

Press Release



Vopak reports on 2020 financial results

Rotterdam, the Netherlands, 17 February 2021

Q4 2020	Q3 2020	Q4 2019	In EUR millions	2020	2019	2019 excl. divestments*
303.7	297.0	298.8	Revenues	1,190.0	1,252.6	1,153.5
Results -excluding exceptional items-						
188.8	200.1	204.8	Group operating profit before depreciation and amortization (EBITDA)	791.5	829.8	771.8
108.6	126.6	132.1	Group operating profit (EBIT)	492.0	539.1	
56.8	82.9	93.8	Net profit attributable to holders of ordinary shares	305.8	357.8	
0.46	0.65	0.73	Earnings per ordinary share (in EUR)	2.42	2.80	
Results -including exceptional items-						
159.8	195.7	204.7	Group operating profit before depreciation and amortization (EBITDA)	789.4	1,038.5	
79.6	122.2	132.0	Group operating profit (EBIT)	489.9	747.8	
24.0	79.5	100.0	Net profit attributable to holders of ordinary shares	300.9	571.0	
0.20	0.63	0.78	Earnings per ordinary share (in EUR)	2.38	4.47	
268.8	146.0	172.3	Cash flows from operating activities (gross)	822.2	709.7	
- 317.5	- 125.4	- 149.3	Cash flows from investing activities (including derivatives)	- 584.5	- 256.1	
Additional performance measures						
35.6	34.6	34.4	Storage capacity end of period (in million cbm)	35.6	34.4	
90%	91%	84%	Occupancy rate subsidiaries	88%	84%	
91%	92%	85%	Proportional occupancy rate	90%	84%	
244.4	241.3	269.5	Proportional EBITDA -excluding exceptional items-	972.3	980.7	
11.0%	12.0%	12.5%	Return on Capital Employed (ROCE)	11.6%	12.4%	
4,184.0	4,052.0	4,223.8	Average capital employed	4,164.5	4,247.3	
2,589.4	2,447.6	2,335.3	Net interest-bearing debt	2,589.4	2,335.3	
2.52	2.71	2.75	Senior net debt : EBITDA (for debt covenant)	2.52	2.75	

* Excludes the contributions from the terminals that were divested since 2019

Highlights for full year and Q4 2020 -excluding exceptional items-

- Fourth quarter 2020 EBITDA of EUR 189 million was impacted as our associate industrial terminal in Malaysia (PT2SB) recognized a one-off negative accounting result of EUR 20 million (Vopak share). Excluding this identified item Q4 2020 EBITDA was EUR 209 million.
- Full year 2020 EBITDA of EUR 792 million increased compared to 2019 (EUR 772 million post-divestments). EBITDA excluding divested terminals therefore grew by EUR 20 million (3%) reflecting growth contributions, resilient aggregate business performance, the fourth quarter identified accounting item in Malaysia, and full year negative currency translation effects. Full year currency translation effects were minus EUR 21 million.
- Proportional occupancy rate of 90% (2019: 84%) reflected strong storage demand from oil markets and robust storage demand in gas and chemical markets, including industrial terminals.
- Consolidated occupancy rate for subsidiaries of 88% (2019: 84%) reflected improvement performance of oil terminals.
- Revenues of EUR 1,190 million increased EUR 36 million compared to 2019 (EUR 1,154 million post-divestments).
- Cost efficiency measures have been delivered, the cost level for 2020 amounted to EUR 591 million, below the revised target of EUR 600 million and the 2019 cost base of EUR 633 million.
- EBIT of EUR 492 million (2019: EUR 539 million, which included divested assets).
- Return on capital employed (ROCE) of 11.6% (2019: 12.4%).
- Net profit attributable to holders of ordinary shares of EUR 306 million (2019: EUR 358 million), resulting in earnings per ordinary share (EPS) of EUR 2.42 (2019: EUR 2.80, which included divested assets).
- Vopak's senior net debt to EBITDA ratio is 2.52 at the end of 2020, within the target range.
- In Q4 2020, new Vopak terminals started operations in South Africa (Lesedi) and on the US Gulf Coast (Freeport, Plaquemine, St. Charles) and capacity expansions were delivered at our two terminals in Indonesia.

A dividend of EUR 1.20 (2019: EUR 1.15) per ordinary share, payable in cash, an increase of 4%, will be proposed during the Annual General Meeting on 21 April 2021.

Exceptional items 2020 (before tax):

- Total exceptional items amounted to a EUR 2.1 million loss (2019: total gain of EUR 210.5 million mainly from divestments). This comprised the divestment result of the terminal in Algeciras, the remaining consideration relating to the divestment of the terminal in Hainan, transaction related costs for the acquisition of industrial terminals in the US, an impairment recognized for the terminal in Panama and a reversal of impairment in Quebec City, Canada.

For a full overview of the exceptional items, reference is made to Enclosure 4g.

Looking ahead:

- In 2021, new contributions from 2020 and 2021 growth projects, to replace EBITDA from divested terminals, can add between EUR 30 million and EUR 50 million subject to market conditions and currency exchange movements.
- Cost management continues and we expect to manage the 2021 cost base including additional cost for new growth projects at some EUR 615 million, subject to currency exchange movements.
- Vopak has the ambition to allocate some EUR 300 million to EUR 350 million to growth investments in 2021 through existing committed projects, new business development and pre-FID feasibility studies in new energies including hydrogen.
- The majority of growth investments will be allocated towards industrial, gas and new energies infrastructures. Our positive views on chemicals have not changed. New growth investments in oil infrastructure are expected to be reduced and will mostly be targeted towards strengthening our leading hub positions.

For 2021 and beyond, we will keep storing vital products with care to make a meaningful contribution to society, enabled by our financial performance.

Subsequent events:

- On 17 February 2021, Vopak announced that it will expand its Vopak Terminal Vlaardingen in the Port of Rotterdam for the storage of waste-based renewable feedstocks for the production of biodiesel. In total 16 tanks with a combined capacity of 64.000 cbm will be constructed. The project is expected to be completed in the fourth quarter of 2022.
- On 17 February 2021, Vopak announced to expand its industrial terminal services offering by constructing another new jetty in Qinzhou, China, exclusively used for gas products including propane, butane, ethylene and propylene. The project is expected to be completed in the second half of 2022.

Royal Vopak Chief Executive Officer Eelco Hoekstra comments:

- **Effective Covid-19 response - uninterrupted service to customers**
- **3% EBITDA growth post-divestments and good cost performance**
- **Delivered on industrial terminals and digital - good progress in new energy**

Performance

"In 2020, we delivered EBITDA growth (post-divestments) in a more volatile business environment. We have outperformed on costs to defend EBITDA and delivered on growth projects, despite construction delays of some projects due to Covid-19 restrictions.

The Covid-19 pandemic impacted the industries we serve. We have seen unprecedented changes in supply and demand of gas, chemicals and oil and subsequent response of our customers to their portfolios and supply chains. We have experienced an acceleration in the energy transition. We have seen the high dependency on digital infrastructure.

Our strategy is aligned with these trends and strategy delivery progressed in 2020. We continued transforming our portfolio for the future and invested more than EUR 500 million in growth, resulting in an additional 1.6 million cbm of capacity to meet growing customer demand, particularly in Asia and the Americas. Good progress was made in our industrial terminal portfolio with the acquisition of the Dow terminals in the US gulf coast with our partner BlackRock.

Our digital transformation is progressing well and the pandemic highlighted the benefits of our leading digital infrastructure. We continued the roll-out of our cloud-based system for our terminals, as part of broader efforts to develop our digital architecture to support the industrial logistic chains."

Looking ahead

"We are excited by the future prospects and keep our focus on performance and long-term value creation. We have momentum in capturing opportunities to serve large-scale industrial clusters and are advancing our efforts in developing infrastructure to support the energy transition. We continue transforming our portfolio and position our company strategically towards more sustainable forms of energy and feedstocks.

We aim to allocate the majority of our growth investments to industrial, gas and new energies infrastructures. Our positive views on chemicals have not changed. New growth investments in oil infrastructure are expected to be reduced and will mostly be targeted towards strengthening our leading hub positions.

We are determined to bolster our leading position in our industry both in service and sustainability towards customers and society. We continue to seek opportunities to reduce our environmental footprint and implement our sustainability roadmap towards our ambition to be climate neutral by 2050.

For 2021 and beyond, we will keep storing vital products with care to make a meaningful contribution to a more sustainable society, enabled by our financial performance."

