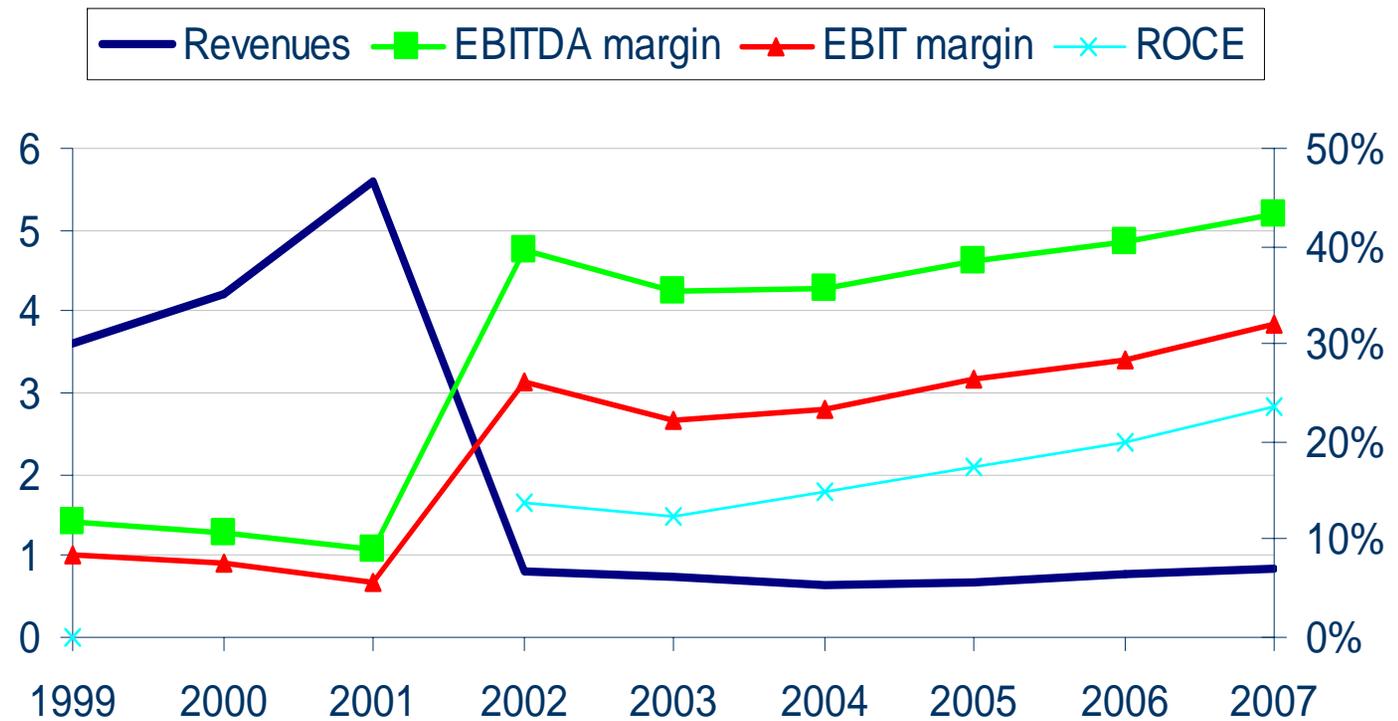
# Agenda

- **Vopak's Transformation Process**
- **Financial Performance**
- **Inflation**
- **Macroeconomic Developments and The Potential Impact on Tank Storage Demand**
- **Growth Projects**
- **Financing**
- **Vopak Terminal Bahamas**

