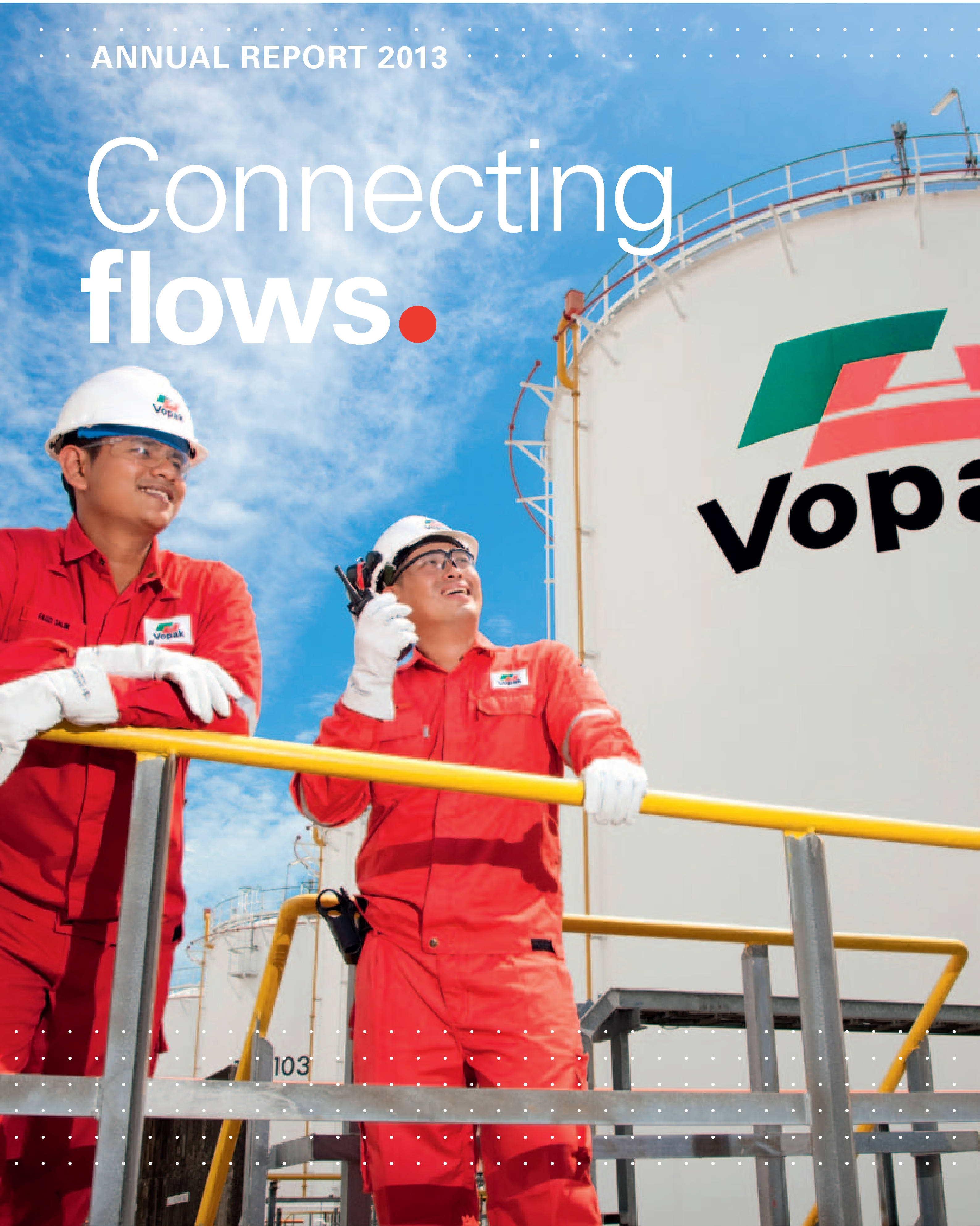
ANNUAL REPORT 2013

Connecting **flows.**



Contents

Cover: Vopak Singapore - Banyan Terminal

At a Glance

Vopak on Vopak

Revenues in € million

1,295.2

Compared to 2012

-1%

Number of employees
31 December 2013

6,174

EBIT in € million

536.3

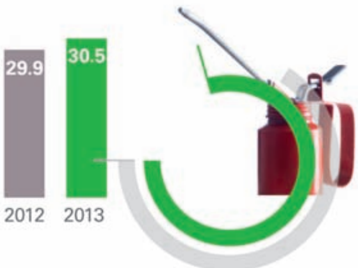
Compared to 2012

-5%

Total Injury Rate (TIR)
per million hours worked
own personnel

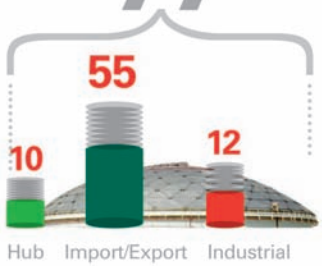
1.9

Storage Capacity
In million cbm
31 December 2013



Number of terminals

77

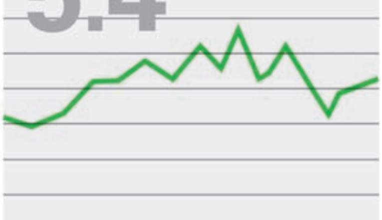


Number of countries

29

Market capitalization
In € billion at year end 2013

5.4



Key figures

	2013	restated 2012
Sustainability data		
Total Injury Rate (TIR) per million hours worked own personnel	1.9	2.1
Lost Time Injury Rate (LTIR) per million hours worked own personnel and contractors	0.6	0.7
Number of process incidents	94	127
Results (in EUR millions)		
Revenues	1,295.2	1,313.9
Group operating profit before depreciation and amortization (EBITDA) -excluding exceptional items-	753.1	768.4
Group operating profit (EBIT)	533.8	540.7
Group operating profit (EBIT) -excluding exceptional items-	536.3	565.7
Net profit attributable to owners of parent	318.5	333.1
Net profit attributable to owners of parent -excluding exceptional items-	317.7	355.2
Net profit attributable to holders of ordinary shares	312.7	324.9
Net profit attributable to holders of ordinary shares -excluding exceptional items-	311.9	347.0
Cash flows from operating activities (net)	550.5	547.6
Investments (in EUR millions)		
Total investments	658.1	643.0
Average gross capital employed	5,465.5	5,010.4
Average capital employed	3,286.6	3,124.8
Capital and financing (in EUR millions)		
Equity attributable to owners of parent	1,809.5	1,623.8
Net interest-bearing debt	1,824.7	1,747.5
Ratios		
Return on Capital Employed (ROCE)	16.2%	17.3%
Return on Capital Employed (ROCE) -excluding exceptional items-	16.3%	18.1%
Senior net debt : EBITDA	2.53	2.38
Interest cover (EBITDA : net finance costs)	7.4	8.8
Key figures per ordinary share (in EUR)		
(Diluted) earnings	2.45	2.55
(Diluted) earnings -excluding exceptional items-	2.45	2.73
(Proposed) dividend	0.90	0.88
Company data		
Number of employees at year-end of subsidiaries	4,010	3,932
Number of employees at year-end including joint ventures	6,174	6,099
Storage capacity subsidiaries at year-end (in million cbm)	20.8	20.3
Storage capacity including joint ventures at 100% at year-end (in million cbm)	30.5	29.9
Occupancy rate (average rented storage capacity in %)	88%	91%
Estimated market share global independent tank storage at year-end	10.5%	10.2%
Contracts > 3 years (in % of revenues)	52%	52%
Contracts > 1 year (in % of revenues)	80%	82%
Number of shares outstanding		
Weighted average	127,423,536	127,360,846
Weighted average, diluted	127,423,536	127,360,846
Total including treasury shares	127,835,430	127,835,430
Treasury shares	402,400	430,804
Financing preference shares	41,400,000	41,400,000

Profile

Vopak Terminal Amsterdam Westpoort (Netherlands)

Royal Vopak is the world´s largest independent liquid bulk tank storage service provider by capacity, specializing in the storage and handling of oil products, liquid chemicals and gases. The company operates 77 terminals in 29 countries with a combined storage capacity of more than 30 million cubic meters. Vopak´s terminals are strategically located for users in key ports along the major shipping routes. The majority of our customers are companies operating in the chemical and oil industries, for which Vopak stores a large variety of products destined for a wide range of industries and customers.

With almost 400 years of experience in storage and transshipment, Vopak understands the value of excellent service and our dedication to this is deeply embedded in our way of working. Our total commitment to our customers' success has resulted in long-term business relationships. We base our operations among others on the principles of transparency, loyalty, commitment and mutual trust.

Vopak´s annual turnover in 2013 was EUR 1.3 billion. We are a publicly-traded company with a listing on NYSE Euronext Amsterdam (ticker symbol: VPK). At end 2013, Vopak had a market capitalization of EUR 5.4 billion. Including our joint ventures, we employ an international workforce of more than 6,000 people.

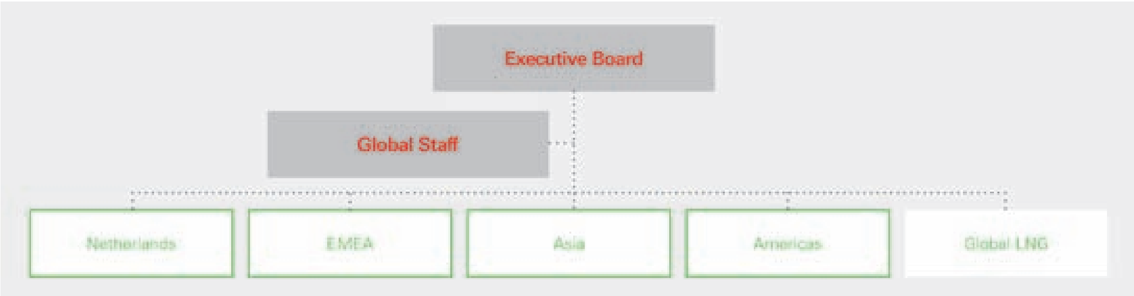
Sustainability is an integral part of Vopak´s business processes and operations. This is reflected by our consistent application and enforcement of strict standards, rules, codes and procedures, such as those concerning safety, health and environment. Our standards are in keeping with the most professional oil and petro-chemical companies, which constitute a major part of Vopak´s customer base. The Vopak standards comply as a minimum with local legislation and regulations.

Our people

Strategically-located terminals coupled with state-of-the-art technologies are critical, but it is our people who can make the real difference. We continuously invest in the training and development of our employees worldwide; not only to improve their career possibilities and strengthen their dedication to Vopak´s strategic goals (growth leadership, operational excellence and customer leadership), but also to focus on their personal development. All over the world, our customers can count on the talent of our dedicated professionals and their commitment to service.

The organization

Vopak is organized into four geographical divisions: Netherlands, EMEA, Asia and Americas. The former divisions North America and Latin America were merged into the Americas division as of 1 May 2013. A separate global business unit exists for the worldwide LNG terminal activities.



The divisions work closely with one another, sharing knowledge, expertise, and best practices. Combined with global functional departments and global leadership teams, we believe we can respond rapidly, creatively and effectively to changing customers' needs and market developments.

In a number of countries we have teamed up with strong partners, often local companies, to deliver our services to customers in these markets and thus to jointly benefit from opportunities for growth. Vopak teams up with joint ventures and associates for a number of alliance reasons. Through the cooperation with strategic partners we can leverage our partners' local knowledge and contacts. In some jurisdictions cooperation with a local partner is required, for instance due to foreign ownership restrictions. Sometimes Vopak sets up joint ventures and associates with pre-committed customers to secure occupancy at a terminal. To ensure we meet customer expectations of a consistent service quality on a global basis, we apply the Vopak operational and safety standards at all our joint venture facilities as well.

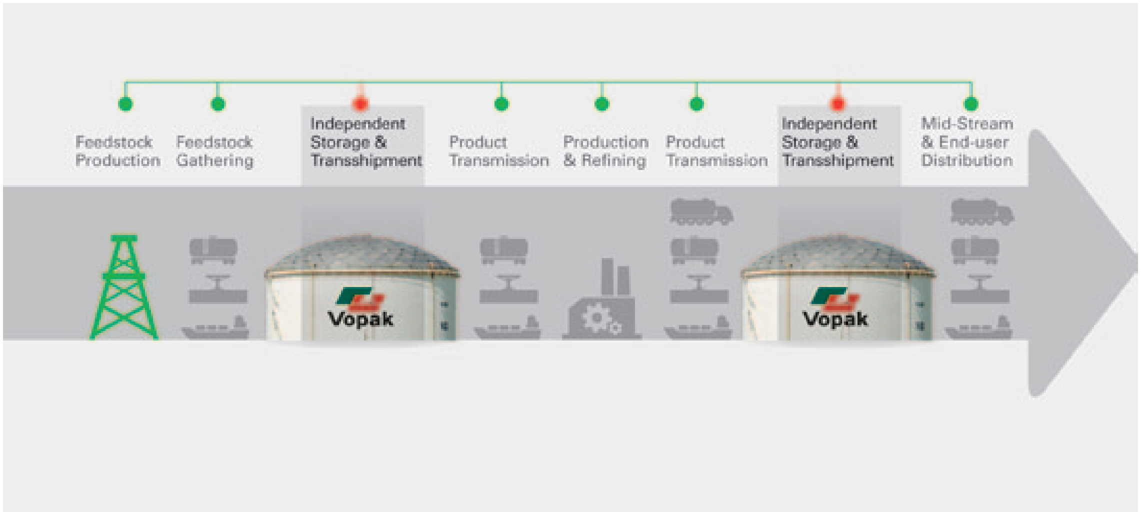
What we do

Vopak operates bulk liquids storage terminals in key strategic ports. We own and operate specialized facilities including product tanks, jetties, truck loading stations and pipelines, and provide access to road and rail networks. In many instances, we store our customers´ products for extended periods at our terminals, often under strictly specified conditions such as controlled temperatures. Vopak also blends components according to customer specifications.

The following map illustrates the global presence of Vopak terminals:

Vopak´s terminals play a key role in bringing our customers' products from the production plant or feedstock production sites via tank terminals to end-user locations respectively production plants as they transit through ports. Our independent tank terminal network is responsible for storage and transshipment. Vopak works closely with other service providers engaged by its customers, such as shipping companies.

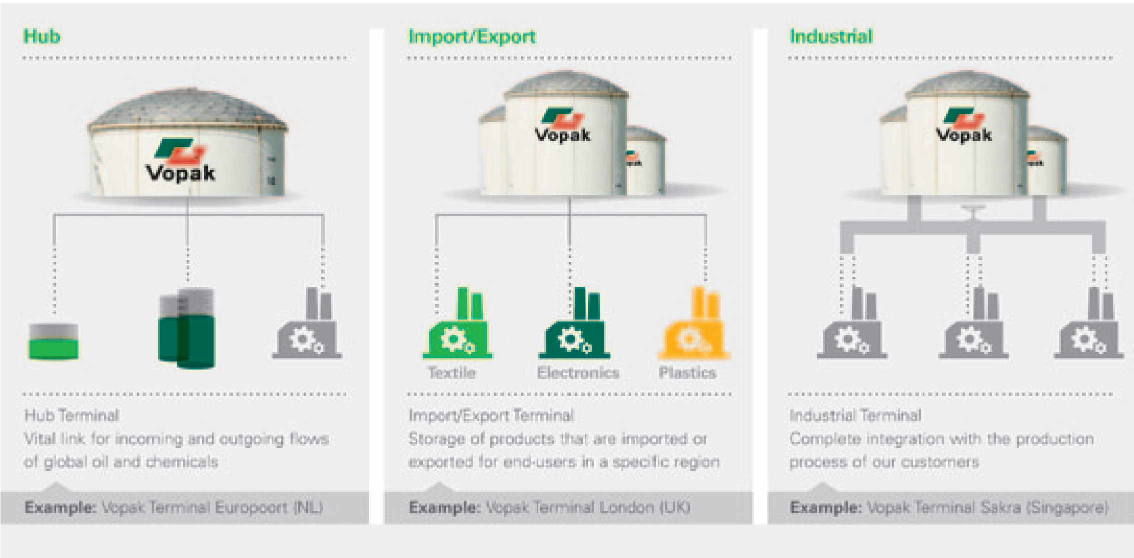
Vopak in the supply chain:



At the heart of Vopak's business model is the economic principle to provide common infrastructure to many different customers and to benefit from economies of scale and utilization rates. We focus on our core activities, thereby enabling our customers to focus on their own core activities. Our customers also benefit from the flexibility provided by purchasing independent storage services as needed, i.e., the ability to use customized contract durations.

Vopak operates three types of terminals:

- Hub terminal: This type of terminal engages in import, distribution and export of liquid bulk products at a global meeting point for trade and provides access to the market. The hub terminal provides a vital link for incoming and outgoing global product flows. Our main hub locations are Amsterdam, Rotterdam and Antwerp (ARA) in Northwest Europe, Houston (US), Fujairah (United Arab Emirates) and Singapore. An example of a main hub location is Vopak Terminal Europoort in Rotterdam (Netherlands);
- Import/export terminal: This type of terminal stores products that are either imported or exported for end-users in a specific region. This type of terminal acts as a point of origin for inland distribution by inland shipping, pipeline, tank truck or rail (including regasification in the case of LNG). Alternatively, it acts as a collection point for small parcels, originating from an inland production facility, to create a large parcel for overseas export. An example of an import terminal is Vopak Terminal London (UK);
- Industrial terminal: This type of terminal provides a logistical center integrated via pipelines to the petrochemical facilities within an industrial complex. Within the complex, it supports product flows and the supply and export of feedstock and finished products. An example of an industrial terminal is Vopak Terminal Sakra in Singapore.



Products and services

At the terminals operated by Vopak, a wide variety of liquid bulk products are stored. Those products are classified in four groups: oil products, chemicals and LPG, biofuels and vegetable oils, and LNG.

- Oil products (such as crude oil, gasoline, naphtha, diesel and fuel oil) are mainly stored in large-size tanks;
- Chemical products (such as methanol, xylene, MEG and styrene) are typically stored in smaller tank sizes. Chemical products often require specific storage conditions such as controlled temperature conditions or atmospheres. LPG is a highly flammable product and is stored in refrigerated tanks at about minus 40°C or in bullets under high pressure;
- Biofuels and vegetable oils: bio-ethanol is often stored in the same size tanks as chemicals and requires similar specific storage conditions. Bio-diesel and vegetable oils are often stored in the same size tanks with less restricted storage conditions than chemicals;
- LNG is stored in specially-designed full containment large tanks and is cooled at atmospheric pressure to about minus 160°C.

In general, one customer rents one tank for one product during the contract period. However, we also apply co-mingled storage, where multiple customers use similar capacity for a product, provided that the product specification is equal and customers agree on this optimization mechanism. When properly cleaned when changing products, some tanks can be used for multiple products which provide flexibility in storage capacity. The wide variety of liquid bulk products that we can store attracts customers that produce or trade more than one type of product.

We also offer additional handling services at our terminals. Examples of these are blending two products, mixing additives into a product, applying a nitrogen blanket on top of a product to push out oxygen, heating or cooling products and loading or unloading ships, railcars and trucks. At many locations, we can also assist our customers with customs formalities and documentation.

Our customers

The majority of our customers are generally active in the chemical and oil industries. They include national and international chemical and oil companies, governments, downstream distributors, utility providers and traders of oil products, chemicals, biofuels and vegetable oils.

These customers can be divided into three large categories by revenue, which were of approximately equal size in 2013: global customers (active at multiple locations in Vopak´s global network), regional customers (active at more than one location within a region) and local customers (active at one location). Vopak has a specific approach and offering for each of these customer categories and we offer global and regional network accounts.

Our top 10 major customers accounted for approximately 36% of gross revenues in 2013. No individual customer contributed more than 7% of gross revenues in 2013. The products Vopak stores on behalf of our customers are used in a broad range of related industries. Our terminals support and optimize the reliability and efficiency of our customers' logistic processes.

How we work

Vopak´s ambition is to maintain a leading culture of safety, flawless execution and operational excellence. We believe we can only achieve this by acting according to the Vopak Values. These seven values embody the behaviors that guide our employees in their day-to-day work, by acting with professionalism, a focus on service, integrity, improvement, agility, ownership and passion.

Our organization works closely together to share knowledge across our global network. We identify and address key developments quickly and adapt our business to changing circumstances.

We operate with the philosophy of a global company driven by local entrepreneurship. In short, this facilitates applying a global brand, standards, systems, market knowledge and operational capabilities in the local competitive landscape. We continually seek to improve and expand our terminal network, particularly in strategically-located ports.

Mission and strategy

Vopak Colombia - Barranquilla Terminal

A growing geographic imbalance exists at both a regional and a global level, between areas of production and industrial consumption of oil and gas products, chemicals, biofuels and vegetable oils. As a result, there is a robust demand for the physical transportation and efficient and safe storage and handling of these products. This has led to a growing demand for solid infrastructures that seamlessly link the logistics networks of producers, traders and distributors. The need for storage and handling services at critical locations is further intensified by new players in the market, the liberalization of previously closed economies and a demand that is increasingly becoming more specific for each country. Independent storage and handling facilities can reduce the pressure on logistics systems and contribute towards the reliability and efficiency of regional and global supply chains. The most important requirements for storage are the right logistic locations, a strong focus on sustainability and safety, reliable and efficient services and the ability of anticipating changes to the required efficient service in a flexible manner.

Vopak´s mission is to make a sustainable contribution to efficient logistics processes for our customers by being the leading provider of independent, optimum tank terminal infrastructure at locations that are critical to Vopak´s customers in all regions of the world.

To achieve our mission, we continue to invest in the further growth of our global network, in continuous operational improvements, and in our customer service. Vopak has developed a strategy to realize that mission. This strategy rests on three pillars:

- **Growth leadership**: our ability to identify and secure the right locations for our terminals;
- **Operational excellence**: constructing, owning, operating and maintaining terminals to deliver services at competitive costs in local markets;
- **Customer leadership**: creating long-term sustainable relationships with customers and healthy occupancy rates of terminals against attractive rates.

A sustainable foundation lies at the basis of all three pillars.

Vopak´s strategy is executed through focused strategic initiatives and internal sharing of best-practices to further improve existing operational processes. All this is supported by an ongoing evaluation process of possible changes to worldwide product flows, intensive collaboration with customers, effective knowledge sharing within the Vopak network at a global level, strategic collaboration with various partners and consulting experts in wide-ranging areas for improvement.

Our business

Letter from the Chairman

"Our success as a company ultimately depends on the joint work of our people."

Eelco **Hoekstra**

2013 was a challenging year. The European economy remained weak, the euro strengthened against the US dollar and Asian currencies, and Chinese economic growth slowed. In our sector, the European storage market for crude and middle distillates weakened, and additionaly some major construction projects will take longer than anticipated to finalize. Vopak's continued focus on service improvements and cost management contributed to a healthy EBITDA margin development in 2013. Our ambition was to exceed our record 2012 financial results, continuing on the growth path we have pursued since 2003. However, the new economic reality demanded adjustment from all our stakeholders and forced us to alter our outlook during the year, as Vopak did not grow its earnings for the first time in ten years. We ended the year with earnings slightly below those of 2012.

Regrettably, we suffered a contractor fatality in China during construction work in Dongguan. This sad event means, despite our realized personal and process safety improvements, we fell short of our commitment to zero incidents.

Each year provides new insights that we learn from. What struck me forcefully in 2013 was our ability to adapt to new realities. Once again, I witnessed a great organization with a strong company culture. This annual report gives a glimpse into the huge energy and passion that has made Vopak the world's leading independent storage company.

I am convinced we are a stronger company than we were a year ago. Vopak maintained a very solid earnings profile and we made significant progress in essential areas such as safety, service delivery and market knowledge. This testifies to the tireless commitment of the more than 6,000 Vopak employees around the world and makes us a better service provider, partner and employer.

Prioritizing sustainability

The global debate on sustainability further intensified in 2013. Vopak fully subscribes to the need to balance the guiding principles on people, planet and profit. When we design, construct and operate our terminals, we aim for the highest standards to protect safety, health and the environment. We prioritize the security and safety of our staff, our assets, our customer's products and the well-being of local communities, whom we know are crucial to our license to operate worldwide. Detailed insight into Vopak's sustainability approach and results can be found in our online 2013 Sustainability Report.

Maintaining leadership

Our focus for 2013 was on the composition of our network and on new ways of evaluating future business prospects. We relentlessly monitor and analyze global trends and themes to pinpoint sustainable current and future flows of energy products and chemicals. We use this to determine how our terminal network should develop. We take a holistic approach in selecting new sites, determining improvements to current infrastructure and deciding on divestments. This led to six small divestments in our global network of terminals during 2013. Our ultimate objective is not to grow cubic meters for the sake of growth, but to align our global network of terminals, to ensure long-term strategic advantages and to create value for our stakeholders.

Our people have done a wonderful job in adapting to changing market circumstances and tougher competition in certain product-market combinations. Our business teams understand that we can never take our global leading position for granted. We must constantly work to improve the quality of our service and our effectiveness in running our business. That is why we set ourselves ambitious objectives to improve both our infrastructure and the way we operate. Improving our competitiveness will remain high on our agenda in the coming years.

Looking ahead

Growing demand for energy and chemicals in the decades to come is the starting point for our thinking about the future of our business, and the driver of our long-term growth ambition. Actions by governments, consumers, academics and companies will determine how energy, water and food are produced and consumed in the future. Mindful of the intrinsic unpredictability of these factors, we have created several scenarios based on diverse assumptions about economic developments and energy trends. Our aim is to maintain Vopak's key factors for success, whichever scenario transpires.

We are heading towards our 400th anniversary in 2016 and I look forward to the journey ahead.
My gratitude goes to our shareholders for their unremitting support. I also wish to thank all the men and women who work so hard, day after day, to make Vopak such a great company. It became clearer to me, more than ever in 2013, that our success as a company ultimately depends on the joint work of our people.

Eelco Hoekstra
Chairman of the Executive Board and CEO of Royal Vopak

Executive Board report

Jack **de Kreij**, Eelco **Hoekstra** en Frits **Eulderink**

Long-running earnings growth pauses

After a decade of around 10% cumulative average EBITDA growth per annum, culminating in our record results of 2012, we experienced some slowdown in 2013. Earnings were affected by factors such as lower demand for crude oil, gasoil and biofuel storage, adverse currency translation effects and higher pension charges.

EBITDA -excluding exceptional items- declined to EUR 753.1 million from EUR 768.4 million in 2012. The occupancy rate at our terminals decreased to 88% in 2013 from 91% in 2012, with the decline mainly attributable to the Netherlands division.

Despite this slowdown, the robustness of our position and operating model were reaffirmed last year and many parts of our business performed strongly. We saw steady performance in chemicals across the regions, solid performance in industrial terminals and LNG, mixed performance in biofuels and vegetable oils; and a broadly robust performance in our oil storage business, except for the Netherlands and Los Angeles (US), where we experienced a more volatile demand.

Long-term business focus

For a long-term focused business such as Vopak, an earnings hiatus in a dynamic environment is quite normal. While we may have slowed from a financial perspective, we certainly did not slacken our strategic efforts. We continued to invest in positioning ourselves to capitalize on structural trends that are boosting future demand for storage and handling of bulk liquid products.

We constantly monitor key market trends and developments to pinpoint sustainable future flows of energy products and chemicals, and identify business opportunities. We seize such opportunities through focused disciplined capital investment decisions, nimble action and careful risk management. In this way, we continue to build a global portfolio of tank terminals and we pursue our growth strategy aligned with solid long-term trends. We remain well positioned to further expand our global terminal network based on long-term intercontinental trade trends, and continue our journey in a capital-disciplined manner.

We continue to build a global portfolio of tank terminals and growth strategy aligned with solid long-term trends

This approach, combined with the strong fundamentals of our business model, has enabled us to carve out our market position and reputation – even during the global economic slowdown of recent years. We believe we have established a unique value proposition through our LNG import and regasification terminals as well as our industrial terminals, with clients often signing 20-year contracts under which we tailor the infrastructure to their specific needs. The fact they trust us to commit to such long-term contracts underlines our ambition to continually improve our service delivery.

To ensure the long-term durability of our business, we work hard on further enhancing our risk return profile. We mitigate risks in developing several key product-market combinations by building strong geographical, product or service positions and along a broadening customer base and contract position. This ensures that the overall risk-reward profile of our project portfolio remains well balanced.

Economic challenges in 2013 made our customary cost vigilance even more important. In our quest for continued efficiency improvements, however, we never jeopardize safety, effectiveness or customer service and we continue to invest in safety and service enhancement. These vital areas are the cornerstones of our past and to be realized future success, and we made further progress in all of them last year.

Balancing global and local

Our structure as a global company driven by local entrepreneurs is key to our ability to find and seize opportunities.

Vopak has a single value proposition and robust governance framework with common standards throughout the world, yet within that context we empower local entrepreneurship. Experts and highly experienced regional and local teams decide how best to meet the needs of their specific markets and stakeholders.

Local entrepreneurship does not always mean devolving authority to divisions. We constantly monitor the results of our business model, and invest substantially in central capabilities if this creates value and efficiency on a global scale. With regards to large projects, it is important to keep underlining the emphasis on good project development and execution. It is also very useful to foster best practice across our project portfolio, as well as proactively identifying both opportunities and areas of concern.

At the same time, we keep certain functions at a global level, such as key account management, product group directors and departments such as insurance, tax and treasury. By centralizing this knowledge and sharing it smartly, we can consistently apply new insights in our operations worldwide.

In a continuous drive to optimize our organizational effectiveness, we merged our North America and Latin America divisions last May into the Americas division. This further simplifies our divisional structure and enhances our ability to capture growth opportunities in the region. It has created efficiencies of scale and an optimal blend of regional expertise and global capabilities.

General environment

Last year was marked by distinct variances between the European, Asian and American markets in which we operate.

The economic slowdown in Europe weighed on our business results in 2013. This manifested itself mainly in lower demand for crude oil resulting from among others the economic sanctions against Iran, and lower biofuel storage activities in the Netherlands due to import duties. Amid the prolonged European slump, utility providers and refiners focused on protecting their assets or even retrenching, and on operating more smartly, rather than on growth. This emerged very clearly from our conversations with customers in 2013.

Asia was quite different; here, the story remains one of growth. The emerging middle class, increasing consumption and robust consumer confidence mean the focus in Asia is on ensuring sufficient flows of energy and chemical products reach the market. For Vopak last year, that meant an emphasis on having sufficient capacity in the region to meet the overall robust demand for our storage services.

General economic growth in the Americas is exciting. The region's energy market is in the midst of a major transformation. The shale oil and gas boom has fundamentally changed the energy dynamic. The focus in North America has shifted from importing to exporting energy, causing a radical reshaping of the energy logistics.

Competitive landscape

Last year we saw a continued increase in capacity expansions throughout the world. The growth was predominantly in Houston, Fujairah, and in the Antwerp and Rotterdam region – unsurprising given the traditional attractiveness of the European market, but surprising given the region's sluggish economic climate.

Competition from existing and new players was one factor that negatively affected our occupancy rates in 2013 for certain product-market combinations. Although we remain well positioned, the independent storage market is fragmented, and highly competitive. We understand the importance of ensuring we have the assets and the most reliable, safe and efficient service levels to maintain our competitive edge.

Regulatory environment

The compliance environment continued to tighten in 2013. In the Netherlands, controls of licenses and permits became noticeably stricter after the Dutch Safety Board (*Onderzoeksraad voor Veiligheid*) investigated safety incidents in the Rotterdam area.

Regulations themselves have not become stricter, but enforcement is more stringent. Because of this, we are seeing a significant increase in the number of audits at our terminals.

Although the regulatory approach varies from country to country, the increase in scrutiny is a worldwide trend – China's newest five-year plan, for example, emphasizes compliance more than its predecessor – and we expect the level of transparency in the industry yet to increase further over time.

As safety is Vopak's top priority, we welcome this trend. We were also reassured that the Dutch Safety Board's report in Rotterdam did not suggest compliance shortcomings in the industry as a whole.

Key market developments

Vopak Horizon Fujairah Ltd (UAE)

In 2013, Vopak continued to focus on the structural trends that underline the healthy demand for storage and handling of bulk liquid products. Our challenge is to proactively translate key market developments into customer-specific solutions in strategically-positioned seaports across the world. The geographic and product-related challenges and considerations can be summarized as follows:

Oil

Vopak Horizon Fujairah Ltd (UAE)

Despite some lower occupancy rates in certain locations, overall demand for oil storage services remained robust in 2013. Markets for both crude oil and refined products continued to globalize and, as a consequence, world trade patterns continued to change. In this context, third-party storage is and remains a crucial logistics facilitator of the energy industry.

The crude oil price was relatively high in 2013, boosting non-conventional production that offset lower production in certain countries in the Middle East. Developments in non-conventional resources, especially in North America, are reshaping the global refining and chemical industry. The impact of US tight oil has not only strengthened US exports and trade, but also diverted crude oil imports from locations such as West Africa to other markets such as Asia. The importance of the region east of the Suez Canal in the global energy market is increasing. This is especially apparent in the intra-Asian trade of refined products, with large surpluses in South Korea and India and deficits in countries such as Vietnam, Indonesia and Australia.

The year 2014 is forecasted to be historic, with non-OECD oil demand of 46.7 million barrels per day (mb/d) overtaking OECD demand (45.5 mb/d).[1] Global oil demand in general is expected to grow by 1.2% in 2014 to 92.2 mb/d, in line with recent years. With demand predicted to grow, non-OECD countries will be more dependent on imports of crude oil and will seek multiple sources. Changes to the global refinery landscape are expected to further drive inter-regional and intra-regional trade in crude oil and refined products. Key factors include the development of new export refineries east of the Suez Canal, unconventional oil and the subsequent strengthening of US Gulf Coast refining, and the restructuring and closures of refinery capacity in OECD countries.

The expected growth in trade of crude oil and refined products supports demand for storage in the long term, whereas certain customers currently face less favorable market conditions as a result of the prolonged backwardated market. As a result of this market structure, some market parties are reducing stocks and increasing throughput to optimize the use of their tank capacity.

The customer landscape is changing. National and international oil companies (NOCs and IOCs) and commodity traders are playing more prominent roles, whereas local parties are struggling to maintain their position in the increasingly globalized commodity markets. In 2014, some customers are expected to start adapting to supply the tighter vessel fuel (bunker) specifications that will be applicable as of 2015 in the Sulphur Emission Control Areas (SECAs) in Northwest Europe and North America. We already support customers in several locations in or close to the SECA in their efforts to offer blend capacity that is competitive in these markets.

Chemicals and LPG

Vopak Terminal TTR (Netherlands)

The global chemicals industry saw significant changes during 2013. Shale gas developments continued to dominate the interests of the industry in North America, offering cheaper natural gas and natural gas liquids as advantaged feedstock for chemicals. Strong interest from the industry translated into a wide list of new project activity in ethylene, methanol and their derivatives. This change in the competitive position of the US is expected to make it a net exporter, with its products expected to serve Latin America, Europe and Asia.

In China, which also has abundant known reserves of shale gas, the government has embarked upon an aggressive shale gas development program. However, prioritization in the use of such natural gas is geared towards residential, power and automotive applications. The chemicals industry is expected to benefit from significant coal reserves in China, which also offer an advantaged feedstock position for coal

1 Source: International Energy Agency (2013).

to liquids. As well as development of multiple refinery and cracker integrated sites in China; construction is also underway on a large number of methanol-to-olefins projects. Yet, even with the slightly slower growth pace we saw in 2013, China is expected to remain a net importer of chemicals for the foreseeable future.

In the Middle East, where all associated feedstock gas has already been allocated to existing ethylene crackers, new projects will be based on mixed feed, and will include downstream production of specialized grades. Integrated chemical mega complexes are being built on several sites in the Middle East, and will produce a wide slate of complex products. As new capacity comes on stream and to ensure they obtain timely access to distant markets, products will require effective and efficient supply chain models built upon hub and distribution networks.

After China, the EU remains the largest demand center for chemicals in the world. New product applications and material substitution have meant greater penetration in the use of chemicals. While the western European chemicals industry has worked towards greater site integration and sharing of resources, it is facing higher feedstock and energy costs compared to other regions. Questions arise about the future viability of such production centers, given the growing capacity in the US, Middle East and Asia. Some degree of rationalization and site closures is to be expected, based on the plants' smaller scale, age and higher operating costs. However, those plants that are better integrated with a stronger position in product technology and research and development, are expected to be robust enough to continue for the foreseeable future.

Nevertheless, the year was challenging for our chemical customers and while many performed well, their outlook remains cautious for the coming two to three years. However, with significant changes in the dynamics of the industry, there is general optimism for chemicals in the long term. The changing feedstock scenario and developing markets in emerging countries offer our customers opportunities to create new ways of conducting and growing their businesses. Vopak is well aligned with such leading players and we are confident we will be able to continue meeting future expectations of our customers, allowing us to grow alongside our customers in key locations around the world. Our focus will remain on the US to establish new capacity to serve the growing imbalances based on feedstock advantage in the US Gulf area. We continue to develop our position in the Middle East for industrial terminaling, and in Asia for creating both industrial terminals and hub and import locations to capture a share of growing future volumes. Through our strategic Terminal Master Plans, we will continue to align our European terminals with the major developments in the global and European chemicals markets.

Since most cracking in Europe is based on naphtha as a feedstock, which is more expensive than ethane, the European cracker economics are under pressure, stimulating further cost cutting and rationalization. Accordingly, producers in the European Union are looking for higher-value derivatives to sustain site economics or to increase efficiency.[1] Furthermore, as a result of the above, and due to the ban on flaring of gases, LPG is expected to become a more competitive feedstock for petrochemical crackers and stimulate trade.

1 Source: IHS Chemical (2013).

Biofuels and vegetable oils

Vopak Terminal Vlaardingen (Netherlands)

Biofuels

Although the global biofuels market grew further in 2013, product flows and accordingly Vopak's business was impacted by anti-dumping duties in Europe on US ethanol and on Argentinean and Indonesian biodiesel.[1] The import duties stimulate EU biofuels production, where Vopak only partly benefitted from growing intra-EU flows and additional feedstock imports for biodiesel.

US ethanol exports were hindered by a bad 2012 corn crop that decreased its competitiveness during 2013. The 2013 corn crop is a record one, which is expected to boost the competitiveness of US ethanol during 2014. The reintroduction of a 1 dollar per gallon blending credit for biodiesel in the US boosted the US biodiesel industry and attracted biodiesel imports to Houston from Argentina and Indonesia. Brazilian ethanol exports grew during 2013 with US as the main destination.[1] Asian and Latin American countries are expected to increase their blending mandates in 2014, with a focus on biodiesel.

Vegetable oils

Driven mainly by a growing population and rising wealth in the non-OECD countries, the market for vegetable oils grew in the 2012-2013 crop year by approximately 3% to 187 million metric tons.[2] Palm oil was the big grower on the supply side. Due to the cheaper feedstock price, palm oil is growing its global market share as the main vegetable oil. This leads to more exports for the main suppliers, Malaysia and Indonesia, and more imports into the Americas, Europe, India and China. Low palm oil prices also make the oil a competitive product for the energy market as biodiesel feedstock. The 2013-2014 crop year is expected to see strong growth especially for seeds oils such as soya, rape, canola and sunflower oil. Vegetable oil demand and imports are set to remain strong for the top two importers, China and India.

1 Source: Kingsman (2013).
2 Source: Oil World (2013).

LNG

Gate terminal (Netherlands)

The projections for the consumption of natural gas around the world foresee a 2010-2018 growth of 2.4% per annum, with the highest growth rates expected in China and Asia.[1] European demand is expected to recover and even exceed 2010 demand by the end of the decade. We expect growth of LNG imports due to the decline in European production.

Due to diminishing local gas production in some regions, the opening of new market segments and the expected commissioning of incremental LNG production capacity, the relative share of LNG within the overall gas production is increasing.

On the production side, 138 billion cubic meters per annum (bcma) of LNG liquefaction capacity is currently under construction, mainly in Australia. All is scheduled to be operational by 2018 at the latest. New liquefaction capacity is also expected in the US and Canada (25 bcma up to 100 bcma) as well as in Nigeria and East Africa (up to 130 bcma). In addition, (floating) liquefaction is considered possible, with Russia providing up to 100 bcma and the Eastern Mediterranean up to 10 bcma.

The price differentials across regions remained substantial in 2013 compared to 2012. For the European and Asian markets, the price difference between gas and coal is becoming wider. Increased future LNG supply and increased demand for coal would be expected to halt or even reverse this development.

A clear development of recent years is short-term and spot LNG trading, which in 2013 represented around 30% of overall LNG trading.[1] This creates more liquidity and has seen the arrival into the global LNG trade market of commodity traders, producers and consumers – a trend expected to continue, resulting in a mixed long-term and short-term contract base. Long-term contracts are still needed to facilitate market players in setting up long-term LNG supply chain solutions (such as liquefaction plants and import and regasification terminals); partly due to the size of commitments in terms of capital investments.

An associated trend, due to relatively low demand for gas and low domestic pipeline prices, is the re-export of LNG, which would require additional infrastructure on existing LNG import terminals in order to load LNG-vessels for onward regional distribution, using bunkering and truck loading opportunities.

Looking ahead, Vopak is confident that there are good opportunities in a maturing LNG market over time, both for existing LNG terminals and new LNG terminal developments. LNG needs are increasing on a global scale, with overall LNG growth projected at almost 6% – double the projected natural gas growth

1 Source: Woodmac (2013).

rate of 2.4% per annum.[1] Market participants are showing increasing interest in services such as strategic storage, trading storage, break bulk and bunkering (transportation fuel). This widens the market needs and scope of LNG. Although these services are new and it is unclear how fast they will reach maturity or what their full potential is, Vopak sees itself as a key enabler. As an independent operator, we can offer infrastructure services that allow customers to be part of the global LNG supply chain.

1 Source: Woodmac (2013).

Our strategy in action

Vopak Horizon Fujairah Ltd (UAE)

Vopak's mission is to make a sustainable contribution to efficient logistics processes for our customers by being the leading provider of independent, optimum tank terminal infrastructure at locations that are critical to Vopak's customers in all key regions of the world. To achieve this, our strategy centers on investing in aligning and growing our global network; continually improving our operations; and delivering outstanding customer service.

These three strategic priorities – growth leadership, operational excellence and customer leadership – shaped our progress in 2013.

Growth leadership

Vopak aims to maintain and strengthen its leading position at important logistical locations. We do so by identifying growth opportunities through our knowledge of existing global product and transportation flows and by accessing data facilitating to forecast future demand trends, and to further intensify our commercial relationships with strategic customers. Furthermore, we do so by expanding, upgrading and improving existing terminals, developing new terminals in new and existing geographical areas, developing terminals for new products or markets such as LNG and biofuels, or through acquisitions.

Most forecasts predict global energy and chemical use will continue to rise. So, too, will the growing geographical imbalance between production and consumption for a broader range of products. This will result in a growing international trade and transportation, leading to an increased demand for storage and transshipment services in strategically-located seaports.

Our worldwide storage capacity expanded modestly to 30.5 million cubic meters (cbm) by end-2013 from 29.9 million cbm a year earlier. With a global terminal network of around 37 million cbm in 2016, taking into account current projects under construction, Vopak is well positioned to leverage on the long-term market developments.

We also have a range of additional potential projects under consideration. However, we will never pursue capacity expansions for growth´s sake. We remain committed to the capital-disciplined execution of our balanced risk-return growth strategy.

Expanding capacity

The most important growth developments of 2013 were:

- Our new terminal in Algeciras (Spain), which was inaugurated in March. Vopak Terminal Algeciras is designed for a wide variety of oil products and has an initial storage capacity of 403,000 cbm, comprising 22 tanks and a jetty for sea-going vessels (max 225,000 dwt). The Algeciras terminal is strategically located in the Strait of Gibraltar and is a partnership between Vopak (80%) and Vilma Oil (20%);
- New capacity at existing terminals was commissioned at, among others, Banyan (Singapore), Vlaardingen (Netherlands), Chemiehaven Rotterdam (Netherlands), Terquimsa (Spain) and Tianjin (China);
- In the second quarter of 2013 we acquired additional rock caverns in Gothenburg (Sweden) for the storage of oil products (100,000 cbm);
- In July, Vopak increased its equity interest in Gate terminal B.V. (Netherlands) from 45% to 47.5%;
- In July, Vopak added 240,000 cbm of new LPG storage capacity at Vopak Terminal Tianjin Lingang (China).

Announced expansion projects:

- In the first half year, we decided to expand our capacity in Zhangjiagang (China) and Vlissingen (Netherlands) by 46,800 cbm (for chemicals) and 36,800 cbm (for LPG and chemical gases) respectively. These expansions are expected to be completed in 2014;
- In the fourth quarter of 2013, Vopak decided to expand its storage capacity at existing locations by 105,000 cbm. The closure of local refineries in Germany has increased demand for gas oil. To meet this demand, Vopak is upgrading its Hamburg terminal and increasing its capacity by 65,000 cbm. In Antwerp (Eurotank, Belgium), Vopak will upgrade and expand its chemical storage capacity by 40,000 cbm, as certain imports into Europe increase due to expected structural supply-chain developments in relevant product-market combinations. Both expansions are covered by storage contracts;
- In Jubail (Saudi Arabia), a new facility will be constructed with an initial capacity of approximately 220,000 cbm to serve the expansion of the petrochemical and downstream industries;
- In December, we announced to invest in a new LPG storage facility, located in our Banyan terminal at Jurong Island (Singapore), with an initial capacity of 80,000 cbm;
- At the closing of the year, we announced the seventh phase of expansion at Vopak Horizon Fujairah Limited, adding 478,000 cbm of storage capacity for crude oil.

Development and studies for growth

At present, we are investigating various expansion opportunities, both at existing terminals and at new locations for Vopak. These opportunities include, among others, possibilities for oil storage terminals in Bahía Las Minas (Panama) and West Africa and LNG-storage possibilities in several locations, including Pengerang (Malaysia).

Divesting assets

Ensuring we have the right capacity to match market requirements also means divesting assets where appropriate. We made the following divestments in 2013, as part of our continuous drive to align our terminal network with long-term developments:

- In May, we divested our 100% equity interest in the terminal Amsterdam Petroleumhaven in the Netherlands (75,000 cbm);
- In July, we divested our 40% equity interest in Xiamen Paktank Company Ltd. in China (206,500 cbm);
- In November, we divested our 100% equity interest in Vopak Terminals Pasir Gudang Sdn Bhd in Malaysia (20,200 cbm);
- In December, we divested our 50% equity interest in Vopak Oxiquim - Mejillones Terminal in Chile (10,000 cbm), our 100% equity interest in Vopak Terminal San Antonio in Chile (21,600 cbm) and our 50% equity interest in Vopak Terminal Ecuador (19,400 cbm).

Furthermore, we closed operations at Vopak Terminal South Wilmington (50,900 cbm) in the US in the second half of 2013.

Funding our growth

To ensure we have secured the funding required to execute our strategy focused on long-term, capital-disciplined growth and a balanced risk-return, we aim to maintain a strong balance sheet, robust investment grade credit status and sound solvency. This enables us to implement the maintenance programs vital to our operational excellence; offers us the liquidity to seize new opportunities; and allows us to distribute consistently dividend to our shareholders.

To fund our ambitions, it is essential that we have continued flexible access to the financial markets. We view banks and institutional investors as long-term business partners, rather than mere suppliers of financial resources.

We work closely with a group of selected relationship banks and have clear objectives, including facilitating a balanced and well-spread debt maturity profile at appropriate terms and conditions that match Vopak´s solid credit quality. We combine this with flexible access to the international banking market and the various American and Asian capital markets.

We have been regular issuers in the US Private Placement (USPP) market since 2001. Vopak did not execute a debt capital market transaction in 2013.

On 1 February 2013, we reached agreement with 15 lenders to extend a EUR 1.2 billion senior unsecured multicurrency revolving credit facility. The size of the facility was reduced to EUR 1.0 billion and the maturity date moved to 2 February 2018. As at 31 December 2013, the facility was fully available.

Update on cumulative preference C-shares

In line with its capital disciplined growth strategy, Vopak aims to retain a solid capital structure, with a healthy balance between equity and debt funding sources, a robust cash flow generation, and a continued flexible access to the financial markets.

In the Extraordinary General Meeting (EGM) of 17 September 2013, the shareholders approved authorization of the Executive Board, subject to approval of the Supervisory Board, to create cumulative preference C-shares and provide a mandate to issue cumulative preference C-shares and to distribute a stock dividend only if and when cumulative preference C-shares are issued. The mandate was given up to and including 21 March 2014. As stipulated during our EGM, Vopak will only offer the C-shares if and when this makes sense in terms of timing and size of the funding needs to support our growth strategy, and in terms of the relative attractiveness of this financial instrument compared to other alternatives. At the upcoming AGM, Vopak will not request the shareholders to prolong the mandate given to the Executive Board.

Vopak continues to explore various equity-like alternatives to support the effective and efficient financing of its future growth plans and the timing thereof.

Operational excellence

Operational excellence is core to Vopak´s customer service offering. We construct, operate and maintain our terminals in a way that allows us to serve our customers safely and efficiently at competitive terms. We are continuously simplifying, improving, modifying and streamlining our operating processes so we remain the safest, most sustainable, most efficient and most effective operator in our industry.

All over the world, we use the same tried-and-tested process, based on our accumulated experience and knowledge, as the starting point to construct terminals. Our Vopak project management principles are the framework for the processes we follow from inception to the post-execution and review-stage of a project.

We work closely with customers long before construction starts and throughout the process to create fit-for-purpose infrastructure in the most cost-competitive way. We always strive to construct new terminals safely, on time and within budget.

