



Storing
vital products
with care

Vopak Full Year 2018 financial results

Analyst presentation – 13 February 2019



Forward-looking statement

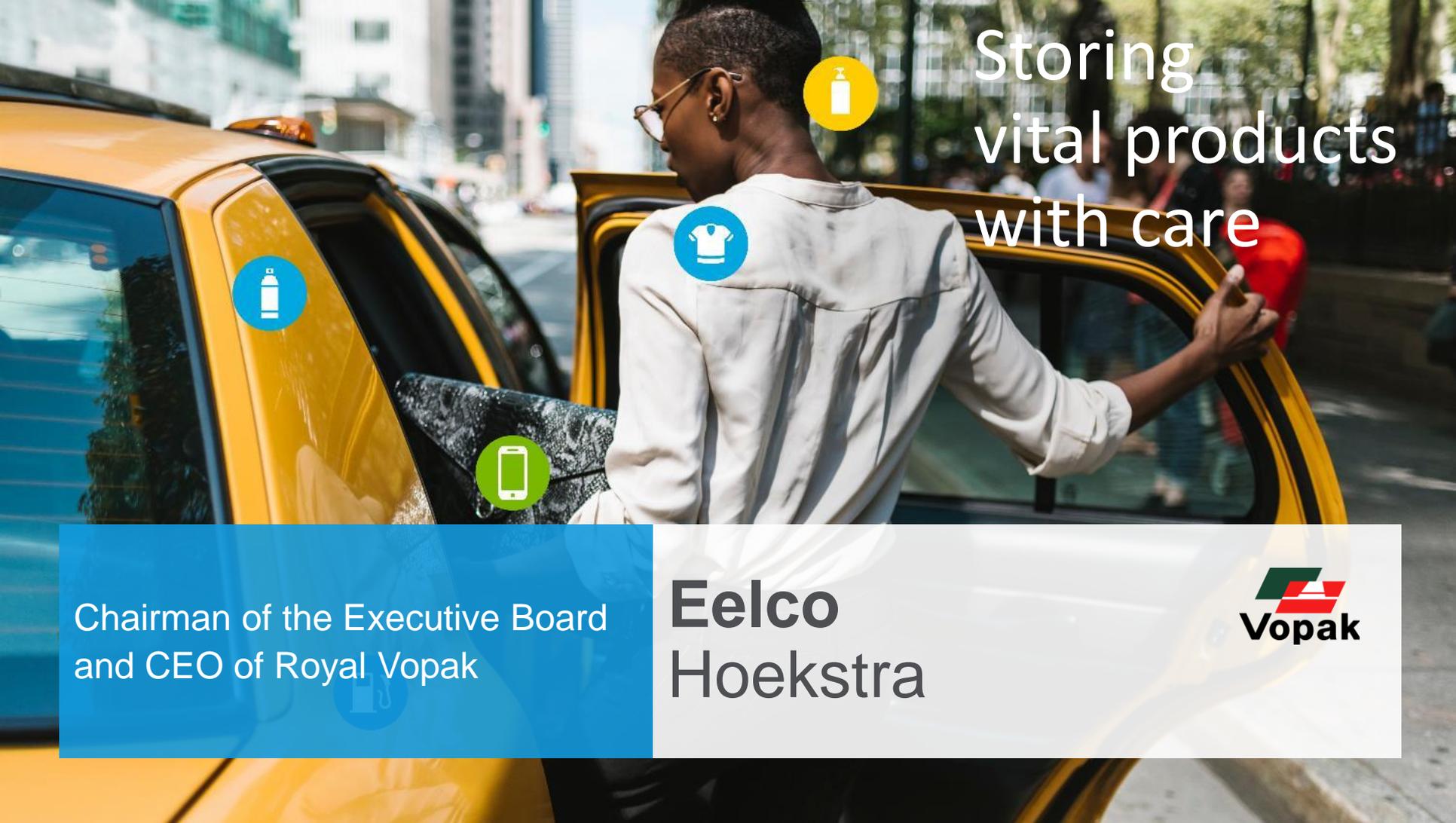


This presentation contains 'forward-looking statements', based on currently available plans and forecasts. By their nature, forward-looking statements involve risks and uncertainties because they relate to events and depend on circumstances that may or may not occur in the future, and Vopak cannot guarantee 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.