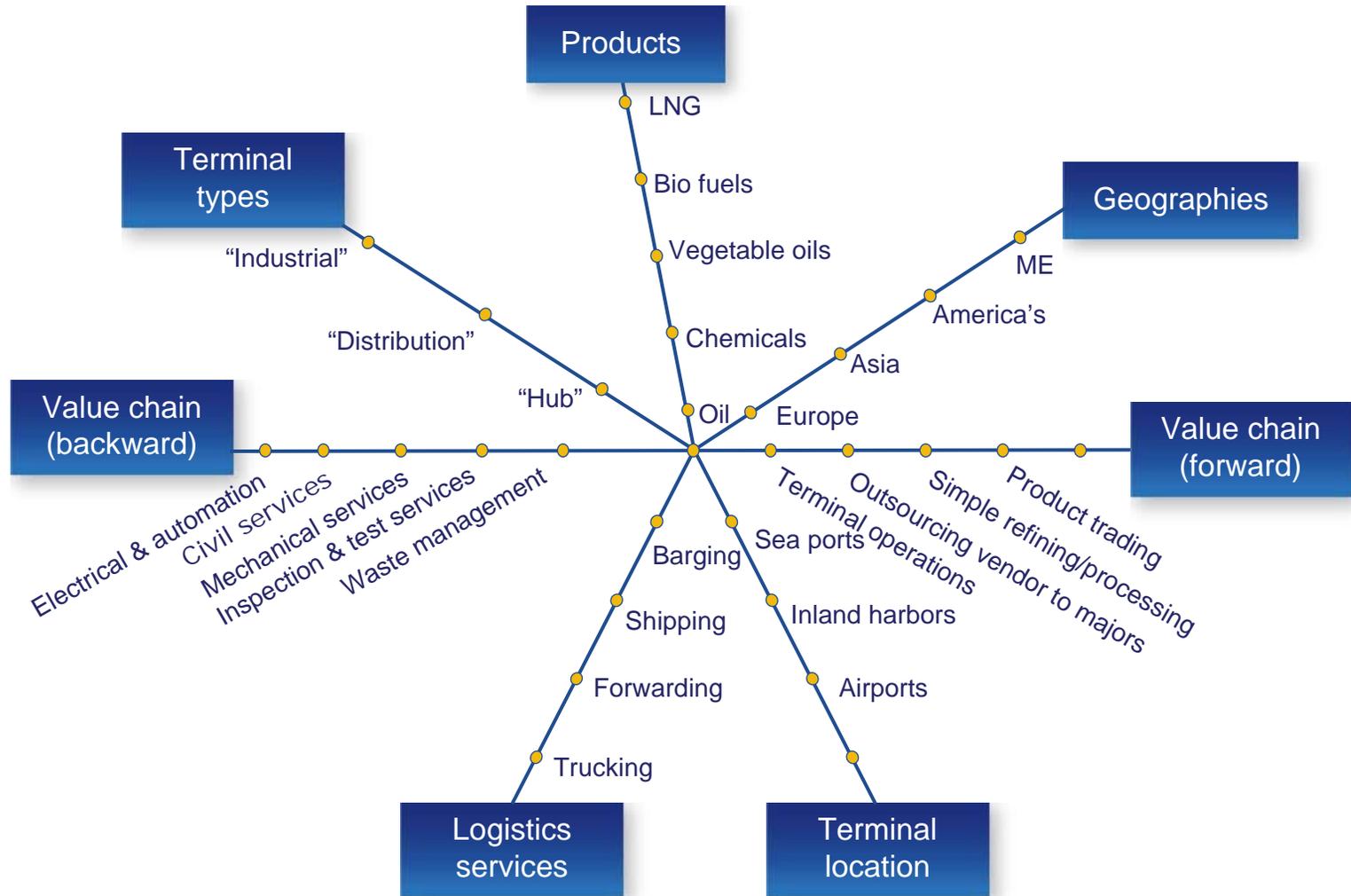


# Vopak has now completed a successful 'shrink to grow' revitalization

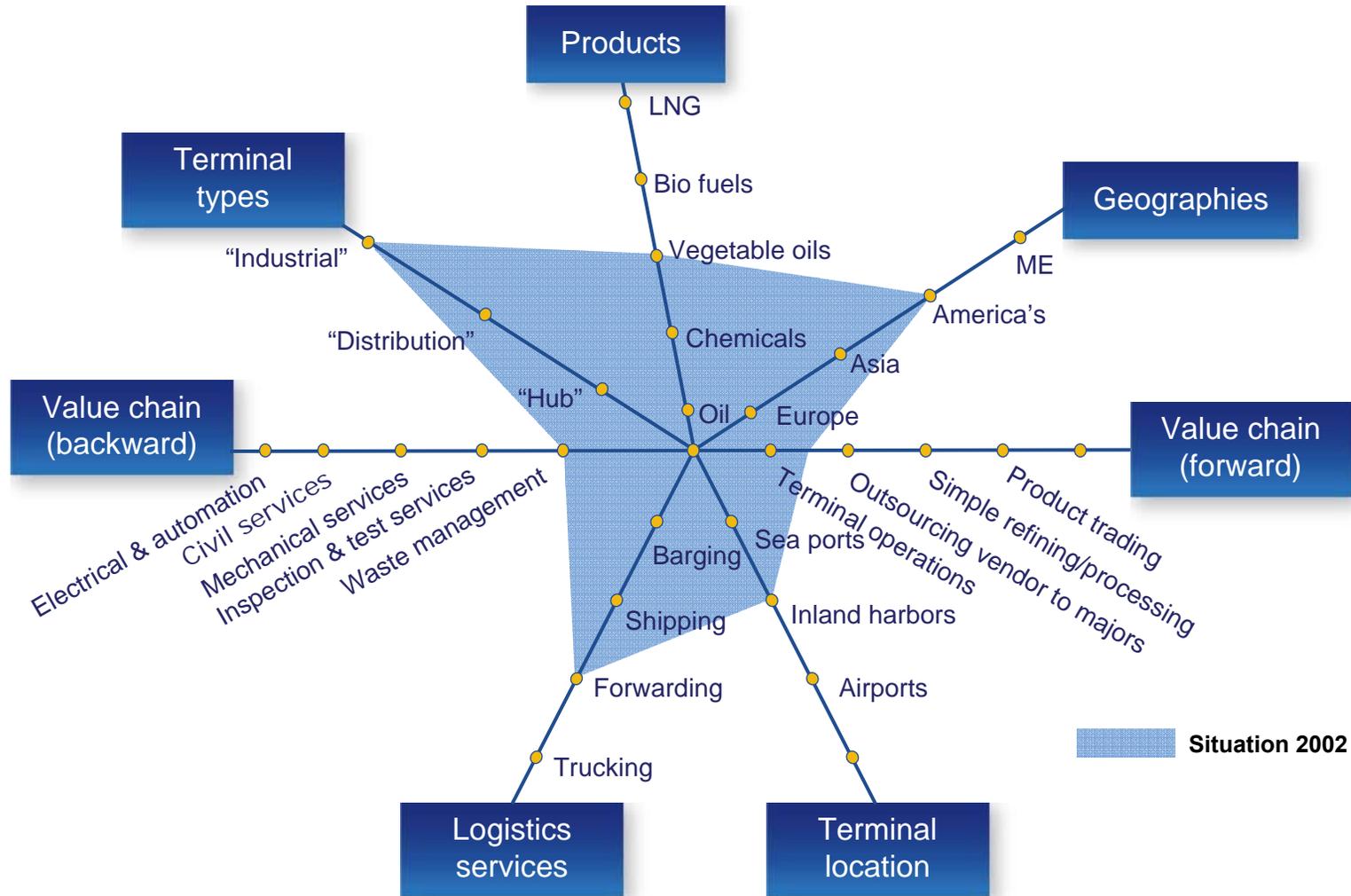
Revenues in billion EUR; all figures are excl. exceptional items and incl. joint ventures



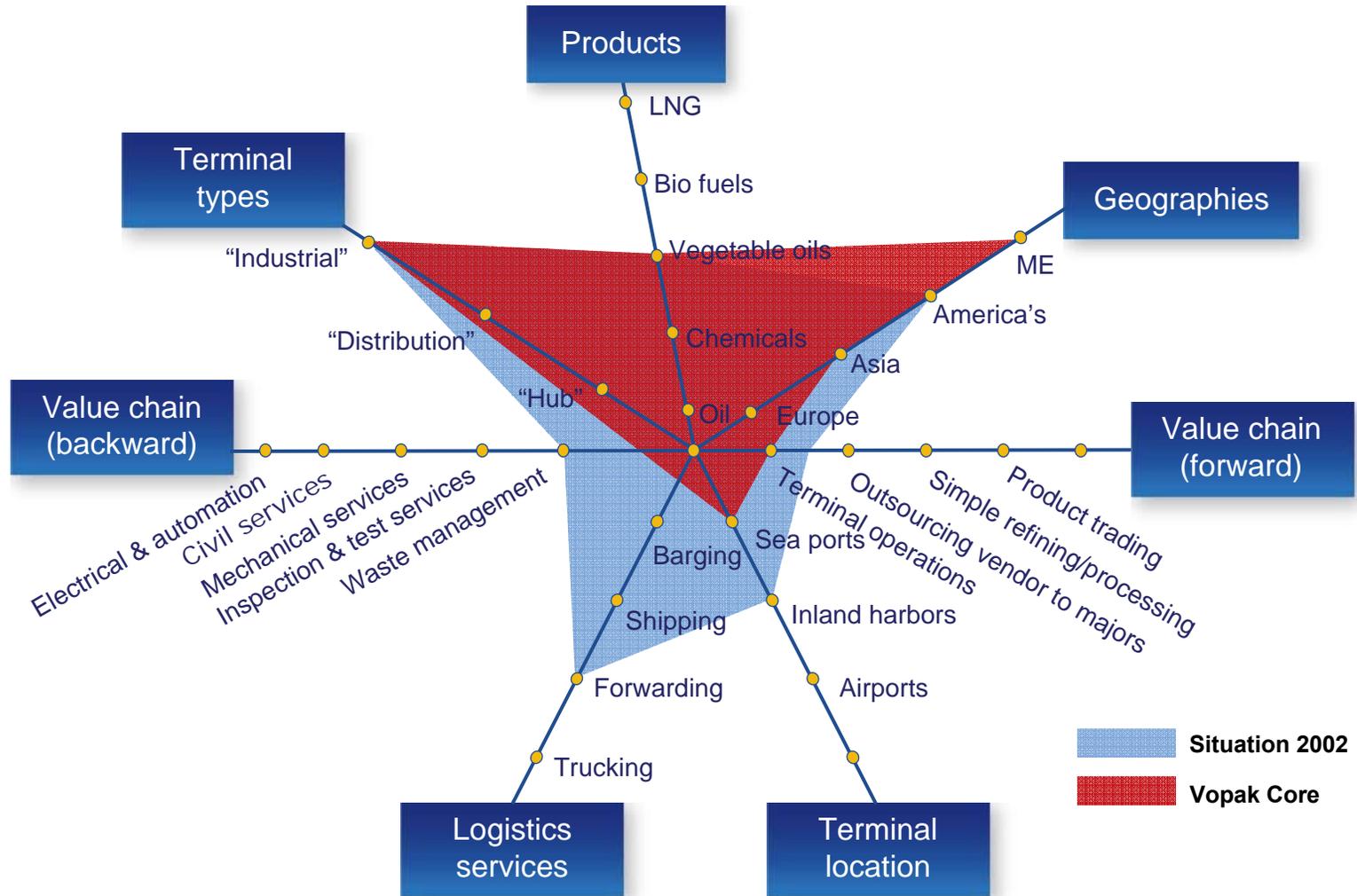
# Many choices made...



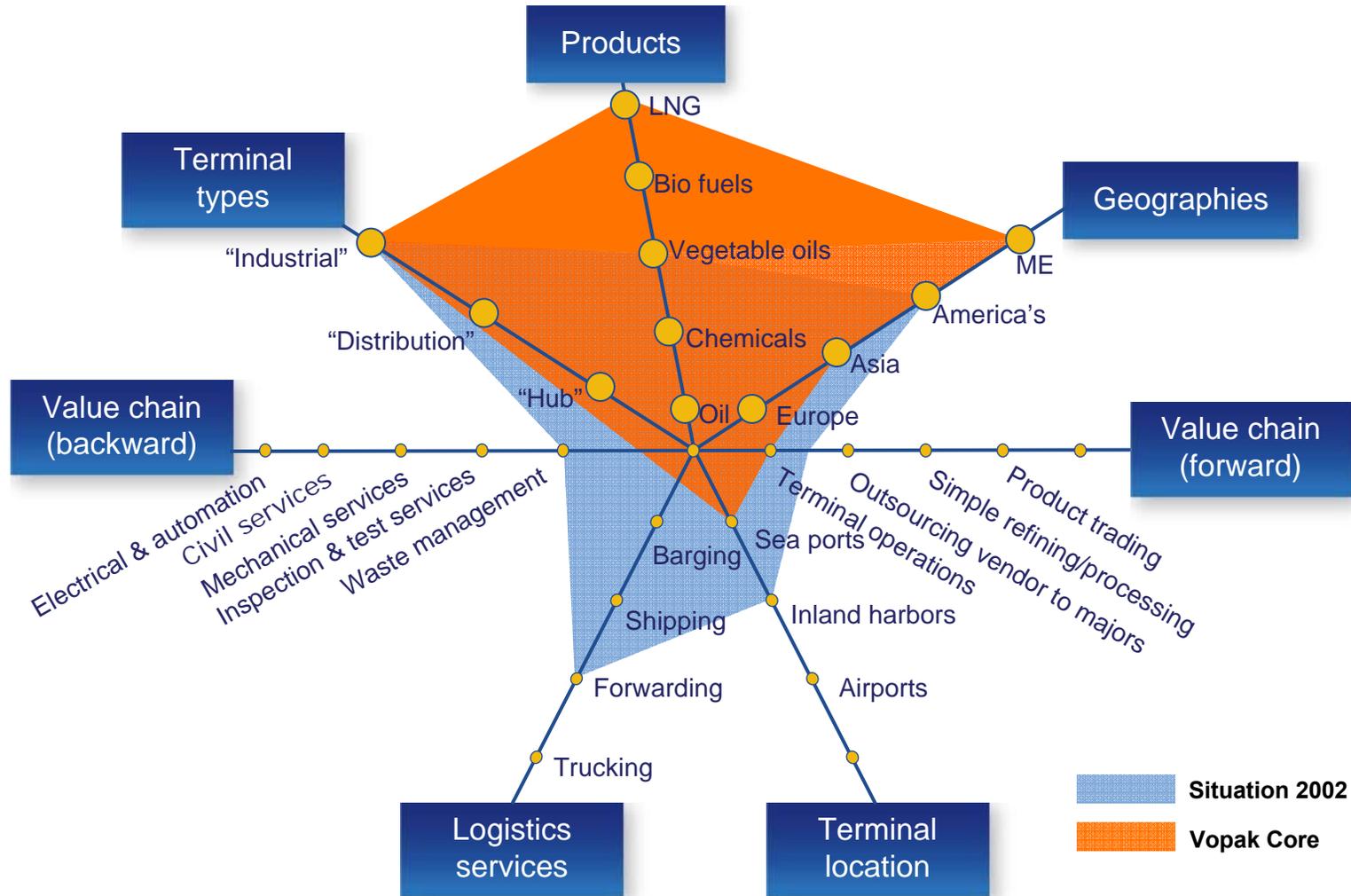
# Focus after split-off (July 2002)



