

An aerial photograph of a busy container port. A large Maersk container ship is docked at a pier on the left, with its deck stacked high with colorful shipping containers. Several teal-colored gantry cranes are positioned along the pier, extending over the ship and the adjacent container yard. The yard is filled with numerous stacks of containers in various colors (blue, red, yellow, white). Several semi-trailers are visible on the ground, some with Maersk logos. The background shows a body of water and distant land with some industrial buildings.

# PROFITABLE GROWTH

APM Terminals

Maersk Group Capital Markets Day, 9 September 2015

 **APM TERMINALS**  
Lifting Global Trade

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# AGENDA

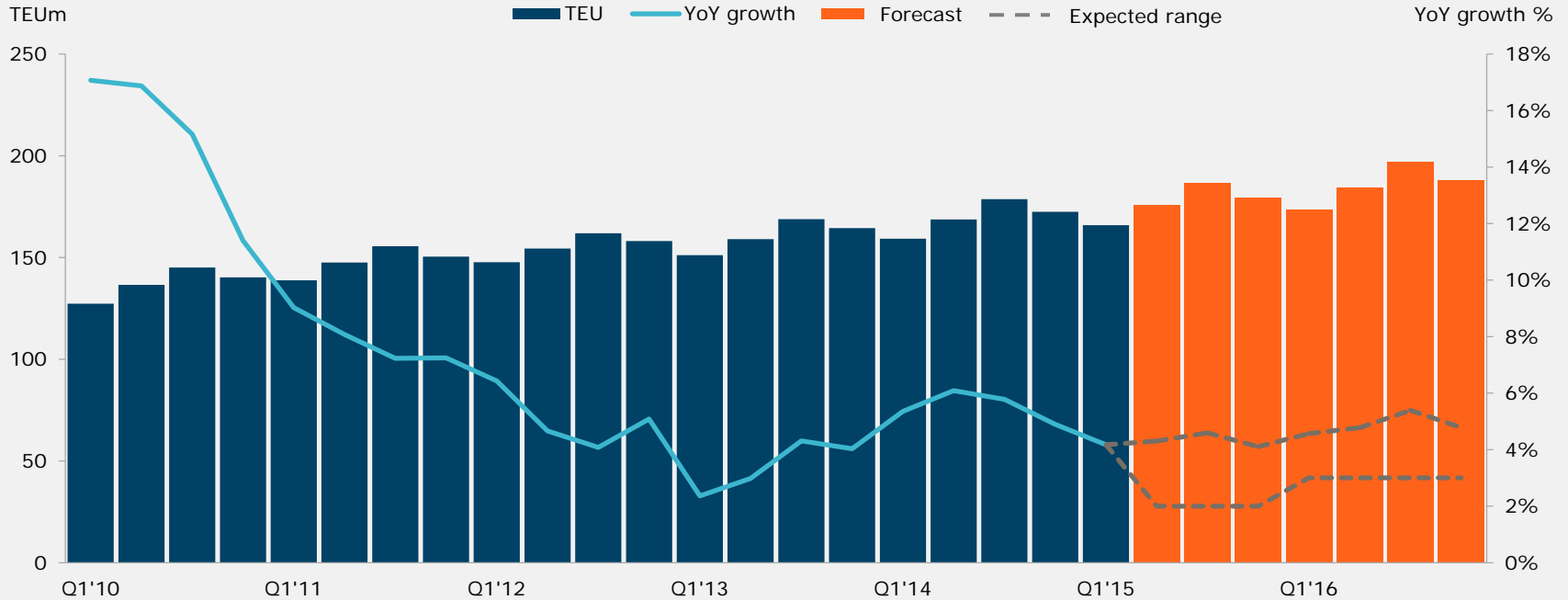
**Kim Fejfer**  
Chief Executive Officer

