



Publication of Maersk Drilling Holding A/S' consolidated annual report for 2018 including guidance for 2019

February 7, 2019

ANNOUNCEMENT

A.P. Møller - Mærsk A/S – Publication of Maersk Drilling Holding A/S' consolidated annual report for 2018 including guidance for 2019

In August 2018, A.P. Møller - Mærsk A/S announced its intention to pursue a demerger via a separate listing of Maersk Drilling Holding A/S (Maersk Drilling) on Nasdaq Copenhagen.

In preparation of the expected listing in 2019, Maersk Drilling has made the planned organizational progress to operate as a standalone company. Today, the Maersk Drilling Board of Directors has approved the consolidated annual report for 2018 and guidance for 2019. Maersk Drilling's annual report 2018 is available on the website www.maerskdirilling.com.

For the full-year 2018, Maersk Drilling reported a revenue of USD 1,429m (USD 1,439m) and a profit before depreciation and amortization, impairments and special items (EBITDA before special items) of USD 611m (USD 683m), equal to an EBITDA margin of 43%. Profit for the year was USD 941m (USD -1,522m), positively impacted by USD 810m related to reversal of part of prior year's impairment losses.

The operating cash flow for 2018 was USD 593m (USD 652m) and capital expenditures was USD 136m (USD 448m) leading to a positive free cashflow of USD 457m (USD 204m). End 2018, the book value of equity was USD 3,810m (USD 6,209m) and net interest-bearing debt was USD 1,097m.

In 2018, Maersk Drilling added 4,022 days and USD 503m to the backlog from new contracts and end of the year the total backlog was USD 2.5bn (USD 3.3bn), with a forward contract coverage of 63% for 2019, 37% for 2020 and 23% for 2021.

For the financial year 2019 Maersk Drilling expects EBITDA before special items around USD 400m. Capital expenditures are expected to be around USD 300-350m, primarily comprising rig upgrades and yard stays relating to special periodic surveys for 7-10 rigs (2018: 4 rigs).

Expectations for EBITDA before special items in 2019 are below 2018, primarily due to impact of the increased number of yard stays, resulting in reduced contracted days, as well as lower day rates, due to certain rigs coming off historic contracts, primarily in the floater segment. Longer term, Maersk Drilling expects improved market fundamentals with increased utilization and higher day rates.

Maersk Drilling's financial report will not affect the guidance for 2018 for A.P. Møller - Mærsk A/S, as Maersk Drilling is included as discontinued operations. The financial disclosure should be seen as supplementary information to the market.

A.P. Møller - Mærsk A/S will report its full-year figures and expectations for 2019 on 21 February 2019.

Copenhagen, 7 February 2019

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Attachment

- [Announcement - MDHAS Annual Report 2018](#)