Impact of Covid-19 pandemic in 2020 and 2021:

The pandemic spread of Covid-19 (Coronavirus) has a significant impact on all people and organizations around the world. Our main focus is on the health of the people working at our terminals, offices or at home around the world and to limit the spread of the Coronavirus, to manage the impact on our business and to assess the impact on the economy and society. Therefore, we have put global and local measures into place to protect our employees, their families and our operations based on information provided by the World Health Organization, national and local health authorities. We have monitored developments closely throughout the year and scenario-based contingency plans and other mitigating measures were ready to implement, if needed. To date, thanks to the adjustments and efforts of our people, we have observed a limited impact on our operations. All our terminals are operational and there have been no significant disruptions to business continuity.

Vopak's strategy is robust and unchanged. An effective control and governance structure to respond to the impact of the global pandemic, with continued decision-making to support business execution and well-being of people, has been put in place. Operational and financial performance, cash flows and our financial position have not been significantly affected. Our financial results reflect our resilient business performance. Timing of growth projects execution is affected by generic local lockdown measures in various countries.

Our focus in these circumstances is on the short-term delivery and protection of long-term value. Vopak plays an important role within society by storing vital products with care. We are doing our utmost during the Covid-19 pandemic to continue to fulfill this role in all our work locations around the world.

Although the pandemic brings a lot of uncertainty and the estimates remain subject to future events, we expect to continue to manage our performance in line with our original business plans and unchanged strategy.

Business and other highlights

2020 events:

- In January 2020, the associate industrial terminal PT2SB in Malaysia repaid part of its preference share capital, following the completion of financing arrangements for the associate terminal, which resulted in a cash inflow of EUR 85 million for Vopak.
- On 31 January 2020, Vopak completed the earlier announced divestment of its 100% shareholding in the terminal in Algeciras, Spain, generating a cash inflow of EUR 135 million. This completed the divestment program of the terminals in Algeciras, Amsterdam and Hamburg with a total exceptional gain of EUR 200 million recognized in the periods 2019 and Q1 2020.
- On 12 February 2020, Vopak announced the expansion of the Vopak Shanghai - Caojing Terminal with 65,000 cbm for chemical gas products. This industrial terminal serves the chemical plants that are located in the Shanghai Chemicals Industry Park (SCIP) and its adjacent areas. The additional storage capacity has been fully rented out under long-term contracts.
- On 12 February 2020, Vopak announced the start of a share buyback program to return EUR 100 million to shareholders. The share buyback program started on 13 February 2020 and was completed on 23 October 2020. As part of this program, a total of 2,094,844 ordinary shares were repurchased, at an average price of EUR 47.74 per share.
- On 20 April 2020, Vopak and Keppel Data Centres Holding Pte Ltd signed a MoU to conduct a feasibility study to investigate the commercial viability of establishing LNG and possibly hydrogen infrastructure for LNG-to-power infrastructure in Singapore, which forms part of a Floating Data Centre Park development.
- On 21 April 2020, Vopak announced its initial investment in the 50/50 joint venture Vopak Moda Houston terminal located in the Houston Ship Channel. The investment includes 46,000 cbm of various gas tanks and a new jetty for the storage and handling of chemical gases. The storage capacity has been fully rented out under long-term contracts.
- In July 2020, Vopak signed agreements for a new debt issuance of over USD 500 million equivalent in the US Private Placement (USPP) market consisting of senior and subordinated tranches.
- In July 2020, Vopak Terminals Singapore completed its refinancing by entering into a new financing agreement, consisting of a term loan and a revolving credit facility.
- On 5 October 2020, Vopak and Chandra Asri, Indonesia's largest integrated petrochemical company, signed a Letter of Intent (LOI) to set up a joint venture company for collaboration in the industrial infrastructure business in Cilegon, Banten Province, Indonesia.
- On 6 November 2020, Vopak announced that it will expand its Alemoa terminal in Brazil with 20,000 cbm for chemical products to further strengthen its position in the port of Santos, Latin America's leading port.
- On 2 December 2020, Vopak and BlackRock completed the acquisition of three industrial terminals from Dow on the U.S. Gulf Coast for the amount of USD 620 million. A new 50/50 joint venture named Vopak Industrial Infrastructure Americas now owns and operates the diversified set of infrastructure assets, each situated alongside an active Dow production complex backed by long-term service agreements with Dow.
- On 15 December 2020, ExxonMobil and Vopak signed a memorandum of understanding for a LNG feasibility study in South Africa to assess the commercial, technical and regulatory aspects of an LNG regasification terminal in South Africa, to bring LNG into the country.
- On 17 December 2020, Vopak and its partners started the construction of Vopak Solar Park Eemshaven in the Netherlands. The new solar park will have a capacity of approximately 25 megawatt, which equals to an average consumption of approximately 8,000 Dutch households.

Corporate governance events:

- At the Annual General Meeting held on 21 April 2020, Ben Noteboom was re-appointed as a member of the Supervisory Board for a new term of 4 years.
- On 1 October 2020, Vopak announced it will propose Richard Hookway as a member of the Supervisory Board during the Annual General Meeting to be held on 21 April 2021. As per the same date, and in accordance with the resignation schedule, Rien Zwitserloot will step down from the Supervisory Board as he has reached his maximum term.

Financial performance

Operating results

Revenues

During 2020, Vopak generated revenues of EUR1,190.0 million, compared to EUR 1,252.6 million in 2019. Excluding the negative currency translation effect of EUR 29.4 million, the decrease amounted to EUR 33.2 million (-3%). Higher revenues were generated by the additional capacity rented out due to contango oil markets and IMO 2020 converted capacity whereas divestments of the terminals in Algeciras, Amsterdam and Hamburg lowered revenues by EUR 99.1 million.

The average occupancy rate for Vopak's subsidiaries (i.e. excluding joint ventures and associates) in 2020 was 88% compared to 84% in 2019. The increase is largely caused by contango developments in the oil markets, whereas storage demand in other market segments remained solid.

Vopak's worldwide storage capacity increased with 1.2 million cbm from 34.4 million cbm per the end of 2019 to 35.6 million cbm per the end of 2020, reflecting divestments of 0.4 million cbm and newly commissioned capacity of 1.6 million cbm.

Expenses

Personnel expenses

In 2020, personnel expenses -excluding exceptional items- amounted to EUR 331.9 million, a decrease of EUR 14.1 million (-4%) compared to EUR 346.0 million in 2019. Excluding the positive currency translation effect of EUR 6.2 million, the decrease amounted to EUR 7.9 million. This decrease can be largely attributed to the downward effects of the divestments, while regular annual merit increases partly offset this effect.

During 2020, Vopak employed, in FTEs, an average of 4,355 employees (2019: 4,345), excluding joint ventures and associates. This comprises 3,758 own employees (2019: 3,768) and 597 temporary employees (2019: 577).

An exceptional gain of EUR 0.7 million was recognized in 2020 (2019: exceptional loss of EUR 1.0 million). This was mainly the result of a reversal of a provision recorded because of uncertainty that was resolved with respect to renewal of an expiring land lease contract for our terminal in Quebec City in Canada. Including exceptional items, total personnel expenses for 2020 amounted to EUR 331.2 million compared to EUR 347.0 million in 2019.

Other operating expenses

Operating expenses -excluding exceptional items- decreased by EUR 27.1 million (-10%) to EUR 259.6 million (2019: EUR 286.7 million). Excluding the positive currency translation effect of | EUR 5.6 million, the decrease amounted to EUR 21.5 million. This decrease was, for an amount of EUR 24.3 million, caused by the divestments of the terminals in Algeciras, Amsterdam and Hamburg |whereas expenses related to new capacity, business development projects and IT projects increased.

In 2020 an exceptional item of EUR 1.7 million was recorded (2019: EUR 1.5 million) related to the divestment of Algeciras which was completed in January 2020. Furthermore, in December 2020, an exceptional gain of EUR 0.8 million was recognized in relation to the partial reversal of an environmental provision for our terminal in Quebec City in Canada as a result of the uncertainty with respect to renewal of the land lease contract that was resolved during the year.

Including exceptional items, total other operating expenses in 2020 amounted to EUR 260.5 million compared to EUR 288.2 million in 2019.

Cost efficiency measures were delivered, the total cost level for 2020 amounted to EUR 591 million, below the revised target of EUR 600 million and the 2019 cost base of EUR 633 million.