1. Market
2. Financial Performance
3. Strategy
4. Growth
5. Conclusion



# Global trade growth remains healthy

## Global container throughput



Source: Drewry

# Underlying local trades are showing more volatility

## Market volatility

Oil price



Economic policy



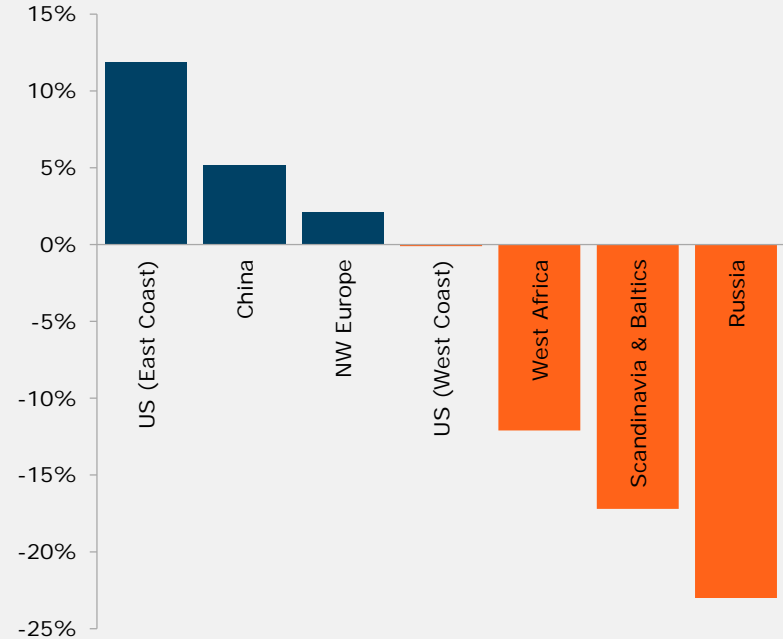
Foreign exchange



Stock markets



## Port throughput



Source: Drewry and internal estimates, 1Q'15 vs. 1Q'14

# Bigger vessels and bigger alliances require enhanced capabilities



Less frequent ship calls and  
greater throughput peaks



Increased segmentation of terminal  
capacity and rapid capacity  
obsolescence



Customer size and complexity  
increasing