The effectiveness and efficiency of operational processes are high priorities. We believe that streamlining operational processes with an integrated approach fosters the best possible service for our customers. In the past few years Vopak has developed many initiatives to achieve operational excellence. The areas of focus are:

- Terminal Master Plans (TMPs): desired positioning in the market and the required activities are determined for each terminal in order to match the current infrastructure to our customers' needs. This includes not only regular maintenance, but also possible investments that may be required in the future, all duly documented in TMPs;
- Maintenance: asset integrity is reviewed continuously to ensure that our facilities are adequately maintained. Five-year planning horizons are used to plan and track maintenance work at each terminal. Most of our large terminals are now supported by maintenance management systems;
- Terminal automation: where possible, we automate operational processes at our terminals to improve efficiency and foster personnel and process safety;
- Standardized procurement processes: globally standardized procurement processes ensure faster decision-making, higher quality, better risk management and greater savings;
- ICT: the appropriate use of information and communication technology facilities increases efficiency, expands the range of communication options and makes information more accessible, thereby supporting effective decision-making.

Smart knowledge-sharing

Blending disciplined global standards with local entrepreneurship is key to our approach. Sharing knowledge is integral to our organization. Our local operations exchange information, expertise and experiences for the benefit of the entire company, and by extension for our customers, who want to do business with a terminal operator whose high-quality processes match their own, regardless of location.

We invest significantly in smarter ways to use our information. For example we use data mining techniques to benchmark the use of our terminals against their capacity and can use this data across the organization.

Smart enhancements to our processes help us perform better and more cost-effectively. But this is a fine balance: we do not want to exhaust our organization or make our employees feel squeezed. Our goal is to work smarter, learn from our own experience and from other industries.

Improving processes

We believe there are always ways we can improve our processes and become more efficient, even at some of our most advanced state-of-the-art terminals. We encourage all our employees, at every level, to share their own ideas for doing things better and we continuously review our performance.

In 2013, we implemented the learning management system, originally developed at Vopak in Singapore, further throughout the Vopak network. The system, called My Learning Operations (MLO), groups and standardizes all our technical trainings. It is used to train people in skills and competencies and staff can access it when and where they like. It is a shining example of how local innovation can `go global´ at Vopak.

In Asia, we are running LEAN projects at all our terminals, aimed at reducing process inefficiencies and process waste. In the Netherlands, we last year introduced initiatives to improve our internal processes and streamline our operations, exploiting the close proximity of the Dutch terminals to each other. We devoted much effort into improving jetty capacity at all our EMEA terminals and upgrading of the jetties in

Hamburg (Germany), Belgium and the UK. In Mexico, we initiated a program to reduce venting, whereby small quantities of gas are released during maintenance. We changed the procedure and timing of the maintenance in order to minimize disturbance, as well as installing mechanisms to reduce venting.

At our Europoort terminal (Netherlands), we are pleased to have resolved the vast majority of odor issues that caused nuisance to our neighbors and customer concerns, complaints and claims. We tackled these issues through short-term measures such as switching to closed fuel tanks to stop odorous emissions from escaping, and sucking the vapors into a pipeline system from where they are washed out with a scrubber system. Investments for long-term solutions to control the odor emissions will be made in 2014 and 2015.

Optimizing terminals

Our terminals are designed for the long term. They are tailored to our specific customers' needs, the locations and to the upfront required investments. Maintaining our terminals in an optimal condition is not only a technical exercise – with safety, reliability and efficiency as top priorities – but also a market-focused exercise. We have to ensure our terminals can function to the satisfaction of our customers now and in the future.

All these elements are translated into TMPs, a concept that focusses on the future of the terminal, stating the desired positioning for each location and the work required. They include not only regular maintenance work, but also potential investments that may be necessary to continue to meet customers' needs given the forecasted future market dynamics.

In 2013, we made progress on introducing TMPs at our main infrastructure locations, such as Antwerp and Rotterdam. We now have TMPs in place for 15 key terminals. We also worked on spreading understanding of TMPs further throughout the organization. At last year´s Global Management Meeting, which brings together Vopak senior executives annually, a full day was dedicated to TMPs. These plans are becoming increasingly sophisticated and are applied at an increasing number of terminals, which will help us enhance our local competitiveness.

In general, we continued to place great emphasis on asset integrity, conducting all inspections in accordance with the Vopak standards. This system, which is part of our daily operations, consists of 75 standards for global implementation covering all aspects of a terminal´s lifecycle in the fields of safety, health, environment, quality and operations, as well as technical and project management.

We enhanced service at our Westpoort terminal in Amsterdam (Netherlands) last year with new infrastructure that gives our customers the flexibility to blend petroleum products inside their ships, rather than in tanks – as they increasingly choose to do at Westpoort.

Another example of service enhancement was at Vopak Fujairah Horizon Limited (United Arab Emirates). We connected this tank terminal with the port´s general infrastructure, enabling customers to use the common jetties if the terminals jetties are fully occupied.

At our Altamira LNG Terminal in Mexico, we improved the insulation of our LNG tanks, to bring it to the highest possible level.

Among other examples of operational improvements are the upgrading of our jetties in the Netherlands to reduce the time it takes ships to load and unload.

At Gate terminal, we started to offer new flexible services. This makes it possible for customers to take LNG out of the terminal and reload it into smaller carriers for transportation to distribution terminals, to large LNG tankers for re-export or for loading into trucks.

Automation
We use ICT as a strategic tool to continuously improve core operations at our terminals and support innovation. Terminal automation contributes greatly to operational success in safety, health and the environments as well as resulting in effective and efficient service delivery. It will also help us to reduce project lead time, improve strategic planning and project execution and operate terminals more efficiently.

In addition investments in ICT are also aimed at creating safer working conditions, increasing efficiency, supporting global communication and collaboration, supporting effective decision-making and enhancing supply chain efficiency.

Last year, we continued to automate an increasing number of our standard services. Our Westpoort (Netherlands) and Algeciras (Spain) terminals now run on a new automation system fully aligned with high throughput ship-in ship-out service requirements. Over time, we expect all our terminals to be gradually more automated, freeing up time of our employees to focus on high-end services and ensuring more reliability. Vopak aims to strike the right balance between automation and the valuable contribution and flexibility advantage that people have over computers.

Following the requirement to replace systems supporting the company's core processes, Vopak has launched a comprehensive program called Moves. Moves will define tools, processes and the organization needed to achieve Vopak's ambitions in terms of future service levels, safety performance, operational automation, data management and competitive cost levels.

Customer leadership

Customer leadership for us is the ability to create long-term sustainable relations with our customers and to maintain healthy occupancy rates at our terminals. Service is at the core of our offering to customers. We undertake continuous efforts to offer a higher level of customer service in all our operations, as this gives us the opportunity to further distinguish ourselves from our competition.

Our wide range of customers are active in producing, purchasing and marketing of crude oil, refined oil products, chemicals, biofuels, vegetable oils and liquefied gases. They include: international oil and chemical companies; national oil, gas and chemical companies; regional and local oil and chemical companies; producers of biofuels and vegetable oils; trading companies; energy companies; and companies which consume the products stored at our terminals and convert them into end-user consumer goods.

Customer satisfaction
We believe that customer satisfaction stands at the basis of our growth. In addition to our annual customer satisfaction survey, our sales people and management have daily contact with our customers, discussing subjects ranging from operations at our terminals to improvement ideas for the whole logistics chain and customer plans that could require new solutions from Vopak. We conduct these customer interactions on a local, divisional and global level. In short, it is all about fulfilling what we have promised our customers, every single day.

Continuous improvement
In recent years, we have taken many steps to improve the quality and effectiveness of our customer service. Last year, we made steady progress on our service delivery. We continuously develop our worldwide sales force, equipping them with better information systems, tools and processes, and constantly improving their competency levels. We use aligned global commercial standards, such as terms and conditions, which go hand-in-hand with the standardized operational and technical standards applied at all our terminals.

We are constantly assessing how we are doing and where we can improve our customer service. In the regions we conduct regular operational reviews with customers, apply what we learn and if needed adapt our processes or infrastructure. As an outcome of customer surveys and focus group discussions with third parties, including customers, we will continue to invest in infrastructure to debottleneck and improve service delivery in 2014. This is also a crucial element in the development of the TMPs.

Servicing network customers

Network customers use our services in multiple locations and across multiple divisions. We further strengthened our global sales and marketing organization to provide additional coordination services for these customers. To ensure we offer optimal services, we focus on enhancing our knowledge of global product developments, on strengthening our engagement with our global customers and on building intelligence to shape our terminal network. To make it easier for key customers to do business with Vopak in multiple countries, we have global terms and conditions that apply to all the terminals they use without the need for separate contracts.

This centralized approach has become integral to our global commercial actions. It means we can extend our engagement with our global network beyond standard transactional processes into more strategy-enabling services and partnerships. For example, we conduct tailor-made marketing studies and quantified scenarios that support Vopak in opening up new geographic or product markets in line with customers' needs. This can help our customers to grow faster and improve their global presence.

Enduring partnerships

Partnerships are critical to our strategy. We maintain and nurture strong relationships with our valuable joint venture partners. Vopak uses joint ventures and associates with primarily local and regional partners to capitalize on expansion opportunities throughout the world, particularly in, but not limited to, emerging countries. These joint ventures and associates are based on one another´s strengths and thus a mutually beneficial situation for both parties. Through the cooperation with local partners, we can benefit from each other´s knowledge and contacts.

In some jurisdictions cooperation with a local partner is required due to foreign ownership restrictions, for instance. With respect to LNG, we leverage on the product and technical knowledge of our partners. We sometimes set up joint ventures and associates with pre-committed customers to secure occupancy at a terminal. Our joint venture partners benefit from our international customer base, technical excellence and reputation for quality and safety.

We will further develop the level of trust and comfort with these major players in coming years. We look forward to long-lasting cooperation and learning from one another.

Strategic analysis

Looking at the world we operate in, we see a number of general opportunities and challenges that we have to deal with.

Opportunities

- We can benefit from the increasing energy demand, especially in non-OECD countries, and the increasing distances between locations where energy products and chemicals are produced and where they are consumed;
- A growing range of market specifications creates a need to blend components into final products. These components, including biofuels, need storage before and after blending;
- Growth opportunities in market segments (e.g. LNG and crude oil) and market areas;
- Further outsourcing by international oil and gas companies of logistics activities.

Challenges

- Increasing competition in certain product-market combinations;
- Timely respond to and/or accurately predict changes in physical trade patterns;
- Continued uncertainty of European economy;
- Successful timely execution of projects due to increased complexity;
- FX-volatility affecting predictability of earnings;
- Cross-border rules and regulations.

Safety and sustainability

Vopak has a long tradition of sustainable entrepreneurship. For almost 400 years, we have been an integral part of the societies in which we operate. During that long history, we have evolved into a globally active company with its roots in the Netherlands. Wherever we go, we seek to forge long-term relationships with our employees and business partners. Whenever we take the initiative to set up new business operations somewhere in the world, we enter into commitments for many decades. We take our responsibility for our people and our other stakeholders (customers, neighbors, partners, suppliers), and in doing so, support the long-term continuity of our business.

For Vopak, sustainability means running a profitable operation with added value for all its stakeholders without causing any negative social or environmental impact. We strive to reduce consumption of natural resources, energy and water, as well as emissions and spills to soil, air and surface water. We recognize the need to minimize the negative impact and maximize the positive impact on the community. We have identified four sustainability themes for our social, environmental and economic efforts:

All four themes of Vopak's sustainability policy have a critical role in safeguarding our reputation. First of all, we do our utmost to prevent our staff and contractors suffering from incidents. As environmental stresses are increasing, we strive to a smarter use of energy, to lower our emissions and stricter prevention of waste to minimize the effects on the surroundings in a changing climate. Good and effective relationships with all our stakeholders secure our license to operate. Competent and engaged people will improve our sustainability efforts, our customer focus and our operational efficiency. All elements are benefitting to a strong, sustainable framework that supports our strategy.

Regional examples

To ensure full understanding of and compliance with the Vopak Fundamentals, Vopak Asia launched a campaign in 2012 that continued through 2013 to ensure all employees were trained and that all procedures were clear and effective for employees and contractors on the ground. Regrettably, however, despite all realized improvements, a contractor lost his life in March during grid blasting of steel plates at our Dongguan construction site in China.

Ensuring strict compliance with safety procedures is a continuing challenge, particularly when it comes to contractors. As the general safety standard in construction work is still relatively low in China, we continue to focus on contractor safety management. Last year, Asia introduced an enhanced safety observation rounds checklist, which is used to ensure employees and contractors comply with Vopak's safety procedures.

For EMEA, a major focus area in 2013 was reducing the relatively high number of process incidents that occurred in 2012 - and that in a year in which we worked on two significant projects in the region, Thames Oilport and Vopak Terminal Algeciras.

Unfortunately, personnel incidents in EMEA increased in 2013. Our analysis showed that more than half of these incidents were slips, trips and falls under normal operating circumstances. The other incidents were related to unsafe behavior. These more severe incidents mainly involved contractors. We will focus in 2014 on potential high severity incidents and contractor-related incidents, in order to further improve safety performance.

We aim to reduce our relative energy and water consumption and to curb emissions to soil, air and surface water. In the Netherlands, for example, to make our operations more environmentally-friendly, we are exploring alternative ways to heat our tanks, such as using geothermal energy or the heat generated by treating fuel vapors. We are also exploring the possibility of using excess heat generated by industry to replace our steam boilers. We are upgrading all our waste water treatment facilities in the Netherlands.

Safe and sustainable operations are our license to operate and we go to great lengths to be open and transparent about our operations. For example, we host open days for the public at our terminals and Vopak is the first company to report all incidents that occur in the Netherlands on our website.

We strive to be a responsible corporate citizen and good neighbor to the local communities in which we operate. To this end, we support many different local initiatives, such as an HIV reduction program in South Africa. In Pakistan, we sponsored a street school. In Spain, we stepped in to sponsor the local athletics club in Algeciras. The 300 athletes were struggling to keep the club afloat in the economic downturn, but with Vopak's support, they have progressed to a higher division in the national league. In the United Arab Emirates, we support a technical college in Fujairah that trains the local people for jobs in technical fields.

In addition, we continued to support the Vopak Water for Growth program in Tanzania, which supplies clean drinking water and sanitation in areas where there is none. The sponsored project, which is currently under construction, will result in clean drinking water for 5,000 people. In 2013, Thai Tank Terminal integrated the Vopak Water Program into its local corporate social responsibility activities by upgrading and repairing the sanitation facilities for around 580 children at a nearby kindergarten and primary school.

Transparency and indicators

Vopak wishes its sustainability policy, ambitions and results to be transparent to all stakeholders. To accomplish this, our reports on our sustainability performance are aligned with the sustainability reporting guidelines of the Global Reporting Initiative (GRI).

Our interpretation of people, planet and profit, and our acknowledgement of their interdependence, is measured in 22 selected GRI key performance indicators (KPIs) upon which we report. They express our performance in areas that are relevant to Vopak, and for which reliable information is available internally. The KPIs address economic, environmental and social performance areas.

Sustainability Report 2013

For more detailed information on our sustainability performance, please see Vopak's 2013 Sustainability Report.

Safety and health

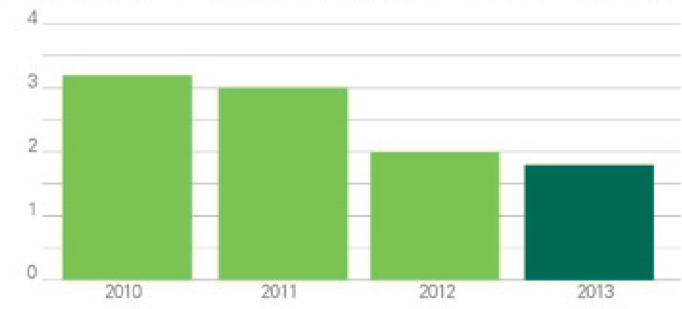
Safety is our top priority. We see it as our responsibility to provide a safe and healthy workplace for all people on a Vopak facility with no negative impact on the surroundings, community and environment. Our safety aim is to be the best in our industry and as good as our leading customers.

Regrettably, we had one fatality in 2013. This was a contractor in China who lost his life during construction work. We have taken action throughout our facilities globally to implement the learnings from this incident into our daily business and shared the learnings externally.

Safety incidents

We further improved last year on our positive downward trend in safety incidents among both our own personnel and contractors. The lost time injury rate (LTIR) for our employees and contractors combined was 0.6 per million hours worked (2012: 0.7). The total injury rate related to the number of hours worked by our own employees (TIR) was 1.9 accidents per million hours worked in 2013 (2012: 2.1). We achieved this decrease in our TIR through continuous awareness programs, and through extensive improvements to our facilities and processes.

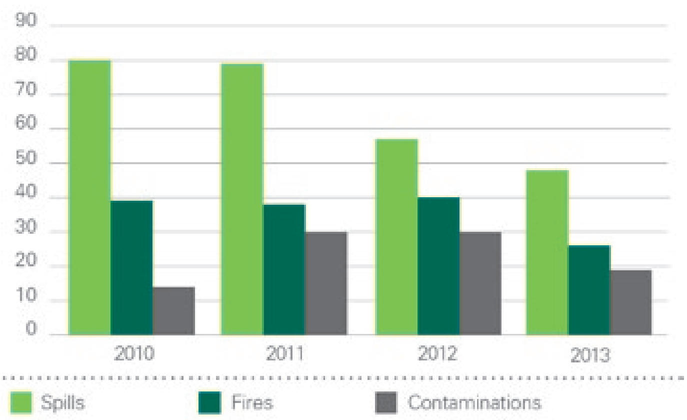
TIR



Process incidents

The number of process incidents that occur at our tank terminals is an important measure of our safety and environmental care. Process incidents include product spills, product contaminations and all fires, smolderings, no matter how small. In 2013, the number of process incidents reduced to 94 (2012: 127). The total number of spills decreased from 57 in 2012 to 49 in 2013. The quantity of product spilled is 558 tons in 2013 (we started to measure the amount of spills in 2013 in tons). As Vopak has equipped most of its terminals with secondary containment and an emergency spill program, in which spills are identified and cleaned immediately after occurence, there are no effects of spills to the environment (soil, groundwater and/or surface water). The total number of product contaminations reduced from 30 in 2012 till 19 in 2013. The number of fires (including smolderings) declined to 26 in 2013 from 40 in 2012.

Process incidents



An important objective in our company is to continuously improve process safety. One key element is to broaden our performance indicator framework, so that we can prioritize our actions and resources on high risk issues to prevent accidents. Following a pilot implementation in 2013, we have adopted the American Petroleum Institute Recommended Practice 754 process safety performance indicators for refining and petrochemical industries (API RP 754).

Vopak SHE day

On 28 May 2013, Vopak organized the annual global SHE day for the sixth consecutive year. It is mandatory for every Vopak location to organize a special SHE day program. By focusing attention on safety, health and the environment during this special day, Vopak aims to stimulate the continuous improvement of the performance of both the company, its employees and contractors in these three areas. SHE day is just one day, but its impact is long-lasting. The 2013 topic of the SHE day was:

Compliance: The Right Way, Every Day

Environmental care

Vopak aims to be a responsible neighbor. Our objective is to further reduce emissions to the environment, not only to soil and water, but also reduce gaseous emissions, odors and noise. In pursuing this objective, we adhere to guidelines set out in operating licenses, legislation and our own global standards. We acknowledge that taking measures to curb emissions may sometimes conflict with energy consumption, as some environmental measures require the use of energy.

We have standardized our approach at a global level in our internal Vopak standards, which map the impact our operations may have on the environment. This helps us address the issue of how to minimize our impact, including the carbon footprint of our operations. We are committed to developing a sound waste management system and minimizing our energy consumption, soil contamination, air and surface water emissions, and water consumption.

Total carbon emissions (in CO_2 equivalents)

	Emissions for Vopak including joint ventures			
	2010	2011	2012	2013
Direct carbon (kTon)	278	213	241	223
Indirect carbon (kTon)	165	154	228	280
Total carbon emission (kTon)	**443**	**367**	**469**	**503**
Total relative carbon emission (kg/cbm storage)	**16.1**	**15.1**	**17.2**	**18.1**

Responsible partner

Vopak recognizes its responsibility for the social, environmental and economic consequences of its activities across the entire supply chain. Sustainability management enables Vopak to measure, manage and report on the Triple P-indicators, relating to People (social), Planet (environment) and Profit (economic), and to set business strategies that reduce risks and increase shareholder value. Our principal approach toward stakeholders is outside-in, meaning that it starts with stakeholder dialogue. Our responsibility is inside-out, however: it starts with the factors directly under our control.

Daily contacts

Customers, suppliers and employees meet to share important information every day. In addition, various audits are undertaken, both by Vopak itself (Global Insurance, Global Internal Audit, Terminal Health Assessment, Project Post Implementation Reviews) and by our customers and various authorities. These audits aim to assure control for internal purposes, confirm the integrity of our terminals and processes and pre-assess implementation plans. We undertake direct contacts with the media, financial stakeholders, our neighbors and other stakeholders ensuring timely and consistent communications related to relevant topics per stakeholder area.

Regular contacts

We maintain regular contacts with our financial stakeholders, neighbors, local and other authorities. Various meetings and webcasts are organized, which are tailored to different audiences, enabling us to demonstrate our determination to be transparent towards all our target groups. We inform key stakeholders on the main developments impacting the company, through planned and ad hoc press releases. In addition, we organize regular communications through the Capital Markets Day events and regular meetings with authorities.

Annual contacts

We maintain contacts during the year with our customers, local and global stakeholders, and a wide variety of communities, including our neighbors, non-governmental organizations, sustainability organizations and ministries in the countries where we operate. Besides maintaining direct contacts with these stakeholders, we participate at various (industry) events, ranging from the World Economic Forum and the International Energy Forum to (Petro)Chemical Associations annual meetings, and several product-related conferences. We undertake various surveys throughout the year, notably the Annual Customer Satisfaction Survey, aiming at receiving feedback from our customers on a wide range of commercial, operational, safety and customer services related topics. The surveys aim to the implementation of the suggestions, comments and recommendations we have received from hundreds of respondents globally.

External benchmarks

In 2013, Vopak participated in several benchmarks, especially: VBDO, the Dutch association of shareholders and investors in sustainable development), the Carbon Disclosure Project, the Dow Jones Sustainability Index and the Transparency Benchmark of the Dutch Ministry of Economic Affairs. Participation in these benchmark studies gave us valuable feedback and information regarding Vopak's perceived performance in the areas of People, Planet and Profit.

Excellent people

Our people are our most valuable asset. Employing the best people who are passionate about Vopak will enable us to grow our business sustainably for the future.

We are proud that retention of our people remains high. As an organization, we strive to keep our people engaged and foster their personal and professional development. We support them to perform to their best ability. We have a long track record of providing the procedures and training to ensure a safe environment for our employees, contractors and local communities. As a result, our people are loyal and enthusiastic about Vopak. This is borne out by the results of our biennial employee engagement survey. The 2013 survey showed satisfaction rose to 7.7 from 7.5 in 2011. Engagement was also higher at 7.7 – above the benchmark of 7.4 – while pride scored the highest at 7.8. We want to nurture these positive elements of our culture as we continue to professionalize our business.

People development

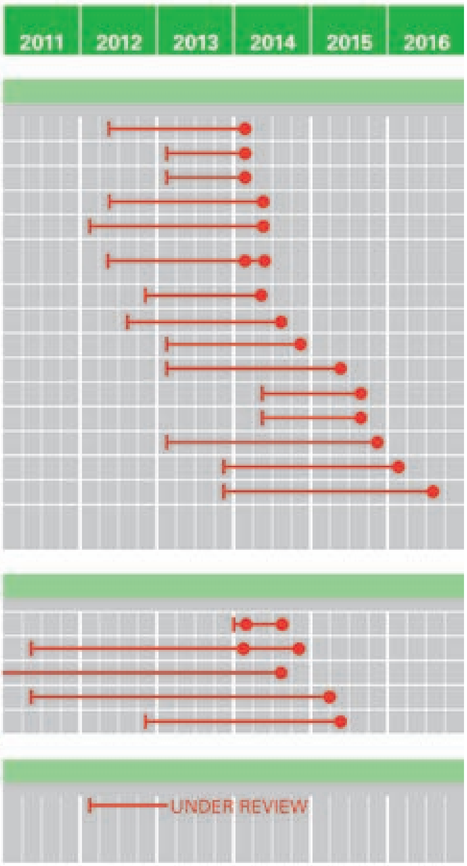
Vopak again placed significant emphasis on people development in 2013. We updated and further enhanced learning programs in areas such as safety, operations, sales and marketing and leadership development. All these focus on enhancing behavioral competencies and skills. For example, the Enhanced Sales Capability program aims to increase the effectiveness of our commercial community and align the way they work globally.

Vopak develops its young leaders through coaching and training. To this end, we introduced a new global leadership development program in 2013. IManage is aimed at employees with no direct leadership function (specialists), while IBuild is for people with less than five years' direct leadership experience. Both lay a solid foundation to help first-line people managers become more effective leaders. The program develops both personal and team leadership skills in line with Vopak's leadership fundamentals and in support of our values. It runs for nine months and includes workshops, coaching and self-study. The pilot was attended by 30 managers in EMEA and will be rolled out in other locations worldwide during 2014. It will also be extended to senior management this year.

Growth perspective

Announced expansion plans (storage capacity) for the period up to and including 2016

Country	Terminal	Vopak's ownership	Products	Capacity (cbm)
Existing terminals				
China	Lanshan	41.7%	Chemicals	40,000
Singapore	Penjuru	69.5%	Chemicals	47,000
China	Zhangjiagang	100%	Chemicals	46,800
Australia	Sydney	100%	Bitumen	21,000
Netherlands	Europoort	100%	Oil products	400,000
Netherlands	Vlaardingen	100%	Vegetable oils/biodiesel	92,000
China	Caojing	50%	Chemicals	52,400
Brazil	Aratu	100%	Chemicals	15,300
Netherlands	Vlissingen	100%	LPG	36,800
South Africa	Durban	70%	Oil products	64,000
Germany	Hamburg	100%	Oil products	65,000
Belgium	Antwerp (Eurotank)	100%	Chemicals	40,000
Brazil	Alemoa	100%	Chemicals	37,000
Singapore	Banyan	69.5%	LPG	80,000
UAE	Fujairah	33.3%	Oil products	478,000
Various	Small expansions at various terminals		Various	36,500
New terminals				
Singapore	Jurong Island (JTC)	n.a.*	Oil products	1,470,000
Malaysia	Pengerang	44%	Oil products	1,284,000
China	Dongguan	50%	Chemicals	153,000
China	Hainan	49%	Oil products	1,350,000
Saudi Arabia	Jubail	25%	Chemicals	220,000
Acquistion				
UK	Thames Oilport (Assets former Coryton refinery)	33.3%	Oil products	500,000



Under construction in the period up to and including 2016: 6.5 million cbm

start construction
expected to be commissioned

* Only acting as operator; Vopak Terminals Singapore (in which Vopak holds 69.5%) has a 45% interest in a joint service company.

Financial performance

Revenues

In EUR millions	2013	restated 2012	Δ %
Netherlands	442.5	457.6	- 3%
Europe, Middle East & Africa	248.2	235.9	5%
Asia	358.8	355.4	1%
Americas	239.6	259.3	- 8%
Non-allocated	6.1	5.7	7%
Revenues	**1,295.2**	**1,313.9**	**- 1%**

In 2013, Vopak generated revenues of EUR 1,295.2 million, a decrease of EUR 18.7 million or 1% compared to EUR 1,313.9 million in 2012. The positive contribution of expansion projects during 2012 and 2013 were offset by a negative currency translation effect of EUR 32.7 million, a lower demand for crude oil, gasoil and biofuel storage in the Netherlands, and a lower occupancy rate in Los Angeles (US) resulting in a total average occupancy rate of 88% versus 91% in 2012.

Other factors affecting revenues negatively were the discontinuation of operations of the terminal in Ilha Barnabé (Brazil) as of 19 August 2012 following the non-renewal of the expired concession agreement, and the sale of the terminal Amsterdam Petroleumhaven (Netherlands) in May 2013.

Revenues from contracts with original durations of longer than one year accounted for 80% of total revenues (2012: 82%).

Personnel expenses

In 2013, personnel expenses -excluding exceptional items- amounted to EUR 330.3 million; an increase of EUR 6.1 million or 2% above personnel expenses of EUR 324.2 million in 2012, including a positive currency translation effect of EUR 6.7 million. The higher expenses, including the above-mentioned currency translation effect, were primarily due to a combination of regular salary increases and a higher number of employees (EUR 3.8 million), and higher pension costs mainly due to lower discount rates (EUR 16.5 million). These effects were partly offset by higher capitalized personnel expenses with respect to projects under construction (EUR 13.3 million).

The Group employed more people as a result of expanding storage capacity, employing an average of 4,454 employees (2012: 4,314), excluding joint ventures and associates. This comprises 4,022 own employees (2012: 3,920) and 432 temporary employees (2012: 394). The capitalized personnel expenses amounted to EUR 37.2 million in 2013 versus EUR 23.9 million in 2012. The increase was due to the intensified capital expenditure program, especially in the Netherlands.

For the restructuring of the former Latin America and North America divisions into the Americas division, a restructuring provision of EUR 2.2 million was recognized as an exceptional item, of which EUR 1.2 million was recognized under personnel expenses. No exceptional items were recognized in the same period in 2012.

Including exceptional items, total personnel expenses increased by EUR 7.3 million or 2% to EUR 331.5 million in 2013 from EUR 324.2 million in 2012.

Depreciation, amortization and impairment

Depreciation of fixed assets amounted to EUR 208.5 million in 2013, an increase of EUR 14.5 million or 7% compared to EUR 194.0 million in 2012. Amortization of intangible assets amounted to EUR 8.3 million in 2013; a decrease of EUR 0.4 million compared to EUR 8.7 million in 2012. The increased depreciation and amortization charges were primarily related to expansion projects that became operational in 2012 or during 2013, such as the additional storage capacity at Amsterdam Westpoort terminal (Netherlands), commissioned in the first and second quarter of 2012 (EUR 1.2 million) and the new terminal in Algeciras (Spain), commissioned in the first quarter of 2013 (EUR 6.2 million). Other causes included higher capital expenditures for maintenance, improvements and safety and health at existing terminals and a positive currency translation effect of EUR 4.8 million.

During 2013, impairments were recognized for a total amount of EUR 21.4 million compared to EUR 14.9 million in 2012. In 2013, the Americas division recognized an impairment of EUR 10.8 million for a project in Perth Amboy (New Jersey, US) as there is currently insufficient economic viability due to the changed market circumstances in North America as a result of the unconventional oil and gas developments. Moreover, an impairment of EUR 2.3 million was recognized on pre-engineering costs due to a scope change of the project in Bahía Las Minas (Panama). In Asia, due to the postponement of an expansion project of the terminal in Vietnam, an impairment was taken of EUR 6.8 million. In the Netherlands, an impairment was recognized for the obsolescence of certain assets (EUR 1.5 million).

In 2012, impairments were recognized for certain capacity that was taken out of use in Asia (EUR 4.1 million), the Netherlands (EUR 3.5 million) and Americas (EUR 1.7 million). Furthermore, an impairment of EUR 5.6 million was recognized for a development project in Yalova, Turkey.

Other operating expenses

In 2013, other operating expenses -excluding exceptional items- amounted to EUR 337.2 million; a decrease of EUR 3.5 million or 1% compared to operating expenses of EUR 340.7 million in 2012, including a positive currency translation effect of EUR 8.3 million. This, including the above-mentioned currency translation effect, was primarily the result of decreased advisory fees (EUR 6.6 million), maintenance expenses (EUR 4.1 million) and environmental costs (EUR 4.0 million). These factors were partially offset by, among other factors, increased energy and utilities expenses (EUR 1.4 million), higher operating leases (EUR 2.4 million), and higher third-party services.

In 2013, exceptional items were recognized for the restructuring of the Americas division (EUR 1.0 million) and a provision of EUR 3.4 million for demolishing terminal Site A in Sydney (Australia). The decision to demolish this terminal (34,800 cbm) was driven by the weak market outlook for chemicals in this region and the focus on attractive growth opportunities in the oil market segment. In 2012, there were no exceptional items.

The Group's other operating expenses -including exceptional items- for 2013 amounted to EUR 341.6 million in 2013 compared to EUR 340.7 million in 2012.

Result of joint ventures and associates

In 2013, the result of joint ventures and associates -excluding exceptional items- amounted to EUR 105.3 million; a decrease of EUR 1.9 million or 2% compared to EUR 107.2 million in 2012. Certain positive items offset decreased results for the joint venture in Estonia. The principal items were a positive tax adjustment of EUR 1.7 million in Altamira LNG (Mexico) and a partial termination fee due to amendment of a contract in Caojing (China) of EUR 1.8 million. The 2013 results also included a currency translation loss of EUR 2.1 million.

In 2013, the Asia division recognized a reversal of an impairment of EUR 7.3 million, recorded as an exceptional item, on its 40% equity interest in Xiamen Paktank Company Ltd. (China). The reversal was taken due to the agreement with one of the Group's joint venture partners to buy Vopak's equity interest in this joint venture. This transaction was closed in July 2013. Other divestments were the sale of our 50% equity interests in joint ventures in Chile and Ecuador in the last quarter of 2013, resulting in a total gain of EUR 6.4 million. Furthermore, a settlement was reached with one of the Group's customers in Malaysia, resulting in a cancellation fee that led to an exceptional gain of EUR 3.7 million.

In 2012, the Asia division recognized an impairment of EUR 10.1 million on its 49% equity interest in PT Jakarta Tank Terminal (Indonesia).

In 2013, the result of joint ventures and associates -including exceptional items- amounted to EUR 122.7 million compared to EUR 97.1 million in 2012.

Group operating profit

Operating profit at 2013 exchange rates

In EUR millions	2013	restated 2012	Δ %
Group operating profit including exceptional items	**533.8**	**540.7**	**- 1%**
-/- Exceptional items	- 2.5	- 25.0	
Group operating profit excluding exceptional items	**536.3**	**565.7**	**- 5%**
-/- Group operating profit of disposed activities	1.1	1.1	
+ Currency translation loss		- 15.2	
Group operating profit [1]	**535.2**	**549.4**	**- 3%**

1. Pro forma group operating profit for 2012 computed at 2013 exchange rates.

Exchange rates

	USD		SGD	
Per EUR 1.00	2013	2012	2013	2012
Average exchange rate (translation rate income statement)	1.33	1.29	1.66	1.61
Year-end exchange rate (translation rate balance sheet)	1.38	1.32	1.74	1.61

In 2013, group operating profit -excluding exceptional items- amounted to EUR 536.3 million; a decrease of EUR 29.4 million, or 5% compared to EUR 565.7 million in 2012. In addition to the reasons mentioned above, this decrease included a currency translation loss of EUR 15.2 million. During 2013, a total exceptional loss of EUR 2.5 million was recognized under group operating profit (in 2012 an exceptional loss of EUR 25.0 million due to impairments).

Including exceptional items, group operating profit amounted to EUR 533.8 million in 2013, a decrease of EUR 6.9 million or 1% compared to EUR 540.7 million in 2012.

Group operating profit (before depreciation and amortization) excluding exceptional items

In EUR millions	2013	restated 2012	Δ %
Netherlands	165.8	195.3	- 15%
Europe, Middle East & Africa	91.0	96.9	- 6%
Asia	227.5	217.0	5%
Americas	58.9	66.1	- 11%
Non-allocated	- 6.9	- 9.6	
Group operating profit excluding exceptional items	**536.3**	**565.7**	**- 5%**
Depreciation and amortization	216.8	202.7	7%
Group operating profit before depreciation and amortization (EBITDA)	**753.1**	**768.4**	**- 2%**

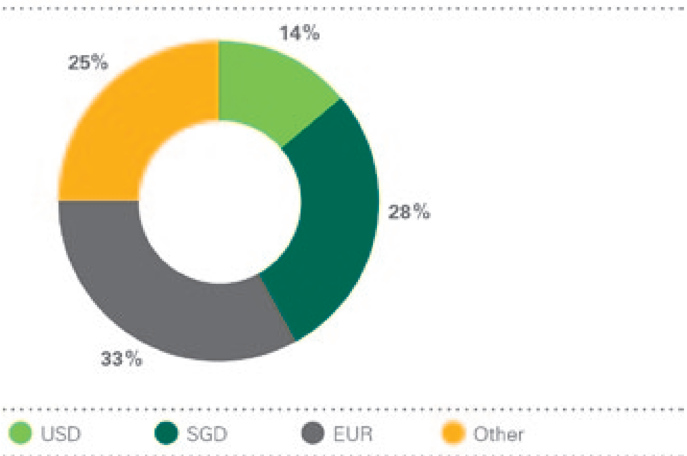
Group operating profit before depreciation and amortization (EBITDA) -excluding exceptional items- and including the net result of joint ventures and associates, decreased by EUR 15.3 million or 2% to EUR 753.1 million from EUR 768.4 million in 2012. This is including an adverse currency translation effect of EUR 20.0 million.

Group operating profit (EBIT) and ROCE excluding exceptional items

In EUR millions	EBIT	Average capital employed	ROCE
Netherlands	165.8	949.8	17.5%
Europe, Middle East & Africa	91.0	759.9	12.0%
Asia	227.5	1,033.2	22.0%
Americas	58.9	432.7	13.6%
Non-allocated	- 6.9	111.0	
Total	**536.3**	**3,286.6**	**16.3%**

Increased capital requirements because of investments in new storage capacity caused capital employed to increase and accordingly ROCE -excluding exceptional items- to decrease to 16.3% (2012: 18.1%).

EBIT in 2013 by currency



Net finance costs

In 2013, the Group's net finance costs -excluding exceptional items- amounted to EUR 102.3 million, an increase of EUR 18.8 million or 23% compared to 2012 (EUR 83.5 million). The increase was mainly due to the impact of a new Notes program in the US private placement market of approximately USD 1.0 billion issued at the end of 2012. The proceeds were partly used to repay the amount outstanding under the revolving credit facility in 2012 and partly to finance the capital expenditure program in 2013. Interest-bearing borrowings amounted to EUR 1,996.0 million at year-end 2013 versus EUR 2,183.2 million at year-end 2012. The average interest rate over the reporting period was 4.5% (2012: 4.4%). The fixed-to-floating ratio of the long-term interest-bearing borrowings, including interest rate swaps, amounted to 92% versus 8% at 31 December 2013 as compared to 91% versus 9% at 31 December 2012.

The capitalized interest for the years 2013 and 2012 amounted to EUR 8.0 million and EUR 6.1 million, respectively.

In 2013, an exceptional loss of EUR 3.0 million was recognized as a result of professional services related to the potential creation of a new class of listed cumulative preference C-shares. There were no exceptional items in 2012.

Group's net finance costs -including exceptional items- amounted to EUR 105.3 million in 2013 compared to EUR 83.5 million in 2012.

Income tax

Income tax expenses -excluding exceptional items- for 2013 amounted to EUR 74.1 million, a decrease of EUR 12.8 million or 15% compared to EUR 86.9 million in 2012. The effective tax rate -excluding exceptional items- for 2013 was 17.1% compared to 18.0% in 2012.

The tax effect of exceptional items for Group companies resulted in a tax benefit of EUR 6.5 million in 2013 compared to EUR 2.6 million in 2012. Income tax expenses -including exceptional items- for 2013 amounted to EUR 67.6 million, a decrease of EUR 16.7 million compared to EUR 84.3 million in 2012. The effective tax rate -including exceptional items- for 2013 was 15.8% compared to 18.4% in 2012.

Net profit attributable to holders of ordinary shares

In 2013, net profit attributable to owners of parent -excluding exceptional items- amounted to EUR 317.7 million, a decrease of EUR 37.5 million or 11% compared to EUR 355.2 million in 2012. Of this net profit, EUR 5.8 million was attributable to the holders of financing preference shares compared to EUR 8.2 million in 2012.

Net profit attributable to holders of ordinary shares -excluding exceptional items- amounted to EUR 311.9 million, a decrease of EUR 35.1 million or 10% compared to EUR 347.0 million in 2012. Earnings per ordinary share -excluding exceptional items- amounted to EUR 2.45, a decrease of 10% compared to EUR 2.73 in 2012.

Net profit attributable to holders of ordinary shares -including exceptional items- amounted to EUR 312.7 million, a decrease of EUR 12.2 million or 4% compared to EUR 324.9 million in 2012. Earnings per ordinary shares -including exceptional items- amounted to EUR 2.45, a decrease of 4% compared to EUR 2.55 in 2012.

Non-current assets

Total non-current assets increased to EUR 4,261.5 million (31 December 2012: EUR 4,039.3 million). In 2013 total investments amounted to EUR 658.1 million (2012: EUR 643.0 million), of which EUR 541.4 million was invested in property, plant and equipment (2012: EUR 448.8 million). The remainder primarily included investments in joint ventures of EUR 82.4 million (2012: EUR 99.3 million) and the acquisition of an additional 2.5% equity share in Gate terminal in the Netherlands (EUR 7.8 million). The investment amount in 2012 includes the acquisition of our 33.3% equity share in Thames Oilport in the UK and the acquisition of a 2.5% equity share in Gate terminal (in total EUR 65.7 million).

Of the investments in property, plant and equipment, EUR 223.8 million was invested in expansions at existing terminals (2012: EUR 194.4 million).

Net investments by division

In EUR millions	2013	restated 2012
Netherlands	216.4	175.0
Europe, Middle East & Africa	135.3	194.0
Asia	148.3	175.7
Americas	75.0	54.3
Non-allocated	24.1	10.0
Net investments	**599.1**	**609.0**

Net investments

In EUR millions	2013	restated 2012
Intangible assets	11.2	8.9
Property, plant and equipment	541.4	448.8
Joint ventures and associates	82.4	99.3
Loans granted	15.1	20.0
Acquisition of joint ventures	7.8	65.7
Other non-current assets	0.2	0.3
Investments	**658.1**	**643.0**
Intangible assets	0.2	0.2
Property, plant and equipment	4.9	2.5
Joint ventures and associates	7.7	-
Loans granted	18.0	31.3
Assets held for sale	28.2	-
Disposals	**59.0**	**34.0**
Net investments	**599.1**	**609.0**

Equity attributable to owners of parent

The equity attributable to owners of parent rose by EUR 185.7 million to EUR 1,809.5 million (31 December 2012: EUR 1,623.8 million). The increase mainly came from the addition of the net profit for the year and actuarial gains on defined benefit plans; partly offset by dividend payments in cash of EUR 120.3 million, a distribution of EUR 33.0 million from the share premium for the financing preference shares, and exchange rate differences.

Net interest-bearing debt

As a result of the investment program the net interest-bearing debt rose to EUR 1,824.7 million (31 December 2012: EUR 1,747.5 million). The Senior net debt: EBITDA ratio moved from 2.38 as at 31 December 2012 to 2.53 as at 31 December 2013; well below the maximum agreed upon covenants with lenders.

As per 31 December 2013, EUR 1,894.9 million was drawn under private placement programs with an average remaining term of 9.1 years. A further EUR 80.5 million was funded by banks with an average remaining term of 1.7 years.

At the start of 2013, Vopak reached agreement with all lenders to extend the EUR 1.2 billion senior unsecured multicurrency revolving credit facility. With this agreement, the amount of the facility was reduced to EUR 1.0 billion and the maturity date has been extended until 2 February 2018. At year-end 2013 and year-end 2012, the facility was fully available.

During 2014, regular repayments of long-term loans will amount to EUR 123.2 million.

Funding

In EUR millions	2013	restated 2012
Cash and cash equivalents	178.7	452.0
Non-current portion of interest-bearing loans	- 1,872.8	- 2,083.8
Current portion of interest-bearing loans	- 123.2	- 99.4
Bank overdrafts	- 7.4	- 16.3
Net interest-bearing debt	**- 1,824.7**	**- 1,747.5**
Derivative financial instruments (currency)	- 86.1	- 21.7
Credit replacement guarantees	- 123.1	- 49.9
-/- Subordinated loans	- 79.4	- 81.8
Senior net debt for ratio calculation	**- 1,954.5**	**- 1,737.3**
Financial ratios		
Senior net debt : EBITDA	2.53	2.38
Interest cover	7.4	8.8

Abridged consolidated statement of cash flows

In EUR millions	2013	restated 2012
Cash flows from operating activities (gross)	713.2	659.3
Net finance costs paid and received	- 101.9	- 70.0
Settlement of derivatives financial instruments (interest rate swaps)	- 4.6	2.4
Income tax paid	- 56.2	- 44.1
Cash flows from operating activities	**550.5**	**547.6**
Investments	- 658.1	- 643.0
Disposals	59.0	34.0
Settlement of derivatives (net investment hedges)	2.5	- 9.9
Cash flows from investing activities (including derivatives)	**- 596.6**	**- 618.9**
Cash flows from financing activities	**- 210.1**	**573.5**
Net cash flows	**- 256.2**	**502.2**

Dividend proposal

Barring exceptional circumstances, the principle underlying Vopak's dividend policy for ordinary shares is to pay an annual cash dividend of 25% to 50% of the net profit -excluding exceptional items- attributable to holders of ordinary shares. During 2013, the maximum pay-out to holders of ordinary shares was increased from 40% to 50%; this amendment was explained to shareholders during the EGM held on 17 September 2013. The net profit -excluding exceptional items-, which is the basis for dividend payments, may be adjusted for the financial effects of one-off events such as changes in accounting policies, acquisitions or reorganizations.

A dividend of EUR 0.90 per ordinary share (2012: EUR 0.88), payable in cash, will be proposed to the AGM of 23 April 2014. Adjusted for exceptional items, the payout is 37% of earnings per ordinary share (2012: 32%).

Vopak consolidated including proportionate consolidation of joint ventures in tank storage activities

In EUR millions	2013	restated 2012
Statement of income		
Revenues	1,650.3	1,676.9
Group operating profit before depreciation and amortization (EBITDA)	876.7	864.4
Group operating profit before depreciation and amortization (EBITDA) [1]	878.0	892.9
Group operating profit (EBIT)	598.4	601.9
Group operating profit (EBIT) [1]	599.7	630.3
Statement of financial position		
Non-current assets	5,178.4	4,855.1
Current assets	758.2	986.3
Total assets	**5,936.6**	**5,841.4**
Non-current liabilities	3,199.7	3,346.2
Current liabilities	809.4	742.6
Total liabilities	**4,009.1**	**4,088.8**
Total equity	**1,927.5**	**1,752.6**
Financial ratios		
Senior net debt: EBITDA	2.94	2.55
Interest cover	6.4	7.6

1. Excluding exceptional items.

Looking ahead

Looking ahead, we will maintain our capital-disciplined and balanced risk-return growth strategy and focus on further alignment of our terminal network with market dynamics.

Market outlook

We expect the regional divergence of our business climate to continue. In Europe, we anticipate a continuing testing economic climate and a highly competitive market environment in certain product-market combinations. For the Americas, we see positive market developments and various opportunities in the US Gulf Coast area, characterized by a competitive investment environment. In Asia and the Middle East, we foresee a continuing healthy demand for our storage services throughout our existing terminal network, which offers us interesting opportunities to further expand our position.

Five external developments from 2012 continued to affect our business in 2013, and will, we believe, persist through 2014:

- The performance of the global economy. The uncertainty of economic recovery in Europe is likely to continue to weigh, although indicators are more positive in the US and Asia. Economic growth in China will be closely watched;
- The occupancy rates in certain product-market combinations are under pressure as traditional and non-traditional players invest heavily in adding more capacity;
- The resurgent oil and gas industry in North America. Shale gas and tight oil developments in the US are profoundly affecting the industry's collective thinking. US energy scenarios have totally changed and other regions are wondering whether a similar gas revolution lies beneath them;
- The debate on renewable fuels, greenhouse gas emissions and energy pricing is being recalibrated;
- Our industry continues to encounter a much tighter control and compliance environment, especially – but not exclusively – in the Netherlands.

Projects under development

Projects under development are expected to add 6.5 million cbm of storage capacity in the years up to and including 2016, resulting in a total storage capacity of approximately 37.0 million cbm by the end of 2016. The total investment for Vopak and partners of the projects under development involves capital expenditure of some EUR 1.8 billion, of which Vopak's total remaining cash spend will be some EUR 0.4 billion. For certain projects in joint ventures, additional limited guarantees have been provided affecting Senior net debt : EBITDA. The total capital expenditure for sustaining and improving Vopak's assets is expected to be in a range of EUR 0.6-0.8 billion in the years up to and including 2016.

Outlook for Vopak

Earnings in 2014

For 2014, Vopak continues its undiminished focus on successfully executing the capital-disciplined growth strategy while striving for further efficiency improvements. However, as we have no indication that significant positive general market changes will occur in the near future, we also deem it challenging to exceed the EBITDA -excluding exceptional items- record of the financial year 2012 (EUR 768 million) in 2014. This also takes into account factors such as the negative EBITDA impact of recent divestments and the implications of a phased introduction of new storage capacity expansions, including a forecasted delay in positive contribution from certain new joint venture terminal projects in our Asia division. The increased depreciation is expected to weigh on the EPS development.

Looking beyond 2014

Several longer-term global developments are expected to result in the need for more terminal infrastructure in strategic locations in our industry. These developments include the forecasted global population growth from seven billion to nine billion people; the growing middle class and energy and chemical demand in Asia; and the ongoing mismatch between where energy is produced and where it is consumed. All these developments result in potential opportunities for Vopak.

We therefore remain confident in the outlook for our business. We remain focused on improving our service delivery and competitive position to continue providing the safest, most sustainable and efficient services for our clients.