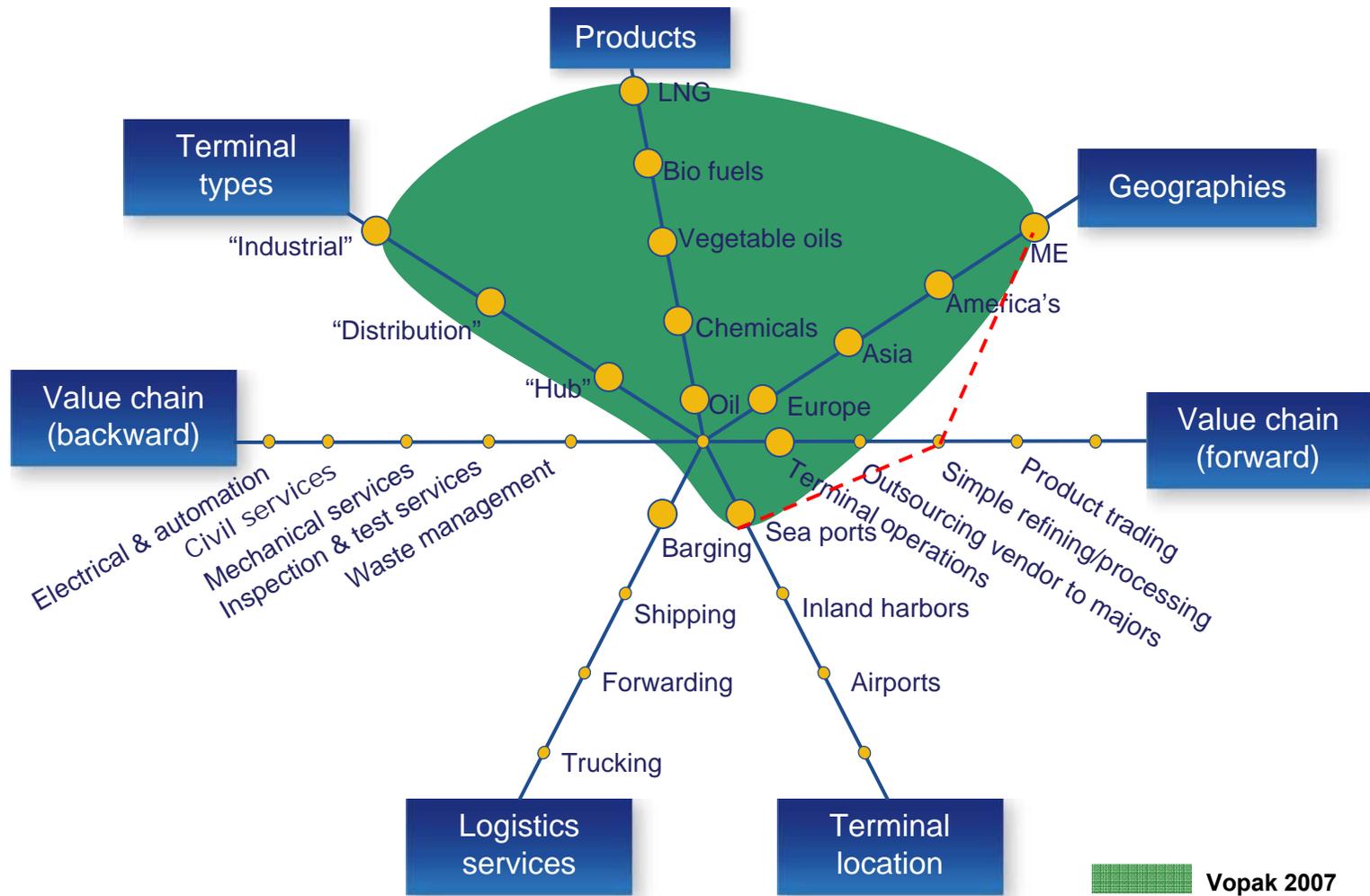
# Clear choices in 2003



# Growth and excellence focus



# Accelerating growth strategy (2007)



Vopak 2007

# Strategic Focus Vopak

## *Execution of the strategy is on track*



### **Growth Leadership**

Pursue and strengthen leadership in key locations

Invest in partnerships with strategic customers

### **Customer Leadership**

Attain service excellence across the network

Become preferred provider for strategic accounts

### **Cost Efficient Operations**

Attain low cost position compared to key competitors

Develop superior ability to withstand all economic conditions

### **Excellence**

Set new standards in commercial operational and financial excellence

### **Leadership Enablers**

Align structure with strategy and improve supply of human capital

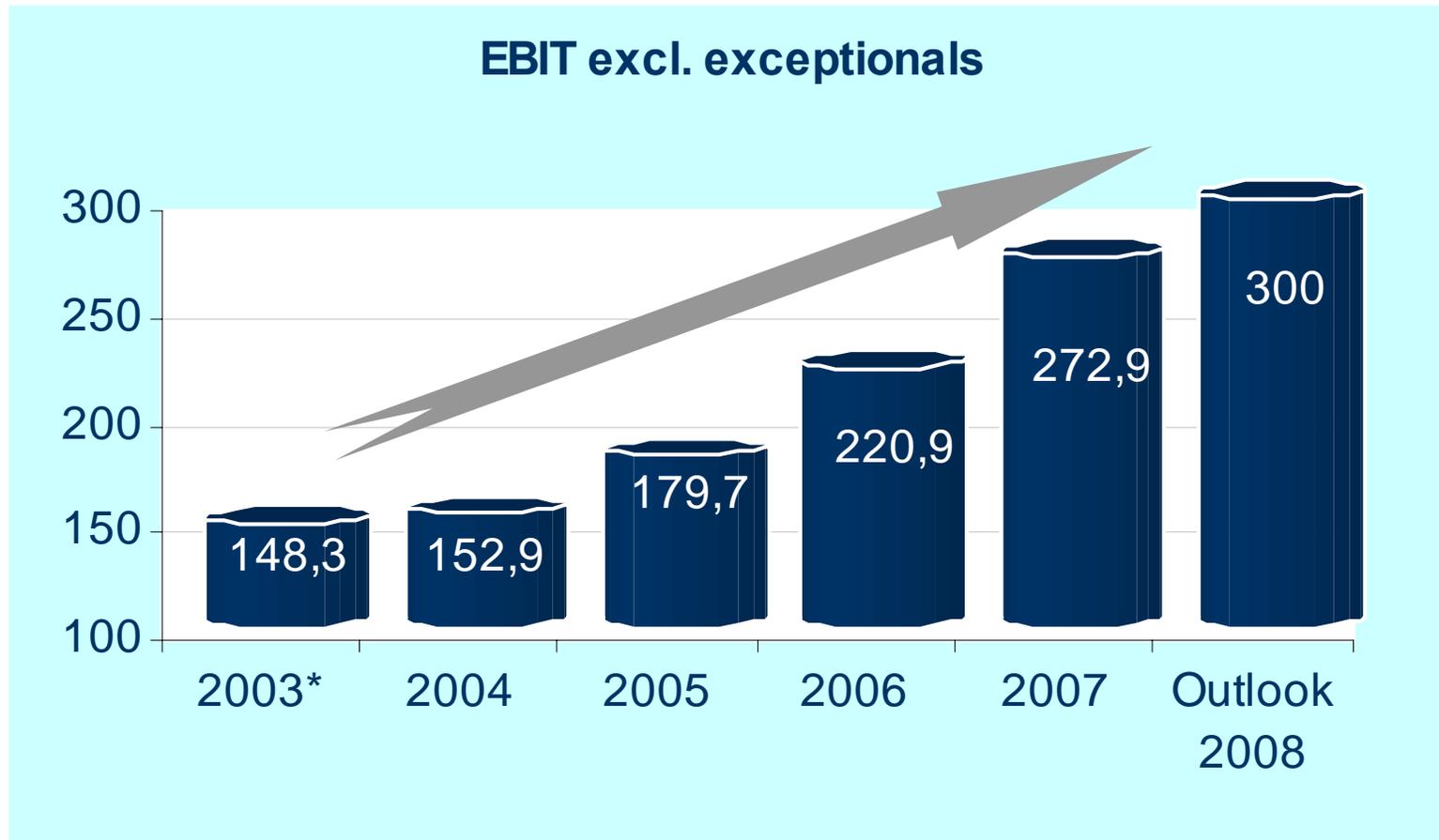


# Financial Performance



## EBIT excl. exceptionals is developing positively

In EUR millions



# Outlook Summary

EUR (mln)	Outlook		Guidance		
	FY 2006	FY 2007	FY 2008	5 year plan (2011)	Long-term
EBITDA*	309.8	388.8		475-550	
EBIT**	220.9	272.9	a minimum increase of 10%		
ROCE	19.4%	25.1%			Around 16%