Storing
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Chairman of the Executive Board
and CEO of Royal Vopak

**Eelco
Hoekstra**



Key messages



**‘Solid results in 2018, on track for 2019
well positioned for future opportunities’**

- **Solid financial performance**, given market conditions
- Execution of our **strategy is well on track**
 - Portfolio transformation in line with strategic terminal types
 - Unique cloud-based terminal management system is in place at first terminals in the Americas and Asia

Key figures FY 2018

EBITDA*

In EUR million

734

CFFO (gross)

In EUR million

687

Occupancy rate**

In percent

86

Terminal network

In million cbm

2018: **37.0**

2019: **39.1**

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

** Occupancy rate include subsidiaries only



Industrial terminal - PT2SB Malaysia

Business environment update

Diversified portfolio, well positioned for future opportunities



Chemicals



Focus on operational delivery

- Strong underlying demand for chemicals
- Positive investment climate petrochemical industry

Oil products



Prepare for the uptick

- Oil hubs: solid long-term demand drivers despite short-term weakness
- Fuel oil: unsettled market
- Import-distribution markets: Solid growth in markets with structural deficits

Gases



Steady cash flows

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

Vegoils & biofuels



Reap the benefit of current market

- Strong biofuels market despite volatility due to changes in government policies
- Incremental vegoil demand fueled by price competitiveness

Strategy execution well on track



Strategic direction is set towards growth and productivity improvements

Capture growth

- 14 expansion projects announced in last years
- New projects in Canada, Malaysia, Indonesia, Singapore, South Africa, Brazil, Pakistan and the Netherlands

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 started
- Cybersecurity controls implemented

Drive further productivity and reduce the cost base with at least EUR 25 million by 2019

- Efficiency program delivered at Q2 2018 and subsequently increased to EUR 40 million by 2019

Significant capacity to be delivered in 2019



Shift towards industrial terminals and LNG, LPG and chemical gases terminals



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

* Fully or partly commissioned in 2018

Key messages



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 - Unique cloud-based terminal management system is in place at first terminals in the Americas and Asia



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

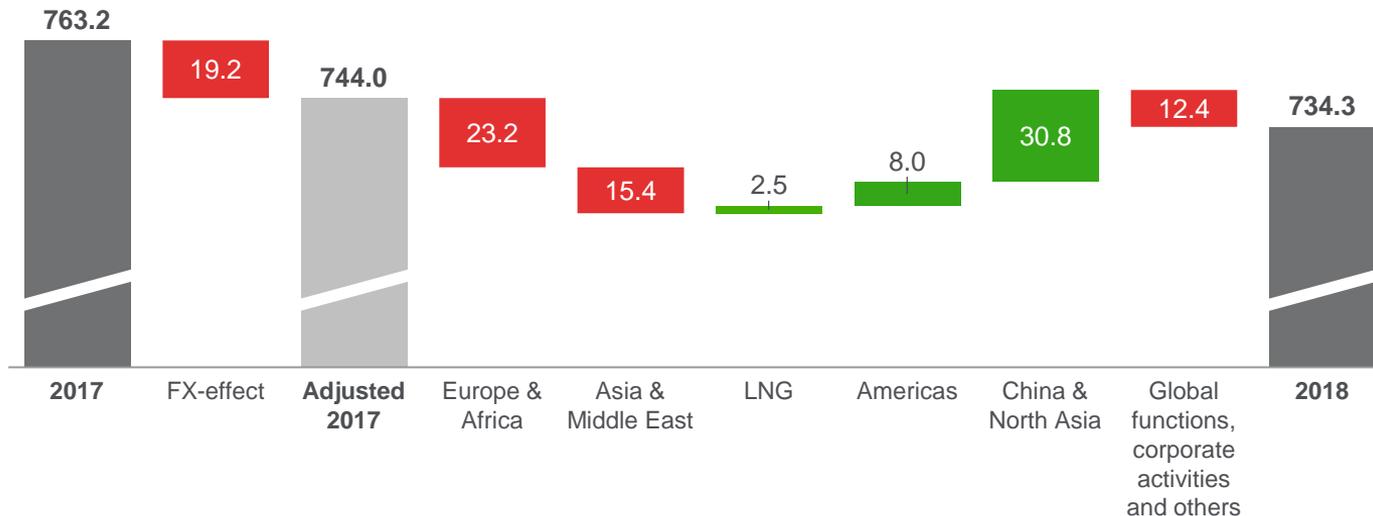
FY 2018 key messages

- EBITDA of **EUR 734 million**, adjusted for currency translation effects, EBITDA was EUR 10 million lower than prior year
- **Resilient CFFO** with **investment momentum** (CFFI)
- In line with our growth strategy, our **growth investments increased to 1 billion** for the period 2017 to 2019
- Vopak completed the acquisition of the **LNG import facility** Engro Elengy Terminal Pakistan
- **Cash dividend** increased to EUR 1.10