Result joint ventures and associates

In 2020, the result of joint ventures and associates -excluding exceptional items- amounted to EUR 166.0 million, a decrease of EUR 10.5 million (-6%) compared to EUR 176.5 million in 2019. The currency translation effect had a downward effect of EUR 2.4 million. In 2019, the result of joint ventures included a positive impact of customer settlements at Vopak Terminal Haiteng that was not present in 2020. In the fourth quarter of 2020, our associate industrial terminal (PT2SB) in Malaysia recognized an accounting loss of EUR 19.8 million (Vopak share), partly in connection with prior year. This was related to this terminal being fully commissioned, and settlement of various customer contract discussions. As well as finalizing the accounting of several specific non-cash items related to depreciation charges on fixed assets and deferred tax liabilities in connection with the complex tax environment. The associate industrial terminal PT2SB in Malaysia, is expected to repay around EUR 50 million (Vopak share) of share capital, in 2021 or 2022.

In 2020, an exceptional loss of EUR 4.8 million (2019: loss of EUR 14.7 million) was recognized in the result of joint ventures and associates relating to the transaction costs for the acquisition of the Dow terminals in the Americas.

The Group's result of joint ventures and associates -including exceptional items- for 2020 amounted to EUR 161.2 million compared to EUR 161.8 million in 2019.

Group operating profit before depreciation and amortization

Group operating profit before depreciation and amortization (EBITDA) -excluding exceptional items- and including the net result of joint ventures and associates, decreased by EUR 38.3 million (-5%) to EUR 791.5 million (2019: EUR 829.8 million). Excluding the negative currency translation effect of EUR 20.6 million, the decrease amounted to EUR 17.7 million. Adjusted for the effect of the divestments of the terminals in Algeciras, Amsterdam and Hamburg (EUR 58.0 million decrease), EBITDA increased by EUR 40.3 million, reflecting resilient business performance including the effects of newly commissioned capacity, contango oil markets, IMO 2020 converted capacity and reduced chemicals throughput.

Including exceptional items, Group operating profit before depreciation and amortization (EBITDA) for 2020 amounted to EUR 789.4 million compared to EUR 1,038.5 million in 2019. The exceptional items for 2020 also includes EUR 33.0 million relating to the 2019 divestment of the 49% equity share in the joint venture Vopak SDIC Yangpu Terminal in Hainan, which is recognized as Other operating income.

Group operating profit

Group operating profit (EBIT) -excluding exceptional items- amounted to EUR 492.0 million; a decrease of EUR 47.1 million (-9%) compared to EUR 539.1 million in the same period of 2019. Excluding the negative currency translation effect of EUR 14.8 million and the effect of the divestments of EUR 48.3 million, the increase amounted to EUR 16.0 million.

Including exceptional items, Group operating profit (EBIT) for 2020 amounted to EUR 489.9 million compared to EUR 747.8 million in 2019.

ROCE -excluding exceptional items- of 11.6% compared to 12.4% in 2019.

Cash flows from operating activities and working capital

Cash flows from operating activities (gross) amounted to EUR 822.2 million in 2020 (2019: EUR 709.7 million). This increase of EUR 112.5 million was mainly related to net cash inflows from non-hedging derivatives positions held for intra-group financing positions as well as higher dividends received from joint ventures and associates.

Strategic investments and divestments

Cash flows from investing activities

Total cash flows from investing activities (including derivatives) for 2020 amounted to a net cash outflow of EUR 584.5 million (2019: net cash outflow of EUR 256.1 million). Cash outflows for total investments increased with EUR 37.3 million reflecting continued capital allocation to growth. Cash inflows from proceeds of disposals and repayments decreased with EUR 304.1 million compared to 2019, mainly in relation to the divestments of 2019.

Total investments amounted to EUR 844.0 million (2019: EUR 806.7 million), of which EUR 612.5 million was invested in property, plant and equipment (2019: EUR 589.7 million). Investments in joint ventures, associates and other equity investments, including acquisitions, amounted to EUR 189.7 million (2019: EUR 180.4 million).

Vopak continued to invest in growth of its global terminal portfolio and invested EUR 525.3 million in the expansion of existing terminals and the construction of new terminals in among others South Africa, the US and China in 2020 (2019: EUR 499.8 million). The impact of governmental restrictions related to Covid-19 resulted in construction delays for some developments, most noticeably South African projects Lesedi and Durban, which were already delayed.

For the period 2020-2022, Vopak indicated to spend EUR 750 million to EUR 850 million for sustaining and service improvement capex, subject to additional discretionary decisions, policy changes and regulatory environment. The sustaining and service improvement capex for 2020 amounted to EUR 271.1 million (2019: EUR 262.1 million).

As part of the strategic direction for the period 2020-2022, Vopak indicated to invest annually EUR 30 million to EUR 50 million in IT capex to complete Vopak's digital terminal management system. In 2020, EUR 44.0 million was invested in new technology, innovation programs and IT projects (2019: EUR 37.6 million).

Divestments and repayments

Total cash inflows from disposals and repayments in 2020 amounted to EUR 256.8 million (2019: EUR 560.9 million). In January 2020, the associate industrial terminal PT2SB in Malaysia repaid part of its preference share capital following the completion of financing arrangements resulting in a cash inflow of EUR 85 million for Vopak. On 31 January 2020, Vopak completed the earlier announced divestment of its 100% shareholding in the terminal in Algeciras, Spain, generating a cash inflow of EUR 135 million. In 2020, the remaining consideration of EUR 33 million was received in relation to the divestment of its 49% equity share in the joint venture Vopak SDIC Yangpu Terminal in Hainan, China.

Depreciation and amortization

Depreciation and amortization charges amounted to EUR 299.5 million, which was EUR 8.8 million (3%) higher than prior year (2019: EUR 290.7 million). Excluding the positive currency translation effect of EUR 5.8 million, the increase amounted to EUR 14.6 million. Lower depreciation and amortization charges due to the divestments of the terminals in Algeciras, Amsterdam and Hamburg (EUR 9.7 million decrease) were more than offset by higher depreciation and amortization charges from completed projects.

Impairments

In 2020, net impairments were recognized for the amount of EUR 30.1 million (2019: EUR 17.2 million). In the fourth quarter an impairment was recognized for the Vopak Bahia las Minas terminal in Panama for an amount of EUR 42.9 million. The impairment is primarily related to the business environment in which the terminal currently operates. Slow progress with offshore bunkering opportunities is limiting the demand and the growth potential of the Atlantic bunker market in Panama.

In 2019, the Quebec City terminal in Canada was fully impaired due to uncertainty with respect to renewal of the land lease contract. In 2020, this impairment has been fully reversed which, offset by depreciation of expenses, resulted in an exceptional gain of EUR 12.8 million in 2020. This reversal was the result of positive and ongoing discussions with the local authorities.

Capital structure

Equity

The equity attributable to holders of ordinary shares decreased by EUR 66.6 million to EUR 2,980.7 million (31 December 2019: EUR 3,047.3 million). The decrease mainly resulted from the ordinary shareholder dividend payments in cash of EUR 146.1 million, as well as the impact of the share buyback and purchases of treasury shares of EUR 108.1 million and the other comprehensive income of EUR 120.5 million. This decrease was partly compensated by the addition of the net profit for the period of EUR 300.9 million.

Debt

The total interest-bearing debt increased with EUR 254.1 million to EUR 2,589.4 million (31 December 2019: EUR 2,335.3 million), to a large extent reflecting increased lease liabilities as a result of new extensions of long-term land lease contracts.

Net repayments of interest-bearing loans and short-term borrowings during 2020 amounted to EUR 207.0 million (2019: EUR 38.6 million). The Revolving Credit Facility was fully available for the total amount of EUR 1.0 billion as at year-end 2020 (2019: EUR 100 million utilized).

As at 31 December 2020, an equivalent of EUR 1,606.2 million (2019: EUR 1,467.2 million) was drawn under private placement programs with an average remaining term of 6.8 years (2019: 6.3 years) in addition to EUR 122.9 million (SGD 200 million) funded by banks at the level of Vopak Terminals Singapore, with an average remaining term of 2.6 years.

The Senior net debt : EBITDA ratio was 2.52 as at year-end 2020 (31 December 2019: 2.75), well below the maximum agreed ratios in the covenants with the lenders.

Net finance costs

In 2020, the Group's net finance costs -excluding exceptional items- amounted to EUR 86.3 million, which is in line with EUR 87.5 million in 2019. The decrease in the interest on interest-bearing loans of EUR 16.3 million is mainly in connection with lower average net-debt compared to prior year and was to a large extent offset by lower capitalized interest of EUR 9.5 million caused by commissioning of expansion projects at subsidiaries during the year.

The average interest rate over the reporting period was 3.7% (2019 4.1%). The fixed-to-floating ratio of the long-term interest-bearing loans, including interest rate swaps, amounted to 83% versus 17% at year-end 2020, compared to 85% versus 15% in the prior year.