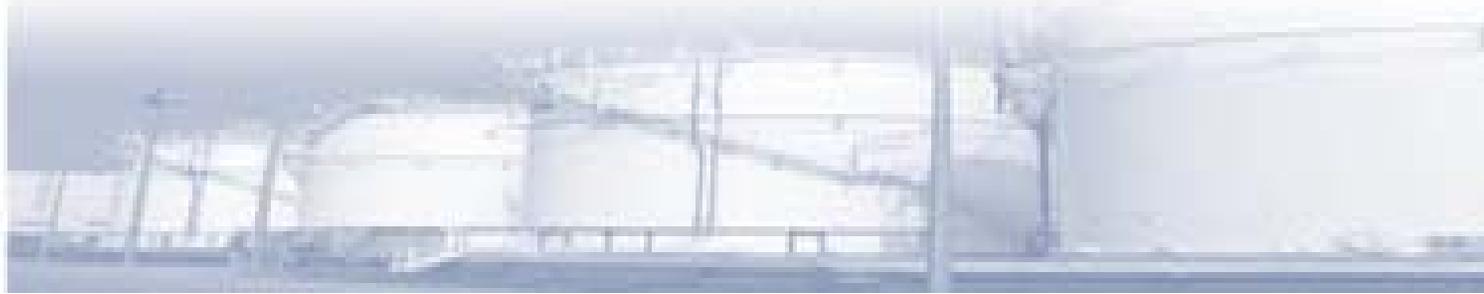
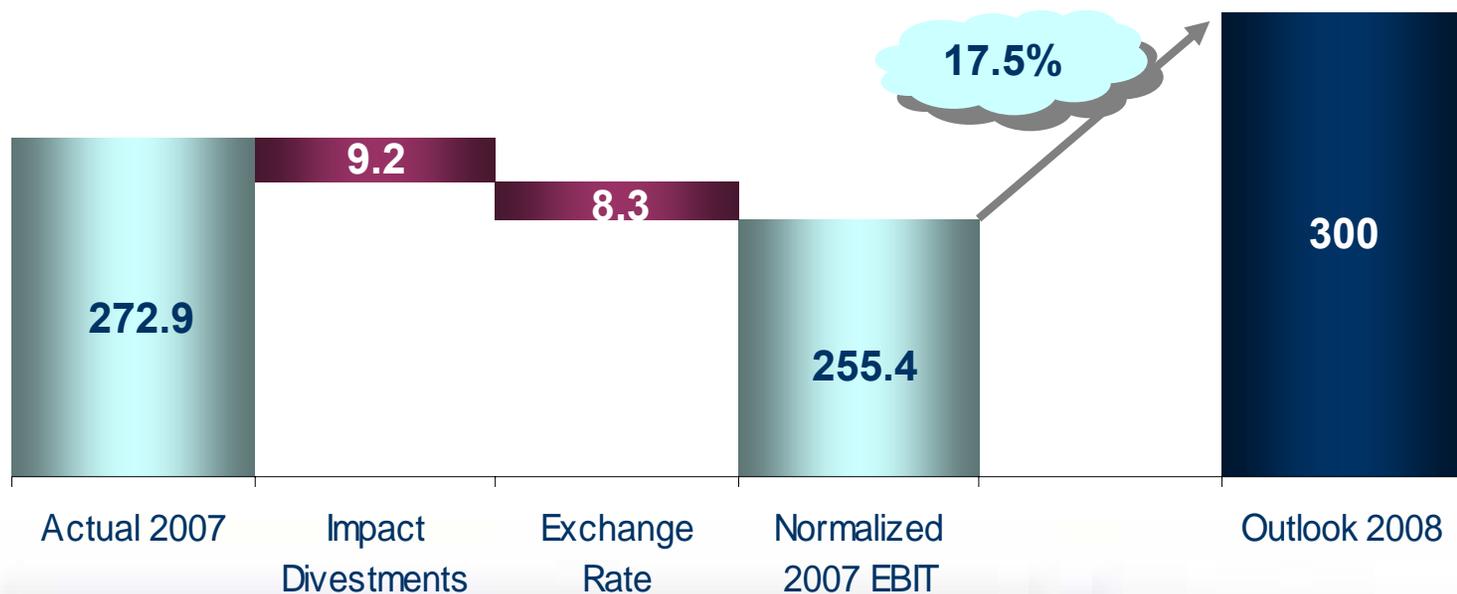
**Updated to 2009 / 2010**

Bearing in mind substantial investments in greenfield projects/ expansions



\* EBITDA includes joint ventures & associates results  
 \*\*excluding exceptional items

## *EBIT 2008 Outlook reflects 17.5% increase compared to Normalized 2007 Results*



## Reconciling Q1 2008 Results to Outlook 2008 requires an eye for detail...

Actual Q1 EBIT:

**€ 79.2M**

+

- \* expansions
- \* margin management



-/-

- \* tanks out of operation
- \* one-off revenues
- \* pre-operating expenses
- \* depreciation
- \* start-up results
- \* IFRS 3
- \* inflation (timing differences)

Outlook 2008

**€ 300M EBIT**



# Vopak's challenge

The challenge is facilitating the product flows:



## LOCATION

- Hinterland connections
- Deep water access
- Permit structure
- Land availability
- Port importance/ speciality
- Competitive situation

## INFRASTRUCTURE

- Tanks sizes
- Jetty capacity
- Truck/rail loading stations
- Capacity to blend
- Automation level

## MEETING

### DIFFERENT CLIENT NEEDS

- Flexibility
- Speedy ship turnaround
- High SHE standards
- Availability of services: blending, heating, etc.
- Hinterland connections: river, road, rail

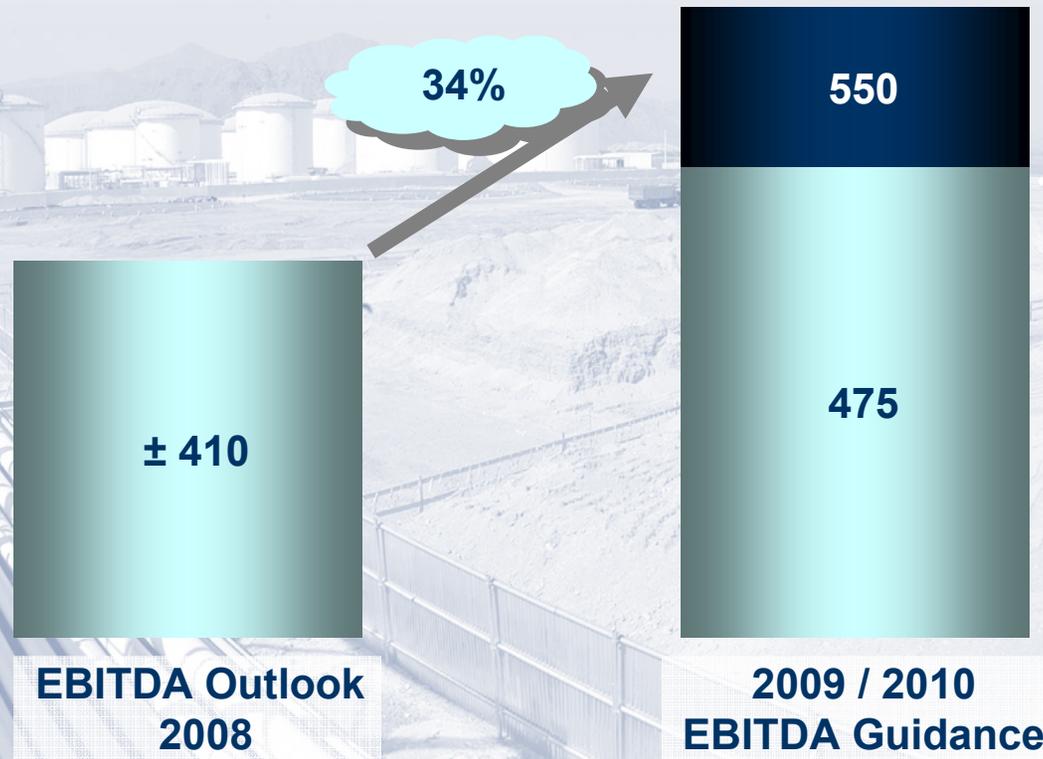
...resulting in different EBITDA margins.