2018 vs 2017 EBITDA



Adjusted for currency translation effects EBITDA was EUR 10 million lower than prior year



Divisional segmentation

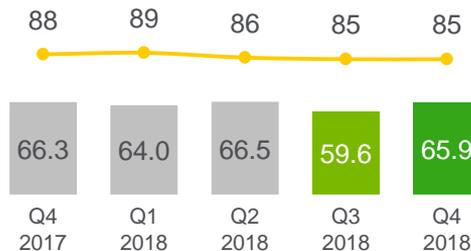


Europe & Africa and Asia & Middle East impacted by oil hub weakness;
Americas and China & North Asia benefit from strong chemical and gas markets

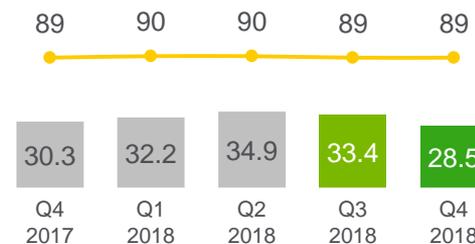
Europe & Africa



Asia & Middle East



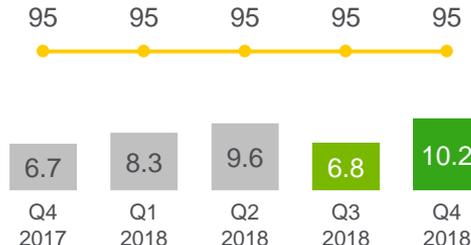
Americas



China & North Asia



LNG

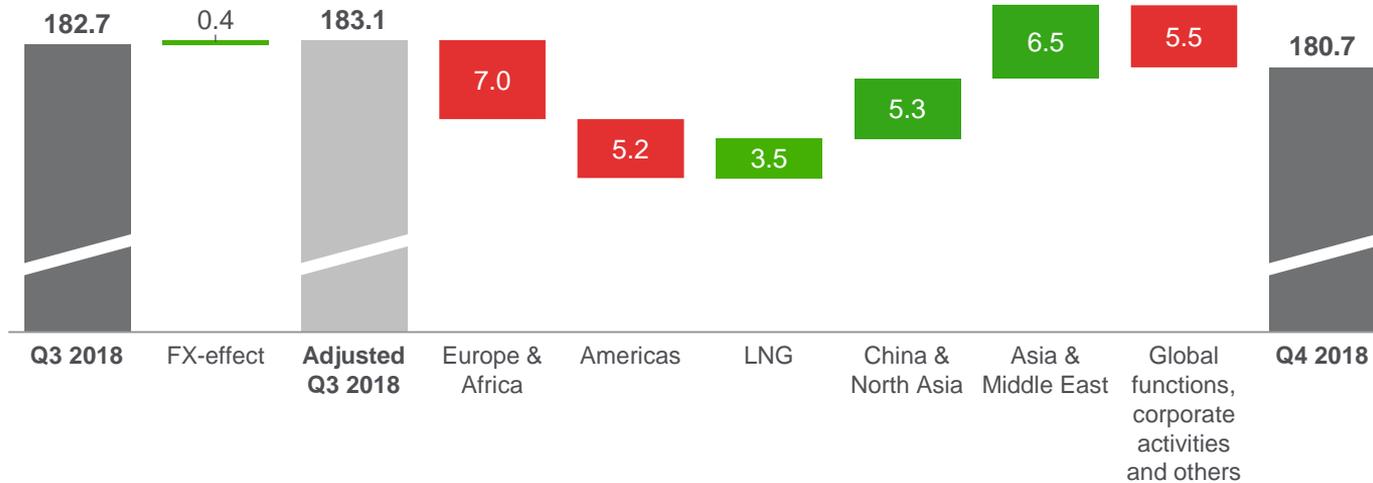


Occupancy rate (in percent) for subsidiaries only, with the exception of LNG