Ports even more vital element  
in network optimization

SPEED

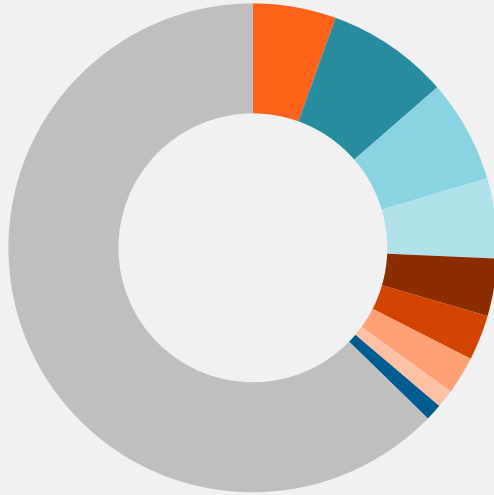
RELIABILITY

AVAILABILITY

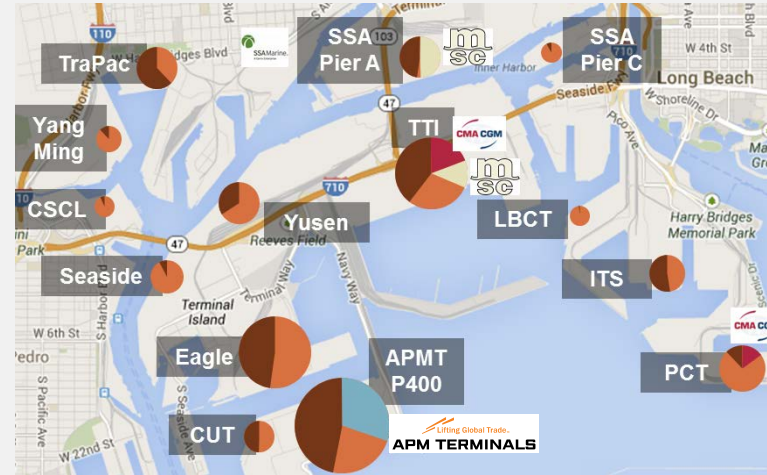
LOW COST

# Local need for consolidation in mature ports

## Globally



## Locally



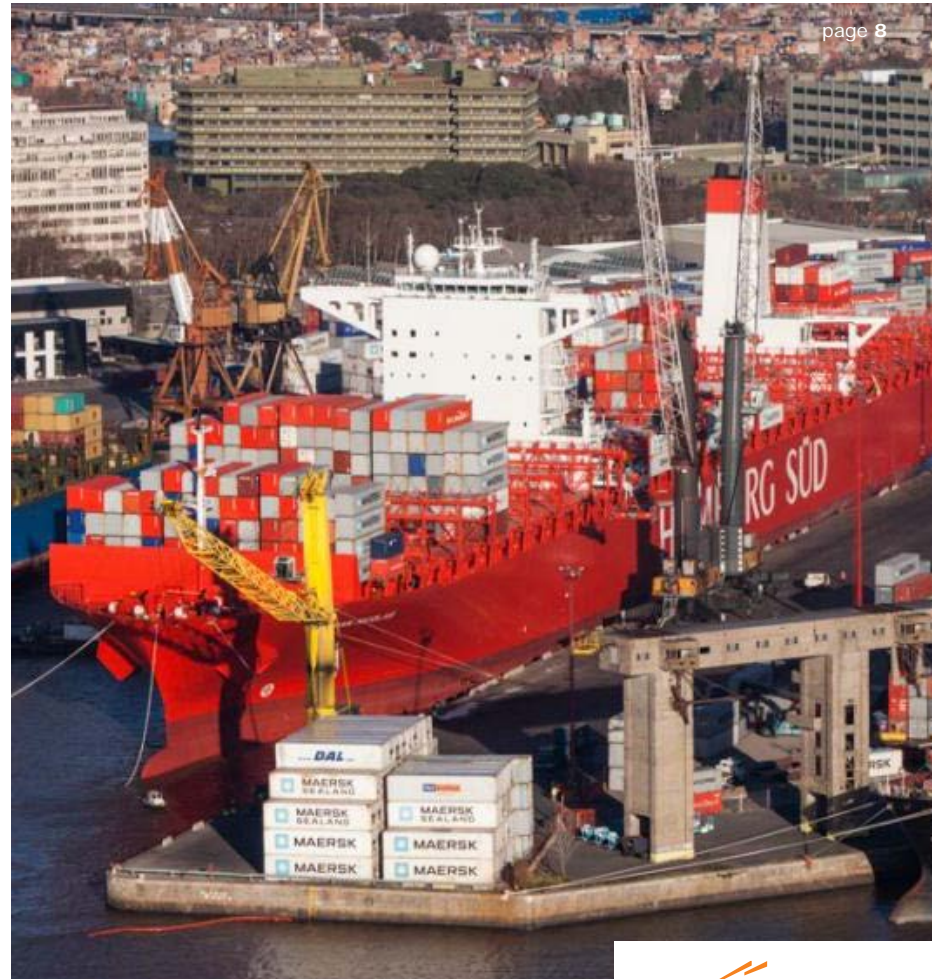
Source: Drewry; Company information

# The industry is maturing but remains attractive

Healthy global trade growth with high  
local volatility

Bigger vessels and bigger alliances  
require enhanced capabilities

Local need for consolidation







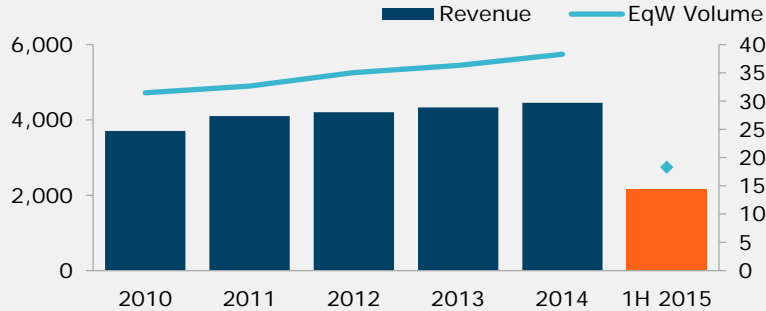
# AGENDA

**Henrik Pedersen**  
Chief Financial Officer

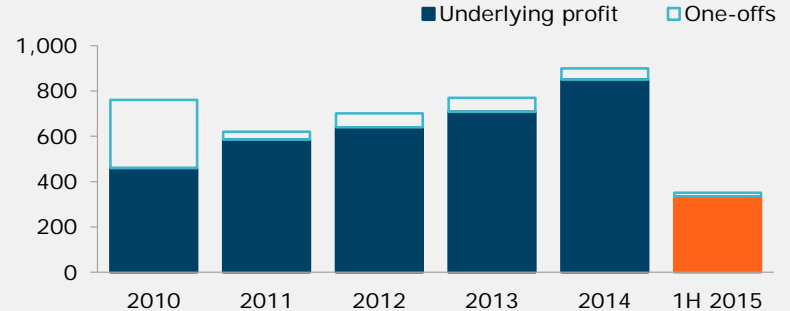