Cash flows from financing activities

The cash outflow from financing activities amounted to EUR 218.7 million (2019: outflow of EUR 355.3 million). This amount consisted mainly of dividend payments of EUR 146.1 million to ordinary shareholders, dividend payments of EUR 24.6 million to non-controlling interests, repurchases of own shares of EUR 108.1 million, finance costs payments of EUR 94.0 million and lease payments of EUR 26.7 million. Net proceeds from interest-bearing loans and short-term financing were EUR 207.0 million (2019: payments of EUR 38.6 million).

Income taxes

Income tax expenses -excluding exceptional items- amounted to EUR 70.3 million in 2020, an increase of EUR 9.3 million (15%) compared to EUR 61.0 million in 2019. The effective tax rate -excluding exceptional items- was 17.3% compared to 13.5% in 2019. This increase was mainly due to changes in earnings and the applicability of participation exemptions thereto and differences in corrections for previous years.

Income tax expenses -including exceptional items- amounted to EUR 73.1 million in 2020, an increase of EUR 14.8 million compared to EUR 58.3 million in 2019. The effective tax rate -including exceptional items- was 18.1% compared to 8.8% in 2019. This increase was mainly due to changes in earnings and the applicability of participation exemptions thereto and differences in corrections for previous years.

Net profit attributable to holders of ordinary shares

Net profit attributable to holders of ordinary shares -excluding exceptional items- amounted to EUR 305.8 million, a decrease of EUR 52.0 million (-15%) compared to EUR 357.8 million in 2019. Earnings per ordinary share -excluding exceptional items- amounted to EUR 2.42 in 2020, which was 14% lower compared to EUR 2.80 in 2019.

Net profit attributable to holders of ordinary shares -including exceptional items- amounted to EUR 300.9 million compared to EUR 571.0 million in 2019. Earnings per ordinary share -including exceptional items- amounted to EUR 2.38 (2019: EUR 4.47).

Joint ventures and associates

Joint ventures and associates are an important part of the Group for which equity accounting is applied. In Enclosure 1 in this report the effects of non-IFRS proportional consolidation on the statement of financial position and statement of income of the Group are presented.

Dividend proposal

Vopak's dividend policy targets 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 excluding exceptional items attributable to holders of ordinary shares and subject to market circumstances. The net profit excluding exceptional items that forms the basis for dividends to be declared may be adjusted for instance for the financial effects of one-off events, such as changes in accounting policies, acquisitions and divestments.

Vopak proposes a dividend of EUR 1.20 per ordinary share over 2020 (2019: EUR 1.15) to the Annual General Meeting of 21 April 2021. The dividend increase reflects Vopak's continued resilient performance throughout a turbulent 2020. The dividend payout ratio will amount to 50% of earnings per ordinary share excluding exceptional items (2019: 41%).

Sustainability review

Sustainability is about meeting the needs of the present without compromising the ability of future generations to meet their own needs. To live up to our purpose, we act to contribute to a more sustainable society by facilitating the introduction of vital products of the future. Through our care for people, planet and profit, we aim to create value for all our stakeholders. Our choices today must contribute to our long-term relevance in society and the well-being and development of current and future generations. In line with these ambitions, we have embraced five United Nations Sustainable Development Goals (SDGs) that connect to the heart of our activities.

People

	Total Injury Rate		Lost Time Injury Rate		Process Safety Event Rate	
	2020	2019	2020	2019	2020	2019
Americas	0.40	0.26	0.11	0.08	0.12	0.05
Asia & Middle East	0.22	0.14	0.11	0.06	0.15	0.10
China & North Asia	0.11	0.08	0.03	0.04	0.09	0.09
Europe & Africa	0.82	0.95	0.42	0.58	0.17	0.44
LNG	0.38	–	0.19	–	0.38	0.30
Global HQ	–	–	–	–	–	–
Total Vopak	0.37	0.34	0.17	0.18	0.14	0.16

In 2020 we did not have a fatality, nor any major injury leading to a permanent disability of one of our employees or contractors. This is in line with our targets of zero fatalities and major incidents. Nevertheless, despite continuous efforts to improve safety, we were not able to deliver in 2020 on our target (TIR of 0.27) with regard to personal safety. Evaluation of the root causes of the personal incidents has identified that most cases occurred due to slips, trips and falls, impact by an object (construction/ maintenance) and strains from manual handling activities. For Process Safety we were able to meet our target of 0.17 in 2020.

We are committed to further improve safety in 2021 with our ‘Trust and Verify’ program that was launched in 2018. The aim of this program, which is expected to be fully implemented in 2021, is to increase awareness of safety issues, and to encourage a culture of personal accountability throughout the company. We are also bringing in more technology which helps us to identify risks sooner, often in real time. This gives us the opportunity to intervene early and prevent incidents before they happen; it also allows us to work more remotely, and reduce the number of employees and contractors potentially at risk.

Planet

We will continue to seek opportunities to reduce our environmental footprint. Emissions of Volatile Organic Compounds (VOCs) constitute the most significant environmental risk from our operations. As per end of 2020, 55 projects are completed at 17 locations with a total spend of over EUR 20 million, resulting in a societal impact reduction of 19% compared to 2016 (2019: 6%).

We had 8 reportable spills into surface and sewage water in 2020 (2019: 6), with a total of 26 metric tons of product being spilled. Where possible, all product that was spilled into water has been removed.

Profit

By innovating and bringing in new digital technologies, our aim is to improve service levels to our customers, operational efficiency and facilitate the energy transition and limit climate change. In 2020 via Vopak Ventures, we continued to identify investment opportunities in start-ups and scale-ups in new technologies and emerging value chains focussing on Sustainability and Digitalization. In addition, we announced plans for a solar park in Eemshaven (the Netherlands) and according to the current planning, the first green power will be supplied to the electricity grid in the third quarter of 2021.

Terminal portfolio and storage capacity developments

	End 2019	Net			End 2020	Under development	End 2023
		expansion	Acquisition	Divestment			
Subsidiaries	18.2	0.4	–	- 0.4	18.2	0.6	18.8
Joint ventures and associates	12.3	0.4	0.8	–	13.5	0.4	13.9
Operatorships	3.9	–	–	–	3.9	–	3.9
Total capacity	34.4	0.8	0.8	- 0.4	35.6	1.0	36.6

During 2020, we added 1.6 million cbm of new capacity to our portfolio. In the first half year of 2020 our joint venture PITSB in Malaysia commissioned 215,000 cbm of additional capacity. Furthermore our greenfield terminal Bahia Las Minas in Panama finalized its expansion project adding 40,000 cbm of additional capacity. In South Africa in the third quarter Vopak commissioned 160,000 cbm capacity at its Durban terminal, while in the fourth quarter Vopak brought its 100,000 cbm Lesedi terminal into operation. In addition, in the fourth quarter Vopak finalized the acquisition of three US Gulf Coast industrial terminals from Dow terminals adding a combined capacity of 852,000 cbm. The remainder of the additional capacity added to our portfolio were related to growth projects in Vietnam, Indonesia (Merak and Jakarta terminals) and the Netherlands (Vlissingen terminal).

The decrease of 0.4 million cbm was related to the divestment of our 100% shareholding in the terminal in Algeciras, Spain on 31 January 2020. This completed the divestment program of the terminals in Algeciras, Amsterdam and Hamburg.

In total our worldwide capacity amounted to 35.6 million cbm as at year-end 2020.

Growth projects currently under development will add over 1.0 million cbm of additional storage capacity to our global portfolio.

For more details on the capacity developments reference is made to Enclosure 2.

Annual report 2020 and financial statements

The Annual Report 2020 and financial statements, prepared by the Executive Board and approved by the Supervisory Board and to be presented to the Annual General Meeting of 21 April 2021 for adoption, are published on Vopak's website (<http://www.vopak.com/investors/reports-and-presentation>).

Home member state

Vopak announces that the Netherlands is its Home Member State for the purposes of the EU Transparency Directive.

Forward-looking statements

This document 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.

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

21 April 2021	Publication of 2021 first-quarter interim update
21 April 2021	Annual General Meeting
23 April 2021	Ex-dividend quotation
26 April 2021	Dividend record date
29 April 2021	Dividend payment date
28 July 2021	Publication of 2021 half-year results
12 November 2021	Publication of 2021 third-quarter interim update
16 February 2022	Publication of 2021 annual results

About Royal Vopak

Royal Vopak is the world's leading independent tank storage company. We store vital products with care. With over 400 years of history and a focus on sustainability, we ensure safe, clean and efficient 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 chemicals, oils, gases and LNG to biofuels and vegoils. We are determined to develop key infrastructure solutions for the world's changing energy systems, while simultaneously investing in digitalization and innovation. Vopak is listed on the Euronext Amsterdam and is headquartered in Rotterdam, the Netherlands. For more information, please visit vopak.com.