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

Q4 2018 vs Q3 2018 EBITDA

Net EUR 7 million one-off cost items included in Q4 2018



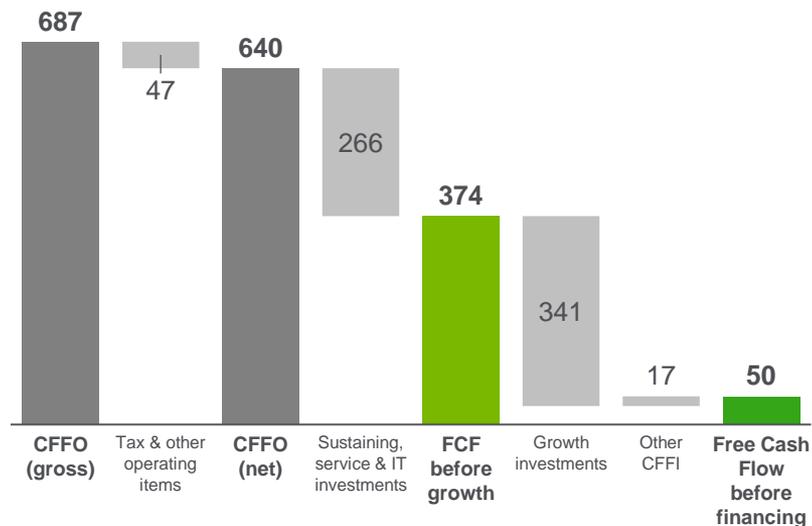
Cash flow overview



Investment momentum driven by growth project phasing towards 2019

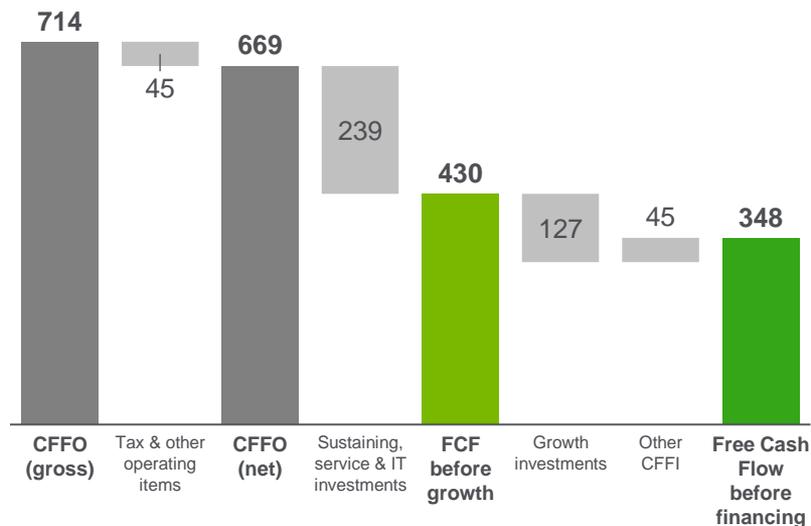
2018

In EUR million



2017

In EUR million



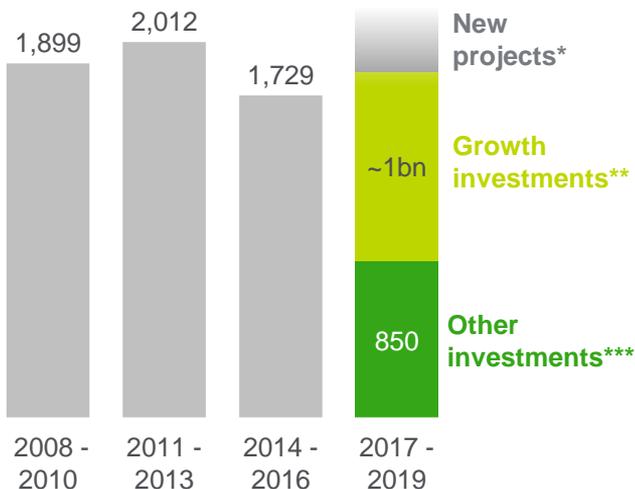
Cash flow from investments



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

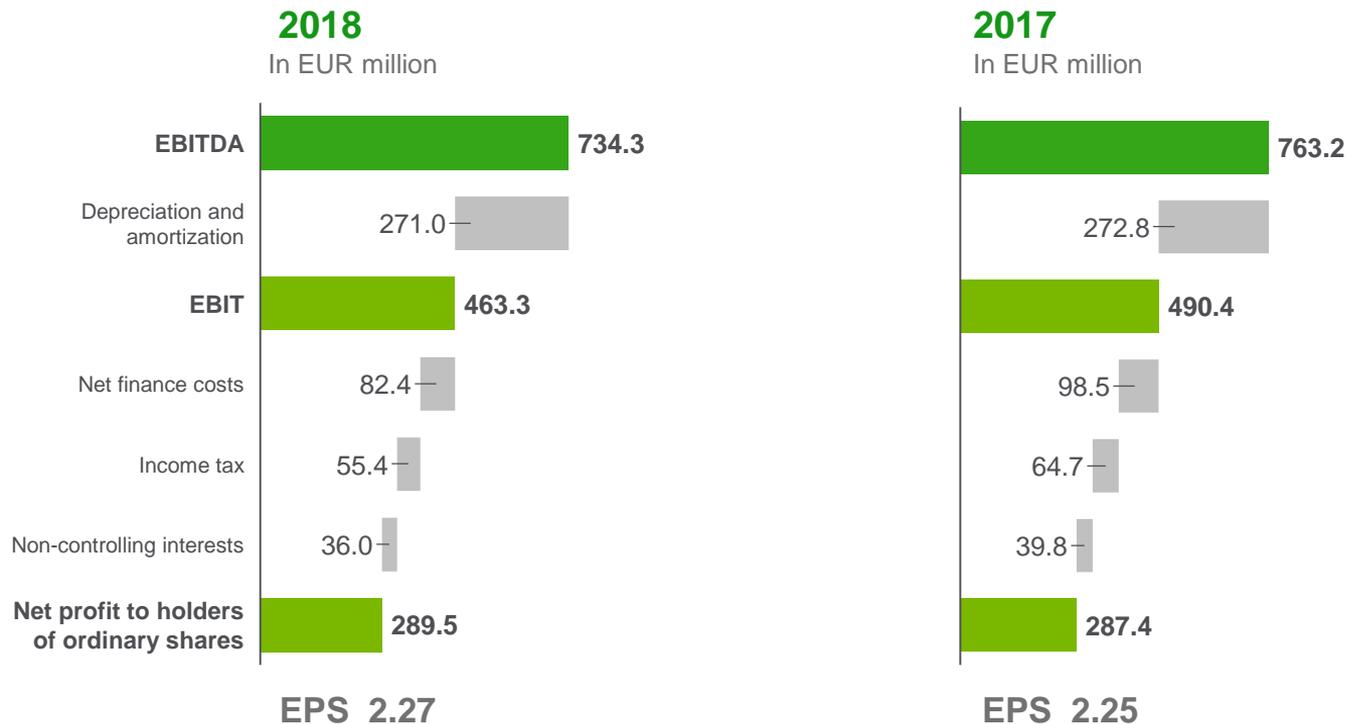
* For illustration purposes only, new announcements might increase future growth investments