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# Profitable growth track record but 2015 profits under pressure

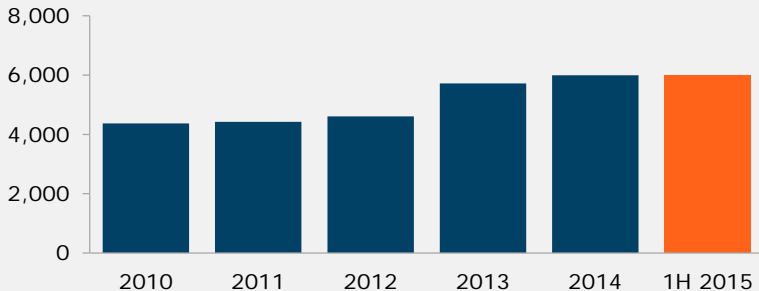
Revenue (USDm) / EqW Volume (mTEU)



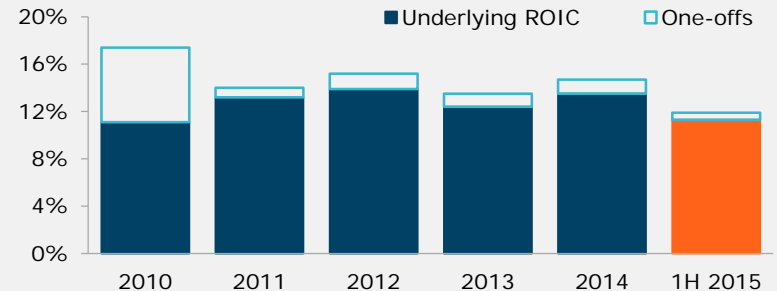
Profit (USDm)



Invested Capital (USDm)



Return on invested capital (%)



Note: All historical financials have been restated under IFRS 12 for comparative purposes; 2010-2012 are unaudited

# Growing the topline

## What we have done



## What we will do

- 
- Relentless deal focus
  - Facilitating services towards bigger vessels and big alliances
  - Added service offering to importers and exporters
  - Contract management
  - Working capital management