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The analyst presentation will be given via an on-demand audio webcast on Vopak's corporate website www.vopak.com, starting at 10:00 am CET on 17 February 2021.

Auditor's involvement

This press release and enclosure 4 are based on the 2020 financial statements. The financial statements are published in accordance with statutory provisions. The auditor has issued an unqualified auditor's report on the Financial Statements.

This press release contains inside information as meant in clause 7 of the Market Abuse Regulation.

Enclosures:

1. Key figures
2. Growth perspective
3. Notes to the results by division
4. Consolidated financial statements
 - a. Consolidated Statement of Income
 - b. Consolidated Statement of Comprehensive Income
 - c. Consolidated Statement of Financial Position
 - d. Consolidated Statement of Changes in Equity
 - e. Consolidated Statement of Cash Flows
 - f. Segmentation
 - g. Overview of exceptional items
5. Non-IFRS proportionate financial information
6. Vopak key results fourth quarter

Enclosure 1: Key figures

	2020	2019
Safety performance		
Total Injury Rate (TIR), own employees and contractors (per 200,000 hours worked)	0.37	0.34
Lost Time Injury Rate (LTIR), own employees and contractors (per 200,000 hours worked)	0.17	0.18
Process Safety Events Rate (PSER), own employees and contractors (per 200,000 hours worked)	0.14	0.16
Financial performance (in EUR millions)		
Revenues	1,190.0	1,252.6
Group operating profit before depreciation and amortization (EBITDA)	789.4	1,038.5
Group operating profit before depreciation and amortization (EBITDA) -excluding exceptional items-	791.5	829.8
Group operating profit (EBIT)	489.9	747.8
Group operating profit (EBIT) -excluding exceptional items-	492.0	539.1
Net profit attributable to holders of ordinary shares	300.9	571.0
Net profit attributable to holders of ordinary shares -excluding exceptional items-	305.8	357.8
Cash flows from operating activities (gross)	822.2	709.7
Cash flows from investing activities (including derivatives)	- 584.5	- 256.1
Average capital employed	4,164.5	4,247.3
Return On Capital Employed (ROCE)	11.6%	12.4%
Return On Equity (ROE)	10.1%	12.5%
EBITDA margin excluding result of joint ventures and associates	51.4%	50.8%
Capital and financing (in EUR millions)		
Equity attributable to owners of parent	2,980.7	3,047.3
Net interest-bearing debt	2,589.4	2,335.3
Senior net debt : EBITDA	2.52	2.75
Interest cover (EBITDA : net finance costs)	10.9	10.4
Key figures per ordinary share (in EUR)		
Basic earnings	2.38	4.47
Basic earnings -excluding exceptional items-	2.42	2.80
Diluted earnings	2.38	4.46
Diluted earnings -excluding exceptional items-	2.41	2.80
Basic weighted average number of ordinary shares	126,524,451	127,637,900
Total number of ordinary shares outstanding end of period	125,740,586	127,835,430
(Proposed) dividend	1.20	1.15
Business performance		
Storage capacity end of period(in million cbm)	35.6	34.4
- subsidiaries	18.2	18.2
- joint ventures and associates	13.5	12.3
- operatorships	3.9	3.9
Occupancy rate subsidiaries	88%	84%
Total number of employees end of period (in FTE)	5,637	5,559
Contracts > 3 years (as % of revenues)	49%	44%
Contracts > 1 year (as % of revenues)	91%	80%
Information on proportional basis		
Proportional EBITDA -excluding exceptional items-	972.3	980.7
Proportional occupancy rate	90%	84%
Net interest-bearing debt	3,620.5	3,280.2
Sustaining, service improvement and IT capex	329.2	321.7
Exchange rates (per EUR 1.00)		
Average US dollar	1.14	1.12
US dollar end of period	1.23	1.12
Average Singapore dollar	1.57	1.53
Singapore dollar end of period	1.63	1.51

Enclosure 2: Growth perspective

Storage capacity development					
Country	Terminal	Vopak's ownership	Products	Capacity (cbm)	Commissioned
Storage capacity per 31 December 2019				34.4	
New and existing terminals					
Malaysia	Pengerang Independent Terminals (PITSB)	44.1%	Oil products	215,000	Q1 2020
Vietnam	Vopak Vietnam	100%	Chemicals	20,000	Q1 2020
Panama	Panama Atlantic	100%	Oil products	40,000	Q2 2020
South Africa	Durban	70%	Oil products	130,000	Q3 2020
Indonesia	Merak	95%	Chemicals	50,000	Q3 2020 - Q4 2020
Netherlands	Vlissingen	100%	LPG & chemical gases	9,200	Q3 2020
South Africa	Lesedi	70%	Oil products	100,000	Q4 2020
Indonesia	Jakarta	49%	Oil products	100,000	Q4 2020
Various				39,004	
Acquisition					
United States	Vopak Industrial Infrastructure Americas	50%	Industrial terminal	852,000	Q4 2020
Divestments					
Spain	Algeciras	100%	Oil Products	- 403,000	Q1 2020
Net change for the period as per 31 December 2020				1.2 million cbm	
Total Storage capacity per 31 December 2020				35.6 million cbm	
Announced storage capacity developments					
Country	Terminal	Vopak's ownership	Products	Capacity (cbm)	Expected
Existing terminals					
Netherlands	Rotterdam - Botlek	100%	Chemicals	63,000	Q1 2021 - Q2 2021
Mexico	Veracruz	100%	Oil products	79,000	Q1 2021 - Q2 2021
United States	Houston - Deer Park	100%	Chemicals	33,000	Q2 2021
Australia	Sydney	100%	Oil products	105,000	Q3 2021
Belgium	Antwerp - Linkeroever	100%	Chemicals	50,000	Q3 2021
Mexico	Altamira	100%	Chemicals	40,000	Q4 2021
China	Shanghai - Caojing Terminal	50%	Industrial terminal	65,000	Q2 2022
Netherlands	Vlaardingen	100%	Renewable feedstocks	64,000	Q4 2022
Brazil	Alemoa	100%	Chemicals	20,000	Q2 2023
New terminals					
United States	Vopak Moda Houston	50%	Chemical gases	46,000	Q1 2021 - Q3 2021
China	Qinzhou	51%	Industrial terminal	290,000	Q2 2021
United States	Corpus Christi	100%	Industrial terminal	130,000	Q1 2022
Net change for the period up to and including 2023				1.0 million cbm	
Total storage capacity up to and including 2023				36.6 million cbm	

Note: 'Storage capacity' is defined as the total available storage capacity (jointly) operated by the Group at the end of the reporting period, being storage capacity for subsidiaries, joint ventures, associates (with the exception of Maasvlakte Olie Terminal in the Netherlands, which is based on the attributable capacity), and other (equity) interests and operatorships, and including currently out of service capacity due to maintenance and inspection programs.

Enclosure 3: Notes to the results per division

Americas

In EUR millions	2020	2019
Revenues	322.9	313.7
<i>Results -excluding exceptional items-</i>		
Group operating profit before depreciation and amortization (EBITDA)	188.4	165.2
Group operating profit (EBIT)	126.0	108.5
<i>Results -including exceptional items-</i>		
Group operating profit before depreciation and amortization (EBITDA)	155.0	148.4
Group operating profit (EBIT)	92.6	91.7
Average capital employed	829.8	707.8
Storage capacity end of period (in million cbm)	5.3	4.4
Occupancy rate subsidiaries	92%	91%
Proportional occupancy rate	92%	91%
Proportional EBITDA -excluding exceptional items-	188.2	164.1

In the Americas division, the revenues in 2020 of EUR 322.9 million were EUR 9.2 million (3%) higher than the revenues of the same period prior year (2019: EUR 313.7 million). Excluding the negative currency translation effect of EUR 15.8 million, the increase amounted to EUR 25.0 million. This increase is mainly related to the commissioned capacity in Mexico, Brazil and Panama and oil terminals in Canada benefiting from the contango in the oil markets during 2020, offset by some lower chemicals throughput revenues in Houston.

The average occupancy rate for the division was 92% versus 91% in 2019.

Group operating profit -excluding exceptional items- increased by EUR 17.5 million (16%) to EUR 126.0 million (2019: EUR 108.5 million). Excluding the negative currency translation effect of EUR 6.4 million, the increase amounted to EUR 23.9 million primarily due to the increased revenues.

Additional capacity of 0.3 million cbm in total is currently under construction.