## IFRS 3 requires purchase price allocation to identifiable assets with different depreciation / amortization periods

Identifiable Assets	Depreciation / Amortization	Valuation approach
PPE Land rent Land	Economic life period	Depreciated replacement cost (PPE) Market approach
Intangible assets	Dependent on business drivers	Income approach
Goodwill	Annual impairment test	

**Starting 2010, professional service fees related to acquisitions cannot be capitalized anymore.**

**Realizing a € 550M EBITDA level in 2010 would implicate an increase by 34% in 2 years time...**



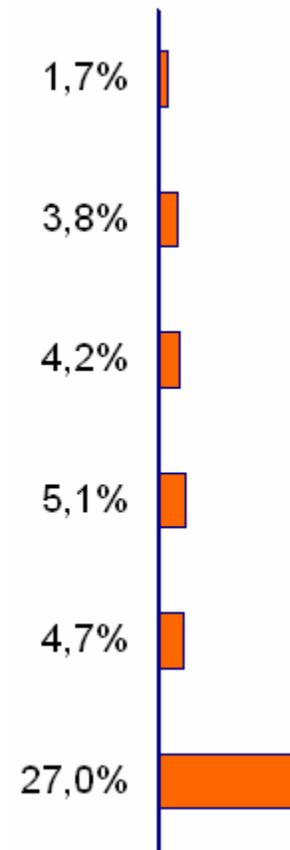
# Inflation



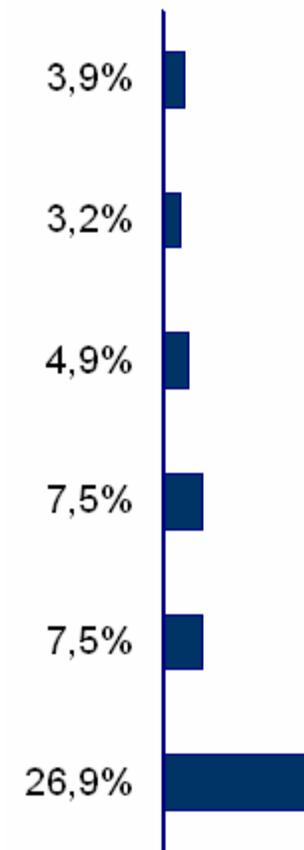
# North and Latin Americas



**Inflation  
CPI**  
2008 forecast



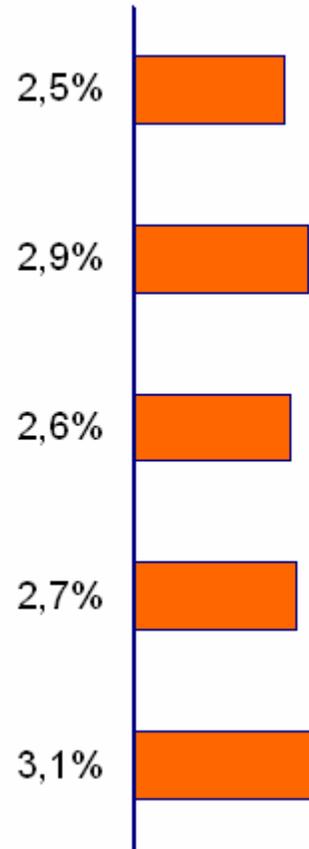
**Inflation  
wage**  
2008 forecast



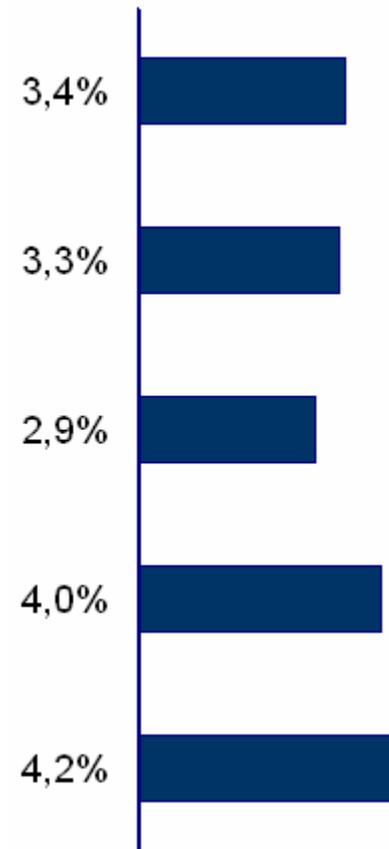
# Europe



**Inflation  
CPI**  
2008 forecast



**Inflation  
wage**  
2008 forecast



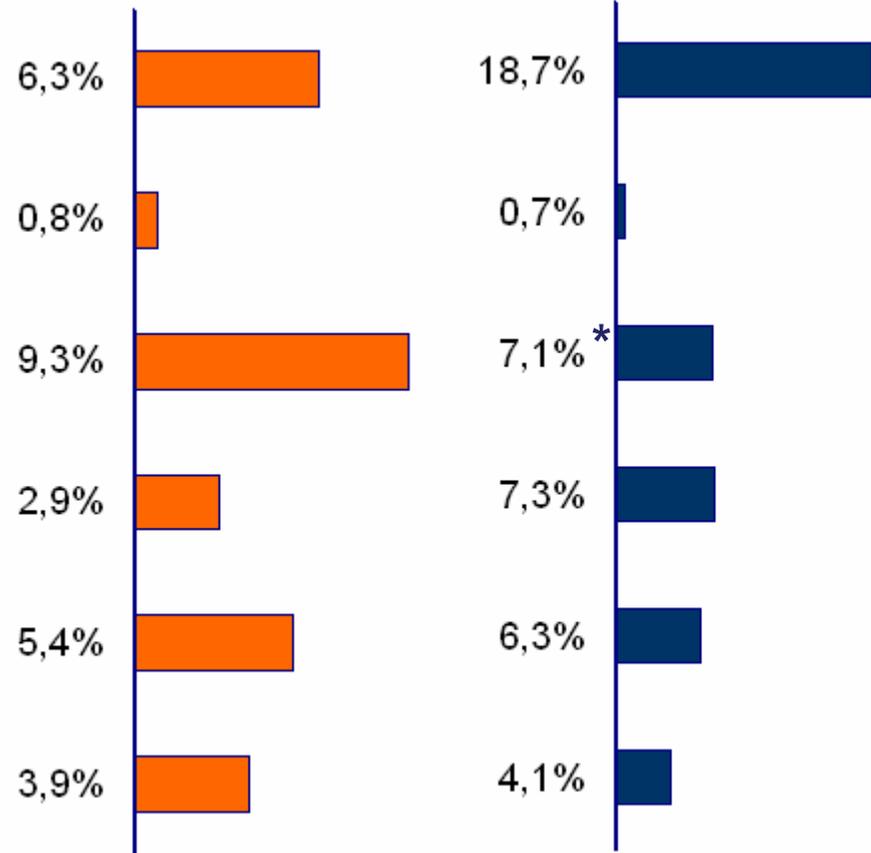


# Asia



**Inflation  
CPI**  
2008 forecast

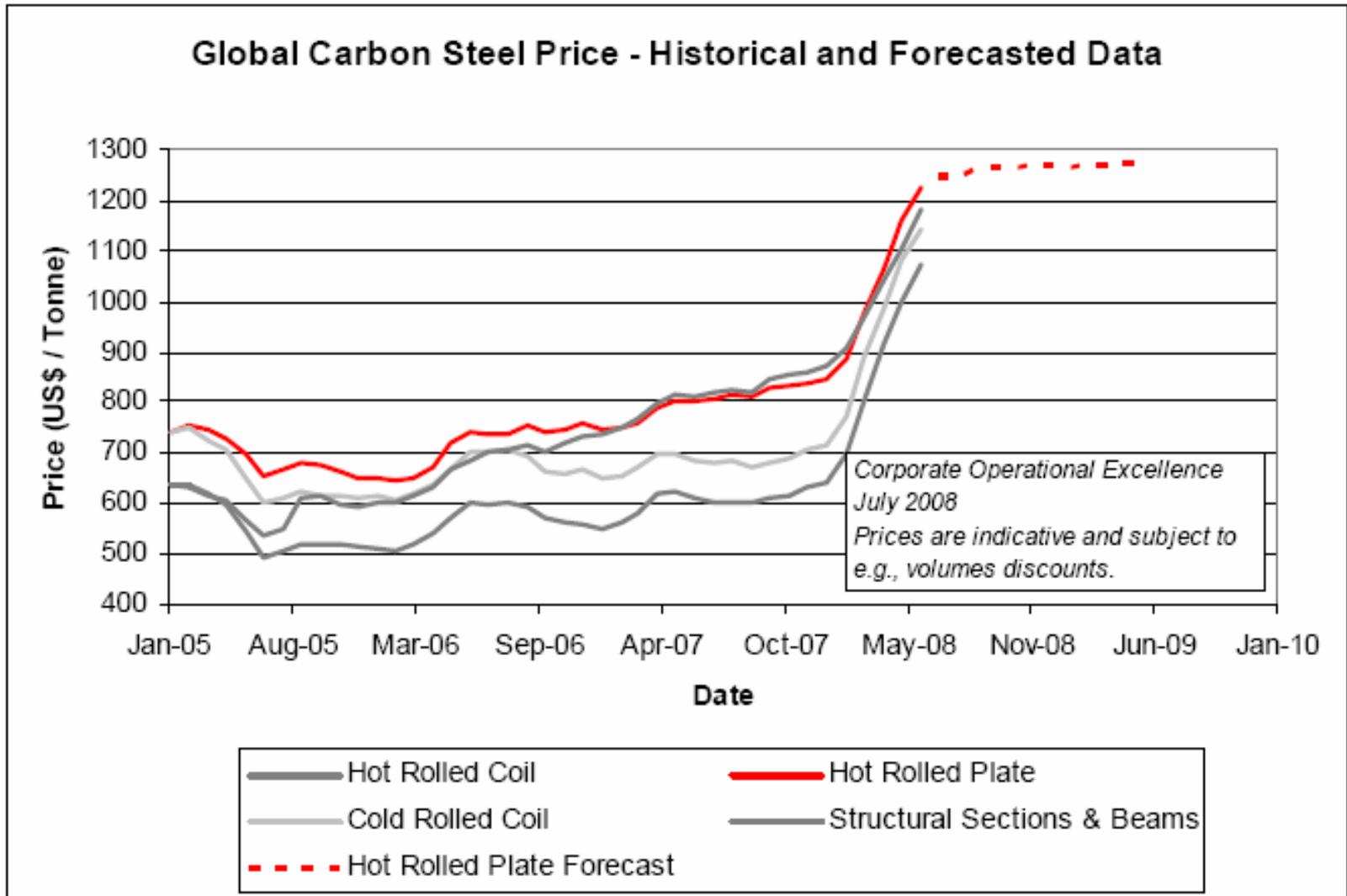