# Reducing cost and improving productivity

## What we have done

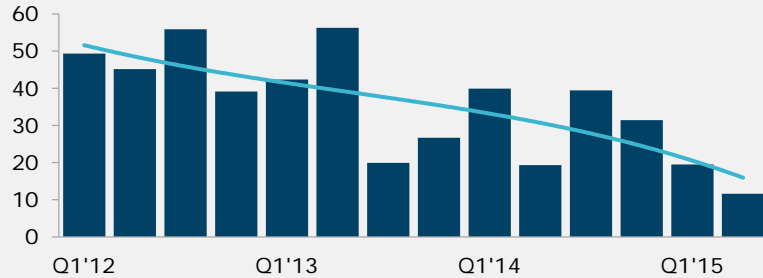


## What we will do

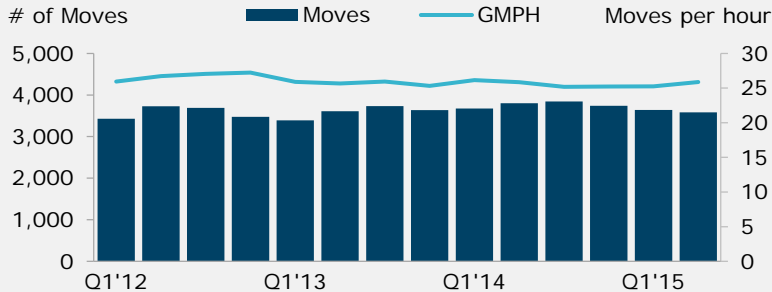
- Rigorous cost focus
- Leverage scale
- Dual cycling
- Optimize yard planning
- Tandem lifting
- Drive automation

# Key Performance Indicators

## High Severity Incident Frequency<sup>1</sup>



## Crane productivity<sup>2</sup>

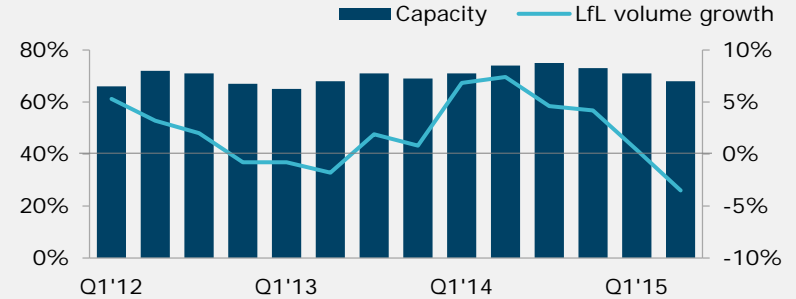


Note: 1. Number of high severity incidents per 100 million man hours

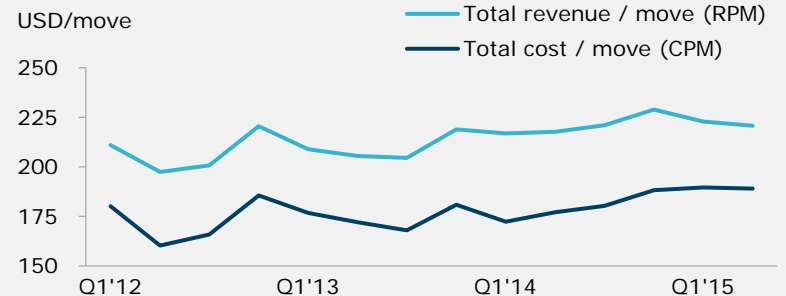
2. Crane Productivity - Gross moves per hour per crane

All tables include consolidated businesses or terminals under operational control

## Capacity utilization



## Revenue and cost per move





All segments remain profitable with an obvious negative impact from implementations

H1 2015 USDm	Total	Consolidated businesses	JV & Associates	Implementations
Throughput (TEUm)	18.3	10.7	7.6	-
Revenue	2,169	2,076	-	92
EBITDA	426	443	-	-16
<b>EBITDA margin</b>	19.7%	21.3%	n.a.	-17.8%
Reported profit	351	256	113	-17
<b>Reported profit, underlying</b>	<b>335</b>	<b>239</b>	<b>113</b>	<b>-17</b>
ROIC	11.9%	14.4%	12.0%	-7.0%
<b>ROIC, underlying</b>	<b>11.3%</b>	<b>13.5%</b>	<b>12.0%</b>	<b>-7.0%</b>
Average Invested capital	5,919	3,554	1,880	486



## Consolidated businesses heavily impacted by the declining oil price

USDm	H1 2015	H1 2014	H1 '15 /H1 '14
Throughput (TEUm)	10.7	11.4	-6%
Revenue	2,076	2,215	-6%
EBITDA	443	540	-18%
<b>EBITDA margin</b>	21.3%	24.4%	<b>-3.0pp</b>
Reported profit	256	356	-28%
<b>Reported profit, underlying</b>	<b>239</b>	<b>346</b>	<b>-32%</b>
ROIC	14.4%	18.1%	-3.7pp
<b>ROIC, underlying</b>	<b>13.5%</b>	<b>17.6%</b>	<b>-4.5pp</b>
Average Invested capital	3,554	3,926	-11%