Asia & Middle East

In EUR millions	2020	2019
Revenues	289.3	305.0
<i>Results -excluding exceptional items-</i>		
Group operating profit before depreciation and amortization (EBITDA)	276.6	309.1
Group operating profit (EBIT)	213.1	245.8
<i>Results -including exceptional items-</i>		
Group operating profit before depreciation and amortization (EBITDA)	276.6	294.3
Group operating profit (EBIT)	213.1	231.0
Average capital employed	1,123.6	1,458.5
Storage capacity end of period (in million cbm)	15.5	15.1
Occupancy rate subsidiaries	87%	81%
Proportional occupancy rate	91%	85%
Proportional EBITDA -excluding exceptional items-	319.6	326.6

Revenues of the Asia & Middle East division decreased by EUR 15.7 million (-5%) to EUR 289.3 million (2019 EUR 305.0 million). Excluding the negative currency translation effect of EUR 9.1 million, the revenues decreased by EUR 6.6 million. This was the result of lower revenues from chemical throughputs and higher maintenance out-of-service capacity in Singapore, partly offset by improved performance of our oil terminals as a result of the contango and IMO converted capacity.

The average occupancy rate for the division was 87% versus 81% in 2019.

Group operating profit -excluding exceptional items- decreased by EUR 32.7 million (-13%) to EUR 213.1 million (2019: EUR 245.8 million). Excluding a negative currency translation effect of EUR 6.0 million, the decrease amounted to EUR 26.7 million. This was primarily caused by a lower result at our associate terminal PT2SB in Malaysia, due to a one-off negative accounting result. At the same time, lower results from Singapore terminals due to out-of-service capacity, was fully offset by better results from the other joint ventures and associates mainly related to the oil terminals.

Additional capacity of 0.1 million cbm in total is currently under construction.

China & North Asia

In EUR millions	2020	2019
Revenues	42.0	38.9
<i>Results -excluding exceptional items-</i>		
Group operating profit before depreciation and amortization (EBITDA)	56.9	62.4
Group operating profit (EBIT)	45.4	50.8
<i>Results -including exceptional items-</i>		
Group operating profit before depreciation and amortization (EBITDA)	89.9	87.0
Group operating profit (EBIT)	78.4	75.4
Average capital employed	420.0	404.0
Storage capacity end of period (in million cbm)	2.8	2.8
Occupancy rate subsidiaries	80%	75%
Proportional occupancy rate	89%	70%
Proportional EBITDA -excluding exceptional items-	86.9	100.5

In the China & North Asia division, the revenues increased by EUR 3.1 million (8%) to EUR 42.0 million (2019: 38.9 million). The currency translation effect was immaterial. The increase was largely due to the good performance of our chemical distribution terminals in a dynamic business environment.

The average occupancy rate for the division was 80% versus 75% in 2019.

Group operating profit -excluding exceptional items- decreased by EUR 5.4 million (-11%) to EUR 45.4 million (2019: EUR 50.8 million). Excluding the negative currency translation effect of EUR 0.9 million, the decrease amounted to EUR 4.5 million. Our industrial terminals performed well. As such, this decrease is primarily caused by the positive impact of the 2019 customer settlements at Vopak Terminal Haiteng that are not present in 2020.

Additional capacity of 0.4 million cbm in total is currently under construction.

Europe & Africa

In EUR millions	2020	2019
Revenues	532.9	590.3
<i>Results -excluding exceptional items-</i>		
Group operating profit before depreciation and amortization (EBITDA)	275.1	299.9
Group operating profit (EBIT)	129.9	156.6
<i>Results -including exceptional items-</i>		
Group operating profit before depreciation and amortization (EBITDA)	273.4	518.2
Group operating profit (EBIT)	128.2	374.9
Average capital employed	1,382.7	1,867.2
Storage capacity end of period (in million cbm)	10.7	10.8
Occupancy rate subsidiaries	88%	83%
Proportional occupancy rate	88%	83%
Proportional EBITDA -excluding exceptional items-	276.1	301.6

Revenues of the Europe & Africa division amounted to EUR 532.9 million in 2020, a decrease of EUR 57.4 million (-10%) compared to the same period prior year (EUR 590.3 million). Excluding the negative currency translation effect of EUR 3.8 million, the decrease amounted to EUR 53.6 million. Revenues benefited from improved performance for oil storage as a result of the contango market and IMO 2020 converted capacity offset by the EUR 99.1 million effect of the divestments of the terminals in Algeciras, Amsterdam and Hamburg.

The average occupancy rate for the division was 88% versus 83% in 2019.

Group operating profit -excluding exceptional items- decreased by EUR 26.7 million (-17%) to EUR 129.9 million (2019: EUR 156.6 million). Excluding the negative currency translation effect of EUR 1.4 million, the decrease amounted to EUR 25.3 million. The net decrease was mainly the result of the divestments of the terminals in Algeciras, Amsterdam and Hamburg (EUR 48.3 million decrease), and the increased revenues due to the contango market and IMO 2020 converted capacity

Additional capacity of 0.2 million cbm in total is currently under construction.

LNG

In EUR millions	2020	2019
<i>Results -excluding exceptional items-</i>		
Group operating profit before depreciation and amortization (EBITDA)	42.6	38.1
Group operating profit (EBIT)	42.6	38.1
<i>Results -including exceptional items-</i>		
Group operating profit before depreciation and amortization (EBITDA)	42.6	38.1
Group operating profit (EBIT)	42.6	38.1
Average capital employed	364.5	282.9
Storage capacity end of period (in million cbm)	1.2	1.2
Proportional occupancy rate	97%	96%
Proportional EBITDA -excluding exceptional items-	149.6	132.8

The LNG division only comprises joint venture and associate terminals and therefore has no revenues recognized at subsidiaries.

Group operating profit -excluding exceptional items- from global LNG activities amounted to EUR 42.6 million, which is EUR 4.5 million (12%) higher compared to prior year (2019: EUR 38.1 million). This net increase after development costs was largely related to the contribution of the SPEC LNG terminal in Colombia that was acquired in 2019.

There is currently no additional capacity under construction.

Global functions and corporate activities

The global operating costs increased by EUR 4.3 million (7%) to EUR 65.0 million (2019: EUR 60.7 million). The increase related to a large extent to higher costs in connection with business development and IT projects.

Enclosure 4: Consolidated financial statements

4a - Consolidated Statement of Income

In EUR millions	2020	2019
Revenues	1,190.0	1,252.6
Other operating income	60.0	276.5
Total operating income	1,250.0	1,529.1
Personnel expenses	331.2	347.0
Depreciation and amortization	299.5	290.7
Impairment	30.1	17.2
Other operating expenses	260.5	288.2
Total operating expenses	921.3	943.1
Operating profit	328.7	586.0
Result joint ventures and associates	161.2	161.8
Group operating profit (EBIT)	489.9	747.8
Interest and dividend income	5.9	8.8
Finance costs	- 92.2	- 94.5
Net finance costs	- 86.3	- 85.7
Profit before income tax	403.6	662.1
Income tax	- 73.1	- 58.3
Net profit	330.5	603.8
<i>Attributable to:</i>		
Holders of ordinary shares	300.9	571.0
Non-controlling interests	29.6	32.8
Net profit	330.5	603.8
Basic earnings per ordinary share (in EUR)	2.38	4.47
Diluted earnings per ordinary share (in EUR)	2.38	4.46

In EUR millions	2020		2019	
	IFRS figures	Exceptional items	Excluding exceptional items	Excluding exceptional items
Revenues	1,190.0	-	1,190.0	1,252.6
Other operating income	60.0	33.0	27.0	33.4
Total operating income	1,250.0	33.0	1,217.0	1,286.0
Personnel expenses	- 331.2	0.7	- 331.9	- 346.0
Impairment	- 30.1	- 30.1	-	-
Other operating expenses	- 260.5	- 0.9	- 259.6	- 286.7
Result joint ventures and associates	161.2	- 4.8	166.0	176.5
Group operating profit before depreciation and amortization (EBITDA)	789.4	- 2.1	791.5	829.8
Depreciation and amortization	- 299.5	-	- 299.5	- 290.7
Group operating profit (EBIT)	489.9	- 2.1	492.0	539.1
Interest and dividend income	5.9	-	5.9	8.8
Finance costs	- 92.2	-	- 92.2	- 96.3
Net finance costs	- 86.3	-	- 86.3	- 87.5
Profit before income tax	403.6	- 2.1	405.7	451.6
Income tax	- 73.1	- 2.8	- 70.3	- 61.0
Net profit	330.5	- 4.9	335.4	390.6
<i>Attributable to:</i>				
Holders of ordinary shares	300.9	- 4.9	305.8	357.8
Non-controlling interests	29.6	-	29.6	32.8
Net profit	330.5	- 4.9	335.4	390.6
Basic earnings per ordinary share (in EUR)	2.38		2.42	2.80
Diluted earnings per ordinary share (in EUR)	2.38		2.41	2.80