**Inflation  
wage**  
2007 actual



\* Actual 2006

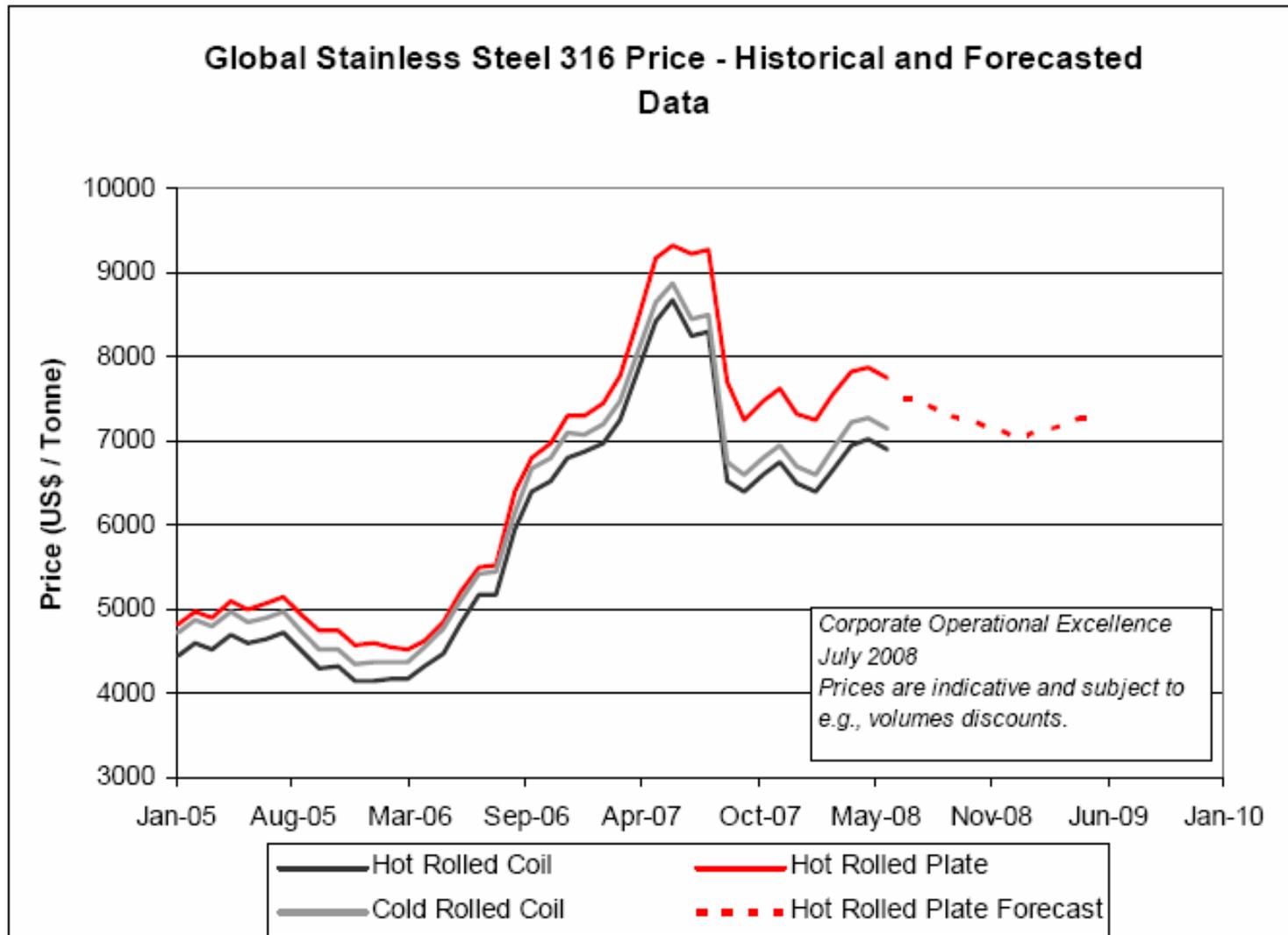


# Global Carbon Steel Prices





# Global Stainless Steel Prices

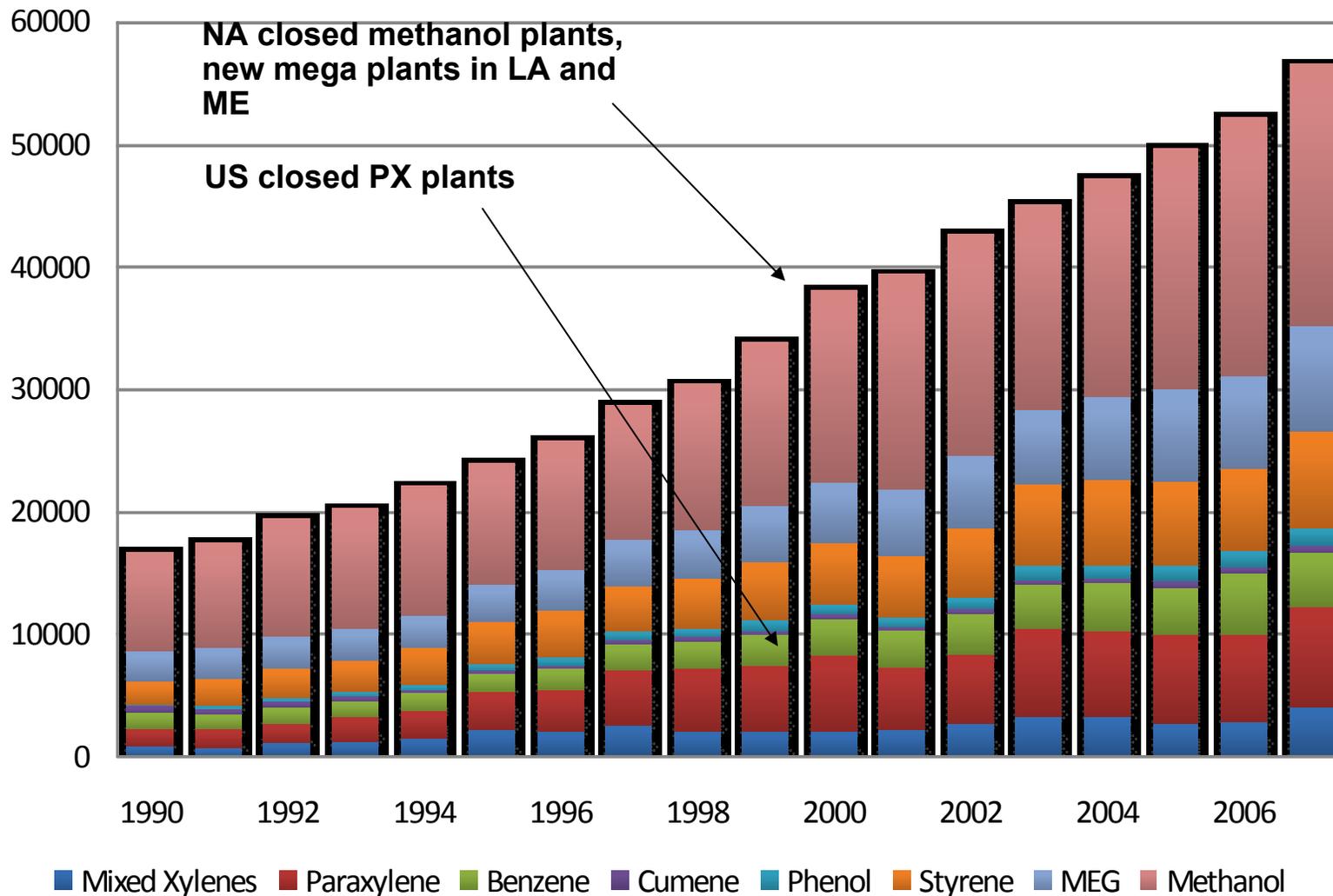


# Macroeconomic developments and the potential impact on tank storage demand



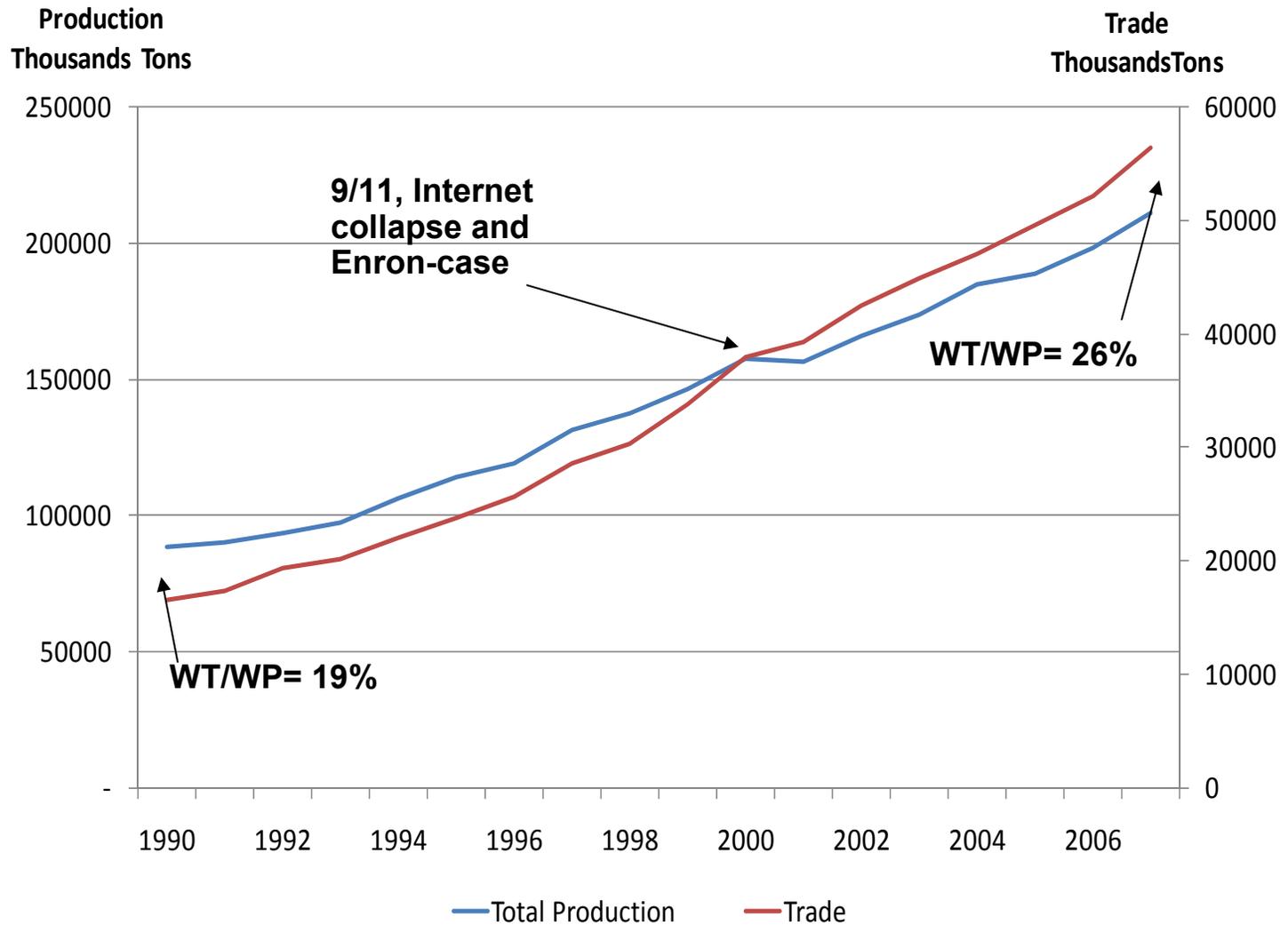
# World Trade in Major Liquid Petrochemicals

Thousand Metric Tons





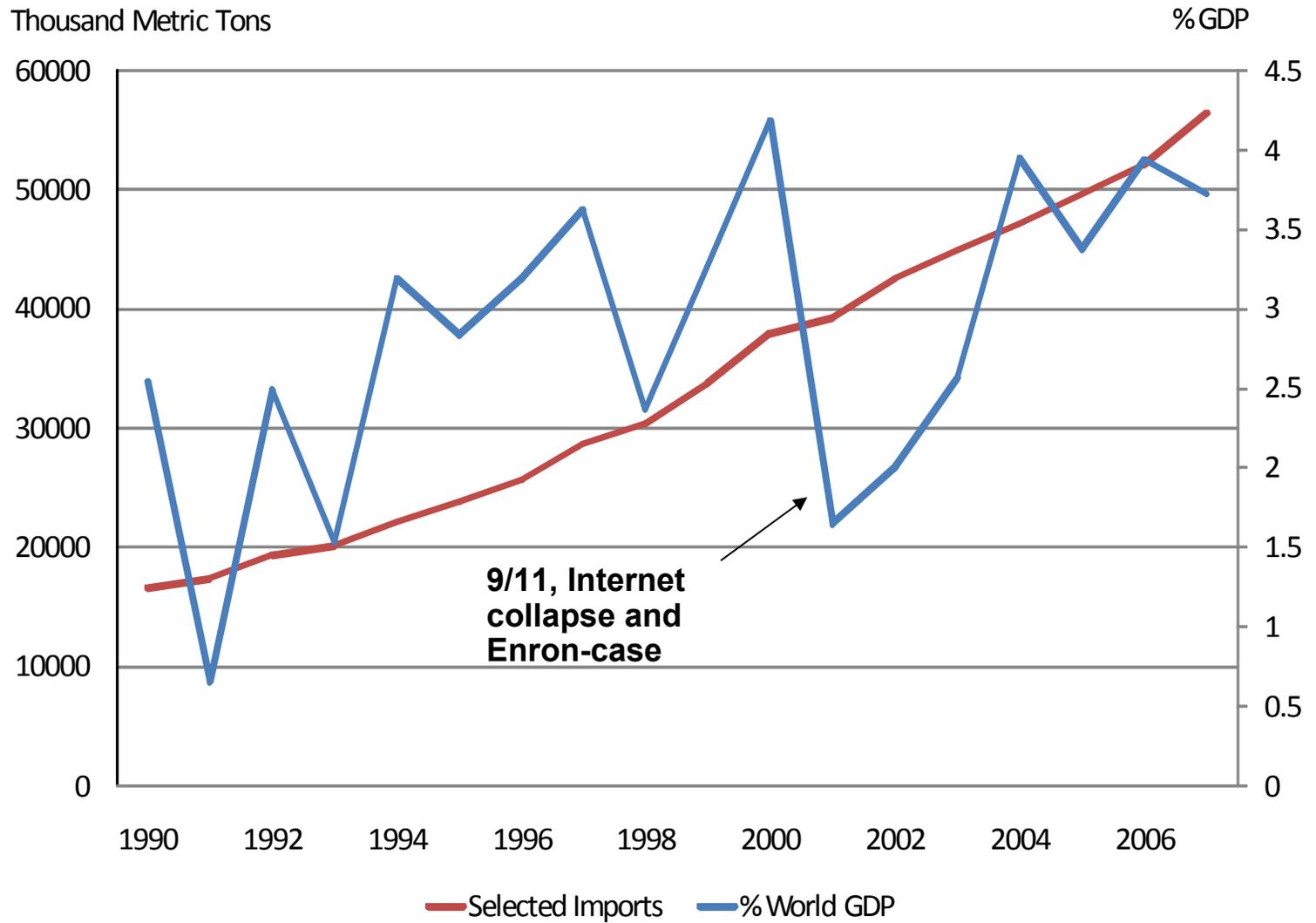
# Production VS Trade



Source: CMAI



# World Trade in Major Liquid Petrochemicals



Source: CMAI

# Important observations

- **G**rowth in major chemical trade flows exceeds production growth
- **G**rowth in world trade flows is expected to continue to accelerate
- **H**istoric impact of economic slowdowns on trade flows limited





# Macro economic developments and the potential impact on tank storage demand

Shift of production to Middle East / Asia

→ New flows will come on stream

Dependability on Middle East increases

→ ME will become the main exporter in bulk chemicals

China / India strongest growing economies / regions

→ New and growing flows

Supply and demand imbalances grow

→ As a consequence product flows will grow

Import in Europe of commodity chemicals increase

→ More tank storage for bulk chemicals



# Macro economic developments and the potential impact on tank storage demand

**Rationalization of Producers continues**

→ Growing number of global customers

**BioFuels development : impact on the Fuel supply / demand**

→ On the longer term fuel supply / demand balances will change

**Expansion of EU countries E15 – E25**

→ New flows will come on stream

**Increasing role for major hubs**

→ Important to be there

# Growth projects



## Projects completed YTD 2008

Location	Ownership	Type	Additional CBM	
			Consolidated	Joint venture
Rotterdam	100%	Expansion	200,000	
Fujairah	30%	Expansion		380,000
Sebarok	69.5%	Expansion	125,000	
Zhangjiagang	100%	Expansion	12,500	
Bahamas	20%	Acquisition		3.0M
Vopak EOS	35%	Merger		0.4M
Malaysia	100%	Acquisition	20,600	
Other			65,000	20,000
<b>Total added capacity YTD 2008</b>			<b>423,100</b>	<b>3.6M</b>
<b>Total added capacity YTD 2008</b>			<b>&gt;4M cbm</b>	