Netherlands

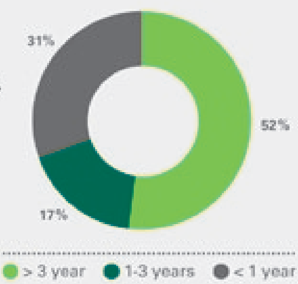
Challenging market circumstances **for certain products**

Vopak Terminal Europoort

In EUR millions	2013	restated 2012
Revenues	442.5	457.6
Operating profit before depreciation and amortisation (EBITDA)	241.1	263.8
Operating profit (EBIT) [1]	165.8	195.3
Average gross capital employed	1,616.3	1,510.9
Average capital employed	949.8	901.9
ROCE [1]	17.5%	21.7%
Storage capacity (cbm)	9,486,800	9,494,500
Occupancy rate	83%	89%

1. Excluding exceptional items.

Contract position Netherlands



Market environment

The Netherlands is a vital gateway into Europe for oil, chemicals, LPG and biofuels. Given its strategic importance, it represents a significant percentage of Vopak's asset base, with a total capacity of close to 9.5 million cbm – nearly a third of the company's total global capacity.

Our product-market combinations' performance was mixed in 2013. The storage markets for gasoline, fuel oil, jet fuel, LPG, chemicals, including chemical gases, and vegetable oils remained steady overall. Crude oil and gasoil were less favorable, mainly because of increased competition and ongoing backwardation in the futures market. Demand for crude oil storage in the hub port of Rotterdam was also dampened by various factors including the Iranian oil embargo.

The biofuels market was mixed, with fuel ethanol remaining steady while the volume of biodiesel imports into Europe diminished sharply. This decline was due to import restrictions introduced in 2013, which increased import costs, particularly for biodiesel originating from Argentina and Indonesia.

Key developments

Operating profit for 2013 -excluding exceptional items- was EUR 165.8 million. Occupancy fell to 83% from 89% in 2012.

We are expanding and modernizing our Vlaardingen terminal, near Rotterdam, with 52 new storage tanks providing additional capacity of 140,000 cbm. This was partly commissioned in 2013 (48,000 cbm) and the remainder will be commissioned in 2014. This flexible infrastructure will mainly be used for vegetable oils and biodiesel. The upgrade is part of our continuing efforts to increase our competitiveness and to future-proof our terminals.

In a further step to align our terminal network with long-term developments, we continued the construction of additional jet fuel storage capacity (400,000 cbm) at our Europoort terminal and divested our oil terminal at Amsterdam Petroleumhaven (75,000 cbm) in May 2013.

One of our biggest achievements in the area of safety and sustainability last year was tackling the stench from our product handling at Europoort terminal, caused by the process of pumping fuel oil, which releases noxious vapors into the air. To counter this, we closed the fuel tanks to stop the emissions. The vapors are now sucked into a pipeline system and then washed out with a scrubber system that was installed in 2013. We also burn vapors that are produced when fuel is pumped into a vessel. We will continue to invest in long-term solutions to make these odor reduction systems more permanent.

Looking ahead

The Netherlands is a competitive market area with a global context, which has many players and a great deal of capacity. The ARA (Antwerp, Rotterdam, Amsterdam) region remains a key entry point and hub location for the European bulk liquids market at large, but the high additional storage demand of recent years is not expected to return in the near future. To stay ahead of the game, we must adapt our facilities so they can grow their competitive position and can be used to store different products in line with changing customers' needs and structural market changes.

To further strengthen our competitive position and ensure we are our customers' preferred choice, we are modernizing our terminals and improving our facilities. For example, we are upgrading our jetties to cut down the time it takes ships to load and unload.

Given that there is sufficient capacity in the Netherlands for certain product-market combinations, both at Vopak's terminals and those of our competitors, our main focus is to increase occupancy and move more tonnage through our existing facilities. That said, we are also adding capacity in selected product markets and expect this to result in around 10 million cbm of capacity by mid-2014.

We are optimistic that chemicals will remain steady and anticipate increased demand for jet fuel. We are also confident about long-term growth in the markets for LPG, gas oil and diesel. That is why we have already invested in storage capacity for jet fuel at Europoort in Rotterdam.

Jan Bert Schutrops, Division President Netherlands

Europe, Middle East and Africa

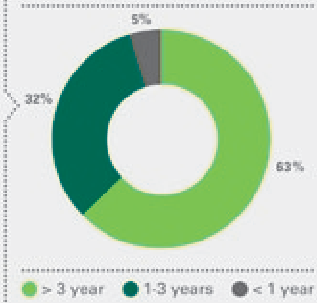
Opening of new **storage capacity in Algeciras (Spain)**.

Vopak Terminal Algeciras (Spain)

In EUR millions	2013	restated 2012
Revenues	248.2	235.9
Operating profit before depreciation and amortisation (EBITDA)	135.6	126.7
Operating profit (EBIT) [1]	91.0	96.9
Average gross capital employed	1,203.5	925.1
Average capital employed	759.9	607.0
ROCE [1]	12.0%	16.0%
Storage capacity (cbm)	9,608,900	9,005,900
Occupancy rate	88%	88%

1. Excluding exceptional items.

Contract position Europe, Middle East and Africa



Market environment

The Europe, Middle East and Africa (EMEA) division has 22 terminals across a large and diverse geographic area, each with its own challenges and opportunities.

For some parts of our business, market conditions remained tough in 2013 as the economic downturn persisted. This was notably the case at our chemicals terminals, where volumes were affected by lower industry throughputs.

Continued backwardation in oil markets also made it challenging to keep our storage tanks full and our prices competitive, particularly in Sweden, which is more quickly bypassed as it is not a main hub.

In Estonia, the overall competitive situation for our Vopak E.O.S. terminal is still challenging, affecting the division's overall financial performance.

Key developments

The major business highlight for our region in 2013 was commissioning Vopak Terminal Algeciras in southern Spain. Although there were some challenges, the additional 403,000 cbm bunker fuel capacity in our network is already changing the Western Mediterranean bunker market.

In the United Arab Emirates, we added four new oil tanker berth pipelines at Vopak Horizon Fujairah Limited, connecting our terminal to the Port of Fujairah. This gives our customers more flexibility and will enable Vopak Horizon Fujairah Limited to capture future growth.

We upgraded our jetties in Germany, Belgium and the UK. In Finland, we installed a new method of scanning our terminal infrastructure with handheld devices, making it safer and more efficient to control product transfers from tank to ship.

Given that many of our terminals are joint operations with local partners, we are pleased to highlight two safety achievements in 2013. Our joint venture in Fujairah reached 11 million man hours without lost time incidents, including during construction of challenging expansion projects over the six-year period [case story Fujairah] and we finished construction of the Algeciras terminal with a total injury rate of 2.5 per million hours worked, outperforming the Spanish construction industry average (40 per million hours) by a factor of 15.

Occupancy in EMEA was steady at around 88% and we increased our capacity to 9.6 million cbm from 9.0 million cbm in 2012. This includes adding 403,000 cbm at Algeciras, 18,800 cbm in Spain at our Barcelona terminal, 100,000 cbm at Gothenburg in Sweden and 9,000 cbm in Finland.

Strong positions in the UK, Antwerp and Fujairah helped us realize an operating profit -excluding exceptional items- of EUR 91.0 million for 2013.

Looking ahead

Africa has considerable growth potential in the long term. Few refineries are being built, so there is demand for imported diesel and gasoline to fuel the growing African economies – and that creates opportunities for Vopak. To meet this demand, we are converting some of our chemical storage to additional oil storage at our Durban terminal in South Africa. Besides that, we are studying on further expansions in South Africa.

The Middle East is another promising market, driven by growth of location production and consumption of a range of products, resulting in healthy demand for storage services. In the United Arab Emirates, we are working with local partners to construct the first independent crude oil storage capacity in the Middle East by adding 478,000 cbm crude capacity at Vopak Horizon Fujairah Limited terminal. At Al Jubail in Saudi Arabia, we are constructing a new storage terminal with petrochemical company Sabic. This partnership will initially add 220,000 cbm of storage capacity for chemicals in one of the world's largest petrochemical complexes.

The closure of local refineries in Germany has increased demand for gas oil. To meet this, we are for example upgrading our Hamburg terminal and adding capacity. In Antwerp (Belgium), we will upgrade and expand our chemical storage capacity as imports into Europe grow to close the gap created by the contraction of the local chemicals industry in the economic downturn.

The redevelopment project of the former Coryton refinery in the UK into an import and distribution terminal for oil products (Thames Oilport) is experiencing delays and is currently under review.

Frank Erkelens, Division President EMEA

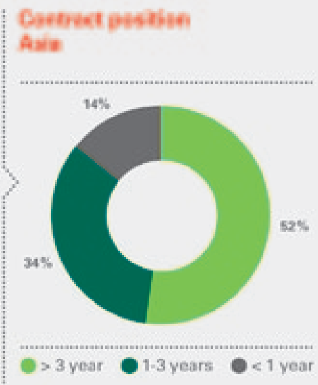
Asia

Continuous growth

Vopak Shanghai – Caojing Terminal (China)

In EUR millions	2013	restated 2012
Revenues	358.8	355.4
Operating profit before depreciation and amortisation (EBITDA)	289.0	258.9
Operating profit (EBIT) [1]	227.5	217.0
Average gross capital employed	1,749.0	1,688.7
Average capital employed	1,033.2	1,068.4
ROCE [1]	22.0%	20.3%
Storage capacity (cbm)	7,356,600	7,256,400
Occupancy rate	94%	94%

1. Excluding exceptional items.



Market environment

Strong growth in India and China, a rising population, growing economies and a fast-growing middle class continue to fuel the consumption of energy and petrochemical products in Asia. Important ongoing changes for Vopak, particularly in Asia, are the shifting patterns of product flows. As North America moves towards becoming self-sufficient in terms of energy, global product flows that previously went to the North American markets are moving elsewhere - notably to Asia.

Key developments

Last year was a busy and successful year in Asia. In terms of occupancy rates, Asia maintained healthy levels at 94%. Operating profit for 2013 -excluding exceptional items- was EUR 227.5 million. One of our major projects under construction, a 1.3 million cbm oil terminal in Pengerang [case story Pengerang], will become operational in 2014. Another large project currently under development is the new terminal for the storage of crude oil in Hainan (China; 1,350,000 cbm). Due to a difficult marine construction environment in Hainan, the project has experienced an additional construction delay.

We added a total of 326,900 cbm of capacity to our portfolio in Asia, including our recent capacity additions in Banyan (Singapore). In a continuous effort to optimize our portfolio mix, we divested two terminals in 2013 – our 40% equity interest in Xiamen Paktank (China) and the wholly-owned Vopak Terminal Pasir Gudang in Malaysia – totaling 226,700 cbm.

The Asia division made good progress in creating a strategic footprint for LPG storage in the region. In 2013, 240,000 cbm of LPG storage was added in Tianjin in China, while in Singapore we decided to construct the first Southeast Asian LPG storage facility with an initial storage capacity of 80,000 cbm.

We were appointed as operator of the first phase of the Jurong Rock Caverns facility in Singapore, together with our consortium partners. The project involves storage of condensates and oil in caverns below the sea bed - a relatively new and innovative storage method and a first for Vopak in Asia.

Looking ahead

We are taking significant steps to expand our capacity to meet future demand, with a geographical focus on Southeast Asia, India, Korea and Australia, which we believe will be the most important areas in terms of future flows. We therefore have a number of feasibility studies of potential projects under consideration, across a mix of product-market combinations and terminal types.

On our agenda is the feasibility study for an independent LNG terminal in Southeast Asia, which might be the first for the region. LNG's status as the cleanest fossil fuel will help boost demand in Asia. With a limited gas pipeline network in Asia however, the opportunity for LNG transportation and efficient import location development is significant and reliable infrastructure is essential.

In terms of process, our focus is on further improving key performance indicators such as truck and vessel turnaround times and stock control. To this end, we are pleased to have made progress in improving our jetty infrastructure. One of the projects is the recently completed Bulk Liquids Berth 2 in Sydney (Australia).

Our jetty expansion project in Map Tha Phut (Thailand), and the debottlenecking project in Sebarok (Singapore), are also progressing well. Throughout the Asia network, LEAN projects, aimed at reducing process inefficiencies and process waste, are conducted at all our terminals. In addition to this ongoing process, the Asia division is working on upgrading projects that include the automation of terminals.

Patrick van der Voort, Division President Asia and Chen Yan, President China Region

Americas

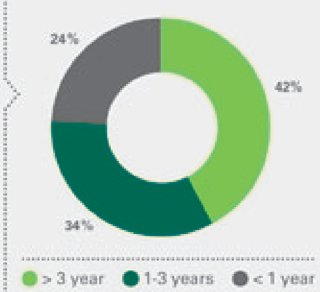
Positive developments **at the US Gulf Coast, with downside in Los Angeles (US) and Brazil**

Vopak Terminal Deer Park (US)

In EUR millions	2013	restated 2012
Revenues	239.6	259.3
Operating profit before depreciation and amortisation (EBITDA)	87.8	100.5
Operating profit (EBIT) [1]	58.9	66.1
Average gross capital employed	758.1	747.2
Average capital employed	432.7	444.2
ROCE [1]	13.6%	14.9%
Storage capacity (cbm)	3,179,800	3,278,500
Occupancy rate	90%	94%

1. Excluding exceptional items.

Contract position Americas



Market environment

Four main themes are fundamentally changing the dynamics of the energy market in the Americas, two on the supply side and two on the demand side.

First is shale gas production, which is making the US petrochemical industry one of the most competitive in the world. This will lead to substantial investment in additional US production capacity and generate flows outside the country too – a trend that will increasingly gather force. The shale boom will also increase future LPG flows and create enhanced export opportunities, with the major effect set to be felt from 2016 onwards, when announced expansions begin to come on stream.

The second trend is the boom in crude oil. This major production growth, which we are seeing mainly in North America but also in Latin American countries such as Brazil and to a lesser extent Colombia, will make refining in the US very competitive, driving export flows and having important implications for infrastructure.

The third theme, this time on the demand side, is the decline in petroleum consumption in the US, due to the effective drive for fuel efficiency and cleaner fuels. This creates the need to export a great deal of clean petroleum products, changing the flows substantially. Linked to the decline in demands for transportation fuels is the increased use of biofuels, a trade that will grow increasingly important, particularly due to government mandates forcing refiners to use specified types and percentages of biofuels in their blends.

Key developments

Last year, we saw our occupancy rates and flows remain fairly stable overall, except the US West Coast and in Brazil. We achieved strong performance particularly in locations such as the US Gulf Coast and Canada. We, however, closed operations at Vopak Terminal South Wilmington (50,900 cbm).

Our capacity decreased to 3.2 million cbmin 2013 from 2012's 3.3 million cbm and our occupancy rate decreased to 90%from 94%. We posted a 2013 operating profit -excluding exceptional items- of EUR 58.9 million.

There were commercial challenges in Los Angeles (US) – where our occupancy rate declined after we lost a customer – and in Brazil, a market made competitive by the combination of weaker than expected economic growth and recent additions of storage capacity. Like our peers, we therefore had lower occupancy in Brazil, although the medium and long-term outlook remains positive and we saw a gentle pick-up begin in the second half of the year. The terminals in Chile and Ecuador were divested.

A major development was the integration of Vopak's North America and Latin America businesses into one Americas division [case story Americas]. We had reached a level of maturity in our regional businesses that made this the right time to create more scale and a simpler organizational structure in order to grow further. The integration has already boosted efficiency, allowed us to clarify division-wide priorities, combine market intelligence, share knowledge and experience more easily, and so improve our customer offering.

Looking ahead

The shale gas and oil revolution are driving massive investment in changing infrastructure, a major trend that will continue to play out over the next three to five years. The medium to long-term market outlook is positive, although market circumstances in 2014 are likely to resemble those of 2013, with stiff local competition in Mexico, Brazil, the US Gulf Coast and Colombia.

We will therefore concentrate even more sharply on our core priorities of service delivery and frontline execution. In practical terms, this means such things as investing heavily in improving infrastructure that directly supports service delivery, such as adding weighbridges to improve truck turnaround times or systems to enhance the quality and speed of information delivery to customers. At the same time, we will maintain our focus on full compliance with the Vopak Fundamentals and with all local legislation.

Dick Richelle, Division President Americas

Global LNG

Significant **growth potential**

Gate terminal (Netherlands)

Market environment

At present, Vopak has two LNG terminals, Gate terminal in Rotterdam (Netherlands) and Altamira LNG Terminal (Mexico) together with joint venture partners. Both terminals are occupied and contracted with long-term contracts. Combined storage capacity is 840,000 cbm with a total throughput capacity of 19.4 billion cubic meters per annum (bcma).

As the cleanest of the fossil fuels, natural gas is a fuel of choice and being promoted by various governments and treaties. Besides growing consumption and demand in Asia, particularly China and India, developing break bulk and small-scale business is an opportunity for us. Break bulk allows LNG to be used as a fuel for ships and allows us to supply industrial customers not connected to a gas grid with a clean fuel. This is a growing market segment driven by increasingly stringent environmental regulations. The so-called Sulphur Emission Control Areas (SECA) are shipping areas where there are stricter requirements for used bunker fuel compared to other areas. In these areas, all ships are required to use clean fuel with very low emissions, making LNG a preferred solution.

In the Netherlands, the Green Deal initiative, a pioneering cooperation between the Dutch government and industry partners including Vopak and Shell, aims to push break bulk a step further. The Green Deal will promote the use of LNG as a fuel for road transportation, coasters and barges, developing a market for it in the Netherlands. The Green Deal is unique in the world in that it is helping to set rules and standard procedures.

Key developments

Global LNG posted a 2013 operating profit -excluding exceptional items- of EUR 23.6 million, higher than 2012 (EUR 20.6 million).

We last year signed a three-party Heads of Agreement contract with Petronas and Dialog for a feasibility study for the development of a large-scale LNG terminal in Pengerang (Malaysia).

Last year, the European Commission granted financial support for the development of our break bulk project at Gate terminal and our project in the Port of Gothenburg [case story LNG break bulk]. Both projects are in advanced stages. The Rotterdam and Gothenburg projects are both key to the development of break bulk activities for the North Sea and Baltic Sea, as well as for the development of inland markets in Northwestern Europe and in Nordic countries.

Vopak increased in 2013 its equity interest in Gate to 47.5% from 45%. At this terminal, we started to offer new flexible services, such as truck-loading facility and the possibility for customers to take out LNG and reload it to smaller carriers for transportation to distribution terminals or to large LNG tankers for re-export. These services are in high demand and we have been pleasantly surprised to see how actively shippers are using them. The option to store LNG at Gate terminal allows our customers to optimize price differentials and speculate on changes, making the terminal a trading hub. Gate terminal has developed from a classic import terminal to a real global hub, where customers take advantage of its position at Gate terminal through redirecting and/or reloading of cargoes to higher priced regions.

Despite the renewed interest for the use of coal as a feedstock for power plants, we are still experiencing a strong growth in natural gas. Natural gas is still expected to overtake coal in the primary energy supply mix in 2035.

Looking ahead

Although the LNG business is still a relatively small part of Vopak, it has significant growth potential. Worldwide gas and LNG demand will continue to grow in coming decades, with particularly strong demand in Asia as additional energy supplies are needed to fuel economic growth. LNG supply is set to remain tight, although new LNG production capacity is being developed and will eventually create more liquidity.

Dietrich Gerstein, Global Director LNG

Our governance

Supervisory Board report

Supervision

The Supervisory Board met twelve times during 2013. It held six regular meetings and six ad hoc conference calls regarding investment proposals and the potential creation of a new class of listed cumulative finance preference shares (‘C-shares’). None of the Supervisory Board members was frequently absent from the Supervisory Board meetings. Attendance at regular meetings was 97% while average attendance of the six conference calls was 83%. When a Supervisory Board member was unable to join a conference call at the scheduled time, advance notice of absence was given and their input was obtained prior to the meeting or conference call.

As part of the Supervisory Board's responsibilities, it discussed Vopak's strategy during a two-day session held in Amsterdam. During these meetings, the Supervisory Board members discussed several so-called 'quantified scenarios' relating to drivers for Vopak’s business such as developments in shale, the European refining landscape, and biofuel scenarios. The Supervisory Board paid a visit to the Westpoort terminal in Amsterdam.

The Supervisory Board discussed and approved the 2014 budget, quarterly reports and various investment proposals related to global expansion. These include investment proposals concerning Latin America, expansions in China, investment proposals relating to ICT, expansion of the Vlissingen terminal in the Netherlands, expansion of the Aratu terminal in Brazil, divestment of a number of terminals in Asia and Latin America, an investment in Durban (South Africa), capex investments in Australia, capex investment to improve the Kandla terminal in India, expansion of the Banyan terminal in Singapore for LPG, an investment in Germany and expansion of the Fujairah terminal for crude oil. The Supervisory Board also reviewed the progress of on-going projects and the pipeline of new projects.

The Supervisory Board discussed a number of recurring topics at each meeting. Among these were safety, health, environmental and sustainability issues; the company's other operational and financial objectives and financial performance; pensions; financing of the company; financial reports; the Sustainability Report 2012; succession planning for senior management; and the company's views to the spearheads letters received from Dutch corporate governance platform Eumedion and the Dutch Investors Association (*Vereniging van Effectenbezitters*) regarding topics they wished to put on the agenda of Vopak's 2014 AGM.

External auditors were present at the meetings where the annual results and unaudited half-year results were discussed. The interim report and auditors´ report issued by the external auditors were also reviewed during those meetings. The minutes of all the meetings of the Audit Committee, Remuneration Committee and the Selection and Appointment Committee were also considered and shared with the Supervisory Board. The Supervisory Board discussed the design and operation of the company's risk management and control systems. At a meeting not attended by the Executive Board members, the Supervisory Board discussed the performance of the Executive Board and the proposal by the Remuneration Committee for the remuneration of the Executive Board.

The Supervisory Board evaluated its own performance in December 2013 and that of the Board committees. The evaluation was discussed in February 2014 and included topics such as the composition and desired profile of the Supervisory Board, its working method and the relationship between the Executive Board and the Supervisory Board. The outcome of the evaluation of its performance, based on an extensive questionnaire completed by all Supervisory Board members, was that it meets the requirements.

Composition of the Supervisory Board

The Supervisory Board consists of six members: Anton van Rossum (Chairman), Martijn van der Vorm (Vice-chairman), Frans Cremers, Carel van den Driest, Chun Kai Lam and Rien Zwitserloot. For more information about our Supervisory Board members, we refer to the special section in this report.

Audit Committee

The Audit Committee met five times in 2013. The attendance rate was 93%. External auditors attended all these meetings. A core task of the Audit Committee was to extensively review the financial reports and the budget before their consideration by the full Supervisory Board. The committee also discussed topics related to Vopak's financing structure, analyses of the financial ratios, pensions, status of legal claims and proceedings, fraud reports, reports on the risks associated with the company's operational, commercial, financial and other activities and management reporting. It also discussed the Annual Report 2012, Sustainability Report 2012, the dividend proposal for 2012, potential creation of a new class of listed cumulative finance preference shares (the 'C-shares'), the tender process and selection of a new external auditor as per 1 January 2015, the use of data analytics as part of the activities of the external accountant, risks associated to outsourcing of certain ICT activities, the proposal to distribute a sharepremium on the Financing Preference Shares, and the spearheads letters from Dutch corporate governance platform Eumedion and the Dutch Investors Association (*Vereniging van Effectenbezitters*) regarding topics they want to put on the agenda of Vopak's 2014 AGM.

The Audit Committee considered the 2013 plan of the external auditor and the Internal Audit department's plan for 2014, as well as Internal Audit reports during 2013 and the progress realized in implementing recommendations from audits and the Internal Audit work plan. The committee also discussed the scope of the audits, recommendations in the management letters and the current and future relationship with the external auditors. The Audit Committee monitored auditor independence when non-audit services were provided. In compliance with the Dutch Corporate Governance Code (the Code) one meeting was held with the external auditor without the presence of the Executive Board members. Finally, the Audit Committee assessed its own performance throughout the year and its regulations, supported by an extensive questionnaire that was completed and discussed by all its members. The committee's performance met the requirements in all areas. During 2013, Mr Cremers again acted as financial expert as defined in the relevant best practice provisions of the Code.

Selection and Appointment Committee

The Selection and Appointment Committee met twice in 2013, in April and in December. The attendance rate was 100%. It discussed the function description of an Executive Board member and the topic of diversity. It also discussed the regulations of this committee and reviewed its tasks and responsibilities as well as the reappointments of Mr Hoekstra and Mr Eulderink as members of the Executive Board and Mr Van den Driest as member of the Supervisory Board.

Remuneration Committee

The Remuneration Committee met five times and held one teleconference in 2013. In addition, the committee held regular informal consultations and consulted professional internal and independent external advisors.

The committee developed proposals for the remuneration of the Executive Board, which it submitted to the Supervisory Board for approval. Decisions on the remuneration of the Executive Board are made by the Supervisory Board without presence of the Executive Board.

During 2013, the committee considered topics that recur annually such as the achievements of the set short-term incentive targets for 2012 and the reward of the long-term incentive plan that vested in December 2012. In addition, it prepared proposals for the short-term incentive plan, targets for 2013 and the annual base salary for 2014.

The committee also discussed two specific elements of the remuneration policy: the alignment of the Executive Board remuneration with the policy and practice of peer group companies and the long-term incentive plan as from 2014 onwards also in relation to Vopak's strategic challenges. Furthermore, the pension plan for the Executive Board was reviewed following changes in Dutch pension legislation.

The external advisor conducted a detailed performance review of the Remuneration Committee during 2013. In line with the outcome of a similar review in 2011, the results showed overall satisfaction with the remuneration policy for the Executive Board and the alignment of the policy with the second and third layers of management in the organization. Some recommendations were made for the new long-term incentive plan to further align this plan with the plans of peer group companies.

With regard to the new long-term incentive plan (LTIP), the Annual General Meeting of Shareholders in April 2013 approved the outline for the plan which describes the principles and structure for the LTIP for 2014 through 2016. This plan is similar to the long-term share plan (LTSP) 2010-2013 in terms of Earnings per Share as performance criterion and an incentive pay-out equally in shares and cash. To further align the plan with the plans of peer group companies, the new LTIP will have a three year performance period 2014-2016 and will follow a layered plan approach with annual conditional grants instead of the current one-off plan for a complete plan period. In addition, the long-term incentive opportunity will be slightly increased to emphasize the relative importance of the long-term incentive in the total package.

For further details on the remuneration and shareholding position of the Executive Board and the Supervisory Board, please refer to the Remuneration report.

The Supervisory Board would like to express its sincere appreciation to the Executive Board and all the company's employees for their efforts in 2013 and for the corresponding results. The members of the Supervisory Board have signed the financial statements in order to comply with the statutory obligation pursuant to article 2:101 paragraph 2 of the Dutch Civil Code.

Rotterdam, 27 February 2014

The Supervisory Board
A. van Rossum (Chairman)
M. van der Vorm (Vice-chairman)
F.J.G.M. Cremers
C.J. van den Driest
Chun Kai Lam
R.G.M. Zwitserloot

Remuneration report

Remuneration principles Executive Board

The prime objective of Executive Board remuneration at Koninklijke Vopak N.V. (Vopak) is to attract and retain Executive Board members with the right experience and competences to achieve the company's strategic objectives.

Within this context, the Supervisory Board has defined a total remuneration package that comprises an annual base salary, a short-term incentive, a long-term incentive and a pension plan.

The compensation package balances fixed and variable remuneration, as well as short-term and long-term variable remuneration, with a relative emphasis on long-term variable remuneration. This emphasis is aligned with the company's long-term strategy, which requires multi-year decision-making on terminal investments and often longer-term contracts with customers. The variable remuneration is dependent on the achievement of pre-defined ambitious performance targets.

The Remuneration Committee defines the total compensation levels of Vopak´s Executive Board members by comparing it to companies similar to Vopak in terms of international coverage, nature of business, size (financial parameters), business development and capital intensity. The committee uses the median of the peer group as its reference point. It also uses compensation surveys of remuneration consultancy firms as a secondary reference point.

In addition to the external consistency of the remuneration package, the Supervisory Board considers the internal consistency to be important, recognizing that this is the responsibility of the Executive Board. Total remuneration packages for the Executive Board members and management in the next layers of the organization are very much aligned in terms of elements such as composition of the package, performance criteria and targets for short-term and long-term incentives.

The Supervisory Board encourages Executive Board members to build and hold a portfolio of shares in the company to align their interests with those of Vopak´s shareholders. The Supervisory Board also takes into account recommendations in the Dutch Corporate Governance Code when deciding on the remuneration of the Executive Board. Specifically, it ensures the transparency of the total remuneration package by giving a clear explanation of the remuneration policy in the company's annual report. This is also ensured by the fact that variable (short- and long-term) remuneration, to the extent it relates to financial and safety performance, is based on data respectively audited and reviewed by Vopak´s external auditor as published in the Annual Report and Sustainability Report of Vopak.

To safeguard shareholders´ interests, the Supervisory Board regularly undertakes risk assessments based on various scenarios related to several parameters of the remuneration policy. In addition, all performance-based incentives are subject to a claw-back provision that applies if the company is obliged to make a financial restatement. The claw-back provision applies to a three-year period following the date of reward.

In addition, the Supervisory Board has the discretionary power to decide, in exceptional situations and based on fairness and reasonableness, to adjust individual variable remuneration upwards or downwards. Examples of exceptional situations are those where the result of performance is influenced by effects of accounting changes, acquisitions, share split or share issues. Also defined as exceptional situations are those in which a result is, in retrospect, based on incorrect data, and/or is not or not sufficiently in line with the performance of the company.

A final remuneration principle is that the company will not provide any personal loan, advance or guarantee to the Executive Board members.

Remuneration policy Executive Board

In 2013, the Supervisory Board decided to continue the remuneration policy established in 2010 for the Executive Board. The table below shows a summary of the structure of the policy during 2013:

Component	Type of remuneration	Term	Performance criterion	Remuneration as % of annual base salary
Annual base salary	Cash	Monthly		
Short-term incentive	Cash	Annually	50%: EBITDA growth [1] 50%: non-financials	Min Target Max Chairman: 0% 50% 75% Member: 0% 45% 67.5%
Long-term incentive	Shares and cash	One-off grant for period 2010 - 2013	EPS growth	Min Target Max [2] Chairman: 0% 70% 100% Member: 0% 55% 82.5%
Pension	Cash	Annually		18.3% - 26.6% of pensionable salary (age related)

1. Distribution at target level.

2. Annualized values of an award over the four-year period at the date of award, not including the effect of the share price developments during the performance period.

For 2014, the principles, policy and structure of the compensation package remain unchanged, except for two adjustments. The Supervisory Board will propose a new long-term incentive plan for the period 2014-2016 including an increased long-term incentive opportunity to continue to align the compensation package with the market and further enhance alignment of the interests of the company's top management with those of its shareholders. Secondly, the pension plan will be adjusted to reflect changes in Dutch pension legislation.

Peer group

Vopak has evolved and grown substantially in enterprise value and EBIT over the past several years. The composition of the peer group, used as the main reference for the compensation policy for the Executive Board was therefore reconsidered for 2013 onwards.

After thorough consideration, the Supervisory Board decided to exclude CSM and Dockwise from the peer group as of 2013, due to significant changes in the strategy and portfolio of CSM and the de-listing of Dockwise. It decided to include AkzoNobel in the peer group since this company, although currently larger in financial terms, is comparable to Vopak in terms of its challenges and future ambition.

As per 2013 the peer group comprises the following 11 companies:

Peer group 2013			
AkzoNobel	BAM	Fugro	Randstad
Arcadis	Corio	Imtech	SBM Offshore
Boskalis	DSM	Nutreco	

Total remuneration package

The total remuneration package consists of the annual base salary, the short- and long-term incentive and a pension plan.

Annual base salary

The fixed component of the remuneration package is determined by taking into account comparable levels at peer group companies, as well as data from remuneration surveys.

Short-term incentive

The short-term incentive is paid if ambitious pre-defined financial and non-financial objectives are met. These objectives have an equal weight on the 'at target' level.

The financial part of the incentive is based on the realized earnings before interest and tax, depreciation and amortization (EBITDA); excluding exceptional items. The target, minimum and maximum levels are defined and set out in a performance-incentive matrix. In addition, the Supervisory Board has the discretion to add or subtract 10% to or from the financial incentive result to reflect the quality of the company´s financial result.

The non-financial targets cover personal and process safety (one-third), customer satisfaction which alternates every year with employee engagement (one-third), and the performance of the Executive Board as assessed by the Supervisory Board (one-third). This performance reflects the cooperation between the Executive Board members as a team, and between the Executive Board and the next management layers to ensure the effective implementation and realization of Vopak's strategic objectives.

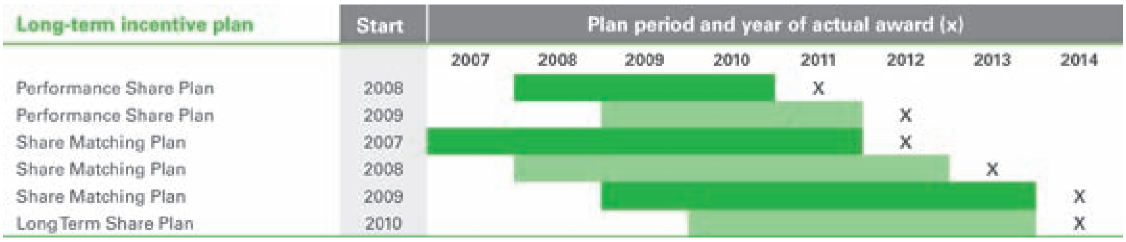
The financial and non-financial targets are defined by the Supervisory Board at the beginning of each financial year. For commercial and competitive reasons, the specific targets are not disclosed. However, the realized percentages per element are shown in the table of the short-term incentive in the section Actual remuneration 2013 (audited) of this report.

Long-term incentive

The long-term incentive rewards the Executive Board for sustained value growth of the company over a multi-year period.

The Long-Term Share Plan (LTSP), conditionally awarded in 2010 as a one-off award for a four-year period, encourages the Executive Board to pursue a strategy that focuses on long-term profitable growth measured by earnings per share (EPS) growth during the performance period (2010-2013). In addition to EPS improvement, the actual value of the long-term incentive will also be based on the development of the Vopak share price during the plan period. After the end of the performance period, 50% of the incentive is settled in Vopak shares and 50% in cash.

The LTSP 2010-2013 succeeds the long-term share plans that had been awarded on an annual basis since 2007. It was agreed to vest these plans at the end of the respective plan periods during 2011-2013. The last long-term share plan in this group of plans, the Share Matching Plan 2009, vested in December 2013. Also the LTSP 2010-2013 vested in December 2013.



Note 27 to the Consolidated Financial Statements provides further financial details of the vested and outstanding long-term incentive plans.

From a risk management perspective, a `change in control´ provision is incorporated in the long-term incentive plan. In the event of a significant change in the structure of all or part of the company, resulting from a merger, take over, sale, divestment or similar transaction, the outstanding long-term incentive plans will be settled on a pro-rata basis, subject to the discretion of the Supervisory Board. To ensure independent management decisions and avoid undue value inflation in such a situation, the average share price over the quarter preceding the date of the press release announcing the intended transaction will be used to calculate the long-term incentive. This approach of Vopak is stricter than legally required according to new Dutch regulations.

Pension

The pension plan for Vopak´s Executive Board members is a defined contribution plan, with board members annually receiving a cash amount for the purpose of accruing an old-age pension and insuring death and occupational disability risks. Depending on their age, the pension contribution to be granted to board members ranges from 18.3% to 26.6% of their pensionable earnings. These percentages are aligned with the maximum percentages provided by the Dutch tax authority for defined contribution pension plans.

Under the pension plan, the retirement age has been set at 65. In accordance with previous contractual arrangements made with Mr J.P. de Kreij in 2003, his employment contract provides for retirement at the age of 60.

Shareholding

To ensure alignment between Vopak shareholders and the Executive Board, board members are encouraged to build up and maintain a portfolio of Vopak shares equal to one year's gross base salary. This share portfolio can be build up through shares acquired as long-term reward and/or by share purchase at the board member´s own expense and risk.

Employment contract

Executive Board employment contracts are governed by Dutch employment law and aligned with the current Dutch Corporate Governance Code, except for the provisions made in the employment contract of Mr De Kreij. Executive Board members are appointed for a term of four years. The contract ends when either party gives notice (six months for the employee and twelve months for the employer) or automatically at retirement. The employment contract provides for compensation for the loss of income resulting from non-voluntary termination of employment limited to one year's base salary, unless this termination is due to misconduct or the resignation of an Executive Board member.

If an Executive Board member leaves the company at its own initiative or is discharged by the Supervisory Board, all rights to on-going short- and long-term incentive plans will expire.

Actual remuneration 2013 (audited)

The table below shows the actual remuneration of the Executive Board members in 2013.

The total remuneration for the Executive Board members in 2013 was EUR 2.9 million (2012: EUR 4,6 million). The difference between 2012 and 2013 is mainly due to the effects of the long-term incentive plans. In 2012, two plans (PSP 2009 and SMP 2007) were transferred, whilst in 2013 only one plan was transferred (SMP 2008). For the details reference is made to note 27 to the Consolidated Financial Statements.

	Annual base salary		Short-term incentive		Long-term incentive [1]		Pension		Total	
In EUR thousands	2013	2012	2013	2012	2013	2012	2013	2012	2013	2012
E.M. Hoekstra	600	525	125	350	97	343	118	102	940	1,320
J.P. de Kreij	500	470	94	282	508	1,583	145	136	1,247	2,471
F. Eulderink	465	435	87	261	n.a.	n.a.	127	118	679	814
Total	**1,565**	**1,430**	**306**	**893**	**605**	**1,926**	**390**	**356**	**2,866**	**4,605**

1. The value of actual awards based on the closing share price at the day of the AGM. The related cost of the long-term incentive per Executive Board member, for the financial year, are disclosed in note 27 to the Consolidated Financial Statements.

Annual base salary

The 2013 base salary for Mr Hoekstra was increased to EUR 600,000 as the last part of the three-year growth model that started with his appointment as Chairman. The increases for Mr De Kreij and Mr Eulderink followed the development of the peer group considering the total compensation package.

Short-term incentive

In early 2014, the results of the pre-set 2013 short-term incentive targets were evaluated. The next table shows to what extent the four performance criteria for the short-term incentive were achieved, as a percentage of the annual base salary.

	Opportunity [1]		Result as % of base salary [1]					Total in EUR
	Target	Max	Financial	Safety	Engagement	Effectiveness	Total	
E.M. Hoekstra	50%	75%	0%	4.17%	8.33%	8.33%	20.83%	124,950
J.P. de Kreij	45%	67.5%	0%	3.75%	7.5%	7.5%	18.75%	93,750
F. Eulderink	45%	67.5%	0%	3.75%	7.5%	7.5%	18.75%	87,188

1. % of annual base salary 2013.

Although the EBITDA, excluding exceptional items, for 2013 was EUR 753 million, the threshold for the financial part in the short-term incentive as set at the beginning of 2013 was not achieved.

Results on the pre-set non-financial performance targets for the short-term incentive were very positive. During 2013, the worldwide safety performance improved significantly in terms of process and personal safety. A combination of additional efforts in terminal health assessments, training on operations and safety, direct supervision and specific investments in maintenance, resulted in fewer spills, fires and contaminations, as well as improvement in the Total Injury Rate. Besides these positive results, Vopak was confronted with the fatal accident of a contractor in Dongguan in China. This resulted in the decision to reduce the 100% target achievement on safety to 50%. For further information about safety, please refer to the Sustainability Report 2013.

Since the annual satisfaction survey among all Vopak customers worldwide runs during the first two months of 2014, the final results will be available in early March 2014. The preliminary results show good improvement in service to our customers in countries such as Singapore, the Netherlands and the United States. Additional attention to our front-line execution, the quality of information exchange between Vopak and customers, operational reviews and further alignment of our infrastructure with customers' needs, all contributed to the improvement. Although the actual short-term incentive pay-out will be based on the final Net Promoter Score result from the customer survey, we currently expect the target for customer satisfaction to be fully achieved.

Finally, the Supervisory Board has assessed the team effectiveness of the Executive Board as very positive, leading to a maximum score on this performance criterion.

Long-term incentive

Share Matching Plan 2008-2012

During 2013, matching shares were awarded to the Executive Board members participating in the Share Matching Plan 2008-2012. The matching shares were based on the increase in the earnings per share, excluding exceptional items, during the five-year plan period from EUR 1.31 to EUR 2.70. This increase resulted in a vesting percentage of 154% (maximum 200%) of the shares personally invested in 2008 which were retained by the participants for the five year period. The next table shows the invested shares and matching shares actually awarded in both number and value of shares.

	Number of invested shares	Number of actually awarded matching shares (gross)	Value of actually awarded matching shares in EUR (gross)
E.M. Hoekstra	1,468	2,261	97,110
J.P. de Kreij	7,674	11,818	507,583

Mr Hoekstra received the matching shares in his previous capacity as Division President. Since Mr Eulderink was not employed by the company at the start of the plan period, he was not eligible to receive matching shares under this plan.

Long-term share plan 2010-2013

During the performance plan years 2010 to 2013 and especially during 2012, the earnings per share showed a significant increase from EUR 1.92 in 2009 to EUR 2.45 in 2013.

In EUR	2009	2010	2011	restated 2012	2013
EPS	1.92	2.08	2.16	2.73	2.45

According to the plan conditions of the Long-Term Share Plan (LTSP), the success was measured by the development in earnings per share (EPS). Although the earnings per share showed a significant increase during the plan period, from EUR 1.92 in 2009 to EUR 2.45 in 2013, the cumulative increase in earnings per share over the total performance period resulted in 27.6% which was below the threshold for reward as set at the beginning of the plan period. There was no pay-out on the basis of the plan rules.

The Supervisory Board decided to apply its discretionary power under article 3.1 of the plan, to adopt the same approach as proposed by the Executive Board for the second layer of management in the organization. This approach considers the total value created over the plan period, not only in terms of financial performance but also in terms of investments in new business, the development of the customer portfolio and developments in operational excellence.

On 27 February 2014, the Supervisory made use of its discretionary power and has awarded shares with a gross value EUR 300,000 per member of the Executive Board to enhance share ownership and as appreciation for the achievements during the period 2010-2013. Given the various appointment periods of Mr Hoekstra during the plan period, the Supervisory Board will equally award the chairman and members of the Executive Board.

Share ownership

The current share portfolios of the Executive Board members are shown in the next table. This overview includes both unrestricted shares (actually awarded and personally invested) and restricted shares: shares personally invested in 2009 and restricted for five years under the Share Matching Plan 2009. The overview does not include the conditionally awarded shares for which the performance period has not ended.

All transactions were performed at the own account and risk of the Executive Board members concerned.

Number of shares

	2013			2012
	Unrestricted shares	Restricted shares	Totalshar es year-end [1]	Totalshar es year-end
E.M. Hoekstra [2]	14,250	2,838	17,088	15,838
J.P. de Kreij	318,972	18,284	337,256	330,722
F. Eulderink [3]	750	-	750	750

1. The market value of the Vopak share at end 2013 is EUR 42.52 per share.
2. The restricted shares are personally invested shares for the Share Matching Plan before Mr Hoekstra's Executive Board appointment.
3. The unrestricted shares are personally invested shares to build the requested portfolio of Vopak shares after Mr Eulderink's appointment in 2010 and are not related to any long-term incentive plan.

Remuneration Supervisory Board (audited)

The remuneration payable to the Supervisory Board for the calendar years 2013 and 2014 was approved by shareholders at the AGM in 2013. The table below shows the amounts each member received individually in 2013. The total remuneration received by Supervisory Board members in 2013 was EUR 0.39 million (2012: EUR 0.36 million).

In EUR thousands	Supervisory Board	Audit Committee	Nomination Committee	Remuneration Committee	Total 2013	Total 2012
A. van Rossum	70.0	-	7.0	7.0	84.0	78.0
M. van der Vorm	50.0	8.5	5.0	-	63.5	58.5
F.J.G.M. Cremers	50.0	15.0	-	-	65.0	60.0
C.J. van den Driest	50.0	-	-	10.0	60.0	56.0
Chun Kai Lam	50.0	-	-	7.0	57.0	53.0
R.G.M. Zwitserloot	50.0	8.5	-	-	58.5	54.5
Total	**320.0**	**32.0**	**12.0**	**24.0**	**388.0**	**360.0**

Supervisory Board members do not receive any fixed allowance or performance-related incentives. The company reimburses travel cost for Supervisory Board members outside the Netherlands, which reimbursements are not included in the table.

No Supervisory Board member held any shares in Koninklijke Vopak N.V. at year-end 2012 and year-end 2013.

The Company has not provided any personal loans, advances or guarantees to Supervisory Board members.

Corporate Governance

Introduction

Vopak complies with the vast majority of the principles and best practices laid down in the Dutch Corporate Governance Code, as amended on 10 December 2008 (the Code). The limited number of exceptions to the best practice provisions, has remained unchanged in 2013 from 2012. The exceptions are explained in the following chapters. For our stakeholders, and in accordance with previous recommendations of the Monitoring Committee Corporate Governance Code (the Monitoring Committee), this section includes the various risks and ways in which Vopak manages these in our external accountability and reporting on risks and risk management.

Set-up and policy

Vopak aims to strike a sound balance between the interests of the company's various stakeholders. Integrity, openness, supervision, transparent reporting and accountability are the cornerstones of our corporate governance policy. We have also developed a clear policy towards sustainability. A copy can be downloaded from the Vopak website.

Vopak confirms that the principles reflected in the Code are in line with those applied by Vopak.

Vopak has a two-tier governance structure, consisting of an Executive Board and a Supervisory Board.

The Executive Board is responsible for the management of the company and for the realization of its strategic and other objectives. These include those for health, safety, the environment (part of sustainability), quality, strategy and policy, as well as the related development of results.

The Supervisory Board reviews Vopak´s overall performance, including the policies pursued and results achieved by the Executive Board, the company´s financial situation, and its financial statements. The Supervisory Board also reviews the strategy of Vopak, as proposed by the Executive Board. Similarly, it approves important proposals for capital expenditure, acquisitions and divestments, changes in financial and other corporate policies and the annual budget. The Supervisory Board evaluates the performance of the Executive Board as a whole and that of its individual members, and proposes to the AGM any changes to the composition of the Executive Board. Similarly, the Supervisory Board annually reviews its own performance and proposes new appointments and the departure of existing Supervisory Board members to the AGM. Finally, the Supervisory Board ensures the company´s policies are formulated and pursued in the interest of all its stakeholders, including shareholders and employees, and that these policies are sustainable and meet the highest ethical standards.

As Vopak is defined as an international holding company within the context of the Dutch Large Companies Act, it is exempt from the provisions of this Act.

The Supervisory Board is carefully selected to include members with diverse backgrounds and experience in areas relevant to Vopak's core business and the foreign markets in which it operates. Their experience ranges from economic, financial, technical, operational and social areas, to political and business-related ones. The Supervisory Board, in performing its duties, focuses on the realization of the objectives of the company, the strategy and its implementation. The Supervisory Board appoints an Audit Committee, a Remuneration Committee and a Selection and Appointment Committee from among its members. In accordance with the provisions of the Code, Vopak has further specified the role and powers of these committees in specific regulations for them.

In addition to the power to appoint, suspend and dismiss members of the Executive Board and Supervisory Board, the AGM has other authorities such as passing resolutions for legal mergers and split-offs, and adopting financial statements and profit appropriation. Furthermore, the AGM determines the remuneration policy for the Executive Board, and has to approve any significant amendments to the policy. The AGM also sets the remuneration of the members of the Supervisory Board. The remuneration of the members of the Executive Board is set by the Supervisory Board on the basis of a proposal from the Remuneration Committee, in accordance with the remuneration policy adopted by the 2013 AGM. Vopak will continue to facilitate proxy voting. Dutch law provides for a mandatory registration date to exercise voting and attendance rights 28 days before the day of the AGM.

The Dutch Corporate Governance Code

Vopak has evaluated its corporate governance setup against the Dutch Corporate Governance Code (the Code) and concluded that it satisfies the principles and best practice provisions of the Code applied in 2013, with six exceptions listed below.

1. Best practice provision II.1.1 (appointment of Executive Board members for four years)

The term of Mr De Kreij's contract of employment is not in accordance with this provision. The contract was concluded for an indefinite period of time and before the Code came into effect.

2. Best practice provision III.2.1 (independence of Supervisory Board members)

Two members of the Supervisory Board, Mr Van der Vorm and Mr Van den Driest, do not satisfy all the independence criteria of the Code, which is not in accordance with this best-practice provision. The Supervisory Board and the Executive Board are of the opinion that both members offer considerable added value to the Supervisory Board.

The added value of Mr Van der Vorm relates to his capabilities, knowledge and experience of managing and investing in internationally-operating companies. Mr Van den Driest has knowledge of logistic services, tank storage activities, the port of Rotterdam and is familiar with the company, having served for many years in different capacities, including as Chairman of the Executive Board up to 1 January 2006, which adds considerable value to the Supervisory Board.

3. Best practice provision II.2.8 (maximum severance pay)

The contract of employment between Vopak and Mr De Kreij is not in accordance with this provision. In the event of his dismissal, Mr De Kreij will be contractually entitled to at least two years' salary. Such severance pay may also become due if Mr De Kreij cannot reasonably be asked to fulfill his duties as a result of changes in circumstances, for example if a public bid is made. The contract was concluded before the Code came into effect and rights acquired may not be impaired.

4. Principle III.3 and best practice provision III.3.1 (expertise and composition Supervisory Board)

These provisions relate to diversity and state that the Supervisory Board should strive for a diverse composition as to gender and age and should formulate concrete targets to achieve this.
The Supervisory Board of Vopak strives to achieve a diverse composition of its members and has formulated key elements of its membership profile. These elements are available in the Corporate Governance section of the Vopak website.