4b - Consolidated Statement of Comprehensive Income

In EUR millions	2020	2019
Net profit	330.5	603.8
Exchange differences on translation of foreign operations	- 191.0	47.2
Net investment hedges	61.5	- 13.3
Effective portion of changes in fair value of cash flow hedges	3.1	10.0
Use of exchange rate differences on translation of foreign operations and use of net investment hedges	2.4	- 12.2
Use of effective portion of cash flow hedges to statement of income	- 0.3	- 2.6
Share in other comprehensive income of joint ventures and associates	- 0.8	- 14.9
Other comprehensive income that may be reclassified to statement of income in subsequent periods	- 125.1	14.2
Fair value change other investments	- 1.9	9.1
Remeasurement of defined benefit plans	- 5.2	- 5.5
Other comprehensive income that will not be reclassified to statement of income in subsequent periods	- 7.1	3.6
Other comprehensive income, net of tax	- 132.2	17.8
Total comprehensive income	198.3	621.6
<i>Attributable to:</i>		
Holders of ordinary shares	180.4	584.5
Non-controlling interests	17.9	37.1
Total comprehensive income	198.3	621.6

Items are disclosed net of tax.

4c - Consolidated Statement of Financial Position

In EUR millions	31-Dec-20	31-Dec-19
ASSETS		
Intangible assets	173.2	164.8
Property, plant and equipment - owned assets	3,798.9	3,640.8
Property, plant and equipment - right-of-use assets	632.2	503.0
- <i>Joint ventures and associates</i>	1,319.4	1,272.8
- <i>Finance lease receivable</i>	28.6	28.5
- <i>Loans granted</i>	91.0	86.7
- <i>Other financial assets</i>	36.5	30.1
Financial assets	1,475.5	1,418.1
Deferred taxes	36.9	30.8
Derivative financial instruments	9.1	19.4
Other non-current assets	6.0	6.3
Total non-current assets	6,131.8	5,783.2
Trade and other receivables	276.1	296.1
Prepayments	36.6	27.3
Derivative financial instruments	5.1	28.5
Cash and cash equivalents	68.3	94.5
Assets held for sale	-	143.9
Total current assets	386.1	590.3
Total assets	6,517.9	6,373.5
EQUITY		
- <i>Issued capital</i>	62.9	63.9
- <i>Share premium</i>	194.4	194.4
- <i>Treasury shares</i>	- 15.0	- 8.9
- <i>Other reserves</i>	- 317.0	- 105.9
- <i>Retained earnings</i>	3,055.4	2,903.8
Equity attributable to owners of parent	2,980.7	3,047.3
Non-controlling interests	144.9	147.8
Total equity	3,125.6	3,195.1
LIABILITIES		
Interest-bearing loans	1,616.3	1,394.5
Lease liabilities	668.5	534.7
Derivative financial instruments	5.4	-
Pensions and other employee benefits	49.0	42.4
Deferred taxes	183.3	181.5
Provisions	22.2	35.9
Other non-current liabilities	14.3	20.8
Total non-current liabilities	2,559.0	2,209.8
Bank overdrafts and short-term borrowings	214.3	184.5
Interest-bearing loans	127.9	285.9
Lease liabilities	30.7	30.2
Derivative financial instruments	20.6	38.3
Trade and other payables	361.7	344.1
Taxes payable	55.5	42.1
Pensions and other employee benefits	0.2	1.3
Provisions	22.4	24.2
Liabilities related to assets held for sale	-	18.0
Total current liabilities	833.3	968.6
Total liabilities	3,392.3	3,178.4
Total equity and liabilities	6,517.9	6,373.5

4d - Consolidated Statement of Changes in Equity

In EUR millions	Equity attributable to owners of parent					Total	Non-controlling interests	Total equity
	Issued capital	Share premium	Treasury shares	Other reserves	Retained earnings			
Balance at 31 December 2018	63.9	194.4	- 7.3	- 124.5	2,556.3	2,682.8	161.5	2,844.3
Initial application IFRS 16	-	-	-	-	- 85.1	- 85.1	- 9.4	- 94.5
Balance at 1 January 2019	63.9	194.4	- 7.3	- 124.5	2,471.2	2,597.7	152.1	2,749.8
Net profit	-	-	-	-	571.0	571.0	32.8	603.8
Other comprehensive income, net of tax	-	-	-	18.6	- 5.5	13.1	4.7	17.8
Total comprehensive income	-	-	-	18.6	565.5	584.1	37.5	621.6
Dividend paid in cash	-	-	-	-	- 140.5	- 140.5	- 38.8	- 179.3
Capital injection	-	-	-	-	-	-	4.1	4.1
Purchase treasury shares	-	-	- 2.6	-	-	- 2.6	-	- 2.6
Transaction with non-controlling interests	-	-	-	-	-	-	- 9.0	- 9.0
Acquisition non-controlling interest subsidiaries	-	-	-	-	-	-	1.9	1.9
Measurement of equity-settled share-based payment arrangements	-	-	-	-	8.6	8.6	-	8.6
Vested shares under equity-settled share-based payment arrangements	-	-	1.0	-	- 1.0	-	-	-
Total transactions with owners	-	-	- 1.6	-	- 132.9	- 134.5	- 41.8	- 176.3
Balance at 31 December 2019	63.9	194.4	- 8.9	- 105.9	2,903.8	3,047.3	147.8	3,195.1
Net profit	-	-	-	-	300.9	300.9	29.6	330.5
Other comprehensive income, net of tax	-	-	-	- 120.5	-	- 120.5	- 11.7	- 132.2
Total comprehensive income	-	-	-	- 120.5	300.9	180.4	17.9	198.3
Dividend paid in cash	-	-	-	-	- 146.1	- 146.1	- 24.6	- 170.7
Capital injection	-	-	-	-	-	-	3.8	3.8
Purchase treasury shares	-	-	- 8.0	-	-	- 8.0	-	- 8.0
Share buyback/cancellation of shares issued	- 1.0	-	-	- 99.1	-	- 100.1	-	- 100.1
Measurement of equity-settled share-based payment arrangements	-	-	-	-	4.5	4.5	-	4.5
Vested shares under equity-settled share-based payment arrangements	-	-	1.9	-	- 4.0	- 2.1	-	- 2.1
Others	-	-	-	8.5	- 3.7	4.8	-	4.8
Total transactions with owners	- 1.0	-	- 6.1	- 90.6	- 149.3	- 247.0	- 20.8	- 267.8
Balance at 31 December 2020	62.9	194.4	- 15.0	- 317.0	3,055.4	2,980.7	144.9	3,125.6

4e - Consolidated Statement of Cash Flows

In EUR millions	2020	2019
Cash flows from operating activities (gross)	822.2	709.7
Interest received	6.7	5.6
Dividend received from investments	–	2.4
Income tax paid	- 54.9	- 71.2
Cash flows from operating activities (net)	774.0	646.5
<i>Investments:</i>		
Intangible assets	- 38.3	- 29.5
Property, plant and equipment - growth capex	- 335.6	- 319.4
Property, plant and equipment - sustaining, service improvement and IT capex	- 276.9	- 270.3
Joint ventures and associates	- 73.8	- 75.6
Other equity investments	- 8.5	–
Loans granted	- 3.0	- 8.6
Other non-current assets	- 0.5	- 0.4
Acquisitions of subsidiaries, including goodwill	–	1.9
Acquisitions of joint ventures and associates	- 107.4	- 104.8
Total investments	- 844.0	- 806.7
<i>Disposals and repayments:</i>		
Intangible assets	–	0.1
Property, plant and equipment	2.1	4.0
Joint ventures and associates	118.2	28.6
Loans granted	0.1	2.0
Finance lease receivable	5.1	4.9
Assets held for sale/divestments	131.3	521.3
Total disposals and repayments	256.8	560.9
Cash flows from investing activities (excluding derivatives)	- 587.2	- 245.8
Settlement of derivatives (net investment hedges)	2.7	- 10.3
Cash flows from investing activities (including derivatives)	- 584.5	- 256.1
<i>Financing:</i>		
Repayment from interest-bearing loans	- 669.1	- 797.7
Proceeds from interest-bearing loans	849.1	640.1
Repayment lease liabilities	- 26.7	- 30.7
Interest expenses paid on lease liabilities	- 21.1	- 22.4
Finance expenses paid	- 94.0	- 89.5
Settlement of derivative financial instruments	- 5.1	12.7
Dividend paid in cash	- 146.1	- 140.5
Dividend paid to non-controlling interests	- 24.6	- 38.8
Transactions with non-controlling interest	–	- 4.9
Share buyback/purchase treasury shares	- 108.1	- 2.6
Proceeds and repayments in short-term financing	27.0	119.0
Cash flows from financing activities	- 218.7	- 355.3
Net cash flows	- 29.2	35.1
Exchange differences	- 2.3	0.8
Net change in cash and cash equivalents due to assets held for sale	2.5	- 2.5
Net change in cash and cash equivalents (including bank overdrafts)	- 29.0	33.4
Net cash and cash equivalents at 1 January (including bank overdrafts)	88.0	54.6
Net cash and cash equivalents at 31 December (including bank overdrafts)	59.0	88.0