Note: Consolidated businesses includes consolidated terminals and inland services

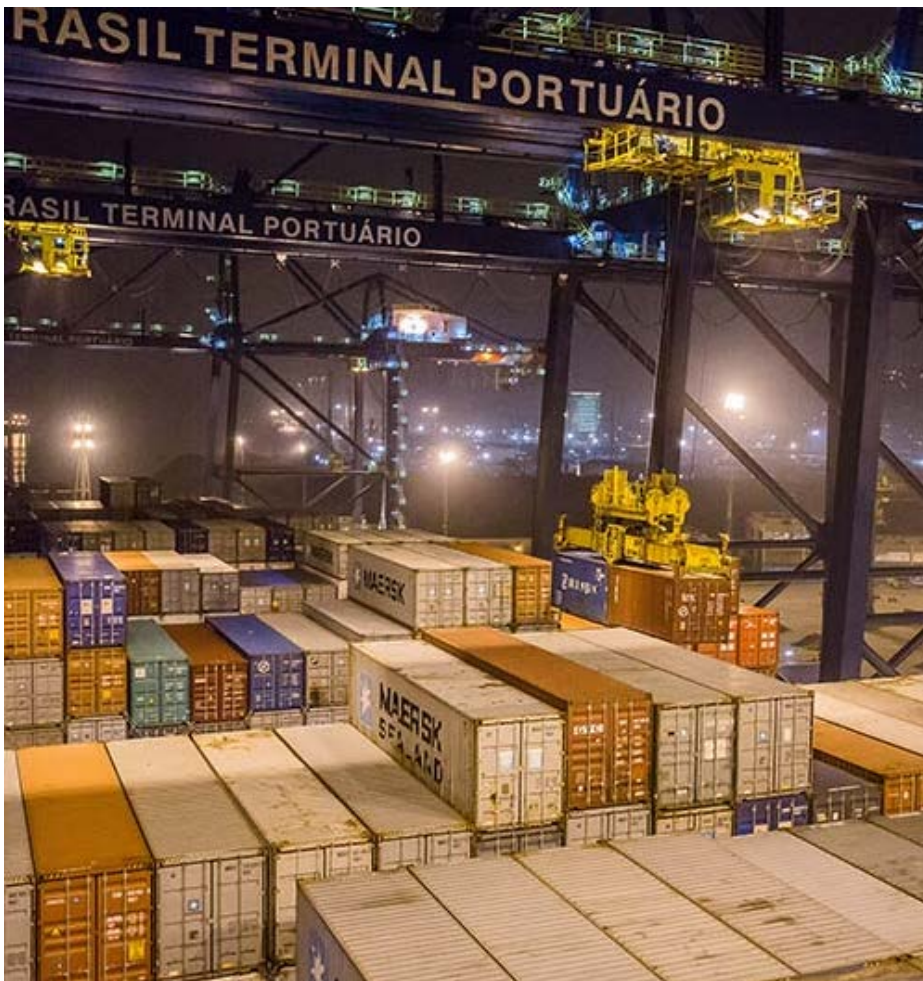




## JV and Associates remain a solid profit contributor

USDm	H1 2015	H1 2014	H1 '15 /H1 '14
Throughput (TEUm)	7.6	7.8	-2%
Revenue	-	-	n.a.
EBITDA	-	-	n.a.
<b>EBITDA margin</b>	n.a.	n.a.	n.a.
Reported profit	113	93	22%
<b>Reported profit, underlying</b>	<b>113</b>	<b>93</b>	<b>22%</b>
ROIC	12.0%	8.7%	3.3pp
<b>ROIC, underlying</b>	<b>12.0%</b>	<b>8.7%</b>	<b>3.3pp</b>
Average Invested capital	1,880	2,120	-9%