Vopak does not strictly follow the recommendation to put an explicit target on diversity in terms of gender or age and has not formulated concrete targets in this respect. The overriding principle for Vopak is that the Supervisory Board has a diverse composition of members with a valuable contribution in terms of experience and knowledge of the oil, petrochemical or LNG industries in the regions in which Vopak is active, or other business knowledge. The appointment of Mr Chun Kai Lam from Singapore during the AGM of 27 April 2011, is an example of our strive towards diversity within the Supervisory Board. Vopak has noted the new Law on Management and Supervision, which is effective from 1 January 2013. Diversity in the broad sense continues to be a topic on the Supervisory Board agenda and is also discussed in the Selection- and Appointment Committee meetings on a regular basis.

5. Best practice provision III.3.5. (composition)
With respect to this best practice provision, it should be noted that Mr Van der Vorm was reappointed as a member of the Supervisory Board for a fourth and maximum term of four years at the AGM of 25 April 2012. Section III.3.5 of the Code limits the number of four-year terms to a maximum of three. However, the regulations of the Supervisory Board provide that the Supervisory Board may decide otherwise, which it did in the case of Mr van der Vorm, based on his outstanding performance as a member of the Supervisory Board and his valuable knowledge and experience.

6. Best practice provision III.5.11 (Remuneration Committee)
With respect to this best practice provision, it should be noted that Mr Van den Driest, as a non-independent member of the Supervisory Board, has been appointed Chairman of the Remuneration Committee.

The Supervisory Board believes that Mr Van den Driest is fully qualified to perform the role of Chairman of the Remuneration Committee given his background and experience.

Vopak has various regulations in place governing the performance of its various bodies and ensuring implementation of the rules applicable within Vopak. These regulations have been amended in line with the Code, recent legislative amendments and decisions made by the Supervisory Board. The regulations can be found in the Corporate Governance section of the Vopak website.

The regulations are:
- Regulations of the Executive Board;
- Regulations of the Supervisory Board;
- Regulations of the Audit Committee of the Supervisory Board;
- Regulations of the Remuneration Committee of the Supervisory Board;
- Regulations of the Selection and Appointment Committee of the Supervisory Board;
- Regulations in respect of the ownership of and transactions in Vopak shares and certain other financial instruments as amended on the basis of the Act on Financial Supervision. Vopak also maintains the Insider Lists specified by this Act;
- Regulations on suspected irregularities ('whistle-blower regulation').

The following items also appear on the website:
- Articles of Association;
- Information on the members of the Executive Board and Supervisory Board and the composition of the core committees;
- Profile of the Supervisory Board;
- Retirement schedule for the Supervisory Board members;
- Retirement schedule for the Executive Board members;
- Policy related to bilateral contacts with shareholders;
- Code of Conduct;
- Corporate Governance Compliance Manual;
- Remuneration report, containing the main points of the remuneration policy;
- Report of Stichting Administratiekantoor Financieringspreferente Aandelen Vopak ('the Foundation');
- Management Authorization Policy;
- Corporate Governance Statement (the content of which forms part of this Annual Report and is deemed incorporated here by reference).

Anti-takeover measures

Vopak´s principal defense against a hostile takeover is the company´s ability to issue cumulative preference shares (`protective preference shares´) to Stichting Vopak. Such defensive preference shares will be issued, in the event Stichting Vopak exercise its option right. On 18 October 1999, the AGM decided to grant Stichting Vopak the right to take up protective preference shares up to a maximum nominal amount equal to 100% of the share capital issued at that time to third parties in the form of ordinary and financing preference shares, less one ordinary share. Vopak and Stichting Vopak further formalized their relationship with regard to the option right in an option agreement of 1 November 1999. This agreement was amended on 5 May 2004, whereby the original put option granted to Vopak was cancelled.

In light of the possible introduction in the future of other classes of shares, the EGM of 17 September 2013, resolved to increase Stichting Vopak's right to acquire protective preference shares in such way that it is not only related to share capital issued to third parties in the form of ordinary and financing preference shares at the time Stichting Vopak exercises this, but to all shares in the share capital of Vopak issued to third parties at such time, less one ordinary share. On 17 September 2013, the option agreement with Stichting Vopak was amended to reflect this change.

Exercise by Stichting Vopak of its option right in part does not affect its right to acquire the remaining protective preference shares under the option granted to Stichting Vopak. The option agreement provides that in the event that Stichting Vopak exercises its option right and the results thereof are fully or partially cancelled (for instance as a result of the cancellation of the protective preference shares issued), Stichting Vopak will continue to be able to exercise its option right.

The granting of the call option to Stichting Vopak has been entered in the Company Registry and is disclosed in this annual report. The objective of Stichting Vopak is to promote the interests of Vopak and companies affiliated to the Vopak group. It does this in a way that safeguards the interests of Vopak and its stakeholders to the greatest possible extent and, to the best of its ability, it resists influences opposing those interests, which could impair the independence and/or continuity and/or identity of Vopak.
It undertakes all actions relating to or conducive to these objectives. The board of Stichting Vopak therefore determines whether and when it is necessary to issue the protective preference shares.

These measures can be taken in the event of a takeover, for example, if it is in the interest of Vopak to establish its position in respect of the hostile party and its plans, and to create opportunities to seek scenarios. Vopak reviews its anti-takeover measures as necessary against implementation acts enacted from time to time pursuant to EU directives.

Information referred to in Section 1 of the Takeover Directive (Article 10) Decree

Capital structure

A description of Vopak's capital structure, the various classes of shares and the rights and obligations attached to them can be found in note 21 to the Consolidated Financial Statements. At 31 December 2013, a total of 127,835,430 ordinary shares had been issued, as well as 41,400,000 financing preference shares, all with a nominal value of EUR 0.50 each. At 31 December 2013, the ordinary shares represented 75.54% of the issued share capital, with the financing preference shares representing 24.46%.

Restrictions on the transfer of shares and depositary receipts for shares

Vopak´s Articles of Association do not provide for a restriction on the transfer of ordinary shares. They do, however, provide for a restriction on the transfer of financing preference shares. Financing preference shares may only be transferred to natural persons, subject to specific exceptions involving Stichting Vopak and other parties pursuant to Article 10A, paragraph 7 of the Articles of Association. No restrictions apply to the transfer of depositary receipts for financing preference shares issued by the Stichting Administratiekantoor Financieringspreferente Aandelen Vopak. With regard to the protective preference shares, the Articles of Association provide that any transfer requires approval from the Executive Board.

Major holdings subject to mandatory disclosure

More information on major shareholdings that are subject to mandatory disclosure pursuant to Sections 5:34, 5:35 and 5:43 of the Decree can be found in the section 'Royal Vopak shareholders'.

System of control over employee share plans

Information on share plans can be found in note 27 to the Consolidated Financial Statements of this annual report.

Restrictions on voting rights attaching to financing preference shares

A description of the depositary receipts for financing preference shares and a restriction on the voting rights attaching to those shares can be found in the section Stichting Administratiekantoor Financieringspreferente Aandelen Vopak ('the Foundation').

Rules governing the appointment and dismissal of members of the Executive Board and Supervisory Board and the amendment of the Articles of Association

Under Vopak's Articles of Association, members of the Executive Board and Supervisory Board are appointed and dismissed by the general meeting of shareholders. For the appointment of members of the Executive Board, the Supervisory Board makes a non-binding nomination. Upon the appointment of members of the Supervisory Board, the Supervisory Board may make a non-binding or binding nomination.

The general meeting of shareholders may only resolve to amend the Articles of Association following a proposal from the Executive Board that is subject to approval by the Supervisory Board. Such a resolution of the general meeting of shareholders requires a majority of at least two-thirds of the number of votes validly cast.

Share issuance and repurchase

The general meeting of shareholders or the Executive Board, if so designated by the general meeting of shareholders, resolves or decides on the issuance of shares. Any share issuance is subject to approval by the Supervisory Board. The Executive Board, subject to the approval of the Supervisory Board, is authorized from 17 September 2013 up to 21 March 2014 to issue cumulative preference C-shares up to the maximum number of cumulative preference C-shares that can be issued pursuant to the authorized share capital included in the Articles of Association as they will read at the time of issuance.
This authorization was not exercised in 2013.

The Executive Board is authorized until 23 October 2014 to repurchase fully paid-up ordinary shares in Vopak´s capital, subject to approval by the Supervisory Board. Any repurchase must be limited to the maximum number held by virtue of the law and the Articles of Association (10% at 31 December 2013). Their purchase price must be between the nominal value of the ordinary shares and 110% of the average share price listed on the five most recent trading days prior to the date of the purchase. During 2013 this authorization was not exercised.

Key agreements containing change-of-control provisions

An agreement entered into with the holders of financing preference shares on 8 July 2009 provides that, in the event of a public bid for the shares in Vopak´s capital which may result in a change of control over the shares carrying the right to cast more than 50% of the votes attached to all issued shares in its capital, Vopak will be obliged, subject to approval by the holders of a majority of the depositary receipts for financing preference shares, to convene a general meeting of shareholders before the period set for offering shares under the public bid has expired, in which a resolution to cancel all outstanding financing preference shares will be placed on the agenda for discussion.

Please also refer to the change-of-control provision on loans in note 30 to the Consolidated Financial Statements.

With respect to agreements entered into with members of the Executive Board and employees that provide for payment upon termination of their employment following a public bid, please refer to the description of change of control of the LTIP and the Corporate Governance section, particularly the explanation of the departure from best practice provision II.2.8 of the Code.

Risks and risk management

Over the past years, Vopak's focused strategy has led to the expansion of our global network of terminals and our current position as the largest global independent storage provider. The strategy captures entrepreneurial opportunities while effectively managing risks, which is vital for doing business successfully in a sustainable way. Although it is always challenging to properly assess the probability, impact and timing of risks and opportunities while being entrepreneurial, it remains a core responsibility of the Executive Board to make balanced decisions based on thorough analyses, and to clearly communicate to all stakeholders the significance of potential risks affecting the strategy. Consequently, balanced evaluation and communication on both opportunities and risks is essential. At Vopak, this is embedded at every level of the organization, making risk management an integral part of our day-to-day operations. This is considered fundamental to realize our ambitions and corresponding global strategic objectives.

The Vopak business model is characterized by a balanced global portfolio, with a geographical spread of terminals (in OECD and non-OECD countries), different types of terminals (hub, import/export, industrial), handling a wide range of products (oil products, chemicals and LPG, biofuels and vegetable oils, and LNG), different contract types (industrial, long-, medium- and short-term), and various types of customers (national and international chemical and oil companies, governments, downstream customers, utility providers and traders of oil products, chemicals, biofuels and vegetable oils). Any changes or fine-tuning to our balanced business model are subject to clear management decisions, in line with Vopak´s risk-reward appetite.

Defining Vopak’s risk-reward appetite is a core responsibility of the Executive Board, as it is intimately linked to defining the overall strategy. In this balancing act, the Board takes into account the expectations of all stakeholders, including customers, shareholders, employees and regulators. In doing so, risk responses are balanced with business opportunities to fully align Vopak's growth ambitions with our risk appetite.

Risk category (COSO)	Strategic pillars Vopak	Vopak’s risk-reward appetite
Strategic risks	Growth leadership Customer leadership	**Moderate to high:** right balance between risk and long-term reward
Operational risks	Operational excellence	**Low:** on safety issues **Moderate:** on other areas/topics with alignment of targets and related cost, and a clear focus on sustainable EBIT growth
Compliance risks	Operational excellence	**Low:** full compliance with legal, regulatory and political environments
Financial reporting risks		**Low:** full compliance with financial reporting rules and regulations

Main risks

Although Vopak sees many business opportunities, this section explains the main risks, set out in order of the three strategic pillars: growth leadership, operational excellence and customer leadership. The main risks described below follow the strategic analysis in the report of the Executive Board.

GROWTH LEADERSHIP

Increasing competition and expansion of capacity

In a dynamic global marketplace, existing competitors and new players could negatively impact Vopak´s market position. In recent years, we have faced increasing competition through expansion of storage capacity by existing providers, as well as the entrance of various new players. Vopak recognizes there is a growing risk of some overcapacity in certain product-market combinations. In response to this development, we are prioritizing targeted growth, particularly in locations that are considered strategic from a logistic perspective, using focused long-term terminal master plans for existing locations and thoroughly analyzing potential new terminal locations using the quantified scenarios. We have strengthened our business development functions and our contact with global customers, while further enhancing our service and safety culture.

We ensure that management of our terminals continues to be closely connected to our core business, enabling swift, efficient and effective decision making and project execution by engaged people that truly understand our business, while reducing waste in terms of costs and time. We are also aiming to achieve higher customer satisfaction by providing high-quality service and highly efficient operational processes. In addition, Vopak is able to keep a balanced duration of sales contracts, with a considerable part of the contracts spanning a longer term.

Revenue in relation to contract duration
In %

The permit to operate is essential to our business

In our business the permits to operate, such as concessions from port authorities, are essential to enter the market. In several instances we noted authorities have increasingly demanding procedures before granting renewals and we are sometimes facing long lead times to acquire or renew permits or concessions for our locations. We are therefore actively monitoring the status of permits in all locations where we operate and are pro-actively obtaining renewals and permits to operate new sites.

We continue to see a solid demand for storage, but are facing several challenges affecting growth on the shorter term

Following in-depth analyses of various scenarios and global trends in the energy and chemical markets, including US shale developments, expected Asian growth paths, developments in Africa, LNG as a potential transport fuel, and the likelihood of further rationalization in the refinery and petrochemical sector, Vopak continues to see positive long-term developments. At the same time, we are facing several challenges for the shorter term, such as the testing economic climate, prolonged backwardated oil market and a highly competitive storage environment for certain product-market combinations, particularly in Europe.

Looking ahead, we expect the regional divergence of our business climate to continue. In Europe, we anticipate a continuing testing economic climate and a highly competitive market environment in certain product-market combinations. For the Americas, we see positive market developments and various opportunities in the US Gulf Coast area, characterized by a competitive investment environment. In Asia and the Middle East, we foresee a continuing healthy demand for our storage services throughout our existing terminal network, providing interesting opportunities to further expand our position.

These developments are expected to affect our future earnings and investment portfolio and specific product-market combinations on the shorter term. We are developing the global spread of our terminal portfolio to capture longer-term opportunities in regions with growth and have improved our insights in product flows and customer developments. This insight supports our terminal strategies, their locations and their design.

In most regions and product groups demand has been strong and Vopak has been able to capitalize on this with existing or new storage capacity. In some regions and product groups demand has stalled. Accordingly, occupancy rates in some locations and product groups were impacted by the global economic slowdown and certain changes in trade patterns. As a consequence, the overall occupancy rate declined from 91% to 88%, whereby it should be noted that Vopak's total storage capacity in 2013 increased by 2% while maintaining healthy margins. As a whole, Vopak is taking steps to compensate for these local challenges by further strengthening our customer value proposition. We focusing on specific product groups, further improving efficiency for our customers and further aligning our infrastructure with current and future market needs.

Expansion brings additional challenges

New projects under construction frequently represent sizeable investments and their complexity can increase due to business, financing, environmental and political circumstances and aligning with the interests of new joint venture partners. Building and operating new terminals requires access to a skilled workforce and obtaining the required permits on time. These risks are mitigated through Vopak's standard global project methodology, repeatable formula with standard design criteria, hiring specific experts, knowledge management, peer reviews, strong relationship management and country studies. In addition, structured succession planning and using the strength of Vopak´s network have enabled us to bring in sufficient resources for the projects. Also supporting our continued success in executing projects at new and existing locations are the investment proposals as well as the diversified experience of our Global Treasury team to investigate alternative sources of finance and/or secure sufficient funds to finance the projects in good time. To realize our growth strategy requires an adequate level of customer commitments for the new and planned terminals. Vopak employs commercial teams to focus on marketing this greenfield capacity.

OPERATIONAL EXCELLENCE

Safety and environmental risks continue to be a key focus area

Safety is non-negotiable. Vopak continues to give safety the highest priority. We care about people and the environment and incidents can affect our license to operate and are our highest reputation risk. We progressed our safety attitude in 2013 through various programs focusing on operator skills, safety awareness, safety behavior and improvements initiated from the bottom-up. Governmental bodies are tightening their efforts to check safety in our industry, which emphasizes the need for strict compliance in this area. Our structured approach to maintenance and continuous intensive sustaining capex programs to upgrade infrastructure where necessary or considered effective, prove adequate to demonstrate our asset integrity and will also further reduce safety and environmental risks. Our ambition and targets are aimed at realizing further enhancements in the near future. Accordingly, we continue to emphasize the importance of safety, health and the environment through internal communications, training courses on visible leadership, sharing best practices and by conducting assessments and reviews so we continuously improve. Safety is the cornerstone of our business applicable for all stakeholders entering our sites, including contractors, surveyors, transportation companies, suppliers, barging and shipping companies.

Our improved safety performance in 2013 was overshadowed by a contractor fatality, at the construction site in Dongguan (China). Apart from this regrettable fatality, our personal and process safety performance in 2013 showed encouraging improvement compared to 2012, exceeding our safety performance objectives. Our progress is recognized by many stakeholders.

The local authority in the Port of Rotterdam received complaints about odors resulting from oil operations at the Europoort terminal (Netherlands), where the nature of the products we handle changed to a less favorable product composition. In response to these complaints, Vopak successfully implemented solutions to eliminate the stench in short term and, we are developing further long-term solutions. During 2013, and specifically in the second half of the year the terminal operated with a strongly reduced number of complaints.

In addition to our focus on growth, commercial excellence and safety, we are increasing our efforts to optimize costs levels, by simplifying our organizational structure wherever possible, optimizing sustaining capex (based on structured maintenance planning), ensuring efficient terminal operations and providing high service levels so we can offer competitive prices.

Vopak is aligning its sustainability vision and targets to the latest developments

During 2013, we further aligned our strategy and goals on sustainability with the overall Vopak strategy. Management is increasingly committed to these goals and we have improved standards for personal and process safety, achieved energy savings and drawn attention to further developing our people. The sustainability section on our website provides more detail about our sustainability strategy and provides access to our Sustainability Report 2013. We note that our customers and the local communities near our terminals have ever-increasing expectations of our industry. In the Sustainability Report 2013, Vopak will expand the number of key performance indicators (KPIs) we report on, in line with our step-by-step approach to adopt applicable standards for our reporting. This indicates Vopak´s commitment to be truly focused on people, planet and profit.

Risk of insufficient number of people with the right skills

Vopak is a rapidly growing company, meaning that in the coming years we could be short of sufficient and capable people in key positions. As a company with worldwide operations, and as a leader in the independent tank storage market, we face the possibility that our people will be approached and recruited by competitors or customers. We aim to take on enough people to cover both the expansion of our business activities as well as the expected outflow, while offering a balanced remuneration package and an environment in which new employees can develop quickly in the organization. We have training plans to help staff reach and maintain adequate levels of knowledge and competencies.

Our HR strategy is executed in line with our three strategic pillars. In HR, we continue to focus on competency and skills management, management performance based on a worldwide talent management strategy and leadership and management development, as well as further improving the HR organization. Succession planning for senior management positions is coordinated centrally.

Our employee engagement surveys show our employees are prepared to make every effort to support our key factors for success. Employee satisfaction is high, as is pride in the company and staff retention. People want to stay and develop themselves at Vopak. Our challenge is to balance continuous improvement and growth projects with the inspiring but also potentially high work pressure resulting from that. By setting clear priorities and supporting the personal development of our employees, we aim to realize a balanced match with our high performance ambition.

CUSTOMER LEADERSHIP

Improving customer satisfaction creates opportunities

High-quality service is fundamental to our commercial strategy. We therefore continue to give our full attention to our customers when doing business and performing operational activities. We measure, monitor and evaluate our service KPIs and use an annual customer satisfaction survey to track changes in the perception of our service level. We aim to provide even better service through training courses and competence management, standardizing processes and further improving our information systems. Our intensive sustaining capex programs – to upgrade our infrastructure where necessary or considered effective – also help us to reduce delays and complaints. Due to our large and wide-spread customer base, the risk of customer concentration and the associated credit risk are very limited.

We measure the Net Promoter Score (NPS) and the Vopak Service Quality Index (VSQI). This enables us to continuously identify improvement areas for our customers. In those cases, we initiate efforts to improve the trend and align with our customers on the service levels they need. To truly embed a customer-focused service culture, customer satisfaction is a key target for employees in short-term incentive plans. We will continue our efforts in this area in 2014. The quality of our service is a distinctive factor for customers to choose Vopak.

LEGAL, COMPLIANCE AND OTHER RISKS

Legal and compliance

Vopak may be held liable for any non-compliance with laws and regulations. For example, in a number of countries there is specific legislation relating to the administration and tracking of 'controlled products' (the United Nations lists these products). We mitigate this risk through monitoring and by adapting to significant and rapid changes in the legal systems, regulatory controls and customs and practices in the countries where we operate. Some products we store and handle for customers, such as ethanol, are subject to import duties. As more products with import duties are handled, Vopak´s financial risk exposure rises, requiring continuous attention for adequate procedures, processes and controls. Sufficient working capital, inventory management and supportive processes are preconditions that we safeguard through a key control framework and a global diagnostic instrument. Where necessary, control mechanisms are tightened. The effects of stricter environmental regulation are covered as far as possible by making specific and sustainable investments and by sharing risks with customers.

Legislation to prevent bribery is being introduced around the world, and the UK Bribery Act in particular causes many companies to redefine their policies. Vopak has responded by issuing new policies and emphasizing adherence by all employees to the Code of Conduct.

Information security

Information technology is a significant driver to improve and innovate in our business, and stakeholders continue to expect more proactive digital exchange of business transactions. We have defined a long-term IT strategy and investment portfolio to keep up with this trend, replacing applications on time and fulfilling the demands of our customers, supply chain partners, employees and shareholders.

An effect of our expanding IT landscape is that Vopak is more dependent on its information systems. The rise of cyber threats and remote accessibility of the applications in use make us more vulnerable to damage resulting from IT security incidents. Our information security policy mandates that we implement and maintain controls, processes and tools that ensure continuity of information systems and the confidentiality, privacy and integrity of confidential and sensitive information. We are using the infrastructure of professional service providers to increase the levels of protection of applications and data. Compliance with our policy and with the various legal and regulatory requirements is continuously managed and monitored. By updating our security policies and implementing of ISO 27001 we will continue to be protected and ready to resolve most issues in on time. We also perform terminal security risk assessments, reviews on our outsourced service providers and have defined a way to mitigate the risk related to the impact of social media.

Insurable risks

Vopak´s enterprise risk management (ERM) approach offers insight into the potential exposure the company could face. Our insurance policy aims to strike the right balance between arranging insurance cover for Vopak´s risks and financing adverse implications ourselves, or transferring such risks to external insurance companies. The principal factors underlying our insurance policy are risk tolerance and risk transfer costs. On this basis, Vopak has purchased worldwide insurance cover for such risks as product and third-party liability, property damage and business interruption.

Vopak´s insured risks are partly covered by a Vopak captive reinsurance company and by transferring risks to the insurance market. The financial credit ratings of the insurance companies involved are reviewed on a regular basis and, where appropriate, risks are spread across multiple insurance companies.

FINANCIAL RISKS

Our financial risks are considered in detail in note 30 to the Consolidated Financial Statements. Here we explain the main risk subjects regarding currency and exchange rate risks, interest rate risks and credit risks, including the risk responses.

The economy in the euro zone and the developments in the US economy, including the US government debt level, have impacted the exchange rates of currencies worldwide. The consequences of the risks resulting from these developments have been analyzed. The natural hedges resulting from our global operations between the main currencies have been reviewed and measures have been taken to limit the exposure, as described in note 30.

Refinancing and liquidity risks

Vopak is a capital-intensive company. Our strategic finance funding policy aims to ensure flexible access to various capital markets and funding sources to support our growth strategy, facilitating a continuous balanced and well-spread debt maturity profile at appropriate terms and conditions, matching Vopak's solid credit quality. Following various long-term funding transactions (US and Asian Private Placements, revolving credit facility) the remaining duration of the outstanding long-term debt is approximately 9 years and the repayment profile is well-spread over an even longer period.

The development of our Senior net debt : EBITDA ratio is frequently monitored and discussed by the Strategic Finance Committee, the Executive Board, the Audit Committee and the Supervisory Board. Vopak's funding strategy is focused on ensuring continuous access to the capital markets so funding capital is always available at a time of our choice and at acceptable cost.

Subsidiaries are funded centrally by the Global Treasury department, which acts as a type of in-house bank. Where possible, joint ventures are funded by debt on a non-recourse project financing basis.

Liquidity requirements are monitored continuously. Long-term liquidity risks are reviewed each quarter and ahead of every significant investment. Active cash management is a daily responsibility.

FINANCIAL REPORTING

Vopak prepares its financial reports using reliable systems with clear procedures, solid internal controls and proven integrity in reporting. The various duties are segregated, performed by knowledgeable and experienced professionals and tested in specific audits.

The results of internal and external audits are discussed with terminal and divisional managers each quarter. Vopak pays a great deal of attention to these procedures. We use a finance excellence framework to help terminals and divisions develop their finance function.

Reports are prepared using a clearly defined, mandatory process with regular consultations across the management layers involved. The reports and related discussions are not limited to the financial results but also cover key operational, human resources and commercial performance indicators. Joint ventures are included in this process and there is at least one Vopak representative in a supervisory role in the organization that pays particular attention to these points.

Vopak has an effective internal control structure. A number of controls are automated to reduce the risk of variations and errors. A specific group of representatives from the Global Control & Business Analysis department and from all divisions is responsible for the ongoing application and enhancement of internal control procedures. Staff at the terminals are instructed about IFRS standards and kept up to date on amendments. The potential impact is assessed promptly. External advisors are engaged to value acquisitions (purchase accounting method). The external auditor examines compliance with IFRS at the main terminals, using standards set in IFRS and Vopak's accounting manual.

Risk management

Risk management is strongly embedded in all layers of the organization. Divisional managers assess risks, set and check the effect of the strategy for fit-for-purpose risk-mitigating actions and monitor effective implementation. Risk reports are prepared and topics analyzed at a corporate level. Enterprise risk management (ERM) is on the agenda of the Strategy Committee (Stratcom). The Stratcom comprises members of the Executive Board, the commercial president and the division presidents who meet frequently. The Stratcom selects risk themes and appoints functional directors at a global level to develop the right approach to these themes.

Our risk appetite remains unchanged

At year-end 2013, Vopak had 77 terminals in 29 countries. This extensive network adds value to our internationally-operating customers and enables us to spread the risks of political and economic instability in an entrepreneurial manner. Every Vopak location pays considerable attention to environmental risks and attempts to keep safety risks to the absolute minimum. Many products we store and transport are potentially harmful to public health and the environment. Our focus on safety is reflected in the design of our terminals, the behavior of our employees and in our policy and standards, which meet or exceed local legislation and regulations. Our employees undergo regular training to keep know-how, skills and conduct up to standard. Key performance indicators are monitored monthly and there are also internal and external audits.

We are prepared to take different risks in some areas than in others. Taking calculated risks to benefit from exceptional opportunities is part of our growth strategy. To ensure that risks and the potential loss of opportunities are sufficiently under control, each business decision is supported by a balanced system of selection, prioritization, internal financial and operational reviews and authorization profiles. Our standards and values are set out in the Vopak Values, which guide our actions. There are no concessions to this. Where it involves our business, we ensure proper funding and have adequate cash and cash equivalents available on time to execute growth, improvement or maintenance projects.

Risk management framework

Risk management and the internal control structure

The aim of our risk management and internal control structure is to achieve a balance between an effective, professional enterprise, and the risk profile that we are aiming for as a business. Our risk management and internal controls, based on the COSO Enterprise Risk Management Framework, make a significant contribution to the prompt identification and adequate management of strategic and market risks. They also support us in achieving our operational and financial targets and complying with legislation and regulations.

Risk management approach

The Executive Board, under supervision of the Supervisory Board, has ultimate responsibility for Vopak´s risk management and internal control structure. The divisional management teams are responsible for implementing the strategy, achieving results, identifying underlying opportunities and risks and ensuring effective operations. They have to act in accordance with the policy and standards set by the Executive Board, in which they are supported by global functional departments.

Division management teams have risk management integrated into their strategic, tactical and operational business activities. Opportunities and risks are assessed and follow-up actions to mitigate risks are discussed as part of our standard management review cycles. The quality of these activities is regularly assessed. The ERM process is coordinated at a global level and the ERM information is analyzed, consolidated and reported to the Executive Board, to the division management teams and to global functional directors.

The Executive Board approves the annual budget and two-year plans for each division. These budgets contain clear objectives for each of the three strategic pillars, risks and opportunities, activities and performance indicators. It also designates the managers with ultimate responsibility. To avoid execution risk, the Executive Board discusses the conditions (enablers) with the divisions.

Each quarter, the Executive Board and the division management teams discuss progress on implementing the company's strategy, business plans, key performance indicators, quarterly results, key risks, opportunities and progress on mitigating measures.

At the end of the year, terminal and divisional managers use the Control Risk Self-Assessment to determine how effective the risk management and internal control structures were. The results and trend analyses are discussed with the Executive Board.

The Executive Board, which bears ultimate responsibility for the proper functioning of risk management and the internal control structure, discusses the company´s results, key performance indicators and strategy (and adjustments to it), the outcomes and effectiveness of risk management and the internal control structure with the Audit Committee and the Supervisory Board. Global Internal Audit provides further assurance on the functioning of risk management and the internal control framework. The external auditor also performs procedures regarding the internal control framework and the adequacy of the financial reporting systems as part of their financial audit. The results are discussed with the Audit Committee.

The management of our terminals, divisions, global functional directors and the Executive Board sign Letters of Representation at the end of the half year and the full year.

With all the challenges associated with operating in an entrepreneurial manner in a complex, dynamic world, Vopak is well positioned to capture the opportunities while mitigating the risks through a focused core business, supported by a fit-for-purpose business model and management teams with the right competences, skills and experiences.

Our in-control statement is included in the next chapter.

Executive Board declaration

In-control statement

In the Risks and risk management section we set out in detail our risks and risk management framework, as well as the responsibilities of the Executive Board.

In compliance with the best practice principle II.1.5 laid down in the Dutch Corporate Governance Code, and taking into account the limitations outlined below (and based on our evaluation), we confirm that our internal risk management and control systems relating to financial reporting risks worked properly in 2013 and provide a reasonable assurance that the financial reporting does not contain any errors of material importance.

Our internal risk management and control systems are, however, unable to offer absolute assurance that the strategic, operational and financial objectives will be fully achieved, or that laws and regulations are always complied with. Furthermore, the systems cannot prevent all human errors of judgments and mistakes. It is also inherent that in business, cost-benefit assessments must be made for the acceptance of risks and the implementation of controls. We continue to further improve and optimize our internal risk management and control procedures.

Executive Board declaration

Pursuant to the Financial Supervision Act, Section 5:25c, paragraph 2, sub-paragraph c, we declare that, to the best of our knowledge:

a. The financial statements give a true and fair view of the Group's assets, liabilities, financial position and profit or loss;
b. The Executive Board report gives a true and fair view of the situation on the balance sheet date, of developments during the financial year of the company and entities affiliated with it;
c. The Executive Board report includes a description of the main risks the company faces.

Rotterdam, 27 February 2014

The Executive Board

Eelco Hoekstra (Chairman and CEO)
Jack de Kreij (Vice-chairman and CFO)
Frits Eulderink (COO)

Shareholder information

Share price developments

In EUR	2013	2012
Share price at 1 January	53.31	40.83
Highest share price	55.11	57.94
Average closing share price	45.59	49.00
Lowest share price	40.52	40.32
Share price at 31 December	42.52	53.31
Free float	45.7%	46.6%
Average number of shares traded per day	295,369	213,900
Market capitalization at year-end	5,435,562,484	6,814,906,773

Share price movement in 2013
In %

Information per ordinary share of EUR 0.50

In EUR	2013	restated 2012
Earnings	2.45	2.55
Earnings excluding exceptional items	2.45	2.73
Equity attributable to owners of parent	13.86	12.14
Dividend (proposal 2013)	0.90	0.88
Pay-out ratio	37%	34%
Pay-out ratio excluding exceptional items	37%	32%

Investor Relations

Vopak has an open and active information policy for investors and other parties interested in the company's financial and non-financial status. Our objective is to provide quality information to stakeholders about developments at Vopak, ensuring this information is equally and simultaneously accessible to all interested parties. Such information is made available through annual and semi-annual reports, trading updates, press releases, presentations to investors and the Vopak website. In addition, Vopak organizes analyst conferences and regularly conducts roadshows to meet investors.

Members of the Executive Board and the Investor Relations department held more than 300 meetings with current or potential investors during 2013 and organized a Capital Markets Day in December. Vopak holds press conferences coinciding with the publication of its annual and half-year results, and organizes a meeting with financial analysts following publication of the annual and half-year results. The publication of first and third quarter results is followed by a telephone conference with analysts. These sessions can be followed via the company´s website in either a video or audio webcast, and information presented at these meetings is also published in good time on the company´s website. Vopak complies with the rules and regulations of the Dutch Financial Markets Authority (AFM) and International Financial Reporting Standards (IFRS) in all its publications.

Listing

Vopak ordinary shares are listed on the NYSE Euronext stock exchange in Amsterdam, the Netherlands, and are part of the Midkap Index (ticker symbol VPK). Options on Vopak shares are also traded on NYSE Euronext Amsterdam.

Closed periods

Closed periods are the periods prior to the publication of financial results. In principle, no meetings are held with and no presentations are given to financial analysts and investors during this period. In addition, during closed periods no other communication with analysts and investors takes place, unless it relates to factual clarification of previously disclosed information. Usually the length of the closed period is eight weeks prior to full-year results (and publication of the annual report); four weeks prior to half-year results; and two weeks before Q1 and Q3 statements ('trading updates').

Bilateral contacts

Vopak may engage in bilateral contacts with existing and potential shareholders. The main objective would be to explain Vopak's strategy and operational performance and answer any questions. Vopak takes the Dutch Corporate Governance Code (December 2008) into account when engaging in bilateral contacts with shareholders.

The following guidelines have been established:

- A dialogue with shareholders outside the context of a formal shareholder meeting can be useful for both investors and Vopak;
- Vopak reserves the right to determine, at its sole discretion, whether it will accept invitations from shareholders, or parties representing shareholders, to engage in such a dialogue. Vopak may ask for further clarification on the views, aims and investment objectives of such shareholders before accepting or rejecting any invitation to engage in dialogue outside the context of a formal shareholder meeting;
- Vopak communicates as openly as possible to maximize transparency;
- Response to third party publications, such as analyst reports or draft reports, is only given by referring to public information and published guidance. Comment on these reports is given only with regards to incorrect factual information;
- Vopak's contact with investors and sell-side analysts will at all times comply with the applicable rules and regulations, in particular those concerning selective disclosure, price sensitive information and equal treatment.

Dividend policy

Barring exceptional circumstances, the principle underlying Vopak's dividend policy for ordinary shares is to pay an annual cash dividend of 25% to 50% of the net profit -excluding exceptional items- attributable to holders of ordinary shares.

The net profit -excluding exceptional items-, which is the basis for dividend payments, may be adjusted for the financial effects of one-off events such as changes in accounting policies, acquisitions or reorganizations.

In setting the dividend amount, Vopak takes into account desirable capital ratios and financing structure, as well as the flexibility it requires to successfully pursue its growth strategy. At the same time, Vopak wants to assure its shareholders of a stable trend in dividends.

Investors and their advisors can put their questions directly to Chiel Rietvelt, Manager Investor Relations, tel. +31 (0)10 400 2776. E-mail: chiel.rietvelt@vopak.com

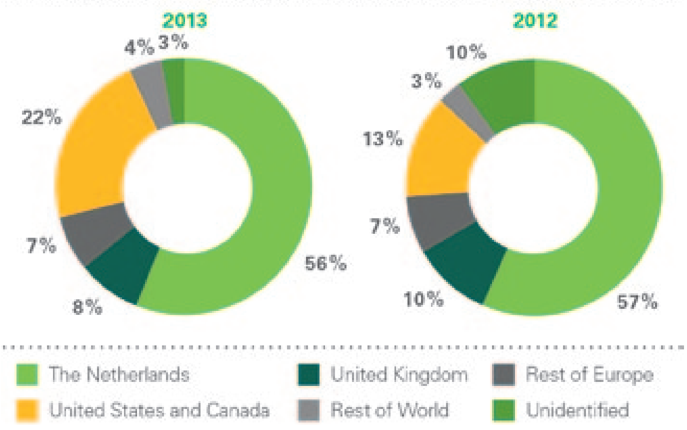
Royal Vopak shareholders

Pursuant to the Financial Supervision Act, a shareholding of 3% or more in a Dutch company must be disclosed. Vopak has received the following notifications concerning such holdings of ordinary shares and financing preference shares.

	Ordinary shareholdings [1]	Total shareholdings [2]	Voting right [3]	Date of notification
HAL Holding N.V. [4]	48.15%	39.70%	47.92%	11-01-06
SPO Advisory Corp.	6.64%	5.01%	6.65%	13-08-13
ING Groep N.V.	5.37%	11.84%	5.68%	21-05-08
UBS AG	4.16%	3.14%	< 3%	31-01-14
Delta Lloyd N.V.	< 3%	6.67%	< 3%	01-11-06
ASR Nederland N.V.	< 3%	6.67%	< 3%	06-10-08
Stichting Administratiekantoor Financieringspreferente Aandelen Vopak ('the Foundation') [5]			1.09%	31-08-09

1. Ordinary shares.
2. Ordinary and financing preference shares.
3. Voting rights on ordinary and financing preference shares (limit of 34 votes for every 1,000 financing preference shares).
4. Percentages have been amended upon verification with HAL Holding N.V. after the mentioned date of notification.
5. AFM reporting indicates 24.46% voting rights. The variance is due to an incorporated limit of 34 votes for every 1,000 financing preference shares.

Geographical distribution of holders of shares outstanding
In %



Shares outstanding

	2013	restated 2012
Weighted average number of ordinary shares	127,423,536	127,360,846
Weighted average number of ordinary shares, diluted	127,423,536	127,360,846
Number of ordinary shares at year-end	127,835,430	127,835,430
Financing preference shares	41,400,000	41,400,000
Total number of shares outstanding	**169,235,430**	**169,235,430**
Ordinary shares [1]	127,433,030	127,404,626
Financing preference shares [2]	1,407,600	4,802,400
Total voting rights at year-end	**128,840,630**	**132,207,026**

1. Excluding treasury shares in 2013: 402,400 and in 2012: 430,804.
2. On financing preference shares will be voted in accordance with a limit of 34 votes (31 December 2012: 116 votes) for every 1,000 financing preference shares.

Financial calendar

2014	
28 February 2014	Publication of 2013 annual results
23 April 2014	Publication of 2014 first-quarter results trading update
23 April 2014	Annual General Meeting
25 April 2014	Ex-dividend quotation
29 April 2014	Dividend record date
02 May 2014	Dividend payment date
20 August 2014	Publication of 2014 half-year results
10 November 2014	Publication of 2014 third-quarter results trading update

2015	
27 February 2015	Publication of 2014 annual results
22 April 2015	Publication of 2015 first-quarter results trading update
22 April 2015	Annual General Meeting
24 April 2015	Ex-dividend quotation
27 April 2015	Dividend record date
29 April 2015	Dividend payment date
21 August 2015	Publication of 2015 half-year results
06 November 2015	Publication of 2015 third-quarter results trading update

Our **stories.**

We have chosen a few real-life examples that show why we are proud of what we do and the way we work.

Integration **Americas.**

How the merger of two Vopak divisions will create significant benefits of scale.

Strength in scale

Last May saw a major change for Vopak in the Americas: our North America and Latin America businesses fused into a single new division. This will enable us to operate more strongly and decisively in this dynamic region.

"The merger will create significant benefits of scale," says Dick Richelle, President of the new division, Americas. "As two separate divisions, we were sometimes just that bit too small to take on some of the projects we wanted. Now, we can better focus on the areas in which we want to grow. We can deploy our resources and our people more effectively and have become more competitive."

Crucially, one Vopak organization for the Americas is much more logical and easier for our clients. "There are more and more product flows going from Brazil to Houston or from Houston to Mexico. Many clients are active throughout the continent and have sites located everywhere. So it's convenient to be able to work with a company that has this entire region as its work area."

Natural step

Daniel Lisak, Managing Director Vopak Brazil, says the creation of Vopak Americas is a natural step towards creating value in Vopak as a whole. "A structure that's more robust and prepared to handle a broader region not only means economies of scale but will also accelerate growth in the region and improve our service to customers," he says.

The merger also has benefits for employees. Because the organization is now larger and more diverse, there are more opportunities for learning and sharing knowledge. For example, staff from Savannah can easily contact colleagues in Mexico and learn from the things we do there. In a larger organization, staff also have more career opportunities and possibilities to develop. With around 1,100 jobs throughout the division, the number of job opportunities is greater than before.

> "We can learn a great deal from each other and enjoy the best of both worlds."

Learning the language

In practical terms, the merger changed little for most Vopak Americas employees. "The majority are still doing precisely the same work they did before May 2013," he explains. "Because we have merged two Vopak divisions, there is little change as regards culture. And Vopak has its own very strong identity. Whether you work at Vopak Canada or in Brazil, this open and transparent attitude and the passion and pride are everywhere."

The integration wasn't without challenges. For example, Americas staff literally had to learn each other's language. With Portuguese, English, Spanish and even French speakers in one organization – and not everyone multilingual – they had to find a way to communicate well together and minimize the chance of misunderstandings.

The opportunities clearly outweigh any such challenges, however. "Two divisions have become one new division," says Dick. "We can learn a great deal from each other and enjoy the best of both worlds."

The story by **Kees van Seventer**

Scenario-based **thinking.**

To prepare Vopak for a range of potential new situations.

What if...?

Our industry is complex and it's changing rapidly. To prepare Vopak for a range of potential new situations, we last year introduced a new way of analyzing key trends. We call it scenario-based thinking.

Our Global Sales & Marketing team identified several external developments that could have a major impact on our industry, both positive and negative. They assessed these and quantified their potential effects, especially for Vopak.

"Gone are the days when we could reason in a simple linear model. Growing complexity and interdependence mean we have to look at our business in a different way," explains Kees van Seventer, Commercial President and leader of this initiative.

"Reading the newspaper may give us a good basic insight into opinions on market and economic trends, but quantifying these opinions, especially their timing and potential impact on Vopak, requires a far more thorough approach."

The 'what if..?' scenarios cover US oil & gas exports; LNG as transport fuel; shale gas in China; European refining and petrochemicals; biofuels; and the energy role of Africa.

CEO Eelco Hoekstra spoke about these so-called quantified scenarios at the Vopak Capital Markets Day in December 2013. Taking the US as an example, he said: "What if the US was to become a huge LNG exporter? By thinking that scenario through, it gave us a sense of the potential playing field for Vopak."

Best case, worst case

Because LNG is more geopolitically driven than oil, and developing LNG facilities is more expensive, Vopak partners with local companies to enter new markets. These companies have local knowledge and all-important government contacts, while Vopak brings operational experience, infrastructure and financial credibility.

"These scenarios don't aim to produce a definitive answer that will become 'our truth' for the next decade," says Kees. "They aim to explore the boundaries of the trends – what could happen in the best and worst case scenarios."

Such in-depth study gives us a better understanding of these trends. This is important because the topics may become relevant to Vopak at any time, so we need to improve our knowledge around them. It also enables us to have more strategic discussions with our customers, recognizing opportunities and threats at an earlier stage, and makes our thinking about potential investments more robust.

"They aim to explore the boundaries of the trends – what could happen in the best and worst case scenarios."

Representatives from the global office and Vopak's divisions worked together on this multidisciplinary project. The knowledge they gained is available to all employees via a dedicated intranet site containing videos, background and testimonials, so everyone in the company is informed and aligned. Sharing this knowledge internally will also help our teams in their local decision-making.

The story by **David Gai**

Pengerang: a step to further growth in Asia

Malaysia's new deepwater terminal at Pengerang – the first of its kind in Southeast Asia – is one of the largest and most complex projects Vopak has ever undertaken; one that required demanding construction in deep waters some two kilometer from land, and 165 acres of land reclamation for the first phase.

Developed as a joint venture with Dialog Group, a Malaysia-based integrated specialist technical services provider in the oil, gas and petrochemical industry, and the government of the State of Johor, the deepwater oil terminal is located at the southern tip of Malaysia's Johor peninsula, Pengerang.

Pengerang is a springboard for developing Malaysia's oil and gas industry in this strategically important region. It is located on major international shipping lanes connecting the Middle East and Asia and is close to Singapore, the region's main oil hub. But it is the scope of the project that made it so challenging, David Gai, Deputy Project Director of Technical, a secondee from Vopak Asia to the Pengerang Project says. "The biggest challenge of this project is the sheer size and complexity due to its location and surroundings, the volume of construction activities, the interfaces and dependencies of the various construction scope elements."

Deep sea construction

Construction first started in late 2011 with the dredging of the nearby seabed and land reclamation. Next the main trestle was constructed, which extends 1.9 km out into the deep sea. Attached to it is a 1.1 km outer arm with six deepwater jetties where ships can load or unload their cargo.

With a deep draft of 24 meters, the Pengerang deepwater oil terminal will be able to accommodate very large crude carriers carrying crude to meet the region's growing demand.

Once unloaded, the oil will be stored in the 57 tanks built for this first phase of the project with an initial total capacity of 1.3 million cbm. The tanks for the first phase are nearing completion and will be ready in 2014. The first ships are expected to unload their oil cargos in spring 2014.

Commercial interest

"So far, the commercial interest is encouraging. We've already signed up several customers who want to store various types of petroleum products," says Law Say Huat, CEO of the joint venture company. "Depending on demand, we have provision to expand the terminal by another 1 million cbm", added Say Huat.

As Southeast Asia's first independent crude oil facility, the Pengerang oil terminal is designed to handle, store, blend and distribute crude oil and clean petroleum products such as gasoline, naphtha, diesel, jet fuel and kerosene.

Strict safety standards

Despite the complexity of the build, the project has met Vopak's stringent safety standards. "Safety is our top priority and we're committed to complying with Vopak's policies and safety fundamentals," says Ivan Lim, Senior Business Development Manager from Vopak Asia who is also seconded to the Pengerang Project and worked in the Integrated Project Team. Working closely with Dialog Group, the Integrated Project Team, which comprises members from both Vopak and Dialog Group, was able to draw on the safety experiences and expertise of both companies. "We are proud to have achieved 10 million man-hours without LTI in late 2013," added Ivan.

"We are proud to have achieved 10 million man-hours without LTI in late 2013."

The story by **Cees de Greve**

Safety first

Vopak Horizon Fujairah Limited reached a milestone in safety performance last November, clocking up 11 million man-hours without lost-time injury (LTI) in just over six years.

During this time, the United Arab Emirates-based terminal faced challenging expansion projects and the construction of a new pipeline connection to the Port of Fujairah. That, and the number of hours worked, makes the safety performance a special achievement. "The more man-hours, the higher the risk of incidents," says Cees de Greve, General Manager of Vopak Horizon Fujairah.

"Reaching 11 million man-hours without LTI is an important accomplishment towards our goal of achieving zero accidents," says Cees. "We continuously strive to improve personal and process safety across all our operations, actively involving our employees and contractors. As we work closely with local companies, it's particularly pleasing that all meet Vopak's high safety standards."

Ambitious projects

As many as 1,500 men were working onsite at the peak of Vopak Horizon Fujairah's challenging projects — an incredibly high number for the terminal.

The ambitious projects included the expansion of the terminal's storage capacity by an additional 600,000 cbm. Last year also saw construction completion of four oil tanker berth pipelines, connecting the terminal to the Port of Fujairah. "Each pipeline is about three kilometers long, and overseeing such a large project area is extremely challenging," says Cees.

Regional role model

Ensuring that everyone incorporates the Vopak Fundamentals on Safety into their daily operations is key to a safe working environment.

"Safety is an inherent part of our strategy and culture," says Cees. "It is our ambition to be a role model for safety – not just within the Vopak network, but across the entire region. In recent years, we have worked hard to share our safety standards and try to improve those of our business partners, including the Port of Fujairah, police, contractors, local agents and surveyors."

As part of Vopak Horizon Fujairah's continuous safety efforts, it conducts a comprehensive safety assessment of all contractors, advises them on improving procedures and provides training if necessary. It also initiates contractor-specific safety programs, such as daily morning yoga sessions. Last year, the terminal started to incorporate a safety incentive in construction contracts, whereby Vopak and the contractor each set aside 50% of an agreed sum as a safety deposit. The contractor receives the entire fee if it achieves all safety goals.

No-blame culture

"But our real strength lies in our no-blame culture, in which we encourage everyone to report any risk they encounter at any time," says Cees. In addition, Vopak Horizon Fujairah encourages all its stakeholders to play an active role in improving safety processes in the workplace, awarding a 'safety suggestion of the month'. These offer valuable insights into onsite processes and give concrete ideas for further improvement.

Vopak Horizon Fujairah continues to invest in a safe working environment, says Cees. "We are currently planning the first regional safety day, which will see Vopak, the port and other locally-operating companies working together to promote safety."

The story by **Guus Vogels**

LNG Break **Bulk.**

Cleaner fuel for road and shipping.

LNG break bulk: cleaner fuel for road and shipping

As stringent emission requirements for shipping move ever closer, Vopak is developing its liquefied natural gas (LNG) 'break bulk' activities. These enable the distribution and consumption of LNG in smaller volumes – allowing shipping companies to switch to cleaner, LNG-powered vessels.