** Growth capex at subsidiaries and equity injections for JV's and associates for among others all project announced until 13 February 2019, subject to currency changes

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

EBITDA to Net profit overview

Increase in Earning per Share

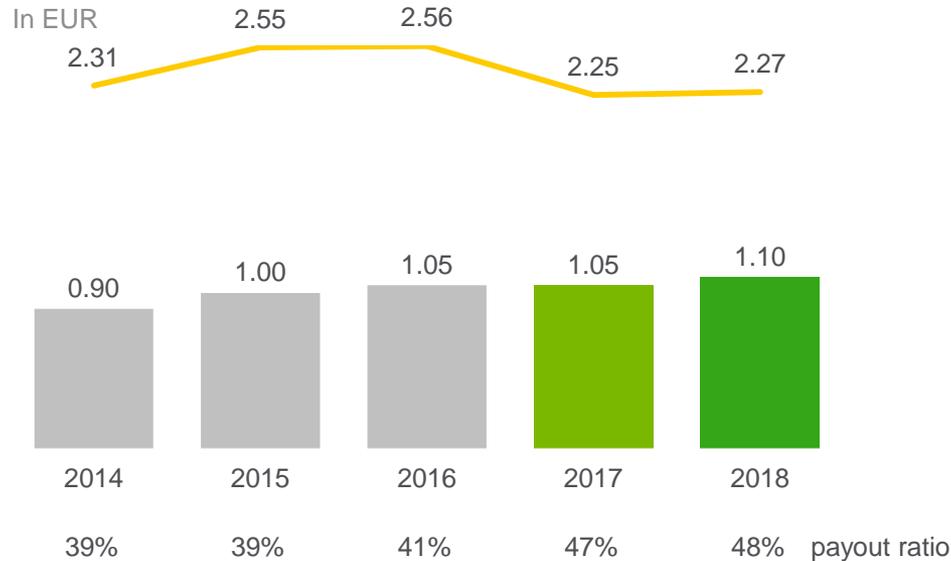


Increase in dividend to EUR 1.10 per share



Continued rising cash dividends

Dividend and EPS



Dividend policy:

Annual stable to rising cash dividend in balance with a management view on a payout ratio of 25-75% of net profit and subject to market circumstances