## To be operational in 2008

Location	Ownership	Type	Products	Additional CBM	
				Consolidated	Joint venture
Zhangjiagang	100%	Expansion	Chemicals	72,000	
Banyan Phase 3	69.5%	Expansion	Oil / Chemicals	320,000	
Sebarok	69.5%	Expansion	Oil	91,000	
Vopak EOS	35%	Expansion	Oil		200,000
Other				120,000	40,000
<b>Total capacity to be added in 2008</b>				<b>603,000</b>	<b>240,000</b>
<b>Total capacity to be added in 2008</b>				<b>843,000 cbm</b>	



## To be operational in 2009

Location	Ownership	Type	Products	Additional CBM	
				Consolidated	Joint venture
Botlek Zuid	100%	Expansion	Chemicals	156,000	
Banyan Phase 4	69.5%	Expansion	Oil / Chemicals	390,000	
Sydney	100%	Expansion	Oil	83,000	
Penjuru	69.5%	Expansion	Chemicals	65,000	
Vlaardingen	100%	Expansion	Chemicals	60,000	
Other				138,000	28,000
<b>Total capacity to be added in 2009</b>				<b>892,000</b>	<b>28,000</b>
<b>Total capacity to be added in 2009</b>				<b>920,000 cbm</b>	

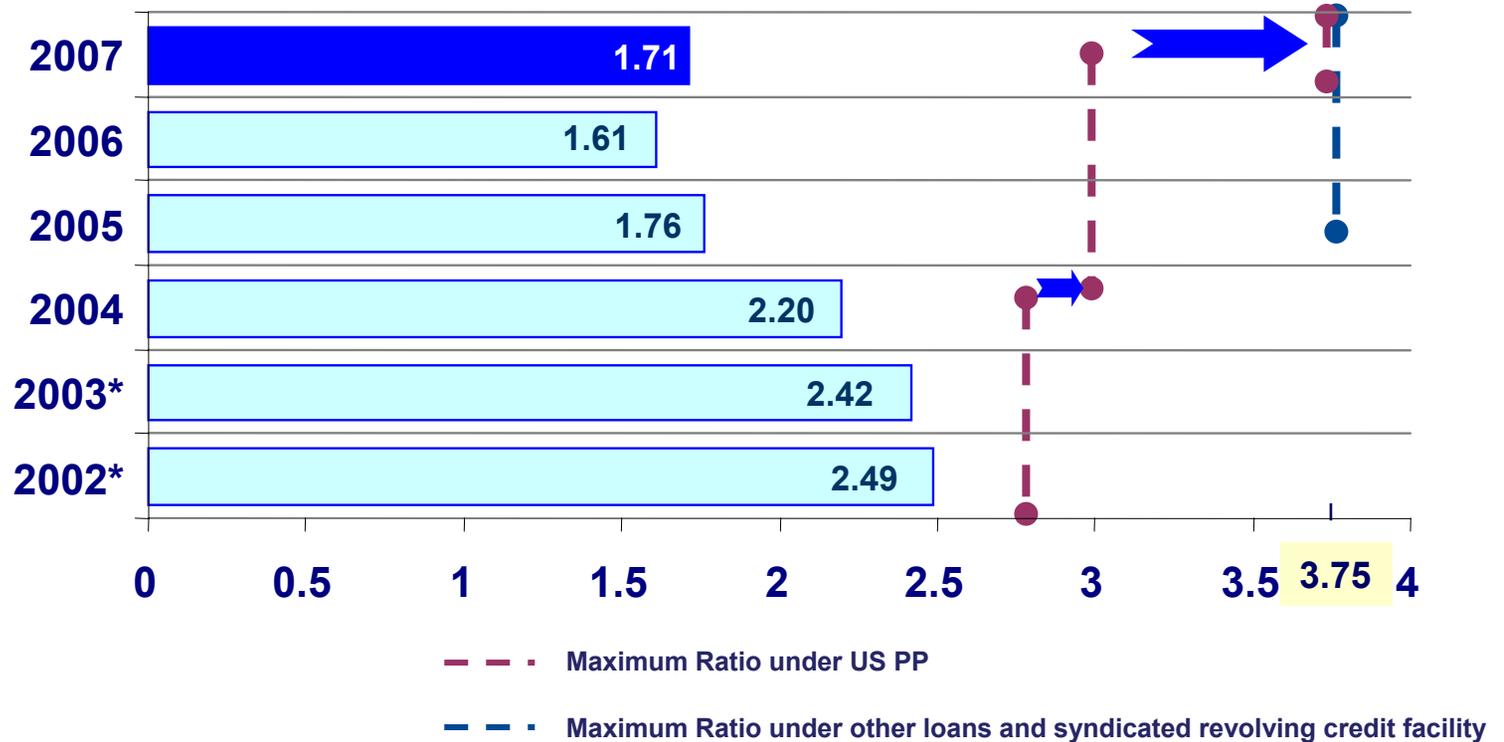


# Financing



# Strategic Finance: Sufficient Flexibility

Net debt : EBITDA ratio



\* based on Dutch GAAP

## Overview of US PP terms and RCF

Covenant/ Term	US PP 2001	US PP 2007	New RCF
Maximum Net Debt / EBITDA	3.75	3.75	3.75
Additional headroom When financed with subordinated debt		Up to 4.25	> 3.75
EBITDA / Net Interest Payable	> 4.0	> 3.5	> 3.5
Amount	USD 396 mln	USD 375 mln	EUR 1 bln
			+ EUR 200 mln

# Vopak Terminal Bahamas





# Vopak Terminal Bahamas – *impact on Vopak Financial Statement*



**Equity: 20%**  
**Capacity: 3M cbm**

**Balance sheet**

**Joint ventures  
and associates**

**Profit & Loss**

**Result of jv  
(equity method) +  
Management fee**

**Cash Flow\***

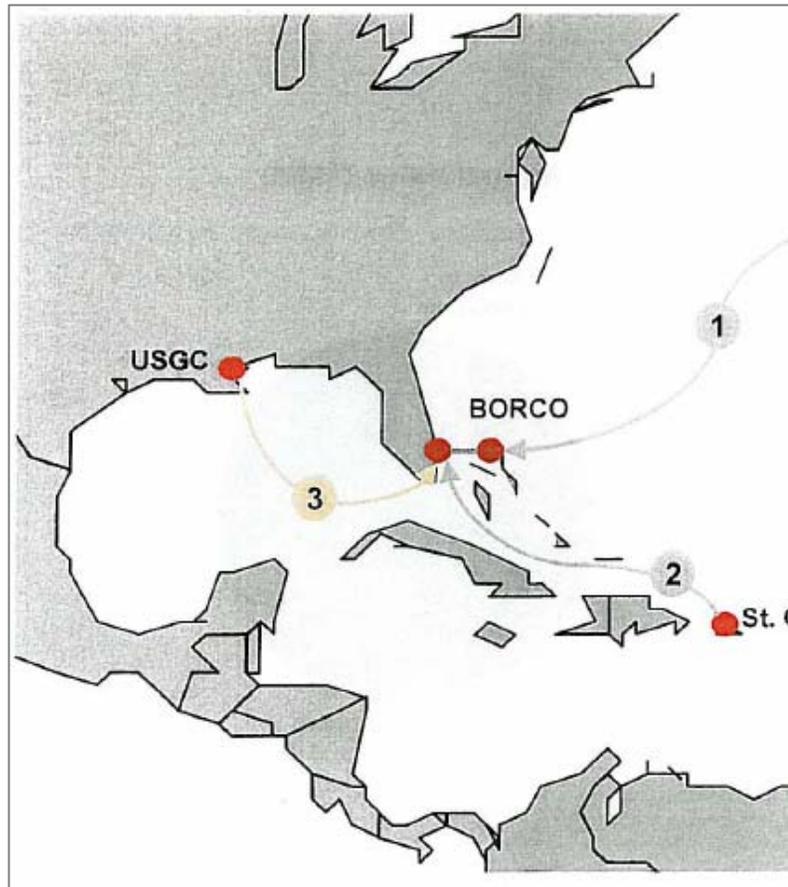
**Acquisition price**  
**Dividend**



*\* First 5 years no dividend expected. Operational free cash flow will be reinvested in expanding the terminal.*



# Strategic Location



The closest proximity to the U.S. East Coast

Deep water access (VLCC and ULCC)

Availability of land means room for expansions

Close to the refineries/clients

Transshipment hub



# Shipping Connections



The max draughts of Florida ports:

- Tampa: 13 metres
- Port Manatee: 12 metres
- Jacksonville: 11 metres
- Port Canaveral: 12 metres
- Palm Beach: 10 metres
- Port Everglade: 13 metres

The ports must rely on the local supply hub as their draughts are not deep enough to accomodate the VLCCs:  
The break bulk is necessary.





## 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 renders 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.



Thank you!