Last year, the European Commission granted financial support for the development of our break bulk projects at Gate terminal in Rotterdam and in the Swedish port of Gothenburg. The projects involve Vopak, the ports and gas infrastructure companies Gasunie of the Netherlands and Sweden's Swedegas.

Reduced emissions

From 1 January 2015, all ships in the Sulphur Emission Control Area (SECA) including the English Channel, North Sea and Baltic Sea, must use fuel with sulfur content of less than 0.1%. Alternatively, they must have a cleaning system that reduces the sulfur content of the exhaust gases.

The advent of such regulation makes LNG an ideal option: an LNG-fuelled ship reduces emissions of NOx by 85-90%, and SOx and particles by close to 100% compared to today's conventional fuel.

"The North and Baltic Sea area is the first where the emission requirements for shipping will become more stringent in 2015. We expect the rest of the world to follow after 2020. LNG being an environmental friendly fuel, with application for marine bunker fuel, will meet these criteria in a cost-effective way. Our LNG break bulk services allow Vopak to position itself in this new growth market," says Guus Vogels, Business Development Manager LNG at Vopak.

Key supply location

"With Gate terminal, we have an excellent strategic position to facilitate this new growing LNG market. We already enable the distribution of LNG via a truck loading station and the current jetties. By developing a dedicated third jetty in Rotterdam, we can extend our service to loading bunker barges and smaller vessels. This offers a major opportunity for Vopak", says Guus.

"The market hardly exists now, but the future looks very promising. Right now, only about 30 to 40 ships are fuelled by LNG but the potential volume is about two million tons in 2020. Studies show that it could increase to 8-10 million tons in 2030."

"With Gate terminal, we have an excellent strategic position to facilitate this new growing LNG market."

The break bulk facility in our existing facility in Gothenburg functions as a key supply location for both shipping and industry in Scandinavia. "Adding LNG services for marine bunkering and industrial use would develop the terminal in Gothenburg into a one-stop shop. That way, the port will be attractive to all kinds of vessels," says Guy Marien, Manager LNG project development at Vopak.

These projects are both key to the development of LNG break bulk activities for the North Sea and Baltic Sea, as well as for the development of inland markets in Northwestern Europe and in Nordic countries.

"We're already seeing this LNG break bulk market grow and develop," says Guus. "We're convinced that we are in an excellent position to service this new market in the best way via our key locations in Rotterdam and Gothenburg."

Financial Statements

Consolidated Financial Statements

Consolidated Statement of Income

In EUR millions	Note	2013	restated 2012
Revenues		1,295.2	1,313.9
Other operating income	3	27.2	12.2
Total operating income		**1,322.4**	**1,326.1**
Personnel expenses	4	331.5	324.2
Depreciation, amortization and impairment	5	238.2	217.6
Other operating expenses	6	341.6	340.7
Total operating expenses		**911.3**	**882.5**
Operating profit		**411.1**	**443.6**
Result of joint ventures and associates using the equity method	7	122.7	97.1
Group operating profit		**533.8**	**540.7**
Interest and dividend income	8	3.3	3.8
Finance costs	9	- 108.6	- 87.3
Net finance costs		**- 105.3**	**- 83.5**
Profit before income tax		**428.5**	**457.2**
Income tax	10	- 67.6	- 84.3
Net profit		**360.9**	**372.9**
Non-controlling interests	24	- 42.4	- 39.8
Net profit owners of parent		**318.5**	**333.1**
Net profit holders of financing preference shares		- 5.8	- 8.2
Net profit holders of ordinary shares		**312.7**	**324.9**
Basic earnings per ordinary share (in EUR)	11	**2.45**	**2.55**
Diluted earnings per ordinary share (in EUR)	11	**2.45**	**2.55**

Consolidated Statement of Comprehensive Income

In EUR millions	Note	2013	restated 2012
Net profit		**360.9**	**372.9**
Exchange differences and effective portion of hedges on net investments in foreign activities		- 73.2	- 8.1
Use of exchange differences and effective portion of hedges on net investments in foreign activities	22	- 0.9	-
Effective portion of changes in fair value of cash flow hedges	22, 24	22.8	- 45.9
Effective portion of changes in fair value of cash flow hedges joint ventures	22	24.3	- 19.5
Use of effective portion of cash flow hedges to statement of income	22	2.5	0.2
Other comprehensive income to be reclassified to statement of income in subsequent periods		**- 24.5**	**- 73.3**
Remeasurements of defined benefit plans		34.7	- 149.0
Other comprehensive income not being reclassified to statement of income in subsequent periods		**34.7**	**- 149.0**
Other comprehensive income, net of tax		**10.2**	**- 222.3**
Total comprehensive income		**371.1**	**150.6**
Attributable to:			
Holders of ordinary shares		333.6	98.7
Holders of financing preference shares		5.8	8.2
Owners of parent		**339.4**	**106.9**
Non-controlling interests		31.7	43.7
Total comprehensive income		**371.1**	**150.6**

Items are disclosed net of tax. The income tax relating to each component of other comprehensive income is disclosed in note 10.

Consolidated Statement of Financial Position

In EUR millions	Note	31 December 2013	restated 31 December 2012	restated 1 January 2012
ASSETS				
Intangible assets	12	67.6	67.8	72.6
Property, plant and equipment	13	3,306.9	3,126.6	2,904.5
Joint ventures and associates	14	811.5	746.2	602.4
Loans granted	15	13.3	12.3	4.6
Other financial assets		0.7	0.8	0.8
Financial assets		**825.5**	**759.3**	**607.8**
Deferred taxes	16	20.2	51.7	30.9
Derivative financial instruments	30	12.9	2.6	18.2
Pensions and other employee benefits	26	-	-	123.2
Other non-current assets	17	28.4	31.3	32.3
Total non-current assets		**4,261.5**	**4,039.3**	**3,789.5**
Trade and other receivables	18	312.2	276.6	237.4
Loans granted	15	12.9	18.2	37.4
Prepayments		22.8	23.5	29.0
Derivative financial instruments	30	9.0	1.4	2.4
Cash and cash equivalents	19	178.7	452.0	88.7
Assets held for sale	20	25.9	27.0	-
Pensions and other employee benefits	26	-	-	0.1
Total current assets		**561.5**	**798.7**	**395.0**
Total assets		**4,823.0**	**4,838.0**	**4,184.5**
EQUITY				
Issued capital	21	84.6	84.6	84.6
Share premium	21	215.2	248.2	281.2
Treasury shares	21	- 10.8	- 11.2	- 13.0
Other reserves	22	- 116.4	- 102.4	- 25.9
Retained earnings	23	1,636.9	1,404.6	1,332.2
Equity attributable to owners of parent		**1,809.5**	**1,623.8**	**1,659.1**
Non-controlling interests	24	118.0	128.8	108.5
Total equity		**1,927.5**	**1,752.6**	**1,767.6**
LIABILITIES				
Interest-bearing loans	25	1,872.8	2,083.8	1,521.5
Derivative financial instruments	30	158.5	121.4	37.6
Pensions and other employee benefits	26	64.0	122.7	76.1
Deferred taxes	16	202.2	202.5	221.2
Provisions	28	22.5	23.3	21.4
Total non-current liabilities		**2,320.0**	**2,553.7**	**1,877.8**
Bank overdrafts	19	7.4	16.3	155.7
Interest-bearing loans	25	123.2	99.4	17.1
Derivative financial instruments	30	8.1	2.6	16.4
Trade and other payables	29	367.7	337.0	273.5
Taxes payable		51.2	57.8	57.0
Pensions and other employee benefits	26	2.3	1.7	2.0
Provisions	28	15.6	16.9	17.4
Total current liabilities		**575.5**	**531.7**	**539.1**
Total liabilities		**2,895.5**	**3,085.4**	**2,416.9**
Total equity and liabilities		**4,823.0**	**4,838.0**	**4,184.5**

Consolidated Statement of Changes in Equity

In EUR millions	Note	Equity attributable to owners of parent: Issued capital	Share premium	Treasury shares	Other reserves	Retained earnings	Total	Non-controlling interests	Total equity
Balance at 31 December 2011		**84.6**	**281.2**	**- 13.0**	**- 25.9**	**1,402.4**	**1,729.3**	**108.5**	**1,837.8**
First time adoption IAS 19 revised		-	-	-	-	- 70.2	- 70.2	-	- 70.2
Balance at 1 January 2012 restated		**84.6**	**281.2**	**- 13.0**	**- 25.9**	**1,332.2**	**1,659.1**	**108.5**	**1,767.6**
Net profit		-	-	-	-	333.1	333.1	39.8	372.9
Other comprehensive income, net of tax		-	-	-	- 77.8	- 148.4	- 226.2	3.9	- 222.3
Total comprehensive income		**-**	**-**	**-**	**- 77.8**	**184.7**	**106.9**	**43.7**	**150.6**
Dividend paid in cash	23, 24	-	-	-	-	- 110.1	- 110.1	- 25.9	- 136.0
Result sale non-controlling interest subsidiary		-	-	-	1.3	-	1.3	2.5	3.8
Capital reduction		-	- 33.0	-	-	-	- 33.0	-	- 33.0
Measurement of equity-settled share-based payment arrangements	23	-	-	-	-	- 0.4	- 0.4	-	- 0.4
Vested shares under equity-settled share-based payment arrangements	21, 23	-	-	1.8	-	- 1.8	-	-	-
Total transactions with owners		**-**	**- 33.0**	**1.8**	**1.3**	**- 112.3**	**- 142.2**	**- 23.4**	**- 165.6**
Balance at 31 December 2012 restated		**84.6**	**248.2**	**- 11.2**	**- 102.4**	**1,404.6**	**1,623.8**	**128.8**	**1,752.6**
Net profit		-	-	-	-	318.5	318.5	42.4	360.9
Other comprehensive income, net of tax		-	-	-	- 14.0	34.9	20.9	- 10.7	10.2
Total comprehensive income		**-**	**-**	**-**	**- 14.0**	**353.4**	**339.4**	**31.7**	**371.1**
Dividend paid in cash	23, 24	-	-	-	-	- 120.3	- 120.3	- 47.1	- 167.4
Capital injection	24	-	-	-	-	-	-	4.6	4.6
Capital reduction	21	-	- 33.0	-	-	-	- 33.0	-	- 33.0
Measurement of equity-settled share-based payment arrangements	23	-	-	-	-	- 0.4	- 0.4	-	- 0.4
Vested shares under equity-settled share-based payment arrangements	21, 23	-	-	0.4	-	- 0.4	-	-	-
Total transactions with owners		**-**	**- 33.0**	**0.4**	**-**	**- 121.1**	**- 153.7**	**- 42.5**	**- 196.2**
Balance at 31 December 2013		**84.6**	**215.2**	**- 10.8**	**- 116.4**	**1,636.9**	**1,809.5**	**118.0**	**1,927.5**

Consolidated Statement of Cash Flows

In EUR millions	Note	2013	restated 2012
Cash flows from operating activities (gross)	31	**713.2**	**659.3**
Interest received	8	3.3	3.6
Dividend received	8	-	0.2
Finance costs paid		- 105.2	- 73.8
Settlement of derivative financial instruments (interest rate swaps)		- 4.6	2.4
Income tax paid		- 56.2	- 44.1
Cash flows from operating activities (net)		**550.5**	**547.6**
Investments:			
Intangible assets	12	- 11.2	- 8.9
Property, plant and equipment	13	- 541.4	- 448.8
Joint ventures and associates	14	- 82.4	- 99.3
Loans granted	15	- 15.1	- 20.0
Other non-current assets		- 0.2	- 0.3
Acquisition of joint ventures	14	- 7.8	- 65.7
Total investments		**- 658.1**	**- 643.0**
Disposals:			
Intangible assets	12	0.2	0.2
Property, plant and equipment	13	4.9	2.5
Joint ventures and associates	14	7.7	-
Loans granted	15	18.0	31.3
Assets held for sale		28.2	-
Total disposals		**59.0**	**34.0**
Cash flows from investing activities (excluding derivatives)		**- 599.1**	**- 609.0**
Settlement of derivatives (net investments hedges)		2.5	- 9.9
Cash flows from investing activities (including derivatives)		**- 596.6**	**- 618.9**
Financing:			
Repayment of interest-bearing loans	25	- 0.5	- 377.1
Proceeds from interest-bearing loans	25	37.4	1,073.6
Disposal non-controlling interests	24	-	3.8
Dividend paid in cash	23	- 112.1	- 101.9
Paid share premium financing preference shares	21	- 33.0	-
Dividend paid on financing preference shares	23	- 8.2	- 8.2
Proceeds and repayments in short-term financing	25	- 93.7	- 16.7
Cash flows from financing activities		**- 210.1**	**573.5**
Net cash flows		**- 256.2**	**502.2**
Exchange differences		- 4.6	0.5
Net change in cash and cash equivalents due to assets held for sale		- 3.6	-
Net change in cash and cash equivalents (including bank overdrafts)		**- 264.4**	**502.7**
Net cash and cash equivalents (including bank overdrafts) at 1 January		**435.7**	**- 67.0**
Net cash and cash equivalents (including bank overdrafts) at 31 December	19	**171.3**	**435.7**

Notes to the Consolidated Financial Statements

Segment information

General

Operating segments are reported in a manner consistent with the internal reporting provided to the Executive Board, which is the chief operating decision maker, and are based on geographical markets. On 1 May 2013, Vopak merged the North America and Latin America divisions into the Americas division, the comparable figures for segmentation disclosures are adjusted accordingly. Business activities that cannot be allocated to any other segment are reported under Non-allocated. These include primarily the global LNG activities, headquarter costs and expenses related to other interests like real estate interests in Rotterdam (Netherlands). The global LNG activities are shown separately under Non-allocated.

Statement of income

	Revenues [1]		Depreciation and amortization [2]		Result of joint ventures and associates [3]		Group operating profit	
In EUR millions	2013	restated 2012	2013	restated 2012	2013	restated 2012	2013	restated 2012
Netherlands	442.5	457.6	76.8	72.0	2.4	1.9	164.3	191.8
Europe, Middle East & Africa	248.2	235.9	44.6	35.4	35.9	46.6	91.0	91.3
Asia	358.8	355.4	55.0	56.1	48.9	22.9	234.0	202.8
of which Singapore	*245.6*	*244.8*	*32.7*	*32.2*	-	-	*151.9*	*151.7*
Americas	239.6	259.3	36.4	36.1	7.4	0.8	51.4	64.4
of which United States	*140.4*	*146.9*	*20.9*	*20.0*	-	-	*25.7*	*32.0*
Non-allocated	6.1	5.7	4.0	3.1	28.1	24.9	- 6.9	- 9.6
of which global LNG activities	*4.1*	*3.4*	-	-	*28.5*	*25.3*	*23.6*	*20.6*
Total	**1,295.2**	**1,313.9**	**216.8**	**202.7**	**122.7**	**97.1**	**533.8**	**540.7**

Reconciliation consolidated net profit [4]	2013	restated 2012
Group operating profit	533.8	540.7
Net finance costs	- 105.3	- 83.5
Profit before income tax	**428.5**	**457.2**
Income tax	- 67.6	- 84.3
Net profit	**360.9**	**372.9**

1. There are no single external customers with 10 per cent or more of the Group's total revenues.
2. Excluding impairments recognized in 2013 and 2012. For further details we refer to note 5.
3. For impairments recognized in 2013 and 2012 we refer to note 7.
4. As the Group neither allocates interest expenses to segments, nor accounts for taxes in them, there is no segmented disclosure of the net profit.

Statement of financial position

In EUR millions	Assets of subsidiaries 2013	Assets of subsidiaries restated 2012	Joint ventures and associates 2013	Joint ventures and associates restated 2012	Total assets 2013	Total assets restated 2012	Total liabilities 2013	Total liabilities restated 2012
Netherlands	1,326.9	1,175.9	7.6	4.8	1,334.5	1,180.7	124.3	82.4
Europe, Middle East & Africa	834.7	813.6	295.8	270.9	1,130.5	1,084.5	205.7	208.5
Asia	1,012.0	1,063.1	382.3	355.0	1,394.3	1,418.1	260.6	314.7
of which Singapore	*567.7*	*619.3*	-	-	*567.7*	*619.3*	*199.5*	*263.9*
Americas	612.4	596.0	1.8	3.3	614.2	599.3	132.5	152.5
of which United States	*339.0*	*335.1*	-	-	*339.0*	*335.1*	*97.9*	*108.0*
Non-allocated	225.5	443.2	124.0	112.2	349.5	555.4	2,172.4	2,327.3
of which global LNG activities	*33.6*	*13.6*	*118.5*	*105.7*	*152.1*	*119.3*	*6.2*	*5.7*
Total	**4,011.5**	**4,091.8**	**811.5**	**746.2**	**4,823.0**	**4,838.0**	**2,895.5**	**3,085.4**

Investments [1]

In EUR millions	Intangible assets 2013	Intangible assets restated 2012	Property, plant and equipment 2013	Property, plant and equipment restated 2012	Other non-current assets 2013	Other non-current assets restated 2012	Joint ventures and associates 2013	Joint ventures and associates restated 2012	Total 2013	Total restated 2012
Netherlands	1.6	1.2	220.8	170.2	-	-	-	3.7	222.4	175.1
Europe, Middle East & Africa	1.5	0.6	112.0	143.1	-	0.1	26.1	3.9	139.6	147.7
Asia	0.4	0.4	112.9	80.7	0.1	0.1	50.0	91.3	163.4	172.5
of which Singapore	*0.1*	*0.1*	*55.0*	*57.2*	-	*0.1*	-	-	*55.1*	*57.4*
Americas	0.3	0.5	89.4	52.7	0.1	0.1	-	-	89.8	53.3
of which United States	-	*0.4*	*45.3*	*30.0*	-	-	-	-	*45.3*	*30.4*
Non-allocated	7.4	6.2	6.3	2.1	-	-	6.3	0.4	20.0	8.7
of which global LNG activities	-	-	*0.7*	*1.2*	-	-	*4.2*	*0.4*	*4.9*	*1.6*
Total	**11.2**	**8.9**	**541.4**	**448.8**	**0.2**	**0.3**	**82.4**	**99.3**	**635.2**	**557.3**

1. Excluding loans granted and acquisition of subsidiaries, joint ventures and associates.

Summary of significant accounting policies

General

Royal Vopak, with its registered office in Rotterdam (Netherlands), is the world's largest independent tank terminal operator specialized in the storage and transfer of liquid energy products and chemicals. Upon request, Vopak provides additional services to customers at the terminal.

The consolidated financial statements of the company for the year ended at 31 December 2013 contain the figures of the company and its subsidiaries (jointly referred to as the 'Group'), as well as the interests of the Group in joint ventures and associates (to which the equity method is applied). The financial statements were approved by the Executive Board and the Supervisory Board on 27 February 2014 and are subject to adoption by the shareholders during the Annual General Meeting.

Basis of preparation

The consolidated financial statements are presented in euros and are based on the historical cost principle unless stated otherwise in the accounting policies stated below.

The consolidated financial statements have been prepared in accordance with the International Financial Reporting Standards (IFRSs) as adopted by the European Union (EU). The accounting policies based on IFRS, as described below, have been applied consistently for the years 2013 and 2012 by all entities. Except the new and amended standards adopted by the Group (see below), there were no material changes to those accounting policies during the year.

New and amended standards adopted by the Group

The following standards have been adopted by the Group for the first time for the financial year beginning on 1 January 2013:

IAS 19 (Employee benefits) was revised in June 2011. The revision eliminates the 10% corridor smoothing mechanism of accounting for actuarial gains and losses arising in connection with defined benefit plans. Furthermore, the amendment introduces significant changes to the recognition and measurement of defined benefit plan expenses and their presentation in the income statement. The revised standard requires net interest on the net defined benefit liability (asset) recognized in profit or loss, to be calculated based on the rate used to discount the defined benefit obligation, which generally is a lower rate than used under the former IAS 19. Actuarial gains and losses are immediately recognized in Other comprehensive income and will no longer be deferred due to the termination of the corridor approach. Other changes are related to the recognition of administration costs (other than costs of managing plan assets) and any taxes payable by the plan. The administration costs are to be recognized when the administration services are provided, therefore the previously permitted treatment of making actuarial assumption about such costs and including them within the measurement of the defined benefit obligation is no longer allowed. Any taxes payable by the plan when an employer makes contributions to the plan should be included in the defined benefit obligation and service costs.

The application of the amendment has the following effect on the comparative figures for 2012:

In EUR millions	31 December 2012 Prior	31 December 2012 Effect of IAS19	31 December 2012 Restated	1 January 2012 Prior	1 January 2012 Effect of IAS19	1 January 2012 Restated
Impact on statement of financial position						
Non-current assets	201.8	- 201.8	-	178.9	- 55.7	123.2
Current assets	-	-	-	0.1	-	0.1
Non-current liabilities	- 32.7	- 90.0	- 122.7	- 34.7	- 41.4	- 76.1
Current liabilities	- 1.7	-	- 1.7	- 2.0	-	- 2.0
Net pension position	**167.4**	**- 291.8**	**- 124.4**	**142.3**	**- 97.1**	**45.2**
Non-current assets	33.5	18.2	51.7	30.9	-	30.9
Non-current liabilities	- 260.3	57.8	- 202.5	- 248.1	26.9	- 221.2
Net deferred tax position	**- 226.8**	**76.0**	**- 150.8**	**- 217.2**	**26.9**	**- 190.3**
Equity Retained earnings	**1,620.4**	**- 215.8**	**1,404.6**	**1,402.4**	**- 70.2**	**1,332.2**
Attributable to:						
Equity owners of parent		- 215.8			- 70.2	
Non-controlling interests		-			-	
Impact on statement of income						
Personnel expenses	329.0	- 4.8	324.2			
Income tax	82.9	1.4	84.3			
Net profit	**369.5**	**3.4**	**372.9**			
Attributable to:						
Equity owners of parent		3.4				
Non-controlling interests		-				

IFRS 13 (Fair value measurement) establishes a single source of guidance under IFRS for all fair value measurements. The new standard provides guidance on how to measure fair value under IFRS when fair value is required or permitted and does not change with regard to when an entity is required to use fair value. The application of IFRS 13 has impacted the fair value measurements of derivative financial instruments. Under the new standard, fair value measurement of a financial liability is equal to what it would cost to transfer it to another market participant in an orderly transaction at measurement date. This is different to how fair value of a financial liability is defined under the previous rules, whereby the fair value of a financial liability is the amount at which it could be settled between knowledgeable, willing parties in an arms-length transaction. This change in estimate has an impact on the fair value of the cash flow hedges, resulting in a positive gross effect on the other comprehensive income of EUR 11.0 million (before income tax) at 31 December 2013.

Amendments to IAS 36 (Impairment of assets), on the recoverable amount disclosures for non-financial assets, removed certain disclosures of the recoverable amount of CGUs which had been included in IAS 36 by the issue of IFRS 13. The amendment is not mandatory for the Group until 1 January 2014, however the Group has decided to early adopt the amendment as of 1 January 2013.

Amendment to IAS 1 (Financial statement presentation) relates to Other comprehensive income. The main change resulting from these amendments is a requirement for entities to group items presented in Other comprehensive income (OCI) on the basis of whether they are potentially reclassifiable to profit or loss subsequently.

Accounting standards and interpretations not yet adopted

IFRS 10 (Consolidated Financial Statements), IFRS 11 (Joint Arrangements), IFRS 12 (Disclosures of Interests in Other Entities), revised standards IAS 27 (Separate Financial Statements) and IAS 28 (Investments in Associates and Joint Ventures) were issued during 2011. The standards reinforce the principles for determining when an investor controls another entity, amend in certain cases the accounting for joint arrangements and introduce changes to certain disclosures. The standards and amendments are endorsed by the EU and have to be applied, at the latest, as from the commencement date of a company's first financial year starting on or after 1 January 2014. Vopak has adopted these standards and amendments starting from 1 January 2014.

IFRS 10 builds on existing principles by identifying the concept of control as the determining factor whether an entity should be included within the consolidated financial statements of the holding entity. This standard provides additional guidance to assist in the determination of the consolidation requirements where this is difficult to assess. IFRS 10 has no significant effect on the Group's consolidated financial statements.

Vopak has been informed by HAL Holding N.V. ('HAL') that, based on current facts and circumstances, it will be technically required for HAL to consolidate Vopak in its consolidated financial statements as from 1 January 2014. Accordingly HAL has requested Vopak to provide detailed accounting information with respect to the consolidated financial statements in order for HAL to be able to consolidate Vopak in its consolidated statements. To facilitate HAL in complying with its obligations under IFRS 10, a Memorandum of Understanding has been signed between Vopak and HAL with respect to confidentiality, the process of exchanging information and visitation rights to the Audit Committee meetings for an independent financial expert on behalf of HAL.

According to IFRS 11 (Joint Arrangements) an arrangement over which two or more parties have joint control is either a joint operation or a joint venture. In a joint operation, the parties with joint control have rights to the assets and obligations for the liabilities of the arrangement resulting into that the parties have to recognize their relative share of the joint operation's assets, liabilities, revenues and expenses. In a joint venture, the parties with joint control have rights to the net assets of the arrangement and the parties have to use the equity method. The standard does not materially affect Vopak as (nearly) all of the joint arrangements will classify as joint ventures and the Group is already applying the equity method.

IFRS 12 increases the disclosure requirements and has no effect on the equity and profit or loss of the Group.

There are no other amendments to existing standards or new IFRIC interpretations that are not yet effective that are expected to have a material impact on the Group.

Key accounting estimates and judgements

Preparing the consolidated financial statements in accordance with IFRS means that the Group must use insights, estimations and assumptions that could affect the reported assets and liabilities and the information provided on contingent assets and liabilities as at the statement of financial position date as well as the reported income and expenses. The actual results ultimately may differ from these estimations. The estimations and the underlying assumptions are continuously reviewed. Adjustments are made in the period in which the estimations were reviewed if the adjustment affects that period, or in the relevant period and the future periods if the adjustment affects both the current and future periods.

Management insights that have a major impact on the financial statements and estimations with a significant risk of a material adjustment in a subsequent year are:

Useful life and residual value of property, plant and equipment

Property, plant and equipment form a substantial part of the total assets of the company, while period depreciation charges form a substantial part of the annual operating expenses. The useful life and residual value determined by the Board based on its estimations and assumptions have a major impact on the measurement and determination of results of the property, plant and equipment. The useful life of property, plant and equipment is partly estimated based on their useful productive lives, experiences related to such assets, the maintenance history and the period during which economic benefits from utilization of the asset accrued to the company. Periodic reviews show whether changes have occurred in estimations and assumptions as a result of which the useful life and/or residual value need to be adjusted. Such an adjustment will be made prospectively.

Estimated impairments

The Group annually reviews goodwill for impairment. This also applies to other assets if there is reason to do so. The principles explained under Impairment of assets are applied.

Pensions and other employee benefits

The pension charges for defined benefit pension plans depend on future assumptions, using the advice of an independent qualified actuary.

Actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions are charged or credited to equity in other comprehensive income.

The principal assumptions in connection with the Group's defined benefit plans are set out in note 26, including a sensitivity analysis.

Taxes

Deferred tax assets, including those arising from carry-forward losses, are recognized if it is likely that taxable profit is available against which losses can be set off. In determining this, Vopak uses estimations and assumptions that also affect the measurement of the deferred tax assets. A maturity schedule of the unrecognized carry-forward losses is included in note 16.

Environmental provisions

In accordance with the policies stated under Provisions, environmental provisions are formed based on current legislation and the best estimate of future expenses (see also note 28 and note 34).

Derivative financial instruments

The fair value of a derivative financial instrument not traded on active markets is measured as the present value of the expected future cash flows under the contract. In determining this value, a valuation model is used that is based on the interest rates and the exchange rates as at the end of the reporting period. For a sensitivity analysis we refer to note 30.

Consolidation

The consolidated financial statements include the financial statements of Royal Vopak and its subsidiaries, being those companies over which the Group, either directly or indirectly, has control through a majority of the voting rights or the right to exercise control or to obtain the majority of the benefits and to be exposed to the majority of the risks. Potential voting rights that are currently exercisable or convertible are taken into account.

Subsidiaries are consolidated from the date that control commences until the date that control ends, using consistent accounting policies. Upon loss of control, the Group derecognizes the assets and liabilities of the subsidiary, any non-controlling interests and the other components of equity related to the subsidiary. Any surplus or deficit arising on the loss of control is recognized in profit or loss.

Non-controlling interests in equity and in results are presented separately. Transactions with non-controlling interests that do not result in loss of control are accounted for as transactions with equity owners of the Group. For purchases from non-controlling interests, the difference between any consideration paid and the relevant share acquired of the carrying value of the net asset of the subsidiary is recorded in equity. Gains or losses on disposals to non-controlling interests are also recorded in equity.

For a list of the principal subsidiaries, please refer to chapter Subsidiaries, Joint Ventures and Associates of this report.

All inter-company balances and transactions, including unrealized gains and losses on transactions, are eliminated on consolidation. Unrealized gains arising from transactions with joint ventures and associates are eliminated to the extent of the interest of the Group in the equity. Unrealized losses are eliminated in the same manner as unrealized gains, but only to the extent that there is no evidence of impairment.

Joint ventures and associates (Notes 7, 14)

A joint venture is a contractual agreement under which two or more parties conduct an economic activity and unanimous approval is required for the financial and operating policies. Associates are all entities over which the Group has significant influence but not control, generally accompanying a shareholding between 20% and 50% of the voting rights.

Joint ventures and associates are accounted for using the equity method, which involves recognition in the consolidated income statement of Vopak's share of the net result of the joint ventures and associates for the year. Accounting policies of joint ventures and associates have been changed where necessary to ensure consistency with the policies adopted by the Group. Vopak's interest in a joint venture or associate is carried in the statement of financial position at its share in the net assets of the joint venture or associate together with goodwill paid on acquisition, less any impairment loss. When the share in the losses exceeds the carrying amount of an equity-accounted company (including any other receivables forming part of the net investment in the company), the carrying amount is written down to nil and recognition of further losses is discontinued, unless we have incurred legal or constructive obligations relating to the company in question. For a list of the principal joint ventures and associates, please refer to chapter Subsidiaries, Joint ventures and Associates of this report.

Foreign currency translation

Items included in the financial statements of each of the Group's entities are measured in the currency that applies to the primary economic environment in which the entity operates (the functional currency). The consolidated figures are presented in euros, the company's functional and presentation currency.

Foreign currency transactions are translated into euro using the exchange rate at the dates of the transactions or valuation where items are remeasured. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognized in the statement of income, except when deferred in other comprehensive income as qualifying cash flow hedges and net investment hedges.

On consolidation the assets and liabilities of non-euro entities, including goodwill and fair value adjustments at the time of the acquisition, are translated into euro at the year-end rates of exchange (closing exchange rates). The items of the statement of income of foreign activities, excluding foreign operations in hyperinflationary economies, are translated at the average exchange rates for the reporting period. The resulting translation differences of the net investments in foreign activities are recognized as foreign currency translation reserve (translation reserve) within other comprehensive income. The same applies to exchange differences arising from loans drawn and other financial instruments to the extent that these hedge the currency risk related to the net investment. Upon disposal of all or part of an interest in, or upon liquidation of, an entity, cumulative currency translation differences related to that entity are generally recognized in income. When the Group disposes of only part of its interest in a subsidiary with a foreign operation, while retaining control, the relevant portion of the cumulative amount is not transferred to profit or loss but reattributed to non-controlling interests. On disposal of a foreign activity with a non-controlling interest the cumulative amount relating to the non-controlling interests shall be derecognized, but shall not be reclassified to profit or loss. A share capital or share premium distribution by an entity is not considered to be a partial disposal when the Group retains its relative share in the entity.

The following main exchange rates are used in the financial statements:

	Closing exchange rate		Average exchange rate	
EUR 1.00 is equivalent to	2013	restated 2012	2013	restated 2012
US dollar	1.38	1.32	1.33	1.29
Singapore dollar	1.74	1.61	1.66	1.61
Chinese yuan	8.34	8.22	8.17	8.11
Brazilian real	3.24	2.70	2.87	2.51

Exceptional items (Note 2)

The items in the statement of income include items that are exceptional by nature. These exceptional items include impairments, reversed impairments, additions to and releases from provisions for restructuring, results on assets sold, gains on the sale of subsidiaries, joint ventures and associates, and any other provisions being formed or released. For impairments, reversal of impairments, disposal of investments and discontinued operations, the Group does not use a threshold. For the other items, the Group considers an event as exceptional when the effect exceeds the threshold of EUR 2 million. To increase transparency, these exceptional items from management perspective are disclosed separately in the notes.

Revenues

Revenue represents the fair value of the consideration received or receivable for services provided in the normal course of business, stated net of discounts, returns and value added taxes. When it is probable that the future economic benefits will flow to the Group, the recognition in the statement of income is in proportion to the stage of the rendered performance as at the end of the reporting period. Tank rentals, including minimum guaranteed throughputs, are recognized on a straight-line basis over the contractual period. Revenues from excess throughputs and other services are recognized on completion of the services. If the revenue cannot be reliably measured, only the income up to the level of the expenses to be claimed will be recognized. Modifications of property, plant and equipment upfront paid by customers are accounted for as prepaid revenues and recognized in the statement of income over the contractual period on a straight-line basis.

Other operating income (Note 3)

Gains on the sale of assets are deemed realized at the time the benefits and the risks of the assets are entirely borne by the buyer and there is no uncertainty as to whether the agreed payment is received. Gains on the sale of subsidiaries are realized at the time control is no longer exercised.

Other operating expenses (Note 6)

Losses on the sale of assets are presented under Other operating expenses and are recognized as soon as they are foreseen. Research costs relating to new storage capacity to be built are recognized in the statement of income in the year in which the costs are incurred.

Leased assets, of which the benefits and risks remain substantially with the lease provider, are regarded as operating leases. Payments made for operating leases are charged to the statement of income on a straight-line basis over the lease term. If an operating lease is terminated early, any financial obligation or penalty owed to the owner will be taken to the statement of income in the period in which the lease was terminated.

Interest and dividend income (Note 8)

Interest income from granted loans and dividends from other financial assets (over whose financial and operating policies the Group has no significant influence) are presented under Interest and dividend income, using the effective interest method.

Dividend income is recognized when the right to receive payment is established.

Finance costs (Note 9)

Finance costs consist of interest and exchange differences on loans drawn and of results on hedging instruments recognized in the statement of income. Interest expense is recognized in the period to which it relates, taking into account the effective interest rate.

Taxes (Notes 10, 16)

Taxes on profit or loss for the financial year comprise current and deferred taxes. Taxes are recognized in the statement of income unless they relate to items directly recognized in equity through other comprehensive income.

Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted at the end of the reporting period, plus any adjustments to prior-year tax payable.

Deferred taxes are provided for, using the liability method, whereby provisions are made for all taxable temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and their tax base. No deferred taxes are provided for the following temporary differences: goodwill not deductible for tax purposes; the initial recognition of assets and liabilities that neither affect accounting nor taxable profit; and differences relating to investments in subsidiaries to the extent that they will not reverse in the foreseeable future. The calculation is based on tax rates enacted or substantively enacted, as at the end of the reporting period.

Deferred tax assets, including assets arising from losses carried forward, are recognized to the extent that it is probable that future taxable profits will be available against which these temporary differences or unused tax losses can be utilized. Deferred tax assets and liabilities are stated at nominal value.

A provision is formed for tax, principally regarding withholding tax, for which a liability might arise in connection with the distribution of retained earnings if a decision has been made to distribute such earnings.

Intangible assets and Property, plant and equipment (Note 12, 13)

Intangible assets include goodwill, capitalized software costs, contractual relationships, concessions and favorable leases ensuing from business combinations. Goodwill represents the difference between the purchase price and Vopak's share in the fair value of the acquired identifiable assets, liabilities and contingent liabilities of the company acquired at the time Vopak obtains control (acquisition method). Goodwill is carried at cost less accumulated impairments and is allocated to cash-generating units, i.e. individual terminals or a group of terminals. Software is carried at historical cost, net of straight-line amortization based on its expected useful life and any potential impairment. The expected useful life of software is subject to a maximum of seven years.

Other intangible assets are carried at their initial market value at the time of the acquisition, net of straight-line amortization and impairments. Amortization is based on a period of five to thirty years, which is the term of the contract or the term of validity.

Other items are mainly licenses that are carried at historical cost, net of straight-line amortization. Amortization is based on a period of five years, which is the term of validity.

Property, plant and equipment are broken down into their components and carried at historical cost, net of accumulated straight-line depreciation and less any impairment losses. Interest during construction is capitalized. Historical cost includes the initial acquisition cost plus other direct acquisition costs (such as unrecoverable taxes or transport) and construction costs that can be allocated directly (such as hours of own employees and advisory fees). To the extent that dismantling obligations exist at the end of the useful life, these and any amendments thereto are included in the cost of the assets.

Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. The carrying amount of the replaced part is derecognized. Costs of repairs and maintenance that do not increase the future economic benefits are regarded as expenses.

Depreciation is computed from the date the asset is available for use, using the straight-line method over the expected useful life and taking the estimated residual value into account. The useful life of the main assets is as follows: for buildings 10-40 years, for main components of tank storage terminals 10-40 years, for IT hardware 3-5 years, for machinery, equipment and fixtures 3-10 years. Land is not depreciated.

The residual value and useful life of intangible assets and property, plant and equipment are reviewed annually and adjusted if necessary.

Impairment of assets

The carrying amount of goodwill is tested for impairment annually (unless there is reason to do so more frequently), while all assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amounts for those assets are not recoverable. If assets are to be determined to be impaired, the carrying amounts of those assets are written down to their recoverable amount, which is the higher of fair value less costs to sell and value-in-use.

Value-in-use is determined as the amount of estimated discounted future cash flows. For this purpose, assets are grouped into cash-generating units based on separately identifiable and largely independent cash flows. The cash flow projections are based on group operating profits and sustaining capital expenditures of the budget for the coming year and the two subsequent planning years. Cash flows beyond the previously mentioned period of three years are extrapolated, using a stable or decreasing growth rate, unless an increasing rate can be substantiated. Given that the cash flows are estimated before taxes, the discount rates used to calculate the present value of the cash flows are pre-tax rates based on the risk-free rates for 15-year bonds issued by the government in the relevant market, adjusted for a risk premium and specific risks relating to the countries and risks specific to the assets. The 15-year bonds period reflects the average remaining useful life of the principal assets.

Impairments of a cash-generating unit are allocated to the assets of the cash-generating unit on a proportionate basis. Impairments of intangible assets and property, plant and equipment are presented in the statement of income under Depreciation, amortization and impairment. Impairments, except those related to goodwill, are reversed as applicable to the extent that the events or circumstances that triggered the original impairment have changed.

All financial assets are reviewed for impairment. If there is objective evidence of impairment as a result of one or more events after initial recognition, an impairment loss is recognized in the statement of income. The impairments for joint ventures and associates and loans granted are presented under Result of joint ventures and associates using the equity method and Finance costs respectively.

Determination of fair value for financial instruments

A number of the Group's accounting policies and disclosures require the determination of fair value for the financial instruments. A fair value measurement is an estimate of the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at measurement date. Where available, fair value measurements are derived from quoted prices (unadjusted) in active markets for identical assets or liabilities (level 1). In the absence of such information, other observable inputs, either directly (i.e. as prices) or indirectly (i.e. derived from prices), are used to estimate fair values (level 2). There were no financial instruments measured at fair value using level 3 (inputs not based on observable market data). Inputs derived from external sources are corroborated or otherwise verified, as appropriate.

The fair values of the Private Placements, revolving credit facility and other long-term bank loans are measured by discounting the future cash flows using observable market interest information (level 2) as no similar instrument is available due to the specific profiles of the instruments. The calculations include credit spreads based on the most recent borrowing contracts.

The fair values of interest rate swaps, cross currency interest rate swaps and forward foreign exchange contracts are determined by discounting the future cash flows using the applicable period-end yield curve, taking into account credit risk and the risk of non-performance.

As result of the short-term nature or the magnitude of the amounts, the Group considers that the fair value of loans granted, trade and other receivables, cash and cash equivalents, bank overdrafts, credit facilities, other long-term loans and trade creditors are not materially different to their carrying value.

The initial measurement at trade date of all financial instruments is the fair value. Except for derivatives, the initial measurement of financial instruments is adjusted for directly attributable transaction costs.

Derivative financial instruments (Note 30)

Derivative financial instruments are used in the management of interest rate risk, foreign currency risk and in the management of foreign currency cash balances. Derivative financial instruments are recognized at fair value on the balance sheet. Changes in fair value are recognized in the statement of income unless hedge accounting is applied. With respect to hedge accounting, Vopak makes a distinction between fair value hedges, cash flow hedges and hedges of net investments in foreign companies.

The Group only applies fair value hedge accounting for hedging fixed interest risk on loans drawn. If a fair value hedge is used, the hedging instrument is carried at fair value and the changes in fair value are taken to the statement of income. The hedged position is recognized at fair value to the extent that the movements in the fair value are caused by the hedged risk. These movements in value are likewise recognized directly in the statement of income.

A cash flow hedge is applicable for those derivatives qualifying and designated as hedge of the change in cash flows to be received or paid relating to a recognized asset or liability or a highly probable forecasted transaction. The effective parts of changes in the fair value of derivative financial instruments are recognized in other comprehensive income.

The profit or loss as a result of ineffectiveness and the interest component that is a result of the time value of money in the valuation of the derivative financial instrument are recognized directly in the statement of income. This also applies to the credit risks on derivatives, unless the cumulative change in the fair value of the hedging instrument is lower than the hedged item.

Amounts accumulated in equity are reclassified to profit or loss at the same time as the hedged transaction affects profit or loss or if the hedged transaction is no longer probable. The effects are shown under Finance costs. If the established agreement or the foreseeable transaction that is hedged results in the recognition of a non-financial asset, the accumulated gains or losses previously deferred in equity are removed from equity and recognized in the initial recognition of the asset or liability.

If a hedging instrument or the hedge relationship is terminated but the hedged transaction is still expected to take place, the accumulated gains or losses will remain in equity at that time and will subsequently be recognized in the income statement when the transaction takes place.

Net investments in foreign activities can be hedged by qualifying and designated derivative financial instruments, which are considered as cash flow hedges (see above). If a debt denominated in foreign currency hedges a net investment in a foreign operation in the same currency, the exchange differences due to translation of the net investment and the debt into euros are recognized in other comprehensive income, to the extent that the hedge is effective. The ineffective part is recognized in the statement of income under Finance costs. Accumulated exchange losses and gains in equity are reclassified at the time foreign activities are (partially) disposed of.

Loans granted and drawn (Notes 15, 25)

Interest-bearing loans are measured at amortized cost, applying the effective interest method unless the interest rate has been converted in a hedge relation from fixed to floating by means of a fair value hedge. In that case the carrying amount is adjusted for the fair value changes caused by the hedged risk.

Fees paid on the establishment of loan facilities are recognized as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the drawdown occurs. To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalized as pre-payment for liquidity services and amortized over the period of the facility to which it relates.

Assets held for sale (Note 20)

Non-current assets and disposal groups are classified as held for sale when their carrying amount is to be recovered principally through a sale transaction and a sale is considered highly probable. They are stated at the lower value of the carrying amount and the fair value less expected selling costs. When specific criteria for the held for sale have been met the non-current assets subject to depreciation or amortization are no longer depreciated or amortized. The assets and liabilities are presented separately under Total current assets and Total current liabilities respectively. In addition, equity accounting for joint ventures and associates ceases once classified as held for sale.

Employee benefits

Pensions and other employee benefits (Note 26)

Most of our defined benefit plans are administered by separate company pension funds and partly insured with insurance companies. The liability recognized in the balance sheet is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated by independent actuaries, using the projected unit credit method. The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows using interest rates of high-quality corporate bonds with durations approximating the terms of our obligations.

The increase in the defined benefit obligation due to passage of time and expected return on plan asset, using the same interest rate as for the defined benefit obligation, are included in pension costs.

Past-service costs are recognized immediately in the statement of income, and actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions are charged or credited to equity in other comprehensive income in the period in which they arise.

Contributions to defined contribution schemes are recognized in the statement of income as incurred. Multi-employer plans that include defined benefit pension plans but for which insufficient information is available for the Group to make IAS 19 calculations are treated as if they were defined contribution.

Share-based compensation (Note 27)

The Group operates a number of equity-settled share-based compensation plans (SMPs 2008, 2009 and 50% of the LTSP 2010) and a cash-settled share-based compensation plan (50% of the LTSP 2010) under which the Group receives services from employees as consideration for respectively ordinary shares of the Group and for cash equivalents to the value of the underlying ordinary shares.

For equity-settled share-based compensation plans, the fair value is determined at the date of grant and expensed in the statement of income based on the Group's estimate of the shares that eventually vest, with a corresponding adjustment directly in equity. For cash-settled share-based compensation plans, the fair value is determined at the date of grant and is remeasured at each reporting date until the liability is settled and is recognized over the vesting period as an expense to the extent to which participants have rendered services to date.

Generally, the compensation cost is recognized on a straight-line basis over the vesting period. The amounts expensed are adjusted over the vesting period for changes in the estimate of the number of shares and the equivalent in cash that will eventually vest. Adjustments are made at the end of each reporting period to reflect expected and actual forfeitures during the vesting period due to the failure to satisfy service conditions or non-market performance conditions (like profitability growth targets and remaining an employee of the Group over a specified time period).

Other types of remuneration (Note 27)

Long-term remuneration settled in cash that depends on the development of the earnings per ordinary share during a period of three years is allocated to these years based on the latest estimates. Liabilities are recognized via provisions and remeasured at the end of each reporting period.

Provisions (Note 28)

Provisions are recognized for legal or constructive obligations that arose in the past, the amount of which, though uncertain, can be reliably estimated and where it is probable that the settlement of the obligations will entail a cash outflow. If the time horizon is significant, the size of the provision is based on the expected future cash flows discounted at a pre-tax rate that reflects the current market rate of interest as well as the specific risks associated with the liabilities.

In accordance with current legislation, environmental plans and other measures to be adopted are agreed with local, regional and national authorities as appropriate. As soon as such plans are approved or other statutory obligations arise, a provision is formed based on the most reliable estimate possible of the future expenses.

A provision for reorganization is formed when Vopak has approved a detailed and formalized reorganization plan and when the reorganization has either commenced or made public.

Provisions for deferred remuneration other than pensions and other employee benefits, for example, redundancy benefits, anniversary bonuses and long-term remuneration settled in cash, are calculated using the method for defined benefit plans. Any actuarial results arising are recognized immediately as profits or losses. The same applies to any changes relating to past service.

Cash flow policies

The cash flow statement is drawn up based on the indirect method. Cash flows denominated in foreign currencies are translated at average exchange rates. Exchange and translation gains and losses on cash and cash equivalents (including current liabilities arising from credit facilities) are presented separately.

Company statement of income

An abridged company statement of income is presented in accordance with Section 402 of Book 2 of the Dutch Civil Code.

Notes to the Consolidated Statement of Income

Note 1. Divestments of subsidiaries

As part of the continuous drive to further align our terminal network with long-term market developments a number of smaller terminals were divested in 2013. The oil terminal at Amsterdam Petroleumhaven in the Netherlands (75,000 cbm), the terminal in Pasir Gudang in Malaysia (20,200 cbm) and the terminal in San Antonio in Chile (21,600 cbm) were divested at, respectively May 2013, November 2013 and December 2013. The divestments in 2013, all individually and in aggregate, were immaterial with respect to IFRS disclosures.

The total consideration received in respect of subsidiaries disposed of amounted to EUR 28.2 million. The net identifiable assets and liabilities, net of cash disposed of, amounted to EUR 17.5 million.

Note 2. Exceptional items

In EUR millions	Note	2013	restated 2012
Impairments	5	- 21.4	- 14.9
Gains on assets held for sale	3	7.1	-
Demolition provision		- 3.4	-
Reorganization costs		- 2.2	-
Operating profit		**- 19.9**	**- 14.9**
Impairments joint ventures and associates	7	-	- 10.1
Reversal impairments joint ventures and associates	7	7.3	-
Gains on sale of joint ventures and associates	7	6.4	-
Result joint ventures and associates	7	3.7	-
Group operating profit		**- 2.5**	**- 25.0**
Finance costs	9	- 3.0	-
Profit before income tax		**- 5.5**	**- 25.0**
Tax on above-mentioned items	10	6.5	2.6
Total effect on net profit		**1.0**	**- 22.4**

In EUR millions	2013	restated 2012
Consolidated Statement of Income excluding exceptional items		
Operating profit	**431.0**	**458.5**
Result of joint ventures and associates using the equity method	105.3	107.2
Group operating profit	**536.3**	**565.7**
Net finance costs	- 102.3	- 83.5
Profit before income tax	**434.0**	**482.2**
Income tax	- 74.1	- 86.9
Net profit	**359.9**	**395.3**
Non-controlling interests	- 42.2	- 40.1
Net profit owners of parent	**317.7**	**355.2**
Net profit holders of financing preference shares	- 5.8	- 8.2
Net profit holders of ordinary shares	**311.9**	**347.0**
Basic earnings per ordinary share (in EUR)	**2.45**	**2.73**
Diluted earnings per ordinary share (in EUR)	**2.45**	**2.73**

Note 3. Other operating income

In EUR millions	2013	restated 2012
Management fee joint ventures and associates	12.2	5.8
Gains on sale of property, plant and equipment	0.3	2.4
Gains on assets held for sale	7.1	-
Other	7.6	4.0
Total	**27.2**	**12.2**

Gains on assets held for sale are related to the divestments of the terminals in Pasir Gudang (Malaysia) and San Antonio (Chile).