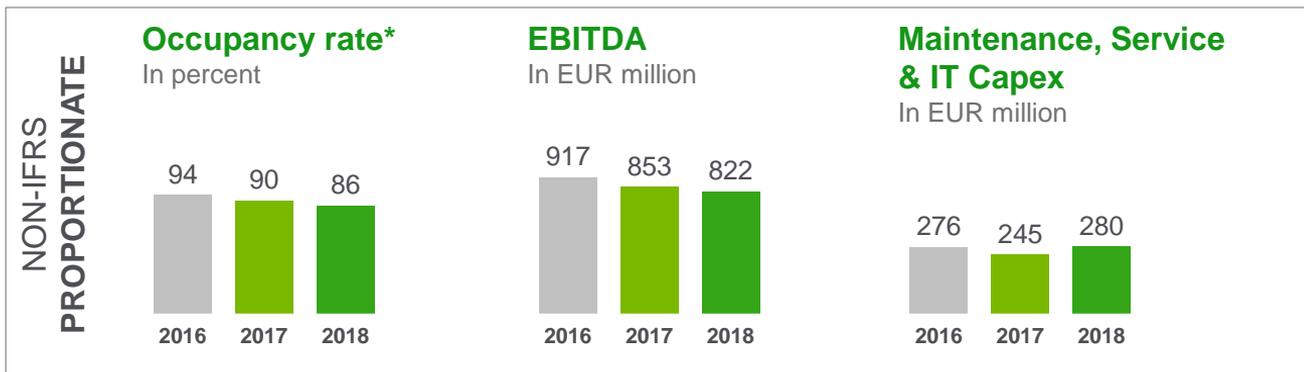
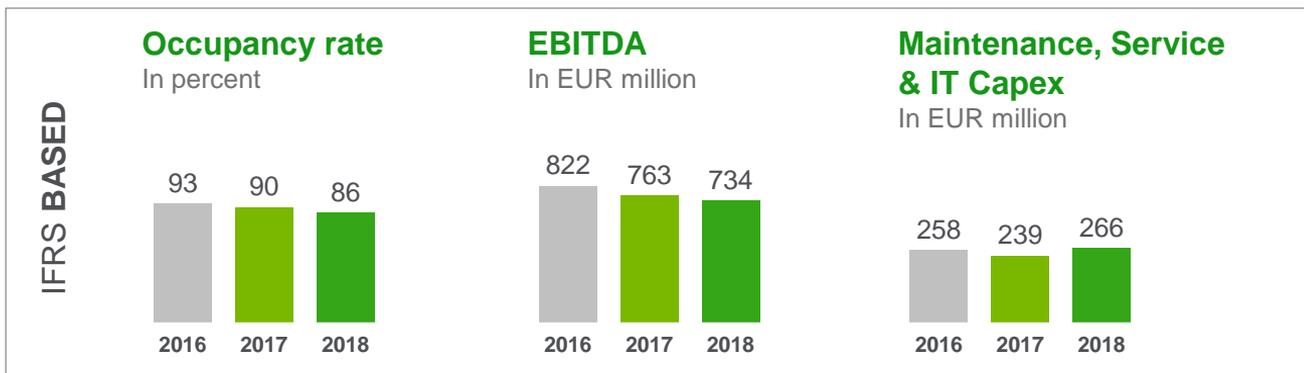
Acquisitions

- On 22 December 2018, Vopak completed the acquisition of an initial 29% share in the **LNG import facility** Engro Elengy Terminal Pakistan (capacity of 151,000 cbm).
On 23 January, Vopak completed the acquisition of an additional 15% bringing the total to 44%.
- On 25 January 2019, Vopak acquired an **additional 35% share in Vopak Terminal Ningbo** (China), bringing the total share in this chemicals terminal to 85% and effectively obtained control.

Expansions & conversions

- On 13 February 2019, Vopak announced that it will expand its **Vietnam terminal** with 20,000 cbm for the storage and handling of chemicals.
- On 13 February 2019, Vopak announced that it **will expand its terminal in Veracruz in Mexico** with 110,000 cbm for the storage and handling of clean petroleum products.
- IMO 2020 related projects are ongoing and progressing to schedule.

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 fully impaired joint venture terminals in Estonia and 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

FY 2018 key messages

- EBITDA of **EUR 734 million**, adjusted for currency translation effects, EBITDA was EUR 10 million lower than prior year
- **Resilient CFFO** with **investment momentum** (CFFI)
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Looking ahead



- Given our 3.2 million cbm expansion program over 2018 and 2019, with high commercial coverage, in conjunction with the cost efficiency program, Vopak has the potential to significantly improve the 2019 EBITDA, subject to market conditions and currency exchange movements. At the end of Q4 2018, 1.1 million cbm was commissioned and 2.1 million cbm will be delivered over the course of 2019
- Our efficiency program to support margin development and reduce Vopak's future cost base was increased to EUR 40 million by the end of 2019. As a result the cost base for 2019 including EUR 15 million additional cost from growth projects, is expected to be below the 2017 reported operating expenses of EUR 676 million subject to currency exchange movements, activity levels, cost allocations and portfolio decisions



