

Press Release



Vopak Capital Markets Update

Rotterdam, the Netherlands, 27 November 2018

Today, Royal Vopak (Euronext: VPK) hosts its Capital Markets Day for shareholders, investors and analysts in Houston, the United States. The update features presentations on Vopak's strategy execution and financial framework. The presentations are available through Vopak's website.

Vopak's strategy execution

The 2017-2019 strategy execution, set towards further growth and performance delivery is well on track. Capital allocation decisions are shifting the portfolio further towards industrial, chemicals and LNG, LPG and chemical gases terminals with access to further growth opportunities.

Vopak is confident that it will deliver short-term performance through focus on commercial efforts and cost management while managing long-term value through execution of growth projects, new business development and portfolio management together with its digital investment program. Major expansion projects are currently under development in Malaysia, Canada, Brazil, and South Africa. Commissioning of new chemical capacity in Deer Park, Houston, the United States, starts this week.

Robust financial framework

Vopak aims to deliver strong cash flow generation and is committed to a disciplined capital allocation. The focus on capital efficiency results in an expected return on capital employed (ROCE) between 10% and 15%. Vopak targets a robust balance sheet with sufficient financial flexibility within a leverage range of 2.5 to 3.0 times net debt to EBITDA and can for a period be outside this range depending on capital allocation choices. The strategy is executed with a balanced approach between allocating capital to growth opportunities, an efficient and robust capital structure and distributing cash to shareholders. In the 2017-2019 period, Vopak will invest a minimum of EUR 950 million in growing its well-diversified portfolio and new investment decisions may add to this number.

Shareholder dividend

Vopak will continue to manage the portfolio in line with its strategy and create shareholder value through further allocation of free cash flows to value accretive growth. To reflect its strong cash flow generation and growth opportunities, Vopak will update its dividend policy to pay an annual stable to rising cash dividend in balance with a management view on a payout ratio range of 25-75% of the net profit and subject to market circumstances.

Strategic review

Vopak's strategic review and testing of the market value of its terminals in Algeciras, Amsterdam, Hamburg and Tallinn, as announced in the Q2 2018 press release, is progressing on schedule.

Direct [link](#) to the page where the Capital Markets Day presentations are published including an update on the financial effect of applying IFRS 16 Lease accounting as per 1 January 2019.

Plenary management presentations in Houston will start at 08:30 am CST (15:30 CET) until approximately 11:30 am CST (18:30 CET) and can be followed via an on-demand audio webcast on Vopak's corporate website www.vopak.com.

Forward-looking statements

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

Financial calendar

13 February 2019	Publication of 2018 annual results
17 April 2019	Publication of 2019 first-quarter interim update
17 April 2019	Annual General Meeting
23 April 2019	Ex-dividend quotation
24 April 2019	Dividend record date
26 April 2019	Dividend payment date
31 July 2019	Publication of 2019 half-year results
04 November 2019	Publication of 2019 third-quarter interim update
12 February 2020	Publication of 2019 annual results

About Royal Vopak

Royal Vopak is the world's leading independent tank storage company. We operate a global network of terminals located at strategic locations along major trade routes. With over 400 years of history and a strong focus on safety and sustainability, we ensure safe, efficient and clean storage and handling of bulk liquid products and gases for our customers. By doing so, we enable the delivery of products that are vital to our economy and daily lives, ranging from oil, chemicals, gases and LNG to biofuels and vegoils. Vopak is listed on the Euronext Amsterdam stock exchange and is headquartered in Rotterdam, the Netherlands. Including our joint ventures and associates, we employ an international workforce of over 5,700 people. As of 27 November 2018, Vopak operates 67 terminals in 25 countries with a combined storage capacity of 36.7 million cbm, with another 2.6 million cbm under development that will be added before the end of 2020.

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This press release contains inside information as meant in clause 7 of the Market Abuse Regulation. The content of this report has not been audited or reviewed by an external auditor