Note 4. Personnel expenses

In EUR millions	Note	2013	restated 2012
Wages and salaries		262.2	258.4
Social security charges		34.8	30.4
Contribution to pension schemes (defined contribution)		10.8	10.5
Pension charges (defined benefit plans)	26	24.7	8.5
Long-term incentive plans	27	- 1.6	- 0.6
Early retirement		4.1	2.5
Other personnel expenses		33.7	38.4
Capitalized personnel expenses		- 37.2	- 23.9
Total		**331.5**	**324.2**

Other personnel expenses include the recognition of the Dutch crisis tax of 16% for remunerations above EUR 150,000. The total amounts to EUR 1.2 million (2012: EUR 1.5 million), of which EUR 0.3 million (2012: EUR 0.4 million) relates to the members of the Executive Board.

Early retirement includes reorganization costs of EUR 1.2 million related to the restructuring of the former divisions North America and Latin America into the Americas division.

Average number of employees (in FTEs)

During the year under review, the Group employed an average of 4,454 employees and temporary staff (2012: 4,314). The movements in the number of own employees (in FTEs) were as follows:

In FTEs	2013	restated 2012
Number at 1 January	**3,932**	**3,921**
Joiners	470	480
Leavers	- 356	- 469
Deconsolidation	- 36	-
Number at 31 December	**4,010**	**3,932**

Note 5. Depreciation, amortization and impairment

In EUR millions	Note	2013	restated 2012
Amortization intangible assets	12	8.3	8.7
Depreciation property, plant and equipment	13	208.5	194.0
Impairments	12, 13	21.4	14.9
Total		**238.2**	**217.6**

Note 6. Other operating expenses

In EUR millions	2013	restated 2012
Maintenance	52.4	56.5
Energy and utilities	53.9	52.5
Operating lease	49.4	47.0
Environmental, safety and cleaning	33.6	37.6
Advisory fees	20.5	27.1
Insurance	21.5	20.5
Rents and rates	19.1	18.2
Third party logistics	16.9	14.9
IT	16.4	14.6
Other	57.9	51.8
Total	**341.6**	**340.7**

Exceptional items were recognized under Other for the restructuring into the Americas division (EUR 1.0 million) and a provision for the demolishment of terminal Sydney Site A in Australia (EUR 3.4 million). The demolition of this terminal (34,800 cbm) was driven by the weak market outlook for chemicals in this region and the poor configuration of the terminal's infrastructure. In 2012, there were no exceptional items under Other operating expenses.

Note 7: Result of joint ventures and associates using the equity method

In EUR millions	Note	2013	restated 2012
Result of joint ventures and associates	14	109.0	107.2
Impairments joint ventures and associates	14	-	- 10.1
Reversal of impairments joint ventures and associates	14	7.3	-
Gains on sale of joint ventures and associates		7.6	-
Losses on sale of joint ventures and associates		- 1.2	-
Total		**122.7**	**97.1**

The result of joint ventures and associates of 2013 included certain positive one-off items, like a positive tax adjustment of EUR 1.7 million in Altamira LNG (Mexico) and a partial termination fee of EUR 1.8 million due to amendment of a contract in Caojing (China). These positive items were principally offset by lower results from the joint venture in Estonia.

On 11 July 2013, Vopak divested its 40% equity interest in Xiamen Paktank Company Ltd. in China. This resulted in a reversal of an impairment of EUR 7.3 million. On 19 December 2013, Vopak divested its 50% interests in Terminal Maritimo Vopak-Oxiquim Mejillones S.A. in Chile and Vopak Ecuador Terminal. These sales resulted in a gain of EUR 6.4 million.

In 2013, a settlement was reached with one of our customers in Malaysia resulting in a termination fee. This resulted in an exceptional gain of EUR 3.7 million.

In 2012, the Asia division recognized an impairment of EUR 10.1 million for its 49% equity interest in PT Jakarta Tank Terminal (Indonesia). The progress of deregulation of the subsidized fuel distribution is going much slower than originally assumed. Looking at the growing fuel consumption of Indonesia this is, from a long-term perspective, considered as a timing issue.

With respect to joint ventures, to the extent that tank storage activities are concerned, the effects of the proportionate consolidation method, based on the principles that apply to the Group's consolidated financial statements, on the statement of income and the statement of financial position are shown below.

Statement of income

In EUR millions	2013	restated 2012
Revenues	**355.1**	**363.0**
Group operating profit	**179.6**	**156.9**
Net profit of tank storage activities	115.0	95.7
Net profit of other activities	1.3	1.4
Total net profit [1]	**116.3**	**97.1**

1. Excluding gains and losses on sale of joint ventures and associates in 2013.

Statement of financial position

In EUR millions	Note	2013	restated 2012
Non-current assets		1,716.6	1,553.9
Current assets		202.7	202.5
Total assets		**1,919.3**	**1,756.4**
Non-current liabilities		- 889.2	- 798.2
Current liabilities		- 239.8	- 225.8
Total liabilities		**- 1,129.0**	**- 1,024.0**
Joint ventures in tank storage activities		**790.3**	**732.4**
Joint ventures in other activities and associates		21.2	13.8
Joint ventures and associates	14	**811.5**	**746.2**

The effects of the proportionate consolidation method on the statement of financial position and statement of income of the Group are shown in the section Financial performance of the Executive Board Report.

Note 8. Interest and dividend income

In EUR millions	2013	restated 2012
Interest income	3.3	3.6
Dividends on other financial assets	-	0.2
Total	**3.3**	**3.8**

Note 9. Finance costs

In EUR millions	Note		2013		restated 2012
Interest expense			94.2		77.4
Capitalized interest			- 8.0		- 6.1
Interest component of provisions	26, 28		0.9		0.9
Exchange differences on hedged items (no hedge accounting)			- 36.6		- 32.7
Derivative financial instruments:					
Fair value adjustments to derivative financial instruments (no hedge accounting)		43.4		38.7	
Fair value adjustments to interest rate swaps (fair value hedge)		- 0.8		- 0.9	
Fair value adjustments to loans (fair value hedge)		0.8		0.9	
Use of revaluation reserve derivatives (cash flow hedge)	22	3.3		0.3	
Interest component derivative financial instruments (net investment hedge)		2.8		3.7	
			49.5		42.7
Commitment fee			2.4		2.4
Exceptional finance expenses			3.0		-
Other			3.2		2.7
Total			**108.6**		**87.3**

Capitalized interest during construction was subject to an average interest rate of 4.5% (2012: 4.0%).

In 2013, exceptional finance expenses of EUR 3.0 million were recognized as a result of professional services related to the potential creation of a new class of listed cumulative preference C-shares.

Note 10. Income tax

Recognized in the statement of income

In EUR millions	2013	restated 2012
Current taxes		
Current financial year	52.8	54.4
Adjustments for prior years	- 0.4	5.0
	52.4	**59.4**
Deferred taxes		
Adjustments for prior years	- 4.1	- 9.0
Temporary differences	10.5	18.6
Recognition of tax losses and tax credits	10.7	17.5
Changes in tax rates	- 1.9	- 2.2
	15.2	**24.9**
Tax on profit	**67.6**	**84.3**

Reconciliation of effective tax rate

The income tax expense for 2013 amounted to EUR 67.6 million (2012: EUR 84.3 million). The effective tax rate for 2013 decreased from 18.4% in 2012 to 15.8% in 2013 mainly due to an improved result of joint ventures and associates, which qualifies for participation exemption, as a percentage of the total profit before tax. Excluding exceptional items, the effective tax rate for 2013 and 2012 amounted to respectively 17.1% and 18.0%.

The weighted average statutory tax rate, which is based on the statutory corporate income tax rates applicable in the various countries, amounted to 23.5% and is comparable to 2012.

In EUR millions	2013		restated 2012	
Profit before income tax		428.5		457.2
Tax on profit		67.6		84.3
Effective tax rate		**15.8%**		**18.4%**
Composition:	*Amount*	*%*	*Amount*	*%*
Weighted average statutory tax rate	100.8	23.5	107.9	23.6
Participation exemption	- 32.7	- 7.6	- 24.2	- 5.3
Non-deductible expenses	6.6	1.5	6.7	1.5
Changes in tax rates	- 1.9	- 0.4	- 2.2	- 0.5
Recognition of tax losses and tax credits	4.7	1.1	0.1	-
Tax facilities	- 0.2	-	- 1.1	- 0.2
Movements in prior-year taxes	- 4.5	- 1.1	- 4.0	- 0.9
Other effects	- 5.2	- 1.2	1.1	0.2
Effective tax (rate)	**67.6**	**15.8**	**84.3**	**18.4**

Taxes recognized in other comprehensive income

In EUR millions	Note	2013	restated 2012
On changes in the value of cash flow hedges	22	7.5	- 15.5
On exchange differences and hedges	22	5.8	- 0.5
On use of cash flow hedges	22	0.8	0.1
On use of exchange differences and hedges	22	0.6	-
On remeasurements of defined benefit plans		13.8	- 50.5
Total		**28.5**	**- 66.4**

Note 11. Earnings per ordinary share

Basic earnings per ordinary share are calculated by dividing the net profit attributable to holders of ordinary shares with the time-weighted average number of outstanding ordinary shares (excluding the average number of treasury shares). The weighted average number of outstanding shares was 127,423,536 in 2013 (2012: 127,360,846).

In calculating the diluted earnings per ordinary share, the weighted average number of outstanding shares is adjusted for the dilutive effects of all dilutive potential ordinary shares, like share option schemes. Both at 31 December 2013 and 31 December 2012 no options were outstanding, there was no dilutive effect.

The composition of the weighted average number of outstanding shares and of the diluted weighted average number of outstanding shares is as follows:

In thousands	Note	2013	restated 2012
Issued ordinary shares at 1 January	21	127,405	127,287
Vested shares under equity-settled share-based payment arrangements	27	19	74
Weighted average number of ordinary shares at 31 December		**127,424**	**127,361**
Dilutive effect		-	-
Diluted weighted average number of ordinary shares at 31 December		**127,424**	**127,361**

During 2013 and 2012 Vopak did not repurchase own shares for the equity-settled share-based long-term incentive plan. When the vesting conditions are met then the equity settlement will result in an increase of the number of outstanding shares. During 2013, 28,404 shares were vested (2012: 117,403 shares).

Notes to the Consolidated Statement of Financial Position

Note 12. Intangible assets

Movements in intangible assets were as follows:

In EUR millions	Note	Goodwill	Software	Other	Total
Purchase price of operating assets		35.2	77.4	23.1	135.7
Accumulated amortization and impairment		-	- 58.5	- 10.3	- 68.8
Carrying amount in use		**35.2**	**18.9**	**12.8**	**66.9**
Purchase price under construction		-	5.7	-	5.7
Carrying amount at 1 January 2012		**35.2**	**24.6**	**12.8**	**72.6**
Movements:					
Additions		-	8.3	0.6	8.9
Disposals		-	- 0.2	-	- 0.2
Amortization	5	-	- 7.3	- 1.4	- 8.7
Impairment	5	- 5.6	-	-	- 5.6
Exchange differences		1.0	- 0.2	-	0.8
Carrying amount at 31 December 2012		**30.6**	**25.2**	**12.0**	**67.8**
Purchase price of operating assets		36.2	78.6	21.3	136.1
Accumulated amortization and impairment		- 5.6	- 63.4	- 9.3	- 78.3
Carrying amount in use		**30.6**	**15.2**	**12.0**	**57.8**
Purchase price under construction		-	10.0	-	10.0
Carrying amount at 31 December 2012		**30.6**	**25.2**	**12.0**	**67.8**
Movements:					
Additions		-	11.2	-	11.2
Disposals		-	- 0.1	-	- 0.1
Reclassification to assets held for sale		- 0.6	-	-	- 0.6
Amortization	5	-	- 6.9	- 1.4	- 8.3
Exchange differences		- 1.6	- 0.5	- 0.3	- 2.4
Carrying amount at 31 December 2013		**28.4**	**28.9**	**10.3**	**67.6**
Purchase price of operating assets		33.7	83.3	20.2	137.2
Accumulated amortization and impairment		- 5.3	- 63.2	- 9.9	- 78.4
Carrying amount in use		**28.4**	**20.1**	**10.3**	**58.8**
Purchase price under construction		-	8.8	-	8.8
Carrying amount at 31 December 2013		**28.4**	**28.9**	**10.3**	**67.6**

Goodwill is tested for impairment per cash flow generated unit (CGU) in the fourth quarter or whenever an impairment trigger exists. A summary of the carrying amount of goodwill by geographical area, which is equal to the operating segments (CGUs), is presented below.

In EUR millions	2013	restated 2012
Europe, Middle East & Africa	4.3	4.3
Asia	20.6	22.7
Americas	0.6	0.7
Global LNG (Non-allocated)	2.9	2.9
Carrying amount at 31 December	**28.4**	**30.6**

Intangible assets not ready to use are also tested annually for impairment.

Determination of value in use

The Group estimates the recoverable amount of a CGU using a value in use model by projecting cash flows for the next five years. The model uses pre-tax cash flow projections which extend forward to perpetuity using a terminal value calculation and which take account of the approved budget for the coming year and the following two-year approved strategy. The strategy takes into account the past performance and its expectation of market developments. Cash flows for year four and five rely on estimates of growth factors, which are applied conservatively and do not exceed the expected growth in local economy after the fifth year. All pre-tax cash flows are discounted at a pre-tax rate depending on the risk profile of the region.

Impairments

No impairments were recognized in 2013 for goodwill and other intangible assets.

In 2012, an impairment of EUR 5.6 million was recognized by the division Europe, Middle East & Africa for the goodwill related to a development project in Turkey. During the process to get the license to operate, the land area appears to be more suitable for industrial use than for tank storage activities.

Sensitivity

In the impairment tests, the growth factor for year four and five were based on a conservative rate of 2% for all operating segments. The pre-tax discount rate used is depending on the risk profile of the cash generating unit and was 7.6% for Asia, 10.7% for Americas and 8.0% for the other segments. The valuations indicated sufficient headroom, such that a reasonably possible change to key assumptions would not result in a material impairment of the related goodwill.

Note 13. Property, plant and equipment

Movements in property, plant and equipment were as follows:

In EUR millions	Note	Land	Buildings	Tank storage terminals	Machinery and equipment	Total
Purchase price of operating assets		47.8	214.0	3,777.8	196.1	4,235.7
Accumulated depreciation and impairment		-	- 100.9	- 1,555.4	- 113.0	- 1,769.3
Carrying amount in use		**47.8**	**113.1**	**2,222.4**	**83.1**	**2,466.4**
Purchase price under construction		71.6	9.1	347.4	10.0	438.1
Carrying amount at 1 January 2012		**119.4**	**122.2**	**2,569.8**	**93.1**	**2,904.5**
Movements:						
Additions		1.4	15.5	416.6	15.3	448.8
Disposals		-	-	- 0.5	- 0.1	- 0.6
Reclassification to assets held for sale		- 27.0	-	-	-	- 27.0
Reclassification		4.9	- 1.2	- 3.7	-	-
Depreciation	5	-	- 8.0	- 171.3	- 14.7	- 194.0
Impairment	5	-	- 0.1	- 8.5	- 0.7	- 9.3
Exchange differences		- 3.6	0.2	8.2	- 0.6	4.2
Carrying amount at 31 December 2012		**95.1**	**128.6**	**2,810.6**	**92.3**	**3,126.6**
Purchase price of operating assets		45.4	226.0	4,117.2	204.8	4,593.4
Accumulated depreciation and impairment		-	- 108.6	- 1,713.6	- 123.6	- 1,945.8
Carrying amount in use		**45.4**	**117.4**	**2,403.6**	**81.2**	**2,647.6**
Purchase price under construction		49.7	11.2	407.0	11.1	479.0
Carrying amount at 31 December 2012		**95.1**	**128.6**	**2,810.6**	**92.3**	**3,126.6**
Movements:						
Additions		5.9	37.1	475.5	22.9	541.4
Disposals		-	-	- 4.7	- 0.3	- 5.0
Reclassification to assets held for sale		- 0.4	- 0.1	- 9.3	-	- 9.8
Reclassification		0.3	- 9.6	6.3	3.0	-
Depreciation	5	-	- 8.4	- 185.0	- 15.1	- 208.5
Impairment	5	-	- 0.4	- 14.3	- 6.7	- 21.4
Exchange differences		- 5.8	- 5.0	- 102.1	- 3.5	- 116.4
Carrying amount at 31 December 2013		**95.1**	**142.2**	**2,977.0**	**92.6**	**3,306.9**
Purchase price of operating assets		47.5	241.6	4,343.5	202.8	4,835.4
Accumulated depreciation and impairment		-	- 113.1	- 1,803.9	- 124.9	- 2,041.9
Carrying amount in use		**47.5**	**128.5**	**2,539.6**	**77.9**	**2,793.5**
Purchase price under construction		47.6	13.7	437.4	14.7	513.4
Carrying amount at 31 December 2013		**95.1**	**142.2**	**2,977.0**	**92.6**	**3,306.9**

In 2013, impairments of in total EUR 21.4 million were recognized. In the Americas division an impairment of EUR 10.8 million was recognized for a project in Perth Amboy (New Jersey, US) as there is currently insufficient economic viability due to the changed market circumstances in North America. The recoverable amount is based on fair value less costs to sell, supported by an external valuation. In Asia, due to the postponement of an expansion project of the terminal in Vietnam, an impairment was taken of EUR 6.8 million. The recoverable amount of the assets is based on value in use method, using a pre-tax discount rate of 12%. Furthermore, impairments were recognized for obsolescence of certain assets in the Netherlands (EUR 1.5 million) and EUR 2.3 million on pre-engineering costs by the Americas division due to a scope change of the project in Bahía Las Minas (Panama).

In 2012, impairments of in total EUR 9.3 million were recognized. The divisions Asia (EUR 4.1 million) and Netherlands (EUR 3.5 million) recognized impairments for obsolescence of property, plant and equipment and the Americas division recognized an impairment due to demolition of assets (EUR 1.7 million).

The Group leases assets with a total book value of EUR 19.4 million at 31 December 2013, of which the ownership lies within the Group. The finance lease obligation (EUR 19.0 million) is recognized under other long-term loans (see note 25).

Note 14. Joint ventures and associates

Movements in joint ventures and associates, including goodwill, were as follows:

		Joint ventures		Associates		Total	
In EUR millions	Note	2013	restated 2012	2013	restated 2012	2013	restated 2012
Carrying amount at 1 January		**743.9**	**602.4**	**2.3**	**-**	**746.2**	**602.4**
Share in profit	7	109.0	107.2	-	-	109.0	107.2
Dividends received	31	- 123.0	- 87.7	-	-	- 123.0	- 87.7
Investments		73.5	96.8	8.9	2.5	82.4	99.3
Acquisitions		7.8	65.7	-	-	7.8	65.7
Divestments		- 0.9	-	-	-	- 0.9	-
Impairments	7	-	- 10.1	-	-	-	- 10.1
Reversal of impairments	7	7.3	-	-	-	7.3	-
Fair value changes of derivative financial instruments	22	24.3	- 19.5	-	-	24.3	- 19.5
Reclassification to assets held for sale		- 7.3	-	-	-	- 7.3	-
Exchange differences		- 33.9	- 10.9	- 0.4	- 0.2	- 34.3	- 11.1
Carrying amount at 31 December		**800.7**	**743.9**	**10.8**	**2.3**	**811.5**	**746.2**

The fair value changes of derivatives are related to the effective portion of changes in the fair value of cash flow hedges within the joint ventures, which are recognized through the consolidated statement of comprehensive income.

None of the joint ventures and associates is listed on a stock exchange.

Acquisitions and divestments

On 31 July 2013, Vopak increased its equity interest in Gate terminal by 2.5% from 45% to 47.5%.

On 11 July 2013, Vopak divested its 40% equity interest in Xiamen Paktank Company Ltd. in China (206,500 cbm).

On 19 December 2013, Vopak divested its 50% equity interest in Terminal Maritimo Vopak-Oxiquim Mejillones S.A. in Chile (10,000 cbm) and its 50% equity interest in Vopak Ecuador S.A. (19,400 cbm).

Note 15. Loans granted

In EUR millions	Loans to joint ventures and associates 2013	Loans to joint ventures and associates restated 2012	Other loans 2013	Other loans restated 2012	Total 2013	Total restated 2012
Carrying amount at 1 January	**22.6**	**37.7**	**7.9**	**4.3**	**30.5**	**42.0**
Movements:						
Loans granted	8.7	15.0	6.4	5.0	15.1	20.0
Repayments	- 13.0	- 30.0	- 5.0	- 1.3	- 18.0	- 31.3
Effective interest	-	-	0.1	- 0.1	0.1	- 0.1
Exchange differences	- 0.8	- 0.1	- 0.7	-	- 1.5	- 0.1
Carrying amount at 31 December	**17.5**	**22.6**	**8.7**	**7.9**	**26.2**	**30.5**
Non-current receivables	11.5	7.7	1.8	4.6	13.3	12.3
Current receivables	6.0	14.9	6.9	3.3	12.9	18.2
Carrying amount at 31 December	**17.5**	**22.6**	**8.7**	**7.9**	**26.2**	**30.5**

Loans granted include no subordinated loans.

Please see note 30 for the fair value and for information on the effective interest rates and the periods in which they are reviewed. With respect to the loans granted that are neither impaired nor past due, there are no indications as of the reporting date that the debtors will not meet their payment obligations.

Note 16. Deferred taxes

The deferred tax assets and liabilities were allocated as follows:

In EUR millions	Carry forward losses	Temporary differences: Property, plant & equipment	Temporary differences: Loans granted	Temporary differences: Employee benefits	Temporary differences: Other	Other	Offset assets and liabilities	Statement of financial position
Assets	40.2	15.2	0.1	4.2	17.7	1.4	- 47.9	30.9
Liabilities	-	- 213.8	- 7.2	- 18.1	- 30.0	-	47.9	- 221.2
Balance 1 January 2012 restated	**40.2**	**- 198.6**	**- 7.1**	**- 13.9**	**- 12.3**	**1.4**	**-**	**- 190.3**
Movements:								
- Statement of income	- 16.5	- 18.5	0.2	- 6.9	16.2	0.6		- 24.9
- Other comprehensive income	-	-	-	50.5	15.9	-		66.4
- Exchange differences	- 0.2	- 0.9	0.7	-	- 1.4	- 0.2		- 2.0
Balance 31 December 2012 restated	**23.5**	**- 218.0**	**- 6.2**	**29.7**	**18.4**	**1.8**		**- 150.8**
Assets	23.5	9.2	0.1	30.0	33.7	1.8	- 46.6	51.7
Liabilities	-	- 227.2	- 6.3	- 0.3	- 15.3	-	46.6	- 202.5
Balance 31 December 2012 restated	**23.5**	**- 218.0**	**- 6.2**	**29.7**	**18.4**	**1.8**	**-**	**- 150.8**
Movements:								
- Statement of income	- 6.5	- 10.2	0.3	- 2.6	4.8	- 1.0		- 15.2
- Other comprehensive income	- 7.1	-	-	- 13.8	- 7.6	-		- 28.5
- Acquisitions/divestments	-	0.8	-	-	0.2	-		1.0
- Exchange differences	-	15.4	1.0	- 0.2	- 4.7	-		11.5
Balance 31 December 2013	**9.9**	**- 212.0**	**- 4.9**	**13.1**	**11.1**	**0.8**		**- 182.0**
Assets	9.9	14.7	0.4	14.1	27.3	0.8	- 47.0	20.2
Liabilities	-	- 226.7	- 5.3	- 1.0	- 16.2	-	47.0	- 202.2
Balance 31 December 2013	**9.9**	**- 212.0**	**- 4.9**	**13.1**	**11.1**	**0.8**	**-**	**- 182.0**

Deferred tax assets and liabilities are offset against each other to the extent that this is a legally enforceable right and the deferrals belong to the same fiscal unit. The decision to account for deferred tax assets is taken annually per each fiscal unit after critically assessing whether conditions are sufficient to realize these deferred tax assets, based on the strategic plans and related tax plans.

Carry-forward losses for which deferred tax assets have not been recognized amounted to EUR 41.4 million at 31 December 2013 (2012: EUR 30.2 million). The maturity schedule is as follows:

In EUR millions	2014	2015	2016	2017	2018+	unlimited	Total
Offsettable carry-forward losses	1.7	3.5	5.1	3.3	12.4	15.4	41.4

Deferred tax assets regarding carry-forward losses have not been recognized because it is not probable that sufficient taxable profit will be available to utilize the deferred tax asset in time.

In determining the deferred tax liabilities, withholding tax and any other tax due for unremitted earnings of subsidiaries were not recognized. These earnings have been permanently reinvested.

Note 17. Other non-current assets

The prepaid land use rights are allocated to the period to which they relate. The terms remaining at 31 December 2013 vary between 8 to 47 years.

Note 18. Trade and other receivables

In EUR millions	2013	restated 2012
Trade debtors gross	89.6	85.0
Provision for impairment of trade debtors	- 2.7	- 0.7
Trade debtors net	**86.9**	**84.3**
Taxes receivable	51.0	49.9
Other receivables	174.3	142.4
Total	**312.2**	**276.6**

Trade and other receivables are measured at amortized cost, using the effective interest method, less any provision for impairment. There was no indication as at the statement of financial position date that these receivables will not be recovered, other than as already provided for.

At 31 December 2013, trade receivables of EUR 25.3 million (2012: EUR 28.4 million) were past due but not impaired. Exposure to bad debts is mostly related to rendering services to international manufacturers. The value of the products stored for these clients usually exceeds the value of the receivables and Vopak generally has the right of retention. The ageing analysis of these trade receivables is as follows:

	2013			restated 2012		
In EUR millions	Gross	Provision	Net	Gross	Provision	Net
Not past due	61.7	0.1	61.6	55.9	-	55.9
Past due up to 3 months	21.1	0.3	20.8	24.5	0.1	24.4
Past due 3 to 6 months	2.6	0.1	2.5	3.0	-	3.0
Past due more than 6 months	4.2	2.2	2.0	1.6	0.6	1.0
Total	**89.6**	**2.7**	**86.9**	**85.0**	**0.7**	**84.3**

Movements on the provision for impairment of trade receivables are as follows:

In EUR millions	2013	restated 2012
Balance at 1 January	**0.7**	**0.7**
Impairments	2.6	0.7
Reversal of impairments	-	- 0.2
Receivables written off during the year as uncollectible	- 0.5	- 0.5
Exchange differences	- 0.1	-
Balance at 31 December	**2.7**	**0.7**

The creation and release of provision for impaired trade receivables were recognized under Other operating expenses.

Other receivables include the dividend receivables from joint ventures for which the decision about dividend distribution was taken at the end of 2013 and payment was done in January 2014. The total dividend receivable amounted to EUR 48.3 million at the end of 2013 (2012: EUR 53.7 million). Also for the other items of Other receivables there are no amounts overdue nor impaired and there have been no defaults in the past.

Note 19. Cash and cash equivalents

In EUR millions	2013	restated 2012
Cash and bank	83.4	70.1
Short-term deposits	95.3	381.9
Total	**178.7**	**452.0**

Cash and cash equivalents include all cash balances and short-term deposits, which are immediately redeemable. The effective interest rate on short-term deposits at year-end 2013 was 0.2% (2012: 0.3%); these deposits have an average term of 3 days (2012: 60 days) and are subject to limited value changes.

Reconciliation with the consolidated cash flow statement is as follows:

In EUR millions	2013	restated 2012
Cash and cash equivalents	178.7	452.0
Bank overdrafts	- 7.4	- 16.3
Total	**171.3**	**435.7**

The cash and cash equivalents were at free disposal of the Group as at 31 December 2013 as well as at 31 December 2012.

Note 20. Assets held for sale

The assets held for sale consist of a plot of land in Yalova (Turkey). Since the end of 2012, the land has been put up for sale. During the year 2013, the land was actively marketed at a price in accordance with market value, which was based on the valuation by two independent real-estate agents.

There have however been developments, which are outside the Group's control, that have resulted in a delay. Several corruption cases are putting pressure on the confidence in the Turkish economy and its currency. As a result, potential buyers want to await the outcome of upcoming regional elections in March 2014.

Notwithstanding, Vopak is still in discussion with potential buyers and there is currently no indication that the recoverable amount will be lower than the carrying amount at 31 December 2013. The sale is expected to be concluded in the course of 2014.

In EUR millions	Note	Asset	Liability
Balance at 1 January 2013		**27.0**	**-**
Reclassifications to assets held for sale		23.1	- 2.6
Disposals	1	- 23.1	2.6
Exchange differences		- 1.1	-
Balance at 31 December 2013		**25.9**	**-**

Note 21. Issued capital, share premium and treasury shares

The company's authorized share capital amounts at 31 December 2013 to EUR 190,800,000, divided into 140,000,000 ordinary shares, 190,800,000 protective preference shares and 50,800,000 financing preference shares, all with a nominal value of EUR 0.50 each.

The issued share capital at 31 December 2013 consists of 127,835,430 ordinary shares and 41,400,000 financing preference shares. Of the issued ordinary shares, 402,400 shares are held in the treasury stock in connection with existing commitments under the long-term incentive plans.

Movements in the number of shares, the issued capital and the share premium were as follows:

	Numbers				Amounts in EUR millions		
	Issued ordinary shares	Financing preference shares	Total shares	Treasury shares	Issued capital	Share premium	Treasury shares
Balance at 1 January 2012	**127,835,430**	**41,400,000**	**169,235,430**	**- 548,207**	**84.6**	**281.2**	**- 13.0**
Capital reduction	-	-	-	-	-	- 33.0	-
Vested shares under equity-settled share-based payment arrangements	-	-	-	117,403	-	-	1.8
Balance at 31 December 2012	**127,835,430**	**41,400,000**	**169,235,430**	**- 430,804**	**84.6**	**248.2**	**- 11.2**
Capital reduction	-	-	-	-	-	- 33.0	-
Vested shares under equity-settled share-based payment arrangements	-	-	-	28,404	-	-	0.4
Balance at 31 December 2013	**127,835,430**	**41,400,000**	**169,235,430**	**- 402,400**	**84.6**	**215.2**	**- 10.8**

Financing preference shares

The dividend percentage on the outstanding financing preference shares (nominal value plus share premium) has been 7.45%. The percentage will be set again every five years, for the first time on 1 January 2015. The dividend for 2013 will amount to EUR 5.8 million (2012: EUR 8.2 million).

Under the Articles of Association, a dividend can only be distributed on financing preference shares following a decision by the Executive Board, subject to the approval of the Supervisory Board, to transfer all or part of the profit to equity. If the transfer to equity results in the remaining profit being insufficient to distribute a dividend on the financing preference shares, an amount equal to the shortfall will be deducted from the amount to be transferred to equity and added to the dividend reserve for the financing preference shares. The dividend reserve will have primary dividend rights in subsequent financial years, any dividend either being added to the dividend reserve or distributed on the financing preference shares, as far as possible and at the discretion of the Executive Board, subject to the approval of the Supervisory Board.

The Articles of Association also stipulate that only the Executive Board, subject to the approval of the Supervisory Board, is authorized to make decisions to distribute dividends from the share premium and the dividend reserve for the financing preference shares.

As from January 2011, the Company has the right to repurchase the financing preference shares in five annual payments. If the company decides to repurchase them, only share premium will be repaid in the first four years. The annual repayment of the share premium will be limited to a maximum of 20% of the outstanding share capital of the financing preference shares of EUR 110 million at 31 December 2009. If the Company did not make use of this right in the previous year, the Company can make a maximum 30% distribution in the subsequent year. On 5 November 2013, the Supervisory Board approved the proposal of the Executive Board to make a payment of EUR 33 million (30%) from the share premium to the financing preference shareholders at 2 January 2014. The outstanding share capital consequently reduced from EUR 77 million to EUR 44 million and the annual dividend potentially distributable to the holders of financing shares decreased to EUR 3.3 million. As a result of this distribution, the balance of the share premium for the outstanding 41,400,000 financing preference shares dropped to EUR 22.6 million at 31 December 2013.

Dividend will only be distributed on ordinary shares after the dividend on the financing preference shares has been distributed, on the understanding that no dividend will be distributed on the ordinary shares if, at the time of the intended distribution, the balance of the dividend reserve for the financing preference shares is positive.

Treasury shares

After adoption of the financial statements 2012 by the Annual General Meeting, the Company delivered 28,404 shares from treasury stock, for the purposes of fulfilling the Company's obligation of the vested conditional shares under the long-term incentive plans.

The vesting period of the current long-term incentive plans ended at 31 December 2013 and will be settled and transferred in 2014.

Note 22. Other reserves

Movements in other reserves were as follows:

In EUR millions	Translation reserve	Revaluation reserve derivatives	Revaluation reserve assets	Transaction reserve NCI	Total other reserves
Balance at 1 January 2012 restated	**47.7**	**- 79.5**	**5.9**	**-**	**- 25.9**
Exchange differences on net investments	- 8.8	-	-	-	- 8.8
Effective part of hedges of net investments	- 3.2	-	-	-	- 3.2
Tax effect on exchange differences and hedges	0.5	-	-	-	0.5
Movements in effective part of cash flow hedges	-	- 61.9	-	-	- 61.9
Tax effect on movements in cash flow hedges	-	15.5	-	-	15.5
Use of effective part of cash flow hedges (to statement of income)	-	0.3	-	-	0.3
Tax effect on use of cash flow hedges	-	- 0.1	-	-	- 0.1
Movements in effective part of cash flow hedges joint ventures	-	- 19.5	-	-	- 19.5
Depreciaton on revaluation of assets	-	-	- 0.7	-	- 0.7
Tax effect on depreciation on revaluation of assets	-	-	0.1	-	0.1
Result sale non-controlling interest of subsidiary	-	-	-	1.3	1.3
Balance at 31 December 2012 restated	**36.2**	**- 145.2**	**5.3**	**1.3**	**- 102.4**
Exchange differences on net investments	- 102.0	-	-	-	- 102.0
Effective part of hedges of net investments	45.5	-	-	-	45.5
Tax effect on exchange differences and hedges	- 5.8	-	-	-	- 5.8
Use of exchange differences on net investments (to statement of income)	0.8	-	-	-	0.8
Use of exchange differences on net investments joint ventures (to statement of income)	- 1.1	-	-	-	- 1.1
Tax on release exchange differences and hedges	- 0.6	-	-	-	- 0.6
Movements in effective part of cash flow hedges	-	30.1	-	-	30.1
Tax effect on movements in cash flow hedges	-	- 7.5	-	-	- 7.5
Use of effective part of cash flow hedges (to statement of income)	-	3.3	-	-	3.3
Tax effect on use of cash flow hedges	-	- 0.8	-	-	- 0.8
Movements in effective part of cash flow hedges joint ventures	-	24.3	-	-	24.3
Depreciaton on revaluation of assets	-	-	- 0.3	-	- 0.3
Tax effect on depreciation on revaluation of assets	-	-	0.1	-	0.1
Balance at 31 December 2013	**- 27.0**	**- 95.8**	**5.1**	**1.3**	**- 116.4**

The translation reserve includes all exchange differences resulting from the translation of the financial statements of foreign entities. It also includes the exchange differences on liabilities and the effective currency component of fair value changes of derivative financial instruments (net of tax), to the extent that they hedge the net investments of the Group in foreign entities and hedge accounting is applied.

The revaluation reserve derivatives contains the effective part of the accumulated change in the fair value of the cash flow hedges, net of tax, in respect of which the hedged future transaction has not yet taken place. The schedule for use is as follows:

In EUR millions	2014	2015	2016	2017	2018	> 2018	Total
Use of revaluation reserve derivatives	6.7	5.8	6.6	8.7	9.6	58.4	95.8

Note 23. Retained earnings

Movements in retained earnings were as follows:

In EUR millions	2013	restated 2012
Balance at 1 January	**1,404.6**	**1,332.2**
Dividend paid in cash	- 120.3	- 110.1
Remeasurements of defined benefit plans	34.7	- 149.0
Vested shares under equity-settled share-based payment arrangements	- 0.4	- 1.8
Measurement of equity-settled share-based payment arrangements	- 0.4	- 0.4
Release of revaluation reserve due to depreciation	0.2	0.6
Net profit attributable to owners of parent	318.5	333.1
Balance at 31 December	**1,636.9**	**1,404.6**

Of the retained earnings, EUR 1,311.5 million can be distributed freely (see note 4 to the Company Financial Statements). The dividend paid in cash consists of a dividend on the financing preference shares of EUR 8.2 million and a dividend in cash of EUR 0.88 per ordinary share.

Note 24. Non-controlling interests

Statement of changes in non-controlling interests:

In EUR millions	2013	restated 2012
Balance at 1 January	**128.8**	**108.5**
Net profit	42.4	39.8
Dividend	- 47.1	- 25.9
Capital injection	4.6	-
Carrying amount of non-controlling interest sold	-	2.5
Movements in effective part of cash flow hedges	0.2	0.5
Exchange differences	- 10.9	3.4
Balance at 31 December	**118.0**	**128.8**

The non-controlling interests mainly consist of the non-controlling interest of the activities in Singapore. The profit for the financial year 2013 includes an exceptional loss of EUR 1.0 million due to the impairment of assets in Perth Amboy (US) and an exceptional gain of EUR 1.1 million as a result of a settlement reached with one of our customers in Malaysia. In 2012, there was an exceptional loss of EUR 0.2 million due to impairment.

Vopak's controlling interest in the subsidiary Vopak Terminal Perth Amboy LLC slightly increased from 86.44% at year-end 2012 to 87.75% at year-end 2013 due to capital contribution. This contribution differed from its original pro rata share.

Note 25. Interest-bearing loans

A breakdown is set out below:

In EUR millions	2013	restated 2012
Non-current interest-bearing loans		
US Private Placements [1]	1,504.8	1,571.6
SGD Private Placements	129.5	271.0
JPY Private Placements	137.8	174.7
Bank loans	80.5	52.2
Credit facilities	- 2.5	- 3.7
Other long-term loans	22.7	18.0
Total	**1,872.8**	**2,083.8**
Current interest-bearing loans		
US Private Placements	2.1	26.8
SGD Private Placements	120.7	-
Bank loans	-	72.0
Other long-term loans	0.4	0.6
Total	**123.2**	**99.4**
Total interest-bearing loans	**1,996.0**	**2,183.2**

1. Including subordinated debt of EUR 79.4 million (2012: EUR 81.8 million).

Breakdown of loans by currency:

	Local currency		Euro	
In millions	2013	restated 2012	2013	restated 2012
Euro (EUR)	90.0	91.9	90.0	91.9
US dollar (USD)	1,909.5	1,934.7	1,378.3	1,459.2
Pound sterling (GBP)	35.0	35.0	42.1	43.1
Canadian dollar (CAD	25.0	25.0	17.1	19.1
Singapore dollar (SGD)	575.0	635.0	330.7	395.2
Japanese yen (JPY)	20,000.0	20,000.0	137.8	174.7
Total			**1,996.0**	**2,183.2**

The interest-bearing loans mainly consist of unsecured Private Placements (PPs) in the US and Asian market. The US PPs consist of various financing programs entered into in 2001, 2007, 2009 and 2012. The Revolving Credit Facility (RCF) of EUR 1.0 billion was fully available at year-end 2013. The amounts drawn, the average remaining maturities and the main covenant ratios are shown in the table below. For further details on the fair value and possible currency and interest rate risks, please see note 30.

	US PPs 2001	US PPs 2007	Other PPs and RCF	Total
Amount drawn at 31 December 2013 (in EUR millions)	6.2	271.4	1,718.4	1,996.0
Average remaining terms (in years)	1.5	4.9	9.8	9.1
Required ratios				**Actual ratios**
Senior net debt : EBITDA (maximum) [1]	3.75	3.75	3.75	2.53
Interest cover (minimum) [2]	4.00	3.50	3.50	7.35

1. For a breakdown of the calculation of the Senior net debt, please see the Funding table under Financial performance in this report.
2. Interest cover is the ratio the EBITDA and the net finance costs.

At 31 December 2013, Vopak comfortably met the applicable financial ratios.

Besides the loans mentioned in the table above a bank loan of SGD 140 million was drawn by Vopak Terminals Singapore Pte Ltd. (VTS) on the basis of VTS's credit standing and is subject to a Debt: Equity ratio, which may not exceed 1.5 : 1; the ratio between EBITDA and the net finance costs should be at least 4 : 1; and shareholders' equity must be at least SGD 150.0 million. These ratios were also comfortably met.

Note 26. Pensions and other employee benefits

The majority of employees are covered by defined benefit plans, defined contribution plans or mandatory external pension plans. The defined benefit plans are plans in the Netherlands, the United States, the United Kingdom, Germany and Belgium. In the Netherlands, most plans are average pay pension plans, while the other countries mostly operate final pay pension plans.

Specification of the provision for pensions and other employee benefits is as follows:

	The Netherlands		Foreign		Total	
in EUR millions	2013	restated 2012	2013	restated 2012	2013	restated 2012
Present value of funded defined benefit obligation	856.5	885.2	162.8	165.6	1,019.3	1,050.8
Fair value of plan assets	- 846.4	- 834.8	- 134.2	- 120.5	- 980.6	- 955.3
Deficit of funded plans	**10.1**	**50.4**	**28.6**	**45.1**	**38.7**	**95.5**
Present value of unfunded defined benefit obligation	-	-	18.7	18.4	18.7	18.4
Total deficit of defined benefit plans	**10.1**	**50.4**	**47.3**	**63.5**	**57.4**	**113.9**
Net pension obligations under defined contribution plans	7.9	9.5	1.0	1.0	8.9	10.5
Net pension obligations recognized at 31 December	**18.0**	**59.9**	**48.3**	**64.5**	**66.3**	**124.4**
Current liabilities					2.3	1.7
Non-current liabilities					64.0	122.7
Net pension obligations recognized at 31 ecember					**66.3**	**124.4**

The ITP2 plan in Sweden is financed through insurance with the Alecta insurance company and is classified as a multi-employer defined benefit plan. The contribution to this multi-employer plan is treated as defined contribution because it is not possible to collect the required information from the insurance company to enable to account for it as defined benefit plan.

Due to legislative changes in the Netherlands, the early retirement schemes for employees born on or after 1 January 1950 were curtailed as per 1 January 2006. These employees were offered defined contribution plans and a contribution to the life-cycle scheme instead. A provision was formed in 2006 for future contributions that correspond to the years of past service. The employer's contribution to these defined contribution plans amounted to EUR 3.9 million in 2013 (2012: EUR 4.2 million), of which EUR 2.0 million (2012: EUR 1.6 million) is compensated for by the release from the provision for defined contribution plans for years of past service.

Pension plan in the Netherlands

The Dutch pension plan *Stichting Pensioenfonds Vopak* represents 83% of the total defined benefit obligation. Plan participants are insured against the final consequences of old age, disability and death. The employer and employees (partly) pay contributions to the pension plan.

The pension plan has a legal structure of a foundation. The (actuarial) risks related to the pension plan consist of demographic risks (primarily life expectancy) and financial risks (primarily the discount rate, future increases in salaries, and the return on plan assets) and are regularly reviewed by the board of the trustees. The board of trustees is the most senior governing body of the pension fund and is composed of equal numbers of employer and employee representatives (including pensioners and deferred members).

Pension plans in the Netherlands are subject to the Financial Assessment Framework, which is part of the Pensions Act and sets out the minimum requirements for the financial position of a pension fund, such as the statutory minimum funded status. A pension fund's financial position is reflected largely by the cover ratio. This expresses the relationship between the fund's assets and the pensions to be paid in the future (pension liabilities). The minimum required cover ratio is 105%. In addition, a pension fund must hold sufficient buffers (equity) to be able to cope with financial setbacks. The greater the investment risks and the higher the average age in the pension fund, the higher the buffer requirements, or minimum funding level. Taking into account these factors the Dutch pension plan *Stichting Pensioenfonds Vopak* had a funded status of 112.2% at year-end 2012. The actual ratio of the statutory funded status at 31 December 2013 was preliminary calculated at 118.5%. The fund's capital as well as the liabilities is valued at market.

Pension plans are overseen by the regulator Authority for Financial Markets (AFM) and *De Nederlandsche Bank* (DNB). An annual report including an actuarial review on the plan is prepared in accordance with legal requirements. Additional reports are prepared quarterly in accordance with IFRS requirements. If there is a funding shortfall (cover ratio less than 105%), the fund must submit a recovery plan to the DNB. The cover ratio must regain the 105% level within 3 years. A fund subsequently has a total of 15 years in which to rebuild the required buffers.

The assets are managed by independent asset managers that also execute the investment transactions.

Based on the Financial Institutions' Risk analysis Method (FIRM) of the DNB the risks and monitoring controls for the pension fund were analyzed. The risks of market related fluctuations in the value of plan assets are managed through a prudent investment strategy and by a close monitoring. The investment strategy is set in line with liabilities and local practice and derives from an asset liability study executed in consultation with external advisors. In order to match liabilities, interest rate hedging and currency hedging strategies have been implemented and in order to stabilize returns, diversification is pursued. The monitoring covers for example risks related to interest rates, equities, currencies, credits and insurance.

On a local basis, cash contributions may be needed if local funding levels deteriorate. According to the ongoing agreement between the pension fund and the employer, the employer's contribution is limited to a maximum of 30% of the salary amount.

Cost of defined benefit plans

The following table summarizes the effects of the pension expenses of defined benefit plans recorded in the consolidated statement of income and the remeasurements on these plans which were directly recognized in equity through other comprehensive income.

		The Netherlands		Foreign		Total	
in EUR millions	Note	2013	restated 2012	2013	restated 2012	2013	restated 2012
Current service costs		15.3	7.5	5.1	4.4	20.4	11.9
Past service costs and gains (-) and losses from settlements		-	-	-	0.2	-	0.2
Administation costs and taxes		1.0	1.0	-	-	1.0	1.0
Service costs		**16.3**	**8.5**	**5.1**	**4.6**	**21.4**	**13.1**
Net Interest expenses		1.2	- 7.1	2.1	2.5	3.3	- 4.6
Components of defined benefit costs recorded in profit or loss	4	**17.5**	**1.4**	**7.2**	**7.1**	**24.7**	**8.5**
Remeasurement of net defined benefit liability:							
Return on plan assets (excluding interest income on plan assets)		2.0	- 81.9	- 8.9	- 8.3	- 6.9	- 90.2
Actuarial gains (-) and losses from changes in demographic assumptions		-	9.5	-	-	-	9.5
Actuarial gains (-) and losses arising from experience		- 11.4	11.1	- 2.7	0.5	- 14.1	11.6
Actuarial gains (-) and losses arising from changes in financial assumptions		- 25.3	250.5	- 2.2	18.1	- 27.5	268.6
Components of defined benefit costs recorded in other comprehensive income		**- 34.7**	**189.2**	**- 13.8**	**10.3**	**- 48.5**	**199.5**
Total of components of defined benefit costs		**- 17.2**	**190.6**	**- 6.6**	**17.4**	**- 23.8**	**208.0**

In 2013, market volatility had a positive impact on the Group's defined benefit plans, which resulted in remeasurement gains of EUR 48.5 million, being recorded in other comprehensive income (net of tax). These remeasurements were mostly the result of returns on plan assets compared to the expected interest income and higher discount rates.

Change in present value of the defined benefit obligations

The movements in the defined benefit obligations over the year were as follows:

	The Netherlands		Foreign		Total	
in EUR millions	2013	restated 2012	2013	restated 2012	2013	restated 2012
Defined benefit obligations at 1 January	**885.2**	**610.4**	**184.0**	**158.7**	**1,069.2**	**769.1**
Movements:						
Current service costs	15.3	7.5	5.1	4.6	20.4	12.1
Interest expenses	28.1	32.6	7.1	7.4	35.2	40.0
Actuarial gains (-) and losses from changes in demographic assumptions (remeasurement)	-	9.5	-	-	-	9.5
Actuarial gains (-) and losses from experience	- 11.4	11.1	- 2.7	0.5	- 14.1	11.6
Actuarial gains (-) and losses from changes in financial assumptions (remeasurement)	- 25.3	250.5	- 2.2	18.1	- 27.5	268.6
Benefits paid from the pension fund	- 37.6	- 38.7	- 3.6	- 4.3	- 41.2	- 43.0
Benefits paid directly by the employer	-	-	- 1.9	- 1.8	- 1.9	- 1.8
Employees' contributions	1.2	1.3	0.4	0.3	1.6	1.6
Administation costs and taxes	1.0	1.0	-	-	1.0	1.0
Exchange differences	-	-	- 4.7	0.5	- 4.7	0.5
Defined benefit obligations at 31 December	**856.5**	**885.2**	**181.5**	**184.0**	**1,038.0**	**1,069.2**
Allocated to the plans' participants:						
Active members	226.6	268.1	82.5	82.9	309.1	351.0
Deferred members	147.5	132.5	37.3	40.8	184.8	173.3
Pensioners	482.4	484.6	61.7	60.3	544.1	544.9
Defined benefit obligations at 31 December	**856.5**	**885.2**	**181.5**	**184.0**	**1,038.0**	**1,069.2**

Change in the fair value of plan assets and major classes of plan assets

The following tables summarize the changes in the fair value of the defined plan assets and the composition of the major classes of plan assets at 31 December.