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Vopak Full Year 2018
financial results

Questions &
Answers





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Upcoming events:

Publication of Q1 2019 interim update

17 April 2019

Annual General Meeting

17 April 2019

Publication of 2019 half-year results

31 July 2019

Royal Vopak

13 February 2019

Analyst presentation

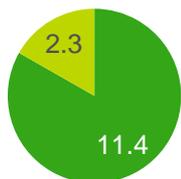
Full Year 2018
financial results



Europe & Africa developments

Storage capacity

In million cbm

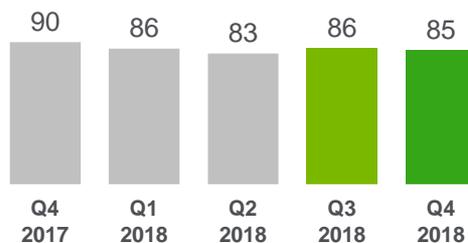


Total Q4 2018
13.7 million cbm

- Subsidiaries
- Joint ventures & associates
- Operatorship

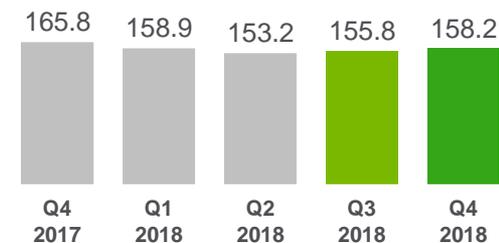
Occupancy rate*

In percent



Revenues*

In EUR million



19 Terminals (6 countries)



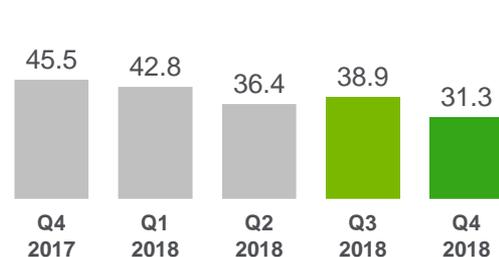
EBITDA**

In EUR million



EBIT**

In EUR million



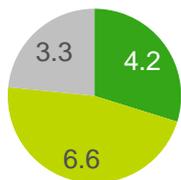
* Subsidiaries only

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

Asia & Middle East developments

Storage capacity

In million cbm

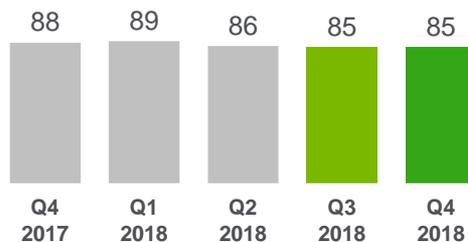


Total Q4 2018
14.1 million cbm

- Subsidiaries
- Joint ventures & associates
- Operatorship

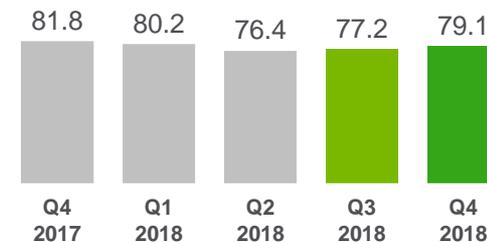
Occupancy rate*

In percent



Revenues*

In EUR million



19 Terminals (9 countries)



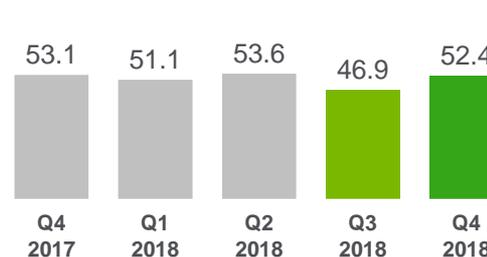
EBITDA**

In EUR million



EBIT**

In EUR million



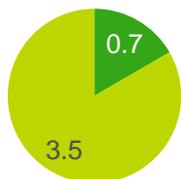