4g - Overview of exceptional items

In EUR millions	2020	2019
Gains on assets held for sale/divestments	31.3	243.1
Personnel expenses	0.7	- 1.0
Impairments	- 42.9	- 17.2
Reversal impairments	12.8	-
Other expenses	0.8	- 1.5
Operating profit	2.7	223.4
Result joint ventures and associates	- 4.8	- 14.7
Group operating profit	- 2.1	208.7
Finance costs	-	1.8
Profit before income tax	- 2.1	210.5
Income tax	- 2.8	- 1.8
Deferred tax release US and Belgium	-	4.5
Total effect on net profit	- 4.9	213.2

Enclosure 5: Non-IFRS proportionate financial information

Basis of preparation

Vopak provides non-IFRS proportionate financial information -excluding exceptional items- to provide additional operational performance insights on a comparable basis for subsidiaries, joint ventures and associates. In this disclosure, the joint ventures and associates and the subsidiaries with non-controlling interests are consolidated based on the economic ownership interests of the Group in these entities.

In the tables in this section, we provide the proportionate financial information for the statement of income, the statement of financial position, and the segment information for each of our reportable segments. Where applicable, we show a reconciliation with our IFRS figures in order to create comparability with the proportionate information. Other information is based on the same principles as applied for the proportionate financial information.

Proportionate information

Statement of income

In EUR millions	2020				2019			
	IFRS figures	Exclusion exceptional items	Effects proportional consolidation	Proportional consolidated	IFRS figures	Exclusion exceptional items	Effects proportional consolidation	Proportional consolidated
Revenues	1,190.0	-	407.4	1,597.4	1,252.6	-	400.5	1,653.1
Other operating income	60.0	33.0	41.0	68.0	276.5	243.1	30.3	63.7
Operating expenses	- 591.7	- 0.2	- 101.6	- 693.1	- 635.2	- 2.5	- 103.4	- 736.1
Result joint ventures and associates	161.2	- 4.8	- 166.0	-	161.8	- 14.7	- 176.5	-
Impairment	- 30.1	- 30.1	-	-	- 17.2	- 17.2	-	-
Group operating profit before depreciation and amortization (EBITDA)	789.4	- 2.1	180.8	972.3	1,038.5	208.7	150.9	980.7
Depreciation and amortization	- 299.5	-	- 107.6	- 407.1	- 290.7	-	- 99.3	- 390.0
Group operating profit (EBIT)	489.9	- 2.1	73.2	565.2	747.8	208.7	51.6	590.7
Net finance costs	- 86.3	-	- 55.1	- 141.4	- 85.7	1.8	- 41.7	- 129.2
Income tax	- 73.1	- 2.8	- 47.7	- 118.0	- 58.3	2.7	- 42.7	- 103.7
Net profit	330.5	- 4.9	- 29.6	305.8	603.8	213.2	- 32.8	357.8
Non-controlling interests	- 29.6	-	29.6	-	- 32.8	-	32.8	-
Net profit owners of parent	300.9	- 4.9	-	305.8	571.0	213.2	-	357.8

Statement of financial position

In EUR millions	31-Dec-20			31-Dec-19		
	IFRS figures	Effects proportional consolidation	Proportional consolidated	IFRS figures	Effects proportional consolidation	Proportional consolidated
Non-current assets (excl. joint ventures and associates)	4,812.4	2,363.9	7,176.3	4,510.4	2,222.2	6,732.6
Joint ventures and associates	1,319.4	- 1,319.4	-	1,272.8	- 1,272.8	-
Current assets	386.1	447.7	833.8	590.3	504.7	1,095.0
Total assets	6,517.9	1,492.2	8,010.1	6,373.5	1,454.1	7,827.6
Non-current liabilities	2,559.0	1,323.0	3,882.0	2,209.8	1,342.4	3,552.2
Current liabilities	833.3	314.1	1,147.4	968.6	259.5	1,228.1
Total liabilities	3,392.3	1,637.1	5,029.4	3,178.4	1,601.9	4,780.3
Equity attributable to owners of parent	2,980.7	-	2,980.7	3,047.3	-	3,047.3
Non-controlling interests	144.9	- 144.9	-	147.8	- 147.8	-
Total equity	3,125.6	- 144.9	2,980.7	3,195.1	- 147.8	3,047.3

Net interest-bearing debt

In EUR millions	31-Dec-20	31-Dec-19
Non-current portion of interest-bearing loans	3,397.5	3,109.7
Current portion of interest-bearing loans	251.3	340.1
Total interest-bearing loans	3,648.8	3,449.8
Short-term borrowings	232.1	185.9
Bank overdrafts	9.3	6.5
Cash and cash equivalents	- 269.7	- 362.0
Net interest-bearing debt	3,620.5	3,280.2

Other information

	2020	2019
EBITDA margin -excluding exceptional items-	58.4%	57.1%
Occupancy rate subsidiaries, joint ventures and associates	90%	84%
Sustaining, service improvement and IT capex (in EUR million)	329.2	321.7

In EUR millions	Americas		of which United States		Asia & Middle East		of which Singapore		China & North Asia		Europe & Africa		of which Netherlands		LNG		Global functions and corporate activities		Total	
	2020	2019	2020	2019	2020	2019	2020	2019	2020	2019	2020	2019	2020	2019	2020	2019	2020	2019	2020	2019
	Revenues	338.7	322.4	190.0	194.5	430.4	433.4	157.4	164.1	120.4	127.9	540.6	601.6	415.2	427.4	164.5	163.1	2.8	4.7	1,597.4
Other operating income	13.2	6.9	0.5	0.2	10.3	12.7	—	5.6	4.1	23.2	0.9	5.1	1.2	2.9	39.5	15.1	—	0.7	68.0	63.7
Operating expenses	-163.7	-165.2	-89.7	-93.4	-121.1	-119.5	-45.0	-46.2	-37.6	-50.6	-265.4	-305.1	-198.4	-206.4	-54.4	-45.4	-50.9	-50.3	-693.1	-736.1
EBITDA	188.2	164.1	100.8	101.3	319.6	326.6	112.4	123.5	86.9	100.5	276.1	301.6	218.0	223.9	149.6	132.8	-48.1	-44.9	972.3	980.7
Depreciation and amortization	-63.3	-56.9	-34.1	-32.3	-104.2	-96.6	-31.9	-32.5	-27.6	-32.8	-147.4	-145.2	-110.0	-104.6	-47.6	-42.7	-17.0	-15.8	-407.1	-390.0
EBIT excluding exceptional items	124.9	107.2	66.7	69.0	215.4	230.0	80.5	91.0	59.3	67.7	128.7	156.4	108.0	119.3	102.0	90.1	-65.1	-60.7	565.2	590.7
Occupancy rate	92%	91%			91%	85%			89%	70%	88%	83%			97%	96%			90%	84%
Net interest-bearing debt																			3,620.5	3,280.2

In EUR millions	Americas		Asia & Middle East		China & North Asia		Europe & Africa		LNG		Global functions and corporate activities		Total	
	2020	2019	2020	2019	2020	2019	2020	2019	2020	2019	2020	2019	2020	2019
	Chemical products	157.2	167.2	180.4	194.7	99.4	103.5	193.5	189.4	—	—	—	—	630.5
Oil products	123.7	99.4	213.5	199.2	0.6	3.0	234.7	296.6	—	—	—	—	572.5	598.2
Veg oils & biofuels	36.6	32.5	2.0	3.2	—	—	60.2	62.3	—	—	—	—	98.8	98.0
Gas products	9.1	5.6	17.3	17.3	19.9	20.9	32.9	32.1	164.5	163.0	—	—	243.7	238.9
Others	12.1	17.7	17.2	19.0	0.5	0.5	19.3	21.2	—	0.1	2.8	4.7	51.9	63.2
Total	338.7	322.4	430.4	433.4	120.4	127.9	540.6	601.6	164.5	163.1	2.8	4.7	1,597.4	1,653.1