	The Netherlands		Foreign		Total	
in EUR millions	2013	restated 2012	2013	restated 2012	2013	restated 2012
Movement in fair value of plan assets						
Fair value of plan assets at 1 January	**834.8**	**728.0**	**120.5**	**98.6**	**955.3**	**826.6**
Movements:						
Interest income	26.9	39.7	5.0	4.9	31.9	44.6
Return on plan assets excluding interest income (remeasurement gains and losses)	- 2.0	81.9	8.9	8.3	6.9	90.2
Employer's contributions	23.1	22.6	9.1	13.9	32.2	36.5
Employees' contributions	1.2	1.3	0.4	0.3	1.6	1.6
Benefits paid	- 37.6	- 38.7	- 5.9	- 6.1	- 43.5	- 44.8
Exchange differences	-	-	- 3.8	0.6	- 3.8	0.6
Fair value of plan assets at 31 December	**846.4**	**834.8**	**134.2**	**120.5**	**980.6**	**955.3**
Major classes of plan assets						
AAA	135.7	134.5	8.1	15.1	143.8	149.6
AA	124.9	111.6	8.4	4.8	133.3	116.4
A	131.4	157.2	30.0	13.3	161.4	170.5
BBB and lower	119.0	109.9	28.1	19.5	147.1	129.4
Not rated	54.7	50.2	1.3	1.7	56.0	51.9
Bonds	**565.7**	**563.4**	**75.9**	**54.4**	**641.6**	**617.8**
- Europe	84.6	77.4	32.9	34.4	117.5	111.8
- North America	62.3	49.1	18.8	25.9	81.1	75.0
- Asia-Pacific	32.0	34.5	2.1	2.0	34.1	36.5
- Emerging markets	56.5	57.7	0.3	0.2	56.8	57.9
Equity instruments	**235.4**	**218.7**	**54.1**	**62.5**	**289.5**	**281.2**
- Europe	18.7	19.0	4.2	3.6	22.9	22.6
Real estate	**18.7**	**19.0**	**4.2**	**3.6**	**22.9**	**22.6**
- Interest rate swaps	24.9	31.4	-	-	24.9	31.4
- Forward foreign exchange contracts	1.7	2.3	-	-	1.7	2.3
Derivatives	**26.6**	**33.7**	**-**	**-**	**26.6**	**33.7**
Fair value of plan assets at 31 December	**846.4**	**834.8**	**134.2**	**120.5**	**980.6**	**955.3**

Investments are well diversified, such that the failure of any single investment would not have a material impact on the overall level of assets.

Sovereign Government Bonds generally have a credit rating that is no lower than 'A' and have quoted market prices in an active market (level 1 fair value classification). Corporate bonds are generally categorized in level 2 of the fair value hierarchy; in instances where prices, spreads or any of the other aforementioned key inputs are unobservable, they are categorized in level 3 of the fair value hierarchy.

Equity instruments represent investments in equity funds and direct investments. They generally have quoted market prices in an active market (level 1 fair value classification).

Real estate may comprise investments in (listed) real estate funds.

Derivatives are only used for risk management purposes, no speculative positions were adopted. In the absence of quoted prices, other observable inputs are used to estimate fair value (level 2 fair value classification).

The pension fund has not invested directly in shares in Koninklijke Vopak N.V., parts of the Group or in real-estate of the Group.

Expected maturity, contribution and impact on result

The expected maturity analysis of undiscounted pension benefits at 31 December 2013 is as follows:

In EUR millions	2014	2015	2016	2017	2018	2019+	Total
Undiscounted pension benefits	43.8	44.0	44.2	44.2	45.6	1,821.0	2,042.8

The total employer's contribution for defined benefit plans declined from EUR 36.5 million in 2012 to EUR 32.2 million in 2013. This is mainly due to an additional contribution in 2012 to the UK pension fund of EUR 5.2 million. The total employer's contribution is expected to decrease with approximately EUR 0.3 million in 2014.

Assumptions and sensitivity analysis

	The Netherlands		Foreign		Total	
	2013	restated 2012	2013	restated 2012	2013	restated 2012
Assumptions based on weighted average at 31 December						
Discount rate on net liability	3.43%	3.25%	4.23%	3.96%	3.57%	3.37%
Expected general salary increase	3.00%	3.00%	4.01%	3.79%	3.18%	3.13%
Expected price index increase	2.00%	2.00%	3.00%	2.79%	2.18%	2.13%
Life expectancy in years:						
Age 45 for men	42.6	42.5	41.1	41.1		
Age 45 for women	43.6	43.6	43.7	43.6		
Age 65 for men	22.1	21.9	21.0	20.9		
Age 65 for women	23.8	23.7	23.4	23.3		

The discount rates used in the determination of defined benefit obligations and pension charges are based on high quality corporate bonds (AA) with a duration matching the duration of the pension liabilities.

The calculations were also based on recent mortality tables, taking the future developments in mortality rates into account through projections or surpluses.

Local historical data was used for the purposes of turnover and disability assumptions.

The liabilities and pension charges related to the defined benefit schemes are subject to risks regarding changes in discount rates, plan asset values and returns derived from these assets, future salary increases, inflation and life expectancy. Such changes can negatively or positively influence the liabilities and necessitate additional future pension charges under IAS 19. The table below shows the estimated impact on the defined benefit obligations for defined benefit plans for each risk variable.

In EUR millions	Change	Defined benefit obligation Increase	Defined benefit obligation Decrease
Sensitivity assumptions			
Price inflation	1.0%	171.1	- 134.0
Salary growth	0.25%	2.2	- 2.1
Discount rates	1.0%	- 146.8	189.0
Life expectation	1 year	34.9	NA

The sensitivity analysis is based on realistically possible changes as of the end of the reporting year. Each change in a significant actuarial assumption was analyzed separately as part of the test. Interdependencies were not taken into account.

The pension charge from defined benefit plans is expected to decrease from EUR 24.7 million in 2013 to approximately EUR 22.3 million in 2014, mainly due to higher discount rates.

Note 27. Long-term incentive plans (LTIPs)

The conditional long-term incentive plans consist of the long-term variable income plan 2010 (Long-Term Share Plan, LTSP), the Share Matching Plan (SMP 2009), and the Cash Plan 2011-2013. The Share Matching Plan and 50% of the LTSP 2010 are equity-settled share-based payments. The other 50% of the LTIP 2010 is a cash-settled share-based payment. The Cash Plan 2011-2013 is a long-term remuneration settled in cash.

The costs of the long-term incentive plans recognized through profit or loss are as follows:

In EUR thousands	LTSP 2010 equity-settled	LTSP 2010 cash-settled [1]	SMP 2009	Cash Plan	Total 2013	Total 2012
E.M. Hoekstra [2]	- 22.6	- 147.1	-	-	- 169.7	- 18.1
J.P. de Kreij	- 36.0	- 127.9	52.3	-	- 111.6	- 69.6
F. Eulderink	- 6.0	- 135.3	-	-	- 141.3	- 95.9
Current members Executive Board	**- 64.6**	**- 410.3**	**52.3**	**-**	**- 422.6**	**- 183.6**
Other	**- 346.3**	**- 687.9**	**- 39.8**	**- 114.0**	**- 1,188.0**	**- 428.0**
Total [3]	**- 410.9**	**- 1,098.2**	**12.5**	**- 114.0**	**- 1,610.6**	**- 611.6**

1. The total carrying amount of liabilities for cash-settled share-based payment at 31 December 2013 was EUR 1.0 million (31 December 2012: EUR 2.1 million).
2. Excluding the share-based payment costs related to LTIP awards made under the period Mr Hoekstra was acting as division president, which are included in the costs for other participants.
3. Negative amounts are decreases of expected settlements.

LTSP 2010

The LTSP 2010 rewards participants for the increase in Vopak's Earnings per Share (EPS) performance during the period from 2010 through 2013 at a pre-set target compared to the EPS performance of 2009. If a considerable, ambitious improvement in the EPS has been achieved during the said 4-year performance period, a long-term remuneration will be awarded that ranges from 0% to 100% per annum of the Chairman's average annual salary and from 0% to 82.5% per annum for other Board members. For key managers these annual percentages are 0% to 52.5% or 0% to 37.5% of the average annual salary.

The original performance conditions over the vesting period have not been met and would not result into a reward. According to LTSP 2010, as approved by the annual general shareholder's meeting of April 2010, the Supervisory Board has the power to adjust the award to the Executive Board members in exceptional circumstances, observing the principle of reasonableness and fairness. The same applies to the Executive Board for the awards granted to other staff members. This discretionary power under the LTSP 2010 has been used to adjust the vesting condition.

This modification of the vesting condition did not impact the fair value of the LTSP 2010 awards granted, but has been taken into account when considering the estimate of the numbers of the LTSP 2010 equity-settled and LTSP 2010 cash-settled awards expected to vest.

Share Matching Plan

In 2007, 2008 and 2009, the participants of the Share Matching Plan (SMP) could purchase Vopak shares, which were placed in a portfolio. The shares in the portfolio are released after a five-year blocking period, notwithstanding participants' obligation to maintain the shares in a portfolio at the applicable target level. As consideration for investing and keeping the shares in a portfolio, the company conditionally awarded performance-related matching shares. The performance condition attached to the matching shares is linked to the EPS growth development during the five-year period. This pre-set performance condition is treated as a non-market vesting condition.

Depending on the performance during the vesting period the number of matching shares that can vest is between 0% and 200% of the number of own invested shares in the portfolio for the specific plan year.

At year-end 2013, only the SMP 2009 was not yet vested.

Movement in the number of conditional awards in 2013

In numbers	E.M. Hoekstra	J.P. de Kreij	F. Eulderink	Other	Total
Outstanding at 1 January 2012	**27,266**	**65,788**	**16,822**	**263,392**	**373,268**
Vested	- 5,154	- 21,482	-	- 63,412	- 90,048
Newly awarded	-	-	-	12,104	12,104
Settled	-	-	-	- 5,694	- 5,694
Forfeited	-	-	-	- 2,352	- 2,352
Change in expected average salary [1]	248	- 50	92	840	1,130
Outstanding at 31 December 2012	**22,360**	**44,256**	**16,914**	**204,878**	**288,408**
Vested	- 1,468	- 7,674	-	- 9,302	- 18,444
Change in expected average salary [1]	498	64	82	- 168	476
Outstanding at 31 December 2013	**21,390**	**36,646**	**16,996**	**195,408**	**270,440**

1. The conditional awards under the LTSP 2010 are based on an average salary over the 4-year performance period. The estimated average salaries are updated annually, which could result in an increase or decrease of the number of conditional awards at target level.

Valuation and cost allocation

	Conditional awards [1]		Number of expected shares [2]			Allocated cost to [3]	
Participants	Number	Value at grant	Number	Value at vesting	Value for cost allocation	2013	2012
E.M. Hoekstra							
LTSP 2010, equity-settled (conditional) [4,6]	8,448	251,244	4,242	NA	126,157	- 22,563	- 30,568
LTSP 2010, cash-settled (conditional) [4,6]	8,448	251,244	2,712	NA	115,314	- 147,121	12,532
LTSP 2010, equity-settled (conditional) [5]	828	25,271	-	-	-	- 11,903	- 14,390
LTSP 2010, cash-settled (conditional) [5]	828	25,271	-	-	-	- 20,467	- 10,528
SMP 2008 (vested and transferred) [5]	1,468	23,136	2,261	97,110	35,633	3,467	10,506
SMP 2009 (conditional) [5]	2,838	42,471	2,639	NA	39,493	5,516	341
PSP 2009 (vested and transferred in 2012) [5]	5,154	83,160	7,061	343,447	113,929	-	- 4,147
	28,012	**701,797**	**18,915**	**440,557**	**430,526**	**- 193,071**	**- 36,254**
J.P. de Kreij							
LTSP 2010, equity-settled (conditional) [6]	9,181	269,095	3,780	NA	110,792	- 36,007	- 71,861
LTSP 2010, cash-settled (conditional) [6]	9,181	269,095	3,174	NA	134,958	- 127,888	- 32,598
SMP 2007 (vested and transferred in 2012)	6,760	97,851	12,371	601,725	179,070	-	- 5,863
SMP 2008 (vested and transferred)	7,674	111,081	11,818	507,583	171,066	16,675	50,425
SMP 2009 (conditional)	18,284	273,620	17,004	NA	245,465	35,569	2,188
PSP 2009 (vested and transferred in 2012)	14,722	237,539	20,169	981,020	325,427	-	- 11,875
	65,802	**1,258,281**	**68,316**	**2,090,328**	**1,166,778**	**- 111,651**	**- 69,584**
F. Eulderink							
LTSP 2010, equity-settled (conditional) [6]	8,498	247,875	4,423	NA	129,638	- 6,038	- 66,121
LTSP 2010, cash-settled (conditional) [6]	8,498	247,875	2,531	NA	107,618	- 135,312	- 29,760
	16,996	**495,750**	**6,954**	**-**	**237,256**	**- 141,350**	**- 95,881**
Current members Executive Board	**110,810**	**2,455,828**	**94,185**	**2,530,885**	**1,834,560**	**- 446,072**	**- 201,719**
Other senior executives							
LTSP 2010, equity-settled (conditional) [6]	84,729	2,720,120	14,745	NA	450,088	- 334,428	- 224,506
LTSP 2010, equity-settled (settled and transferred in 2012)	1,243	37,091	211	10,263	6,296	-	- 21,157
LTSP 2010, cash-settled (conditional) [6]	84,729	2,720,120	14,925	NA	634,612	- 667,358	- 1,763
LTSP 2010, cash-settled (settled in 2012)	1,243	37,091	211	10,263	10,263	-	- 25,893
SMP 2008 (vested and transferred)	9,302	146,599	14,325	615,216	203,793	21,954	66,555
SMP 2008 (settled in 2012)	2,742	43,214	2,863	139,256	45,121		16,592
SMP 2009 (conditional)	25,950	388,341	21,956	NA	337,572	- 70,722	1,184
SMP 2009 (settled and transferred in 2012)	466	6,974	373	18,143	5,582	-	2,293
PSP 2009 (vested and transferred in 2012)	63,412	1,023,153	74,355	3,616,628	1,199,718	-	- 44,166
Others	**273,816**	**7,122,703**	**143,964**	**4,409,769**	**2,893,045**	**- 1,050,554**	**- 230,861**
Total LTIPs	**384,626**	**9,578,531**	**238,149**	**6,940,654**	**4,727,605**	**- 1,496,626**	**- 432,580**
Of which vested and/or settled and transferred in 2012	- 95,742	- 1,566,073	- 117,614	- 5,720,745	- 1,885,406	-	94,216
Of which vested and transferred in 2013	- 18,444	- 280,816	- 28,404	- 1,219,909	- 410,492	- 42,096	- 127,486
Outstanding LTIPs 31 December 2013	**270,440**	**7,731,642**	**92,131**	**-**	**2,431,707**	**- 1,538,722**	**- 465,850**

1. On a target level of 100%. For the LTSP 2010 based on the average salary over 2010-2013 since date of appointment, the value at grant is the conditional number of shares multiplied by the average share price at grant date.
2. The value for cost allocation for the equity-settled LTSP 2010 and SMPs 2008 and 2009 are based on the number of expected or vested shares and multiplied by the fair value per share award at grant date, which has been reduced with the expected discounted future dividends payable during the respective vesting period since the holders of shares are not entitled to receive dividends during

the vesting period. The value for cost allocation for the cash-settled LTSP 2010 is based on the number of expected shares and multiplied by the fair value per award at reporting date minus discounted expected future dividend payments. Expected dividends have been applied in accordance with the dividend policy of the company. As a result of the EPS for 2013, the cumulative increase over the performance period 2010-2013 is 27.6%, which is below the threshold for a long-term incentive pay-out, as set at the beginning of the plan period in 2010. The expected vesting percentages for the LTSP 2010 at the end of 2012 were as follows: Chairman/Other Executive Board members 90%/73%), Senior executives 73% or 47%. The expected vesting percentage for the SMP 2009 is 93% (2012: 100%). The estimated vesting percentages of previous year were based on scenario analysis done by an independent qualified appraiser.

3. The fair value of the employee services received in exchange for the awards is recognized rateably over the vesting period of the plan.
4. Expected shares for Mr Hoekstra are based on the expected vesting percentage applicable to a member of the Executive Board for the period 1 September 2010 until 31 December 2010 and the expected vesting percentage applicable to the Chairman of the Executive Board starting from 1 January 2011 until the end of the vesting period.
5. Expected shares for Mr Hoekstra are based on the expected vesting percentage applicable to the period before becoming member of the Executive Board.
6. The Supervisory Board decided in its board meeting of 5 November 2013 to adjust the vesting condition of the awards granted to the Executive Board members. The number of awards that will vest under LTSP 2010 due to this discretionair adjustment is disclosed as expected shares. The Executive Board followed this decision for the awards granted to the other senior executives, the estimated figures for the LTSP 2010 are based on the modification of the vesting condition in 2013.

Cash Plan

For senior managers who are not eligible to participate under the LTIP but who contribute significantly to the company's shareholder value, a three-year Cash Plan is granted. The Cash Plan 2011-2013 provides for additional pay in the form of deferred compensation under the terms and conditions of the plan after a three year vesting period. The financial performance is measured by the EPS growth during the three year period, the incentive can rise from 0% to a maximum of 67.5% or 45% of the average salary over the vesting period.

The performance conditions over the vesting period have not been met and would not result into a reward. According to the conditions of the Cash Plan, the Executive Board has the power to adjust the award in exceptional circumstances, observing the principle of reasonableness and fairness. Based on the good performance of 2012 a deferred compensation has been provided for this plan of EUR 1.2 million.

Note 28. Provisions

Movements in provisions were as follows:

In EUR millions	Environmental liabilities	Other	Total
Non-current liabilities	7.6	15.7	23.3
Current liabilities	5.0	11.9	16.9
Balance at 1 January 2013	**12.6**	**27.6**	**40.2**
Movements:			
Additions	0.6	15.0	15.6
Withdrawals	- 2.9	- 10.9	- 13.8
Releases	- 0.1	- 2.6	- 2.7
Interest accrual	0.3	0.3	0.6
Exchange differences	- 0.1	- 1.7	- 1.8
Balance at 31 December 2013	**10.4**	**27.7**	**38.1**
Non-current liabilities	7.8	14.7	22.5
Current liabilities	2.6	13.0	15.6
Balance at 31 December 2013	**10.4**	**27.7**	**38.1**
Expected withdrawals			
< 1 year	2.6	13.0	15.6
2nd year	2.6	10.6	13.2
3rd year	1.2	1.2	2.4
4th year	1.7	-	1.7
5th year	0.5	-	0.5
> 5th year	1.8	2.9	4.7
Total	**10.4**	**27.7**	**38.1**

In September 2013, the decision was taken to discontinue operations at the terminal Sydney Site A (Australia). The decision to demolish the tank storage capacity (34,800 cbm) was driven by the weak market outlook for chemicals in this region and the poor configuration of the terminal infrastructure. The demolition would allow Vopak to grow its petroleum product storage capacity at Site A as soon as the market demands it. An amount of EUR 3.4 million has been provided for the demolition.

On 1 May 2013, Vopak merged the Latin America division and the North America division into the Americas division, resulting in the closing of the division office in Latin America. As result of the restructuring, a total amount of EUR 2.2 million has been provided in 2013 for reorganization costs.

Vopak is obliged to clean up the soil at different locations. An accurate estimate of the provision for this environmental risk can only be made reliably after conducting a thorough survey and drawing up a management plan for the site, on the basis of which the governmental authorities issues an order. In 2013, this has led to an addition to the provision for environmental risks of EUR 0.6 million and a release of EUR 0.1 million. These movements were recognized in the statement of income under Other operating expenses.

Other include an amount of EUR 1.2 million for the 2011 Cash Plan (see note 27), EUR 1.0 million for the cash-settled share-based payment of the LTSP 2010 (see note 1 to the first table of note 27) and EUR 10.9 million relating to claims and damages related to insurances. In 2013 on balance EUR 6.6 million was added for expected claims.

Note 29. Trade and other payables

Trade and other payables are measured at amortized cost, using the effective interest method, and specified as follows:

In EUR millions	2013	restated 2012
Trade payables	44.2	43.0
Accrued expenses	96.8	81.9
Deferred revenues	57.1	53.7
Accrued interest expenses	7.4	9.0
Wage tax and social security charges	6.8	7.1
Prepaid government grants	1.6	3.5
Other creditors	153.8	138.8
Total	**367.7**	**337.0**

Note 30. Financial risk management

The Group is exposed to a number of financial risks inherent in its day-to-day operations. These risks are connected with the effects of movements in exchange rates and interest rates. The Group is also exposed to credit risk and liquidity risk.

Risks are identified by Global Treasury, the central treasury department. The Executive Board provides written principles for overall risk management as well as written policies covering specific areas such as foreign exchange risk, interest risk, credit risk, use of derivative financial instruments and non-derivative financial instruments, and investment of excess liquidity. Reports on risk and risk management are submitted on a regular basis.

Hedging alternatives are discussed by the Operational Finance Committee, a body comprising representatives from the various financial disciplines at head office, prior to approval for the transactions being requested from the Executive Board.

In order to control the risks attached to fluctuations in foreign currencies and interest rates, Vopak uses derivative financial instruments in accordance with a financial policy approved by the Executive Board. This financial policy is designed to control the effects of such risks on cash flows, equity and results. No speculative positions are adopted.

The main derivative financial instruments used by the Group are forward exchange contracts, interest rate swaps and cross currency interest rate swaps.

Market risks and risk management

Currency risks and risk management

The Group is exposed to foreign currency exchange risks arising mainly from US dollar (USD), Singapore dollar (SGD), Chinese yuan (CNY), Brazilian real (BRL) and Japanese yen (JPY). Foreign currency exchange risk arises from future commercial transactions, recognized assets and liabilities and net investments in foreign operations.

The primary objective of the currency risk policy is to protect the value of Vopak's cash flows. Account is taken of future cash flows from investments and disposals as well as cash flows from operating and financing activities. Each quarter, currency risks are identified and the hedging strategy is reviewed and subsequently presented to the Executive Board for approval.

The risks associated with commercial transaction positions arising from operating activities are limited for Vopak, since operating income and operating expenses are, as a rule, largely denominated in the same currency. However, in some countries (in particular, in Latin America), a substantial portion of the income flow is in US dollar whereas the operating expenses are denominated in local currencies. In these countries, the aim is to hedge the transaction risk naturally. Any material net transaction position can be hedged in full by means of forward exchange contracts.

The main foreign currency risk results from investments in foreign operations whose net assets are exposed to foreign currency translation risk. The Group result is also impacted by translating the result of foreign currency operations.

Translation risk arising from the investments in foreign operations

Net investments in foreign activities are, in principle, hedged by loans in the same currency and forward exchange contracts, while applying hedge accounting. The amount of the hedge is determined mainly by the expected net financing position: EBITDA ratio of subsidiaries for the next three years and hedging costs. In certain situations, such as in the event of new investments, the decision may be made to hedge more than would be possible based on the optimal net financing position: EBITDA ratio. In such situations, the nominal value of the hedge might exceed the carrying amount of the underlying net investment. As was the case in 2012, there were no hedges that exceeded the carrying amount of the underlying assets in the 2013 financial year.

Due to the Private Placements in foreign currency the Group is exposed to currency risk. It is the Group's policy to hedge this exposure to leave the Group with no material risks by making use of foreign currency contracts and cross currency swaps.

When applying hedge accounting, the effective part of the movement in fair value of the forward exchange contracts is recognized in the translation reserve (equity component) to the extent that they relate to the hedging of net investments in foreign activities. Reversal through the statement of income takes place proportionately if all or part of the underlying position is sold. Both the ineffective part and the interest component are recognized directly in the statement of income. All currency hedges for 2013 and 2012 were effective (between 80% and 125%).

The market value of the currency derivatives financial instruments at 31 December 2013 and 31 December 2012 in order of maturity date are shown below:

		31 December 2013			restated 31 December 2012		
In EUR millions	Maturity	Assets [1]	Liabilities [1]	Notional amount	Assets [1]	Liabilities [1]	Notional amount
Forward foreign currency contracts [2]	< 1 year	1.4	-	138.1	0.9	0.4	181.8
Total net investment hedges		**1.4**	**-**	**138.1**	**0.9**	**0.4**	**181.8**
Forward foreign currency contracts	< 1 year	6.4	1.6	397.9	0.5	1.4	324.6
Cross currency swaps [3]	< 1 year	-	6.4	113.4	-	0.7	57.5
Cross currency swaps [3]	1-5 years	-	7.6	134.6	0.9	3.1	248.0
Cross currency swaps [3]	> 5 years	-	72.1	762.4	-	18.8	708.0
Total derivatives – no hedge accounting		**6.4**	**87.7**	**1,408.3**	**1.4**	**24.0**	**1,338.1**
Total derivative financial instruments		**7.8**	**87.7**	**1,546.4**	**2.3**	**24.4**	**1,519.9**

1. At fair value.
2. Foreign currency forwards accounted for as hedges on net investments.
3. Cross currency swaps accounted for as cash flow hedges are used to hedge currency (2013: USD 1.1 billion, JPY 16 billion and SGD 60 million; 2012: USD 1.1 billion, JPY 16 billion and SGD 60 million) on fixed debt denominated in foreign currency.

Sensitivity of exchange rate changes of financial instruments on net profit and equity

The value of debt and hedging instruments denominated in currencies other than the functional currency of the entities holding them are subject to exchange rate movements. The sensitivity analysis for the main currencies and their positions at 31 December 2013 and 31 December 2012 shows how changes in exchange rates by 10% affect net profit and equity.

	Depreciation [1]		Appreciation [1]	
In EUR millions	Net profit	Equity	Net profit	Equity
31 December 2012 restated				
USD	- 0.8	- 19.1	1.2	23.5
SGD	- 0.5	- 4.9	0.6	5.9
CNY	- 0.3	- 16.1	0.4	19.7
BRL	-	- 6.8	-	8.3
JPY	-	- 2.8	-	3.5
Total effect	**- 1.6**	**- 49.7**	**2.2**	**60.9**
31 December 2013				
USD	- 0.2	- 11.3	0.2	13.9
SGD	-	- 9.9	-	12.3
CNY	-	- 21.2	-	25.9
BRL	-	- 6.4	-	7.8
JPY	-	- 2.9	-	3.5
Total effect	**- 0.2**	**- 51.7**	**0.2**	**63.4**

1. Foreign currency against the euro.

Sensitivity of exchange rate changes arising from the translation of the results of foreign currency operations

The Group result is also impacted by translating the result of foreign currency operations.

The translation risk of converting the net result of foreign entities into euros mainly concerns the Singapore dollar and the US dollar. The sensitivity to these currencies is as follows.

A 10 dollar cent change in the EUR/USD exchange rate approximately affects Vopak's figures as follows (based on figures for 2013):

- Revenues would differ by EUR 15.1 million (2012: EUR 16.2 million);
- Group operating profit (EBIT) would differ by EUR 3.9 million (2012: EUR 4.4 million);
- Net profit would differ by EUR 2.5 million (2012 EUR 2.9 million).

A 10 dollar cent change in the EUR/SGD exchange rate approximately affects Vopak's figures as follows (based on figures for 2013):

- Revenues would differ by EUR 14.8 million (2012: EUR 15.3 million);
- Group operating profit (EBIT) would differ by EUR 9.2 million (2012: EUR 9.5 million);
- Net profit would differ by EUR 5.4 million (2012: EUR 5.4 million).

Interest rate risk and interest rate risk management

Vopak's policy on interest rate risks aims to control the net finance costs resulting from fluctuations in market interest rates, taking into account the long-term profile of the company. Fixed rate debt results in fair value interest rate risk. Floating rate debt results in cash flow interest rate risk. The specification of the total interest-bearing loans is disclosed in note 25. It is Vopak's long-term policy to manage its interest exposure to a level of fixed/floating within the bandwidth of the interest coverage ratio, which aims to optimize net finance expense and reduce volatility on net result.

Interest rate swaps are used aiming at minimizing the interest rate risks associated with the financing of the Group and at the same time optimizing the net interest costs. Interest rate risks are identified and possible hedges considered when obtaining or providing new financing.

At 31 December 2013, taking account of interest rate swaps, 92% (2012: 91%) of the total interest-bearing loans of EUR 1,996.0 million (2012: EUR 2,183.2 million) was financed at a fixed interest rate with remaining terms of up to twenty-eight years. The following interest rate swaps were used:

The CCIRS as described earlier under currency risks and risk management are also part of the interest rate risk policy. The objective of these hedges is to restrict fluctuations in interest charges as a result from changes in the currency exchange rates. The fair value changes relating to the fixed interest flows are recognized in equity under the revaluation reserve derivatives by means of hedge accounting (cash flow hedges). A loss of EUR 95.8 million, net of tax had been recognized in equity up to 31 December 2013 (see note 22).

Vopak Terminal Singapore Pte. Ltd. converted various floating-interest loans totaling SGD 67 million (EUR 38.5 million) into fixed-interest loans by means of different interest rate swaps. The terms of these interest rate swaps are until 17 August 2015 and are classified as cash flow hedges.

By means of an interest rate swap, the Group converted in 2011 fixed-interest loans (Singapore PPs) totaling SGD 100 million (EUR 57.5 million) to floating-interest loans. The maturity date of the swap is 5 September 2014. This interest rate swap was designated as being a fair value hedge. The part of the value adjustment of the instrument regarded as effective is in principle offsetting the fair value movement of the underlying loan.

All interest rate swaps were effective hedging instruments in 2013 and 2012 (between 80% and 125%).

The average fixed interest and the average floating interest on the interest-bearing loans at 31 December 2013 were respectively 4.8% (2012: 4.8%) and 1.9% (2012: 1.9%). The following statement will provide insight into the interest repricing calendar for the interest-bearing loans at the statement of the financial position.

	31 December 2013			restated 31 December 2012		
In EUR millions	Floating	Fixed	Total	Floating	Fixed	Total
< 1 year	- 151.3	- 72.1	- 223.4	- 197.8	- 25.4	- 223.2
1-2 years	-	- 44.4	- 44.4	-	- 71.8	- 71.8
2-3 years	-	- 2.1	- 2.1	-	- 45.1	- 45.1
3-4 years	-	- 132.6	- 132.6	-	- 8.7	- 8.7
4-5 years	-	- 129.5	- 129.5	-	- 134.2	- 134.2
> 5 years	-	- 1,550.1	- 1,550.1	-	- 1,721.9	- 1,721.9
Total [1]	**- 151.3**	**- 1,930.8**	**- 2,082.1**	**- 197.8**	**- 2,007.1**	**- 2,204.9**

1. Of which currency component derivatives amounts to EUR - 86.1 million (2012: EUR - 21.7 million).

The market value of the interest rate derivatives financial instruments at 31 December 2013, including credit risk, and 31 December 2012 in order of maturity date are shown below:

In EUR millions	Maturity	31 December 2013 Assets [1]	31 December 2013 Liabilities [1]	31 December 2013 Notional amount	restated 31 December 2012 Assets [1]	restated 31 December 2012 Liabilities [1]	restated 31 December 2012 Notional amount
Cross currency interest rate swaps [2]	< 1 year	0.4	0.1	113.4	-	0.1	57.6
Cross currency interest rate swaps [2]	1-5 years	11.9	0.9	134.6	0.1	2.8	211.6
Cross currency interest rate swaps [2]	> 5 years	1.0	76.1	762.5	-	93.9	562.2
Interest rate swaps [3]	1-5 years	-	1.8	38.5	-	2.8	41.6
Total cash flow hedges		**13.3**	**78.9**	**1,049.0**	**0.1**	**99.6**	**873.0**
Interest rate swaps [4]	< 1 year	0.8	-	57.5	-	-	-
Interest rate swaps [4]	1-5 years	-	-	-	1.6	-	62.1
Total fair value hedge		**0.8**	**-**	**57.5**	**1.6**	**-**	**62.1**
Total derivative financial instruments		**14.1**	**78.9**	**1,106.5**	**1.7**	**99.6**	**935.1**

1. At fair value.
2. Cross currency swaps accounted are used to hedge future cash flow interest rate risks (2013: USD 1.1 billion, JPY 16 billion and SGD 60 million; 2012: USD 1.1 billion, JPY 16 billion and SGD 60 million) on fixed debt denominated in foreign currency.
3. Interest rate swaps accounted for as cash flow hedges are used to hedge cash flow interest rate risk on floating debt (2013 and 2012: SGD 67 million).
4. Interest rate swaps accounted for as fair value hedges are used to convert fixed debt to floating debt (2013 and 2012: SGD 100 million).

Sensitivity of changes in market interest rates

The sensitivity analysis shows how changes in market interest rates affect net profit and equity, assuming that all other variables remain constant. Due to the volatility of the market interest rates Vopak has used a fixed percentage of 25% as a reasonable change at year-end 2013 and year-end 2012. Interest financial instruments of the Group as these, are all recognized at amortized cost.

In EUR millions	Closing level 3-month	Increase 25% Net profit	Increase 25% Equity [1]	Decrease 25% Net profit	Decrease 25% Equity [1]
31 December 2012 restated					
EUR	0.13%	0.1	49.7	- 0.1	- 42.3
USD	0.26%	- 0.1	- 13.0	0.1	13.9
SGD	0.30%	- 0.5	-	0.5	- 0.1
JPY	0.17%	-	- 11.8	-	14.3
Total effect		**- 0.5**	**24.9**	**0.5**	**- 14.2**
31 December 2013					
EUR	0.18%	- 0.1	60.4	0.2	- 67.4
USD	0.13%	- 0.1	- 24.8	0.1	25.9
SGD	0.31%	- 0.6	3.1	0.6	- 3.2
JPY	0.12%	-	- 11.5	-	12.5
Total effect		**- 0.8**	**27.2**	**0.9**	**- 32.2**

1. Revaluation reserve derivatives equity.

Other price risks
The Group has no significant equity investments or bonds which are valued at fair value as available-for-sale or fair value through statement of income.

Credit risk and credit risk management
Credit risk arises when a customer or other counterparty of a financial instrument fails to discharge its contractual obligation.

Vopak's credit risk arises primarily from loans granted, trade and other receivables, cash and cash equivalents, and derivative financial instruments. Vopak's maximum exposure to credit risks is the carrying amount of these financial assets, amounting to EUR 539.0 million (2012: EUR 763.1 million), and the credit replacing guarantees amounting to EUR 123.7 million (2012: EUR 50.9 million).

Loans granted to joint ventures and associates are not secured by collaterals.

Credit risk with regard to trade receivables is limited as the value of the product stored for these clients usually exceeds the value of the receivables and Vopak generally has the right of retention although other claims may have priority ranking over the right of retention in a bankruptcy case. Vopak is constantly monitoring the outstanding receivables and the value of the stored products.

Vopak has spread its liquidity investments across a select group of high rated financial institutions with daily limiting the cash and cash equivalents within the Group and assessing the exposure to each financial institution. Vopak applies credit limits per institution, depending on their credit ratings and credit default swap spread, and regularly reviews these limits. These treasury activities are concluded with financial institutions that have at least an A- Standard & Poor's credit rating. At 31 December 2013, the maximum risk in the event of the default of a single financial institution amounted to EUR 45 million (2012: EUR 73 million).

The derivative financial instruments will be settled on a gross basis. The credit risk of derivative financial instruments with a positive value is mitigated by ISDA Master Agreements with its counterparties, which have the option to settle all gross amounts on a net basis in the event of a default of the counterparty, and by setting qualitative and financial limits to the derivative counterparties. For JPY cross currency hedges, which have an initial maturity of 30 years, break clauses are applicable to reduce the credit risk to period shorter than 10 years. The Group maintains a control system that includes the authorization, reporting and monitoring of derivative activities including the Credit Default Swaps developments of counterparties observed on the secondary market. Vopak believes there are no material credit risks to the Group's financial position. At year-end 2013, the derivatives with a counterparty credit risk amounted to EUR 0.2 million (2012: EUR 4.0 million).

Assessing the financial positions of counterparties is part of our credit management and tendering process, but cannot exclude all credit risk.

Capital management, liquidity risks and liquidity risk management
A solid capital structure supports Vopak's objective to create long-term shareholder value while meeting the agreed upon covenants and other requirements with its other capital providers. Vopak aims to maintain a healthy financial position through capital-disciplined investment decisions, effective working capital management, long-term funding and a balanced dividend policy and is continuously reviewing its capital structure options – including but not limited to equity(-linked) or other (debt) capital instruments – to effectively finance the future growth aimed for.

On 17 September 2013, the shareholders approved authorization of the Executive Board, subject to approval of the Supervisory Board, to create cumulative preference C-shares and provide a mandate to issue cumulative preference C-shares and to distribute a stock dividend only if and when cumulative preference C-shares are issued. The mandate was given up to and including 21 March 2014. As stipulated during our EGM, Vopak will only offer the C-shares if and when this makes sense in terms of timing and size of the funding needs to support our growth strategy, and in terms of the relative attractiveness of this financial instrument compared to other alternatives. At the upcoming AGM, Vopak will not request the shareholders to prolong the mandate given to the Executive Board. Vopak continues to explore various equity-like alternatives to support the effective and efficient financing of its future growth plans and the timing thereof.

The primary objective of liquidity management is providing sufficient cash and cash equivalents at all times to enable Vopak to meet its payment obligation.

Vopak is a capital-intensive company. The financing policy is directed at establishing and maintaining an optimal financing structure that takes due account of the current asset base and the current and future investment program. Vopak seeks access to the capital markets and flexibility at acceptable finance costs. The liquidity requirements are continuously monitored and funding is planned in such a way as to avoid excessive short-term financing needs. The long-term liquidity risk is assessed prior to every major investment obligation and the current financing policy is reviewed on the basis of this assessment and adjusted where necessary. The Group works actively to maintain and further develop the already established diversified funding base, with regard to the number of markets and the number of investors.

Global Treasury acts as an in-house bank that internally allocates funds which are raised centrally. Surplus cash held by the operating entities over and above balance required for working capital management is transferred to Global Treasury and operating companies are funded by a combination of equity and inter-company loans. An exception to this is the bank loan of Vopak Terminals Singapore Pte. Ltd. (SGD 140 million), which was raised locally. Joint ventures and associates, where possible, are funded optimally with debt on a non-recourse basis for Vopak, with account being taken of local circumstances and contractual obligations. Active cash management is a daily responsibility and each quarter the liquidity requirements are identified based on thorough scenario planning. Global Treasury invests surplus cash in interest-bearing current accounts and deposit accounts.

The current EUR 1.0 billion revolving credit facility (RCF) provides flexibility to finance Vopak's long-term growth strategy. At the beginning of this year, the maturity of the RCF has been successfully extended with one additional year up to 2018. The RCF was fully available at year-end 2013. At 31 December 2013, the Group also has unused lines of credit of EUR 200 million that are available to meet short-term liquidity needs. There are no significant restrictions on the use of these facilities.

The next table analyses the Group's non-derivative financial liabilities and net-settled derivative financial liabilities into relevant maturity groupings based on the remaining period at the end of the reporting period to the contractual maturity date. Derivative financial instruments are included in the analysis if their contractual maturities are essential for an understanding of the timing of the cash flows. The table also analyses the maturity profile of financial assets in order to provide a complete view of the contractual commitments and liquidity. The amounts disclosed in the table are the contractual undiscounted cash flows. For the amounts of the financial guarantees and securities (see note 34) it is assumed that these can be called within one year.

The lenders have the right to demand complete repayment of the outstanding amounts in case any person or any group of persons acting together, except for the shareholders with a shareholding of more than 5% as per the end of 2010, acquires control of more than 50% of the voting rights of Koninklijke Vopak N.V. (Change of Control clause).

In EUR millions	< 1 year		1-2 years		2-5 years		> 5 years	
	2013	restated 2012	2013	restated 2012	2013	restated 2012	2013	restated 2012
Cash and cash equivalents	178.7	452.0	-	-	-	-	-	-
Trade and other receivables	312.2	276.6	-	-	-	-	-	-
Loans to joint ventures and associates	6.0	14.9	-	-	9.5	5.7	2.0	2.0
Other loans	6.9	3.3	-	-	-	2.5	1.8	2.1
Total undiscounted financial assets (excluding gross settled derivatives)	**503.8**	**746.8**	**-**	**-**	**9.5**	**8.2**	**3.8**	**4.1**
Redemption of interest-bearing loans	123.2	99.4	134.9	131.0	257.9	247.0	1,480.0	1,705.8
Interest payments	86.3	94.0	80.8	91.2	225.3	250.3	380.6	490.6
Interest rate swaps	4.9	2.1	5.4	2.4	12.9	8.3	105.4	86.7
Trade and other creditors (excluding non-cash items)	206.4	192.4	-	-	-	-	-	-
Cash-settled equity-based liability	2.2	-	-	2.1	-	-	-	-
Financial guarantees and securities	162.4	83.4	-	-	-	-	-	-
Total undiscounted financial liabilities (excluding gross settled derivatives)	**585.4**	**471.3**	**221.1**	**226.7**	**496.1**	**505.6**	**1,966.0**	**2,283.1**
Derivative financial instruments outflow	- 272.0	- 333.9	- 58.2	- 77.0	- 76.3	- 134.5	- 708.0	- 708.0
Derivative financial instruments inflow	246.7	295.4	54.4	75.8	72.5	132.6	636.0	689.3
Total undiscounted gross settled derivatives	**- 25.3**	**- 38.5**	**- 3.8**	**- 1.2**	**- 3.8**	**- 1.9**	**- 72.0**	**- 18.7**
Liquidity movement	**- 106.9**	**237.0**	**- 224.9**	**- 227.9**	**- 490.4**	**- 499.3**	**- 2,034.2**	**- 2,297.7**

Financial instruments by category

In EUR millions	Note	Carrying amount		Fair value	
		2013	restated 2012	2013	restated 2012
Other financial assets		0.7	0.8	0.7	0.8
Currency derivatives		- 79.9	- 22.1	- 79.9	- 22.1
Interest rate derivatives		- 64.8	- 97.9	- 64.8	- 97.9
Financial instruments at fair value		**- 144.0**	**- 119.2**	**- 144.0**	**- 119.2**
Loans granted	15	26.2	30.5	26.2	30.5
Trade and other receivables	18	312.2	276.6	312.2	276.6
Cash and cash equivalents	19	178.7	452.0	178.7	452.0
Loans and receivables		**517.1**	**759.1**	**517.1**	**759.1**
Bank overdrafts	19	- 7.4	- 16.3	- 7.4	- 16.3
US Private Placements	25	- 1,506.9	- 1,598.4	- 1,563.9	- 1,709.1
SGD Private Placements	25	- 250.2	- 271.0	- 269.7	- 302.1
JPY Private Placement	25	- 137.8	- 174.7	- 137.9	- 174.9
Bank loans	25	- 80.5	- 124.2	- 81.1	- 125.1
Credit facility and other long-term loans	25	- 20.6	- 14.9	- 20.6	- 14.9
Trade creditors	29	- 44.2	- 43.0	- 44.2	- 43.0
Other financial liabilities		**- 2,047.6**	**- 2,242.5**	**- 2,124.8**	**- 2,385.4**
Net at amortized cost		**- 1,530.5**	**- 1,483.4**	**- 1,607.7**	**- 1,626.3**
Standby credit facility	25			1,000.0	1,200.0
Standby bank loans				200.0	200.0
Unrecognized financial instruments				**1,200.0**	**1,400.0**

The methods and valuation techniques used for measuring fair value of the derivative financial instruments are changed compared to the previous year due to the implementation of IFRS 13 (credit risk).

Note 31. Cash flows from operating activities (gross)

	Note	2013	restated 2012
Net profit		**360.9**	**372.9**
Adjustments for:			
- Depreciation, amortization and impairment	5	238.2	217.6
- Net finance costs	8, 9	105.3	83.5
- Income tax	10	67.6	84.3
- Movements in other non-current assets		1.4	- 67.1
- Movements in provisions excluding deferred taxes		- 9.6	40.2
- Movements in non-controlling interests	24	- 42.5	- 25.9
- Dividend received from joint ventures and associates	14	123.0	87.7
- Result joint ventures and associates	7	- 116.3	- 97.1
- Measurement of equity-settled share-based payment arrangements	23	- 0.4	- 0.4
- Result on sale of intangible assets		- 0.1	-
- Result on sale of property, plant and equipment	3	0.1	- 1.9
- Result on sale of joint ventures and associates	7	- 6.4	-
- Result on sale of assets held for sale	3	- 7.1	-
Total adjustments		**353.2**	**320.9**
Realized value adjustments of derivative financial instruments		16.8	- 16.0
Movements in other current assets (excluding cash and cash equivalents)		- 32.6	- 43.9
Movements in other current liabilities (excluding bank overdrafts and dividends)		35.0	25.3
Effect of changes in exchange rates on other current assets and liabilities		- 20.1	0.1
Cash flows from operating activities (gross)		**713.2**	**659.3**

Note 32. Operating lease

The amounts due in respect of non-cancellable operating leases are payable as follows:

In EUR millions	2013	restated 2012
Less than 1 year	52.6	47.8
Between 1 and 5 years	176.4	170.1
More than 5 years	356.3	380.3
Total	**585.3**	**598.2**

The lease amounts due are mainly in respect of the leasehold on land and the lease of buildings.

In 2013, EUR 59.4 million was recognized as expenses in the statement of income relating to operating leases (2012: EUR 57.6 million).

Note 33. Investment commitments undertaken

The investment commitments undertaken amount to EUR 212.9 million as at 31 December 2013 (2012: EUR 262.0 million).

Note 34. Contingent assets and contingent liabilities

Guarantees and securities provided for joint ventures, associates and third parties amounted to EUR 162.4 million (2012: EUR 83.4 million). The amounts of these guarantees and securities can be called within one year.

The outstanding guarantee, which Vopak provided for the project financing of the joint venture PT Jakarta Tank Terminal, amounted to USD 45 million at 31 December 2013 (2012: USD 52 million).

During 2013, Vopak provided new pro-rata guarantees for the financing of the project Pengerang (Malaysia). Vopak's guaranteed amount was EUR 91 million at year-end 2013. The financing of Pengerang is a project financing with limited recourse. However, prior to fulfillment of the conditions precedent related to the non-recourse project financing ('PF'), a guaranteed tranche is made available as a bridge-loan until the conditions precedent (a.o. qualifying commercial contracts) are met. The maximum amount of Vopak's parent company guarantees amounts to EUR 161 million. It is assumed that the conditions precedent will be fulfilled as of 30 June 2014. If and when the limited recourse for the PF is applicable, it is based on a Cash Deficiency Support mechanism (CDS), which amount is depending upon qualifying commercial contracts. Then the maximum amount of Vopak's share will reduce to approximately EUR 95 million.

The fair value of guarantees and securities provided is insignificant.

The Group is exposed to risks regarding environmental obligations arising from past activities. For example, a number of sites have to be decontaminated before being handed back at the end of the contractual period. Under current legislation, environmental plans and any other measures to be adopted have to be agreed with local, regional and national authorities as appropriate. As soon as such plans are approved or other legal obligations arise, a provision is formed based on the most reliable estimate possible of future expenses. The Executive Board is of the opinion that, based on information currently available, the provisions are adequate. However, given the degree of difficulty in making estimates, this does not guarantee that no additional costs will arise.

As a result of its day-to-day activities, the Group is involved in a number of legal proceedings. No provisions have been formed, where the Executive Board is of the opinion that the final outcome will not create a cash outflow.

Note 35. Related parties

Transactions with Supervisory Board members and Executive Board members

For the remuneration of Supervisory Board members and Executive Board members, please refer to the sections Remuneration Supervisory Board (audited) and Actual remuneration 2013 (audited) of the remuneration report, which are deemed part of these financial statements.

No loans, advances or guarantees have been provided to current or former members of the Supervisory Board and/or Executive Board.

In 2013, the Group did not conduct any transactions with companies in which Executive Board members and/or persons closely related to them have a significant financial interest.

Transactions with joint ventures and associates

Royal Vopak has a business relationship with its joint ventures and associates (see Joint Ventures and Associates).

Related party transactions can arise with the Group's joint ventures and associates comprise fees for the use of Vopak's services. Except as disclosed below, no related party transactions have been entered into during the year which might reasonably affect any decisions made by the users of these consolidated financial statements.

In EUR millions	2013	restated 2012
Other operating income	12.2	5.8
Interest income on borrowings to joint ventures and associates	0.4	0.4
Amounts owed by or owed to (-) joint ventures and associates	17.5	22.6

Transactions with major shareholders

Besides dividend distribution and the payment of share premium to the financing preference shareholders, no related party transactions have been entered into with the major shareholders during the year.

Transactions with pension funds

Related party transactions with Vopak's pension funds are presented in note 26.

Note 36. Service fees of external auditor

The fees listed in the table below relate to the procedures applied to the company and its consolidated group entities by PricewaterhouseCoopers Accountants N.V., the Netherlands, the external auditor as referred to in Section 1(1) of the Dutch Accounting Firms Oversight Act (Dutch acronym: Wta), as well as by other Dutch and foreign-based PricewaterhouseCoopers individual partnerships and legal entities, including their tax services and advisory groups.

In EUR millions	2013	restated 2012
Financial statements audit fees	1.3	1.2
Other assurance fees	1.0	0.1
Tax fees	0.2	0.3
Total	**2.5**	**1.6**

The financial statements audit fees include the aggregate fees in each of 2013 and 2012 for professional services rendered for the audit of Vopak's annual financial statements and annual statutory financial statements of subsidiaries or services that are normally provided by the auditor in connection with the audits.

The other assurance fees include the aggregate fees invoiced for assurance and related services including due diligence and assurance services related to potential acquisitions. They also include services for other audit services, which generally only the independent auditor reasonably can provide, such as comfort letters and assistance with and review of documents with regard to the potential creation of C-shares.

The tax category includes tax advisory and compliance services. In 2013 the only non-audit services provided in the Netherlands relate to 2012 engagements in line with the updated Dutch independence legislation.

The total fees of PricewaterhouseCoopers Accountants N.V., the Netherlands, charged to the company and its consolidated group entities amounted to EUR 1.6 million in 2013 (2012: EUR 0.6 million).