* Subsidiaries only

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

China & North Asia developments

Storage capacity

In million cbm

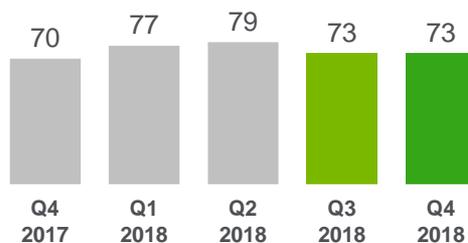


Total Q4 2018
4.2 million cbm

- Subsidiaries
- Joint ventures & associates
- Operatorship

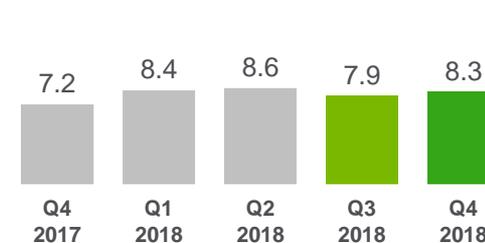
Occupancy rate*

In percent



Revenues*

In EUR million



9 Terminals (3 countries)



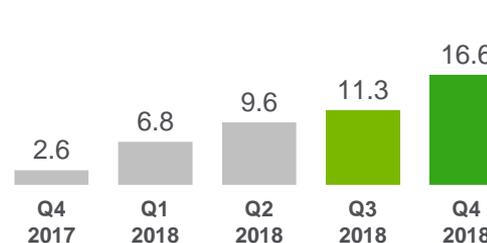
EBITDA**

In EUR million



EBIT**

In EUR million



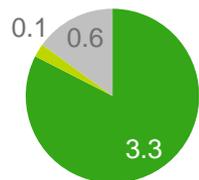
* Subsidiaries only

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

Americas developments

Storage capacity

In million cbm

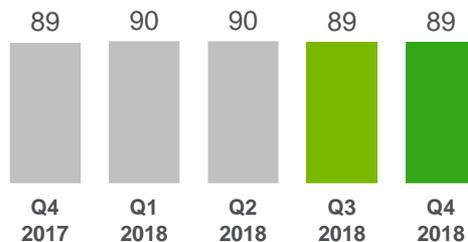


Total Q4 2018
4.0 million cbm

- Subsidiaries
- Joint ventures & associates
- Operatorship

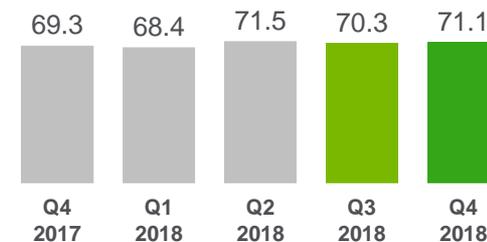
Occupancy rate*

In percent



Revenues*

In EUR million

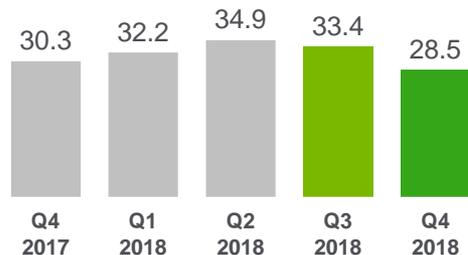


18 Terminals (7 countries)



EBITDA**

In EUR million



EBIT**

In EUR million



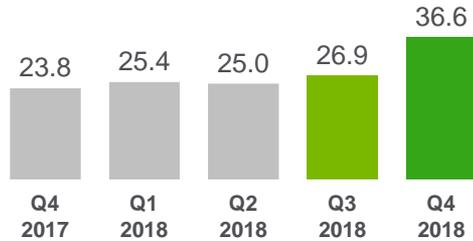
* Subsidiaries only

** 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



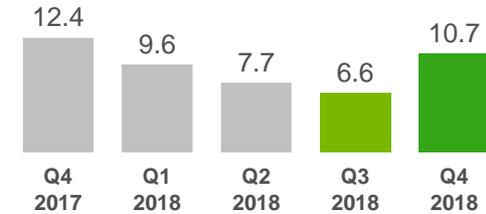
Europe & Africa*

In EUR million



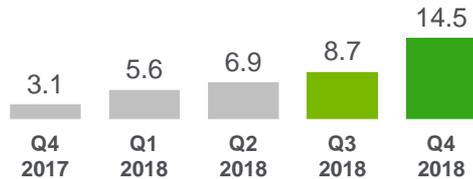
Asia & Middle East*

In EUR million



China & North Asia*

In EUR million



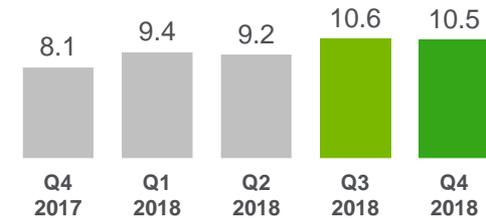
Americas*

In EUR million



LNG*

In EUR million



* Excluding exceptional items