Company Financial Statements

Company Statement of Income

In EUR millions	2013	restated 2012
Profit of participating interests after tax	395.8	393.8
Other results after tax	- 77.3	- 60.7
Net Profit	**318.5**	**333.1**

Company Statement of Financial Position before Profit Appropriation

In EUR millions	Note	31 December 2013	restated 31 December 2012	restated 1 January 2012
Participating interests in group companies	2	2,408.0	2,162.1	1,874.0
Loans granted	3	1,450.8	1,409.8	1,230.7
Derivative financial instruments	6	12.9	2.6	18.2
Pension and other employee benefits	7	-	-	119.8
Deferred taxes		13.3	43.8	0.8
Total non-current assets		**3,885.0**	**3,618.3**	**3,243.5**
Trade and other receivables		1.6	2.6	3.7
Taxes receivable		2.9	2.4	2.5
Prepayments		1.4	1.3	2.8
Derivative financial instruments	6	3.3	1.1	1.9
Cash and cash equivalents		48.7	284.6	1.1
Total current assets		**57.9**	**292.0**	**12.0**
Bank overdrafts		0.2	5.1	104.2
Interest-bearing loans	5	123.0	27.2	16.9
Derivative financial instruments	6	6.7	1.5	6.5
Taxes payable		0.4	-	0.1
Trade and other payables		55.9	53.4	17.2
Pension and other employee benefits	7	1.5	1.5	1.6
Provisions		-	-	0.1
Total current liabilities		**187.7**	**88.7**	**146.6**
Current assets less current liabilities		**- 129.8**	**203.3**	**- 134.6**
Total assets less current liabilities		**3,755.2**	**3,821.6**	**3,108.9**
Interest-bearing loans	5	1,770.0	2,014.2	1,397.9
Derivative financial instruments	6	156.7	118.5	34.5
Pension and other employee benefits	7	16.3	58.3	10.6
Provisions		2.7	6.8	6.8
Non-current liabilities		**1,945.7**	**2,197.8**	**1,449.8**
Share capital		84.6	84.6	84.6
Share premium		215.2	248.2	281.2
Statutory reserve for participating interests	4	191.8	204.5	175.9
Translation reserve		- 27.0	36.2	47.7
Revaluation reserve derivatives		- 95.8	- 145.2	- 79.5
Revaluation reserve assets		5.1	5.3	5.9
Transaction reserve non-controlling interest		1.3	1.3	-
Other reserves	4	1,115.8	855.8	742.7
Unappropriated profit	4	318.5	333.1	400.6
Shareholders' equity		**1,809.5**	**1,623.8**	**1,659.1**
Total		**3,755.2**	**3,821.6**	**3,108.9**

Notes to the Company Financial Statements

An abridged company statement of income is presented in accordance with Section 402 of Book 2 of the Dutch Civil Code.

All amounts are in EUR millions, unless stated otherwise.

Note 1. General

Accounting policies

The company financial statements have been drawn up in accordance with Dutch law (Part 9 of Book 2 of the Dutch Civil Code). In doing so, the company made use of the possibility to apply the accounting policies (including the policies for the presentation of financial instruments as equity or loan capital) used in the consolidated financial statements to the company financial statements, as provided in Section 362 (8) of Book 2 of the Dutch Civil Code.

The accounting policies applied in the company financial statements are the same as those applied in the consolidated financial statements. The policies stated in the consolidated financial statements are applied, unless stated otherwise. Due to the retrospective application of IAS 19 Revised, starting from 1 January 2012, the comparative figures for 2012 are restated. In the Summary of significant accounting policies under New and amended standards adopted by the Group, the impact is shown on the statement of financial position and the statement of income for the Consolidated Financial Statements.

The IAS 19 Revised impact on the Company Financial Statements are the same as for the Consolidated Financial Statements for the Equity Retained earnings at 1 January 2012 and 31 December 2012 and the Net profit of 2012. The negative effect on the Net pension position at 1 January 2012 and 31 December 2012 amounted to respectively EUR 55.7 million and EUR 241.5 million (compared to negatively EUR 97.1 million and EUR 291.8 million for the Consolidated Financial Statements).

Participating interests in group companies

Interests in group companies and other companies over which Vopak exercises control or which it manages are carried at net asset value. The net asset value is determined by measuring the assets, provisions and debts and calculating the result according to the accounting policies applied in the consolidated financial statements.

Note 2. Participating interests in group companies

In EUR millions	2013	restated 2012
Carrying amount at 1 January	**2,162.1**	**1,874.0**
Investments	250.0	-
Disposal	-	- 0.2
Dividend	- 331.7	- 68.0
Exchange differences	- 101.7	- 12.6
Hedging	24.8	- 19.1
Unrealized actuarial gains & losses	13.8	- 10.3
Tax on unrealized actuarial gains & losses	- 5.1	3.2
Result sale non-controlling interest of subsidiary	-	1.3
Profit	395.8	393.8
Carrying amount at 31 December	**2,408.0**	**2,162.1**

Note 3. Loans granted

In EUR millions	2013	restated 2012
Carrying amount at 1 January	**1,409.8**	**1,230.7**
Loans granted	542.7	852.1
Repayments	- 500.9	- 672.7
Exchange differences	- 0.8	- 0.3
Carrying amount at 31 December	**1,450.8**	**1,409.8**

At 31 December 2013, loans granted did not include any subordinated loans (2012: nil).

Note 4. Shareholders' equity

Please see note 21 to the Consolidated Financial Statements for movements in the number of shares, share capital, share premium.

The share premium can be distributed in full, free of tax.

For the translation reserve, the revaluation reserve derivatives, the revaluation reserve assets and the transaction reserve of non-controlling interests (NCI) we refer to note 22 to the Consolidated Financial Statements.

Movements in the remaining components of shareholders' equity for 2013 and 2012 are shown in the following tables.

Statutory reserve for participating interests

In EUR millions	2013	restated 2012
Carrying amount at 1 January	**204.5**	**175.9**
Donation from Other reserves	-	28.6
Release to Other reserves	- 12.7	-
Carrying amount at 31 December	**191.8**	**204.5**

Other reserves

In EUR millions	2013	restated 2012
Carrying amount at 1 January	**855.8**	**742.7**
Profit appropriation from Unappropriated profit	212.8	290.5
Remeasurement of defined benefit plans	34.7	- 149.0
Release revaluation reserve assets	0.2	0.6
Measurement of equity-settled share-based payment arrangements	- 0.4	- 0.4
Donation from Statutory reserves	12.7	-
Release to Statutory reserves	-	- 28.6
Carrying amount at 31 December	**1,115.8**	**855.8**

Unappropriated profit

In EUR millions	2013	restated 2012
Carrying amount at 1 January	**333.1**	**400.6**
Profit appropriation to Other reserves	- 212.8	- 290.5
Dividend in cash	- 120.3	- 110.1
Profit for the year	318.5	333.1
Carrying amount at 31 December	**318.5**	**333.1**

After adjustment for the negative revaluation reserve derivatives (EUR 95.8 million) and the negative translation reserve (EUR 27.0 million) at 31 December 2013, a total of EUR 1,311.5 million (2012: EUR 1,043.7 million) is distributable from other reserves and unappropriated profit for 2013.

Note 5. Interest-bearing loans

	Nominal value in EUR millions		> 5 years in EUR millions		Average term in years		Average interest in %	
	2013	2012	2013	2012	2013	2012	2013	2012
Current portion	123.0	27.2						
Non-current portion	1,770.0	2,014.2						
Total	**1,893.0**	**2,041.4**	**1,461.7**	**1,696.2**	**9.4**	**10.5**	**4.3**	**4.2**

Note 6. Derivative financial instruments

		31 December 2013			restated 31 December 2012		
In EUR millions	Maturity	Assets [1]	Liabilities [1]	Notional amount	Assets [1]	Liabilities [1]	Notional amount
Forward foreign currency contracts [2]	< 1 year	1.4	-	138.1	0.9	0.4	181.8
Total net investment hedges		**1.4**	**-**	**138.1**	**0.9**	**0.4**	**181.8**
Forward foreign currency contracts	< 1 year	0.7	0.2	110.8	0.2	0.3	324.6
Cross currency swaps [3]	< 1 year	-	6.4	113.4	-	0.7	57.5
Cross currency swaps [3]	1-5 years	-	7.6	134.6	0.9	3.1	248.0
Cross currency swaps [3]	> 5 years	-	72.1	762.5	-	18.7	708.0
Total derivatives – no hedge accounting		**0.7**	**86.3**	**1,121.3**	**1.1**	**22.8**	**1,338.1**
Cross currency interest rate swaps [4]	< 1 year	0.4	0.1	113.4	-	0.1	57.6
Cross currency interest rate swaps [4]	1-5 years	11.9	0.9	134.5	0.1	2.8	211.6
Cross currency interest rate swaps [4]	> 5 years	1.0	76.1	762.5	-	93.9	562.2
Total cash flow hedges		**13.3**	**77.1**	**1,010.4**	**0.1**	**96.8**	**831.4**
Interest rate swaps [5]	< 1 year	0.8	-	57.5	-	-	-
Interest rate swaps [5]	1-5 years	-	-	-	1.6	-	62.1
Total fair value hedge		**0.8**	**-**	**57.5**	**1.6**	**-**	**62.1**
Total derivative financial instruments		**16.2**	**163.4**	**2,327.3**	**3.7**	**120.0**	**2,413.4**

1. At fair value.
2. Forward foreign currency contracts accounted for as hedges on net investments.
3. Cross currency swaps accounted for as cash flow hedges are used to hedge currency (2013: USD 1.1 billion, JPY 16 billion, SGD 60 million; 2012: USD 1.1 billion, JPY 16 billion and SGD 60 million) on fixed debt denominated in foreign currency.
4. Cross currency swaps are used to hedge future cash flow interest rate risks (2013: USD 1.1 billion, JPY 16 billion, SGD 60 million; 2012: USD 1.1 billion, JPY 16 billion and SGD 60 million) on fixed debt denominated in foreign currency.
5. Interest rate swaps accounted for as fair value hedges are used to convert fixed debt to floating debt (2013 and 2012: SGD 100 million).

Note 7. Pension and other employee benefits

Specification of pension and other employee benefits provisions:

In EUR millions	2013	restated 2012
Present value of funded defined benefit obligation	856.5	885.2
Fair value of plan assets	- 846.4	- 834.8
Total deficit of defined benefit plans	**10.1**	**50.4**
Net pension obligations under defined contribution plans	7.7	9.4
Net pension obligations recognized at 31 December	**17.8**	**59.8**
Non-current liabilities	16.3	58.3
Current liabilities	1.5	1.5
Net pension obligations recognized at 31 December	**17.8**	**59.8**

Note 8. Remuneration of Supervisory Board members and Executive Board members

For the remuneration of the Supervisory Board members and the Executive Board members we refer to the section of the remuneration report marked with 'audited'.

Note 9. Contingent liabilities

Royal Vopak is the head of a fiscal unity including almost all Dutch wholly-owned group companies. The company is therefore jointly and severally liable for the tax liabilities of the fiscal unity as a whole.

Guarantees and security provided on behalf of participating interests and third parties amounted to EUR 162.4 million (2012: EUR 83.4 million). Guarantees and security provided on behalf of group companies amounted to EUR 47.1 million (2012: EUR 78.7 million).

Joint and several liability undertakings for an amount of EUR 130.0 million (2012: EUR 130.0 million) were issued for bank credits granted to Royal Vopak. Furthermore, joint and several liability undertakings for an amount of EUR 84.2 million (2012: EUR 66.4 million) were issued for bank credits granted to subsidiaries.

The company has filed joint and several liability undertakings for a number of its Dutch group companies at the office of the Company Registry in whose area of jurisdiction the group company concerned has its registered office. The list of interests filed at the office of the Company Registry for inspection states for which group companies Royal Vopak has issued joint and several liability undertakings.

The members of the Executive Board have signed the financial statements in order to comply with the statutory obligation pursuant to article 2:101 paragraph 2 Dutch Civil Code and article 5:25c sub c of the Act on Financial Supervision (Wft).

Rotterdam, 27 February 2014

The Executive Board
E.M. Hoekstra (Chairman and CEO)
J.P. de Kreij (Vice-chairman and CFO)
F. Eulderink (COO)

The Supervisory Board
A. van Rossum (Chairman)
M. van der Vorm (Vice-chairman)
F.J.G.M. Cremers
C.J. van den Driest
Chun Kai Lam
R.G.M. Zwitserloot

Other information

Independent auditor's report

To the Annual General Meeting of Shareholders of Koninklijke Vopak N.V.

Report on the audit of the financial statements

Our opinion

In our opinion:

- the consolidated financial statements give a true and fair view of the financial position of Koninklijke Vopak N.V. (the 'Company') and its subsidiaries (the 'Group') as at 31 December 2013, and of their result and cash flows for the year then ended in accordance with International Financial Reporting Standards as adopted by the European Union (EU-IFRS) and with Part 9 of Book 2 of the Dutch Civil Code;
- the company financial statements give a true and fair view of the financial position of Koninklijke Vopak N.V. as at 31 December 2013, and of its result for the year then ended in accordance with Part 9 of Book 2 of the Dutch Civil Code.

What we have audited

We have audited the financial statements 2013 of Koninklijke Vopak N.V., Rotterdam (the Company). These financial statements include:

- the consolidated financial statements which comprise the consolidated statement of financial position as at 31 December 2013, the consolidated statement of income, the consolidated statement of comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and notes, comprising a summary of the significant accounting policies and other explanatory information;
- the company financial statements which comprise the company statement of financial position as at 31 December 2013, the company statement of income for the year then ended and notes, comprising a summary of the significant accounting policies and other explanatory information.

The basis for our opinion

We conducted our audit in accordance with Dutch law, including the Dutch Standards on Auditing. Our responsibilities under those standards are further described in the section Our responsibilities for the audit of the financial statements as included in the appendix to our report.

We are independent of the Company within the meaning of the relevant Dutch ethical requirements as included in the 'Verordening op de gedrags- en beroepsregels accountants' (VGBA) and the 'Verordening inzake de onafhankelijkheid van accountants bij assurance-opdrachten' (ViO) and have fulfilled our other responsibilities under those ethical requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Overview of the scope of our audit

Our Group audit scope focused on covering all significant reporting units. This analysis included significant reporting units where the Company has control, amongst others but not limited to the Netherlands, the United States and Singapore, and significant reporting units where the Company has joint control with unrelated parties such as in Estonia, Fujairah, Shanghai and Mexico. We subsequently determined the type of work needed to be performed at each of the reporting units and identified those reporting units which, in our view, required a full audit of their complete financial information, either due to their size or their risk characteristics. This, together with additional procedures performed on Group level, gave us the evidence we needed for our opinion on the Group financial statements as a whole.

The key audit matters from our audit

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements. Key audit matters are selected from the matters communicated with the Executive Board and the Supervisory Board, but are not intended to represent all matters that were discussed with them. Our audit procedures relating to these matters were designed in the context of our audit of the financial statements as a whole. Our opinion on the financial statements is not modified with respect to any of the key audit matters described below, and we do not express an opinion on these individual matters.

Impairment testing of tank terminal assets

The Group operates tank terminal assets in 77 locations, of which 53 locations are under Group control with a total carrying value of EUR 3,307 million (Note 13), and 22 locations are under joint control with a total proportional value of EUR 1,717 million (Note 7) and 2 where the Group has significant influence (Note 7). This area is significant to our audit as the size of the asset carrying value and recoverability of these invested amounts requires significant judgement. Such judgement focuses predominantly on future contractual revenue, which is, amongst others, dependent on the continued attractiveness of the terminal location for users along the major shipping routes and local market circumstances. Management assesses bi-annually if the forecasted financial return of the terminal assets has changed to an outcome below a benchmark based on the weighted average cost of capital for that country. For the latter the Group involves an external valuation expert to assist in the calculation. In 2013 the Group impaired assets totalling to EUR 21.4 million (Note 13).

Amongst others, we evaluated the Group's policies and procedures to identify triggering events for potential impairment of tank terminal assets. For the terminal locations that triggered management's test, we reconciled the recoverable amounts to cash flow forecasts as included in the terminal master plans or in certain situations to market multiples from recent tank terminal sales transactions in the region. We challenged management's main cash flow assumptions and corroborated them by comparing them to commercial contracts and inquiries as included in the Group's client management portal, available market reports and historic trend analyses. We also involved our valuation experts to analyse the weighted average cost of capital by country as applied by the Group.

Measurement of and change in accounting for pensions

The Group operates defined benefit plans in the Netherlands, Belgium, Germany, UK and the US, giving rise to a net pension liability of EUR 66.3 million (Note 26). The net pension liability includes a discounted defined benefit pension obligation totalling to EUR 1,038 million (Note 26). We focused on this because of the magnitude of the amount, its measurement requiring significant judgement and technical expertise and the significant changes in accounting standards for pensions in 2013 (IAS 19R).

Amongst others, we involved our experts to assist us in evaluating the actuarial assumptions and valuation methodologies used by the Group. We also confirmed whether the methods to determine key actuarial assumptions are consistently applied, evaluated the rationale for any changes, as well as challenged the reasonableness of the assumptions, by comparing these to benchmark ranges based on market conditions and expectations at the balance sheet date and comparison with peer companies. We also compared the membership census data used in the actuarial models to the payroll data of the Group. We assessed that management appropriately applied the guidance in IAS 19R in its pension calculations and disclosures.

IFRS 13 impacts the Group's derivatives with long duration

The Group has a derivatives portfolio that includes long dated cross currency swaps (Note 30). The adoption of IFRS 13 in 2013 has a relatively large impact on the valuation of the Group's derivatives in view of their long maturities and the exchange of principal at maturity date. Combined with the recent market developments, including the volatility of the currency basis spread, this has made the valuation of derivatives an area of focus in our audit.

We involved our valuation experts in the audit of derivatives. We have audited the valuation of derivatives by testing the input of contracts in the Group's new external valuation system which was introduced in 2013. We subsequently verified that the correct curves have been selected for cash flow discounting purposes as well as the mathematical accuracy of the new valuation model used. We have also traced the valuation of the Company's derivatives to confirmations from its counterparties and to the disclosures as included in Note 30.

Significant IT migration for the Netherlands business

In 2013, the Netherlands business has migrated to a new IT system for its main financial reporting processes. We have focused on this migration due to the inherent risk of error and the impact such an error may have on the control environment of the Group's largest operating segment. In this context we involved our IT specialists and assessed, amongst other things, the quality controls governing the implementation of the new IT system, the configuration within the new system's modules, the interaction between the modules, the segregation of duties and the configuration of expected automated application controls. We also tested the migration of general ledger data from the legacy IT system to the new IT system.

Our findings with respect to going concern

The Group's financial statements have been prepared using the going concern basis of accounting. The use of this basis of accounting is appropriate unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

As part of our audit of the financial statements, we concur with management's use of the going concern basis of accounting in the preparation of the Group's financial statements.

The Executive Board has not identified a material uncertainty that may cast significant doubt on the Company's ability to continue as a going concern, and accordingly none is disclosed in the financial statements. Based on our audit of the financial statements, we also have not identified such a material uncertainty. However, neither the Executive Board nor the auditor can guarantee the Company's ability to continue as a going concern.

Our responsibilities and the responsibilities of the Executive Board and the Supervisory Board

The respective responsibilities are set out in the appendix to this report.

We are required to communicate with the Executive Board and Supervisory Board regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We are also required to provide the Supervisory Board with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

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Report on the Executive Board report and the other information

Pursuant to the legal requirements under Part 9 Book 2 of the Dutch Civil Code with respect to our responsibilities to report on the Executive Board report and the other information:

- we have no deficiencies to report as a result of our examination whether the Executive Board report, to the extent we can assess, has been prepared in accordance with Part 9 Book 2 of the Dutch Civil Code, and whether the other information has been annexed as required by Part 2 Book 2 of this Code;
- we report that the Executive Board report, to the extent we can assess, is consistent with the financial statements.

Rotterdam, 27 February 2014

PricewaterhouseCoopers Accountants N.V.
Originally signed by M. de Ridder RA

Appendix to Independent auditor's report

Responsibilities of the Executive Board and the Supervisory Board for the financial statements

The Executive Board is responsible for the preparation and fair presentation of the financial statements in accordance with EU-IFRS and with Part 9 of Book 2 of the Dutch Civil Code and for the preparation of the Executive Board report in accordance with Part 9 of Book 2 of the Dutch Civil Code. Furthermore the Executive Board is responsible for such internal control as it determines is necessary to enable the preparation of financial statements that are free of material misstatement, whether due to fraud or error. The Supervisory Board is responsible for overseeing the Company's financial reporting process.

Our responsibilities for the audit of the financial statements

The objectives of our audit are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Dutch Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Dutch Standards on Auditing, we exercise professional judgement and maintain professional scepticism throughout the planning and performance of the audit. We also:

- identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control;
- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management;
- evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation;
- obtain sufficient appropriate audit evidence regarding the financial information of the Group and business activities within the Group to express an opinion on the financial statements. We are responsible for the direction, supervision and performance of the Group audit. We remain solely responsible for our audit opinion.

Event after reporting period

Operating contract with JTC Corporation

On 15 January 2014, JTC Corporation announced the signing of a 15-year operating contract with Banyan Caverns Storage Services Pte Ltd, a consortium formed by Vopak Terminals Singapore (45%; in which Vopak holds 69.5%), Geostock SAS (35%) and JURONG Consultants Pte Ltd (20%) for the first phase of Jurong Rock Caverns (JRC) in Jurong Island, Singapore.

Articles of Association Provisions Governing Profit Appropriation

The Articles of Association provisions governing profit appropriation are contained in Articles 19 and 27.

The relevant paragraphs of these articles are as follows:

19.2.
In the Annual General Meeting of Shareholders:
b. the annual accounts as prepared by the management board will be presented to the general meeting for adoption and the allocation of profits will – with due observance of the provisions of article 27 – be determined.

27.12.
The profits remaining after application of the previous paragraphs shall be at the free disposal of the general meeting, with due observance of the fact that no dividend can be distributed when, at the time of the distribution, the dividend reserve finance preference shares has a positive balance and furthermore provided that no further distributions shall be made on the anti-take-over preference shares and the finance preference shares and no profits shall be (further) reserved for the account of the finance preference shares.

Proposed Profit Appropriation

The proposal to the Annual General Meeting will be to distribute a dividend on the financing preference shares of EUR 5.8 million (2012: EUR 8.2 million) and a dividend in cash of EUR 0.90 (2012: EUR 0.88 in cash) per ordinary share, with a nominal value of EUR 0.50 each. Provided that the Annual General Meeting adopts the statement of income, statement of financial position and dividend proposal, the dividend for the 2013 financial year will be made payable on 2 May 2014.

Stichting Vopak

The objectives of Stichting Vopak, established in Rotterdam, are to promote the interests of Koninklijke Vopak N.V. (Royal Vopak) and all those involved with the company and any of its affiliated companies in order to safeguard, among other things, Royal Vopak's and these companies' continuity and/or identity and/or independence.

During the year under review, the Board of Stichting Vopak met twice. At these meetings, it discussed the protection of Vopak and its effectiveness as well as the composition and remuneration of its Board members. Furthermore, the Board of Stichting Vopak was briefed by the Chairman of the Executive Board of Royal Vopak on developments in the company. The Chairman of the Supervisory Board attended these meetings as an observer.

The Board of Stichting Vopak also decided outside of a meeting to amend its option agreement with Royal Vopak in view of a mandate to possibly issue cumulative finance preference shares ('the C-shares'). The right of Stichting Vopak to acquire anti-takeover preference shares had to be increased to maintain Stichting Vopak's current prospective voting interest in Royal Vopak. The institution financing Stichting Vopak was informed about the amended option agreement.

The current members of the Board of Stichting Vopak are:

- A. Schaberg, Chairman
- G. Izeboud
- J.H.M. Lindenbergh

No cumulative protective preference shares in Royal Vopak had been issued at the date of the statement of financial position.

Protective preference shares will be issued if Stichting Vopak exercises its option right.
On 18 October 1999, the AGM decided to grant the right to Stichting Vopak to acquire protective preference shares to a maximum amount of the full nominal value of the share capital issued to third parties in the form of ordinary and financing preference shares, less the nominal value of one ordinary share. Royal Vopak and Stichting Vopak have specified their mutual relationship with regard to the option in an option agreement dated 1 November 1999, which was amended on 5 May 2004 in such a manner that the original put option granted to Royal Vopak was cancelled.

On 17 September 2013, the EGM resolved to increase the right of Stichting Vopak to acquire protective preference shares in such a way that the right to acquire protective preference shares is not only related to the share capital issued to third parties in the form of ordinary and financing preference shares at the time Stichting Vopak exercises its right to acquire protective preference shares, but to all shares in the share capital of Vopak issued to third parties at such time, less one ordinary share. Pursuant to this Royal Vopak and Stichting Vopak amended on 17 September 2013 the option agreement accordingly.

The Board of Stichting Vopak decides independently whether and when there is a need to exercise its option right for the issue of protective preference shares to Stichting Vopak.

Rotterdam, 27 February 2014

Stichting Vopak

Declaration of independence

In the opinion of the Board of Stichting Vopak and the Executive Board of Royal Vopak, Stichting Vopak is independent as meant by Section 5:71(1c) of the Financial Supervision Act.

Rotterdam, 27 February 2014

Stichting Vopak

Koninklijke Vopak N.V. (Royal Vopak)

Report of the Stichting Administratiekantoor Financieringspreferente Aandelen Vopak ('the Foundation')

On 31 December 2013, the Foundation administered 41,400,000 registered financing preference shares with a nominal value of EUR 0.50 each in Royal Vopak, for which an equal number of depositary receipts for shares had been issued.

During the year under review, the Board of the Foundation met twice. During one of these meetings, items on the agenda included the manner in which the Foundation would vote at the AGM of Royal Vopak of 24 April 2013.

The Foundation also received convocations for an EGM of Royal Vopak held on 17 September 2013 and for a meeting of holders of cumulative financing preference shares that Royal Vopak held on 9 September 2013 ('the FinPref Meeting').

The Board of the Foundation resolved outside a meeting on the manner in which the Foundation would vote at the EGM and at the FinPref Meeting.

For the FinPref Meeting the Foundation received from one holder of depositary receipts a voting instruction against the proposal to extend the option right of Stichting Vopak. At the FinPref Meeting the Foundation voted, with regards to all other shares, in favor of the proposal to approve the extension of the option right of Stichting Vopak as a result of which the proposal was approved.

Holders of depositary receipts did not request any proxies for the AGM and the EGM. One holder of depositary receipts provided a voting instruction to the Foundation to approve all proposals made to the AGM.

For the AGM and the EGM, the Foundation provided a proxy with voting instructions to an independent third party, Tamminga Notariaat B.V. in Rotterdam, instructing it to approve all proposals made to the AGM and the EGM on the Foundation's behalf.

In 2013, the Board of the Foundation comprised two Officers A – Mr H.J. Baeten and Mr J.L. van der Giessen, appointed by the meeting of depositary receipt holders – and an Officer B – Mr L.P.E.M. van den Boom, appointed by the Board, who is also the Chairman. Prior to taking up their duties, the Officers of the Foundation held as the case may be, senior management positions at various financial institutions.

All Officers satisfy the independence conditions as stipulated by article 6.6 of the by-laws of the Foundation. They receive an annual compensation of EUR 6,353 each.

In accordance with best practice provision IV.1.2 of the Code, the voting rights attached to the financing preference shares are linked to the fair value (***reële waarde***) of the capital contribution (nominal value and share premium) on the financing preference shares.

The Board of the Foundation will grant proxies to the holders of depositary receipts at their request. The Board of the Foundation will also comply with all voting instructions from the holders of depositary receipts. The granting of proxies and the acceptance of voting instructions will always be in accordance with the voting limitations referred to above. Due to a distribution to the holders of financing preference shares on 2 January 2013, in 2013 the financing preference shares were subject to a voting limitation of 34 votes for every 1,000 financing preference shares.

Rotterdam, 27 February 2014

Stichting Administratiekantoor Financieringspreferente Aandelen Vopak
Westerlaan 10, 3016 CK Rotterdam

Executive Board members

Personal details

Mr Eelco Hoekstra (Chairman and CEO)
Nationality: Dutch
Year of birth: 1971
Previous important position held: President of Vopak Asia
Supervisory board memberships: None
Date of first appointment: 12 November 2010
Current term: 2010 - 2014

Mr Jack de Kreij (Vice-chairman and CFO)
Nationality: Dutch
Year of birth: 1959
Previous important position held: Senior Partner PricewaterhouseCoopers N.V., Managing Partner Transaction Services
Supervisory board memberships: Evides N.V., Corbion N.V.
Date of first appointment: 1 January 2003
Current term: Indefinite

Mr Frits Eulderink (COO)
Nationality: Dutch
Year of birth: 1961
Previous important position held: Vice-president Unconventional Oil at Shell in North America
Supervisory board memberships: None
Date of first appointment: 28 April 2010
Current term: 2010 - 2014

Supervisory Board members

Personal details

Mr Anton van Rossum (Chairman)

Chairman of the Selection and Appointment Committee
Member of the Remuneration Committee

Mr Anton van Rossum (Dutch, born 12 May 1945). Other positions held were Chairman of the Executive Committee (CEO) of Fortis NV/SA until the end of 2004 and Senior Partner McKinsey and Company Inc. Mr van Rossum was first appointed to the Supervisory Board on 27 September 2007. His current term ends in 2015. He is a member of the Board of Directors of Credit Suisse Group A.G. and Solvay S.A. and a member of the Supervisory Boards of Münchener Rückversicherungs-Gesellschaft, Erasmus University Rotterdam (Chairman) and Netherlands Economic Institute (Chairman).

Mr Martijn van der Vorm (Vice-chairman)

Member of the Audit Committee
Member of the Selection and Appointment Committee

Mr Martijn van der Vorm (Dutch, born 20 August 1958) is Chairman of the Executive Board of HAL Holding N.V. Mr Van der Vorm was first appointed to the Supervisory Board on 3 November 2000. His current term ends in 2016. He is a member of the Supervisory Board of Anthony Veder Group N.V.

Mr Frans Cremers (Member)

Chairman of the Audit Committee

Mr Frans Cremers (Dutch, born 7 February 1952). Previous member of the Executive Board and CFO of VNU N.V., Mr Cremers was first appointed to the Supervisory Board on 1 October 2004. His current term ends in 2016. He is a member of the Board of Directors of Stichting Preferente Aandelen Philips and Stichting Preferente Aandelen Heijmans and a member of the Supervisory Boards of N.V. Nederlandse Spoorwegen (Vice-chairman), Royal Imtech N.V. (Vice-chairman), N.V. Luchthaven Schiphol, Unibail-Rodamco S.E., Parcom Capital Management B.V. and SBM Offshore N.V. (Vice-chairman). Mr Cremers is also a member of the Capital Market Committee of AFM.

Mr Carel van den Driest (Member)

Chairman of the Remuneration Committee (2013)
Member Audit Committee (2014)

Mr Carel van den Driest (Dutch, born 22 November 1947) is Director of Carelshaven B.V. Mr Van den Driest previously held the position of Chairman of the Executive Board of Royal Vopak and was appointed to the Supervisory Board for the first time on 27 April 2006. His current term ends in 2014. He is a member of the Supervisory Boards of Anthony Veder Group N.V. (Chairman), Van Oord N.V. (Chairman), Stork Technical Services Group B.V., N.V. Nederlandse Spoorwegen (Chairman) and Teslin Capital Management B.V. (Chairman).

Mr Chun Kai Lam (Member)
Member of the Remuneration Committee

Mr Chun Kai Lam (Singapore, born 12 May 1947). Other positions held were Venture Director of the Shell Eastern Petrochemical complex, Singapore (2007-2010) and CEO of CNOOC-SHELL Petrochem Company, China (2000-2007). Mr Lam was first appointed to the Supervisory Board on 27 April 2011. His current term ends in 2015. He is a member of the Supervisory Boards of SinoChem International, China (independent director and chairman of the remuneration committee) and Hertel Holding B.V. Mr Lam is also executive advisor to the CEO of Yokogawa Electric, Japan and advisor to the Chairman of Jurong Aromatics Corp, Singapore.

Mr Rien Zwitserloot (Member)
Member of the Audit Committee (2013)
Chairman of the Remuneration Committee (2014)

Mr Rien Zwitserloot (Dutch, born 25 August 1949) previously held the position of Chairman of the Executive Board of Wintershall Holding A.G. Mr Zwitserloot was first appointed to the Supervisory Board on 1 October 2009. His current term ends in 2017. He is a member of the Supervisory Boards of TenneT Holding B.V., Amsterdam Capital Trading Group B.V., Energie Beheer Nederland B.V. and Vroon Group B.V.

Principal Company Officers at 27 February 2014

Netherlands

Division Management
Jan Bert Schutrops - Division President
Walter Moone - Commercial
Niek Verbree - Operations & Technology
Ferry Lupescu - Finance & Control

Business Units
Paul Cox [1] - Rotterdam Botlek
Jos Steeman [1] - Rotterdam Europoort
Age Reijenga [1] - Vlaardingen
Manon Bloemer [1] - North Netherlands
Piet Hoogerwaard - Agencies
Joris Meerbach - Vlissingen

Joint ventures
Peter den Breejen - Cross-Ocean, the Netherlands

Europe, Middle East & Africa

Division Management
Frank Erkelens - Division President
Michiel Gilsing - Commercial
Michiel van Cortenberghe - Business Development
Dave Mercer - Operations & Technology
Maarten van Akkerveeken - Finance & Control
Edwin Taal - Human Resources

Business Units
Boudewijn Siemons - Belgium
Ramon Ernst - Finland
Janhein van den Eijnden - Germany
Jarmo Stoopman - Middle East, Dubai
Erik Kleine - South Africa
Ard Huisman - Sweden
Ian Cochrane - United Kingdom
Augustin Silva - Algeciras, Spain

Joint ventures
Arnout Lugtmeijer - Vopak E.O.S., Estonia
Andrew North - SabTank, Saudi Arabia
Cees de Greve - Vopak Horizon Fujairah, UAE
Ignacio Casajus - Terquimsa, Spain
Imran-ul Haque - Engro Vopak, Pakistan

Asia

Division Management
Patrick van der Voort - Division President
Ian ter Haar - Commercial
Soo Koong Tan - Business Development
Randy Cheong - Operations & Technology
K.P. Aldridge - Finance & Control

China
Yan Chen - Division President
James Shih - Commercial
Chen Peng - Business Development
Ron Oomkes - Operations & Technology
Wayne Wang - Finance & Control
Whitney Wu - Human Resources

Business Units
Ron Dickinson - Lanshan, China
Leo Brons - Australia
Law Say Huat - Malaysia
Teo Seow Ling - Singapore
Foo Chek Chai - Zhangjiagang, China
Fulco van Geuns - Kandla, India
Mark Noordhoek Hegt - Indonesia
Patrick Trinh - Vietnam

Joint ventures
Jeremy Pei - Yangpu, China
Gang Wu - Dongguan, China
Teng Bo - Dongjiakou, China
Liu Xiaomei - Tianjin, China
Biwei Yan - Tianjin Lingang, China
Somkiat Khunlerkit - Thai Tank Terminal, Thailand
Buu Dinh - Caojing Shanghai, China
Edwin Hui - Ningbo, China
J.I. Lee - Ulsan, Korea
Sakae Uematsu - Nippon Vopak, Japan

1 Also member of Division Management.

Americas

Division Management
Dick Richelle - Division President
Ralf van der Ven - Commercial
Chris Robblee - Business Development
Jeffrey Tan - Operations & Technology
Wim Samlal (a.i.) - Finance & Control
John McCrory - Legal Affairs
Hernán Rein - Human Resources

Business Units
Colin Scott - Gulf Coast
Mike LaCavera - West Coast
Charles Bradley - East Coast
Anthony Zhou - Canada
Coenraad Meijer - Deer Park West
David Lozano - Mexico
Sjoerd Bazen - Venezuela
Marcelo Villaca - Colombia
Cristhian Pérez - Peru
Daniel Lisak - Brazil
Ignacio González - Panama

Global Staff

Wim Bloks - Sourcing & Procurement
Ton van Dijk - Information Services
Dietriech Gerstein - Global LNG
Ans Knape - Human Resources
Anne-Marie Kroon - Tax
Wilfred Lim - Operations & Technology
Branko Pokorny - Projects
Michiel van Ravenstein - Project Manager
Wim Samlal - Control & Business Analysis
Kees van Seventer - Sales & Marketing (Commercial President)
René van Tatenhove - Internal Audit
Cees Vletter - Treasury
Tjeerd Wassenaar - Legal Affairs & Corporate Secretary
René Wiezer - Insurance
Hans de Willigen - Communication & Investor Relations

Joint ventures Global LNG
Dick Meurs - Gate terminal, the Netherlands
David Lozano - Altamira LNG Terminal, Mexico

Subsidiaries, Joint Ventures and Associates

PRINCIPAL SUBSIDIARIES

Europe, Middle East & Africa

Belgium
Vopak Agencies Antwerpen NV
Vopak Terminal Eurotank NV
Vopak Chemical Terminals Belgium NV

Germany
Vopak DUPEG Terminal Hamburg GmbH
Vopak Agency Germany GmbH

Finland
Vopak Chemicals Logistics Finland Oy

France
Fos Faster LNG Terminal SAS (90%)

The Netherlands
Vopak Nederland B.V.
Vopak Finance B.V.
Vopak Terminal Vlissingen B.V.
Vopak Terminal Amsterdam Westpoort B.V.
Vopak Agencies Amsterdam B.V.
Vopak Agencies Rotterdam B.V.
Vopak Agencies Terneuzen B.V.
Vopak Chemicals Logistics Netherlands B.V.
Vopak LNG Holding B.V.
Vopak EMEA B.V.
Vopak Global Information Services B.V.
Vopak Global Procurement Services B.V.
Vopak Terminal Botlek B.V.
Vopak Terminal Chemiehaven B.V.
Vopak Terminal Europoort B.V.
Vopak Terminal Laurenshaven B.V.
Vopak Terminals North Netherlands B.V.
Vopak Terminal TTR B.V.
Vopak Terminal Vlaardingen B.V.

Russia
Representative office of Vopak Chemicals Logistics Finland Oy, Moscow

South Africa
Vopak Terminal Durban (Pty) Ltd. (70%)

Spain
Vopak Terminal Algeciras S.A. (80%)

Sweden
Vopak Sweden AB

Switzerland
Monros AG

Turkey
Vopak Terminal Marmara Depolama Hizmetleri AS

United Kingdom
Vopak Terminal London Limited B.V.
Vopak Terminal Purfleet Ltd.
Vopak Terminal Teesside Ltd.
Vopak Terminal Windmill Ltd.

Asia/Australia

Australia
Vopak Terminals Australia Pty Ltd.
Vopak Terminals Sydney Pty Ltd.
Vopak Terminal Darwin Pty Ltd.

China
Vopak China Management Company Ltd.
Vopak Terminal Zhangjiagang Ltd.
Vopak Terminal Shandong Lanshan (60%)[1]

India
Vopak Terminals Kandla (CRL Terminals Pvt, Ltd.)

Indonesia
PT Vopak Terminal Merak (95%)

Singapore
Vopak Asia Pte. Ltd.
Vopak Terminals Singapore Pte. Ltd. (69.5%)[2]
Vopak Terminal Penjuru Pte. Ltd. (69.5%)[3]

Vietnam
Vopak Vietnam Co. Ltd.

[1] Vopak Terminal Penjuru Pte. Ltd. 60% ownership in Vopak Terminals Shandong Lanshan
[2] Vopak Holding Singapore Pte. Ltd. 69.5% ownership in Vopak Terminals Singapore Pte. Ltd.
[3] Vopak Terminals Singapore Pte Ltd. 100% ownership in Vopak Terminal Penjuru Pte. Ltd.

North America

Canada
Vopak Terminals of Canada Inc.

United States
Vopak North America Inc.
Vopak Terminals North America Inc.
Vopak Terminal Deer Park Inc.
Vopak Terminal Galena Park Inc.
Vopak Terminal Savannah Inc.
Vopak Terminal Wilmington Inc.
Vopak Terminal Los Angeles Inc.
Vopak Terminal Long Beach Inc.
Vopak Terminal Perth Amboy LLC (87.75%)

Latin America

Brazil
Vopak Brasil S.A.
VPK Partiçipacões e Serviçoes Portuários Ltda.

Colombia
Vopak Colombia S.A.

Mexico
Vopak Mexico SA de CV

Panama
Vopak Panama Atlantic Inc.

Peru
Vopak Peru S.A.

Venezuela
Vopak Venezuela S.A.

JOINT VENTURES

Europe, Middle East & Africa

Bahrain
Vopak Zamil Holding W.L.L. (50%)

Estonia
AS Vopak E.O.S. (50%)

The Netherlands
Altamira LNG CV (60%)
Altamira LNG Management B.V. (60%)
Calandstraat C.V. (50%)
Cross-Ocean C.V. (50%)
Cosco Container Lines (Netherlands) B.V. (50%)
Gate terminal B.V. (47.5%)
Gate terminal Management B.V. (50%)
MultiCore CV (25%)
Vopak Terminal Eemshaven B.V. (50%)
Westerlaan C.V. (50%)
Westerpark C.V. (50%)

Pakistan
Engro Vopak Terminal Ltd. (50%)

Spain
Terminals Quimicos SA (Terquimsa) (50%)

United Arab Emirates
Vopak Horizon Fujairah Ltd. (33.33%)

United Kingdom
Morzine Limited (Thames Oilport) (33.33%)

Asia

China
Vopak Terminal Ningbo Co. Ltd. (37.5%)
Vopak Shanghai Logistics Company Ltd. (50%)
Vopak Nanjiang Petrochemicals Terminal Tianjin Company Ltd. (50%)
Vopak Ethylene Terminal Tianjin Co. Ltd. (50%)
Vopak Bohai Petrochemicals (Tianjin) Terminal Co. Ltd. (50%)
Tianjin Lingang Vopak Jetty Co. Ltd. (30%)
Vopak Terminal SDIC Yangpu Co. Ltd. (49%)
Vopak Sealink Terminal (Dongguan) Co. Ltd. (50%)
Dongguan Sealink Jetty Co. Ltd. (50%)

Indonesia
PT Jakarta Tank Terminal (49%)

Japan
Nippon Vopak Co. Ltd. (40%)

Korea
Vopak Terminals Korea Ltd. (51%)

Malaysia
Kertih Terminals Sdn. Bhd. (30%)[1]
Pengerang Terminals Sdn. Bhd. (49%)[2]
Pengerang Independent Terminals Sdn. Bhd. (89.8%)[3]

Thailand
Thai Tank Terminal Ltd. (49%)

Latin America

Brazil
Uniao-Vopak Armazens Gerais Limitada (50%)

Mexico
Terminal de Altamira de S. de R.L. de C.V. (60%)
TLA Servicios de R.L. de C.V. (60%)

Panama
Payerdi Terminal Company S. de R.L. (50%)

ASSOCIATES

Europe, Middle East & Africa

The Netherlands
Maasvlakte Olie Terminal N.V. (16.67%)
Rotterdamse Cintra Maatschappij B.V. (25%)

Saudi Arabia
Jubail Chemicals Storage & Services Company LLC (25%)

[1] Vopak Terminal Penjuru Pte. Ltd. 30% ownership in Kertih Terminals Sdn. Bhd.
[2] Vopak Terminal Pengerang B.V. 49% ownership in Pengerang Terminals Sdn. Bhd.
[3] Pengerang Terminals Sdn Bhd. 89.8% ownership in Pengerang Independent Terminals Sdn. Bhd.

Five-year Consolidated Summary

In EUR millions	2013	restated 2012	2011	2010	2009
Consolidated abridged statement of income					
Revenues	1,295	1,314	1,172	1,106	1,001
Other operating income	27	12	13	9	21
Total operating income	**1,322**	**1,326**	**1,185**	**1,115**	**1,022**
Operating expenses	- 673	- 664	- 642	- 604	- 560
Depreciation, amortization and impairment	- 238	- 218	- 178	- 152	- 131
Total operating expenses	**- 911**	**- 882**	**- 820**	**- 756**	**- 691**
Operating profit	**411**	**444**	**365**	**359**	**331**
Result of joint ventures and associates using the equity method	123	97	221	83	60
Group operating profit	**534**	**541**	**586**	**442**	**391**
Net finance costs	- 105	- 84	- 79	- 68	- 46
Profit before income tax	**429**	**457**	**507**	**374**	**345**
Income tax	- 68	- 84	- 71	- 73	- 69
Net profit	**361**	**373**	**436**	**301**	**276**
Non-controlling interests	- 42	- 40	- 35	- 31	- 25
Net profit owners of parent	**319**	**333**	**401**	**270**	**251**
Net profit holders of financing preference shares	- 6	- 8	- 8	- 8	- 4
Net profit holders of ordinary shares	**313**	**325**	**393**	**262**	**247**
Consolidated abridged statement of income excluding exceptional items					
Operating profit	**431**	**459**	**378**	**360**	**319**
Result of joint ventures and associates using the equity method	105	107	92	85	66
Group operating profit	**536**	**566**	**470**	**445**	**385**
Net finance costs	- 102	- 84	- 74	- 68	- 45
Profit before income tax	**434**	**482**	**396**	**377**	**340**
Income tax	- 74	- 87	- 77	- 73	- 68
Net profit	**360**	**395**	**319**	**304**	**272**
Non-controlling interests	- 42	- 40	- 35	- 31	- 25
Net profit owners of parent	**318**	**355**	**284**	**273**	**247**
Net profit holders of financing preference shares	- 6	- 8	- 8	- 8	- 4
Net profit holders of ordinary shares	**312**	**347**	**276**	**265**	**243**
Consolidated abridged statement of financial position					
Intangible assets	68	68	73	54	41
Property, plant and equipment	3,307	3,127	2,904	2,546	2,051
Financial assets	826	759	608	616	497
Deferred tax	20	51	31	6	5
Other	41	34	229	148	136
Total non-current assets	**4,262**	**4,039**	**3,845**	**3,370**	**2,730**
Total current assets	**561**	**799**	**395**	**461**	**406**
Total assets	**4,823**	**4,838**	**4,240**	**3,831**	**3,136**
Total equity	**1,928**	**1,753**	**1,838**	**1,550**	**1,333**
Total non-current liabilities	**2,320**	**2,553**	**1,863**	**1,662**	**1,412**
Total current liabilities	**575**	**532**	**539**	**619**	**391**
Total liabilities	**2,895**	**3,085**	**2,402**	**2,281**	**1,803**
Total equity and liabilities	**4,823**	**4,838**	**4,240**	**3,831**	**3,136**

Glossary

AGM
Annual General Meeting of Shareholders

Audit Committee
Committee within the Supervisory Board that assists the Executive Board in performing the supervisory tasks relating to, among other things, the integrity of the financial statements, the financial reporting, the internal audit procedures and the relationship with and the independence of the external auditors

Biofuels/Biodiesel
Products of vegetable origin or from animal fats that are added to gasoline or diesel

Capex
Capital expenditure

Capital employed
Total assets less current liabilities, excluding assets and current liabilities not related to operational activities

Cbm
Cubic meter

CEO
Chief Executive Officer, the highest ranking executive with the overall responsibility of the organization

CFO
Chief Financial Officer, member of the Executive Board, specifically charged with Finance

COO
Chief Operating Officer, member of the Executive Board, specifically charged with Operations & Technology

Corporate Governance
The manner in which the company is managed and the supervision of management is structured

COSO
Committee of Sponsoring Organizations of the Treadway Commission, an international organization whose aim is to create a model for information on and management of business risks

EBIT
Earnings Before Interest and Tax

EBITDA
Earnings Before Interest, Tax, Depreciation and Amortization

EGM
Extraordinary General Meeting of Shareholders

EMEA
Vopak division Europe, Middle East & Africa

EPS
Earnings per share

ERM
Enterprise Risk Management

Greenfield
Building a new terminal on undeveloped land

GRI
Global Reporting Initiative (for more information visit www.globalreporting.org)

HR
Human Resources

Hub
Regional storage and transport centre

IAS
International Accounting Standards

ICT
Information and Communication Technology

IFRS
International Financial Reporting Standard

ISDA
International Swaps and Derivates Association

LEAN
Quality improvement method and philosophy

LNG
Liquefied Natural Gas

LPG
Liquefied Petroleum Gas

LTIP
Long-term incentive plan

LTIR
Lost Time Injury Rate; number of accidents entailing absence from work per million hours worked (of own personnel and contractors at subsidiaries, joint ventures and associates)

LTSP
Long-term share plan

NCI
Non-controlling interest

NOx
NOx is a generic term for mono-nitrogen oxides NO and NO_2 (nitric oxide and nitrogen dioxide).

NPS
Net Promoter Score; a method of measuring the strength of customer loyalty for an organisation

OECD
Organisation for Economic Cooperation and Development

ROCE
Return on Capital Employed, EBIT as a percentage of the average capital employed

SECA
Sulphur Emission Control Area

Shale gas
A natural gas formed as a result of being trapped within shale formations

SHE
Safety, Health and Environment

SOx
SOx refers to all sulphur oxides, the two major ones being sulphur dioxide (SO_2) and sulphur trioxide (SO_3)

Throughput
Volume of a product handled by a terminal in a given period, calculated as (in + out)/2

Tight oil
A petroleum play that consists of light crude oil contained in petroleum-bearing formations of relatively low porosity and permeability (shales)

Total Injury Rate (TIR)
Total number of injuries per million hours worked (own personnel)

VBDO
Vereniging van Beleggers voor Duurzame Ontwikkeling (Dutch Association of Investors for Sustainable Development)

VSQI
Vopak Service Quality Index: shows the quality of the various business processes at Vopak as indicated by Vopak's customers by an annual customer satisfaction survey

Contact us

Royal Vopak global office (Netherlands)

Royal Vopak

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Email: global.communication@vopak.com

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The Netherlands

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3000 AW Rotterdam
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