Note: Includes joint venture and associate companies in the portfolio



# Active portfolio management continues to create value

## Secured Projects

		Lazaro Cardenas			
		Gothenburg			
		Ningbo			
	Monrovia	Talin	Abidjan		Qingdao
	Moin	Kotka/Helsinki	Ust Luga		Vado reefer
Cotonou	Callao	Vostochny	St. Petersburg 2		Cartagena
Santos	Poti	St. Petersburg	Izmir	Namibe	Tema
<b>2010</b>	<b>2011</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>
Kaoshiung		Dailan	Oslo	Le Havre	Charleston
Dunkirk				Virginia	Houston
Oakland					Jacksonville
					Gioia Tauro

## Divestments



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# The ports business will remain attractive

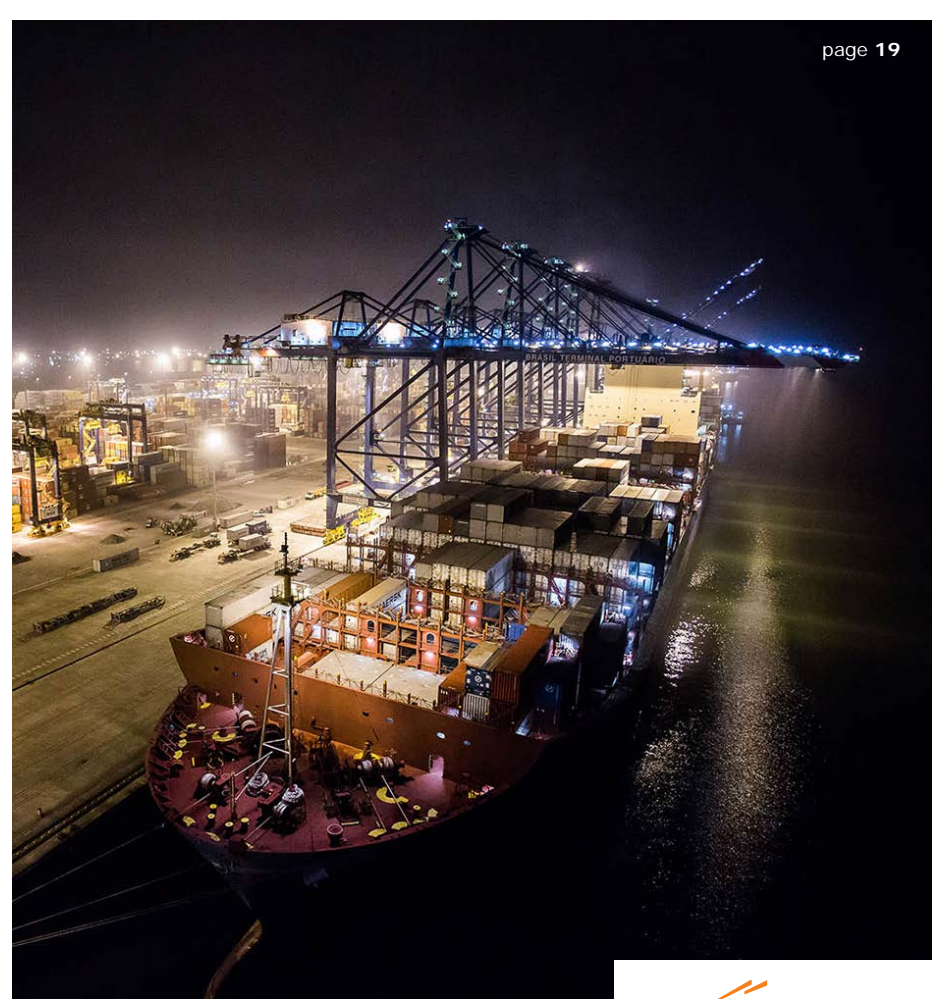
World population growth and growing middle class

Growing consumer demand in emerging markets

Increasing regional trade  
(e.g. *Intra-Asia*)

Increasing containerization of commodities  
(e.g. *grain, reefer*)

Production of goods, food and energy differ from where it is consumed



# Unique position to REACH our ambitions

Strong reputation in the industry

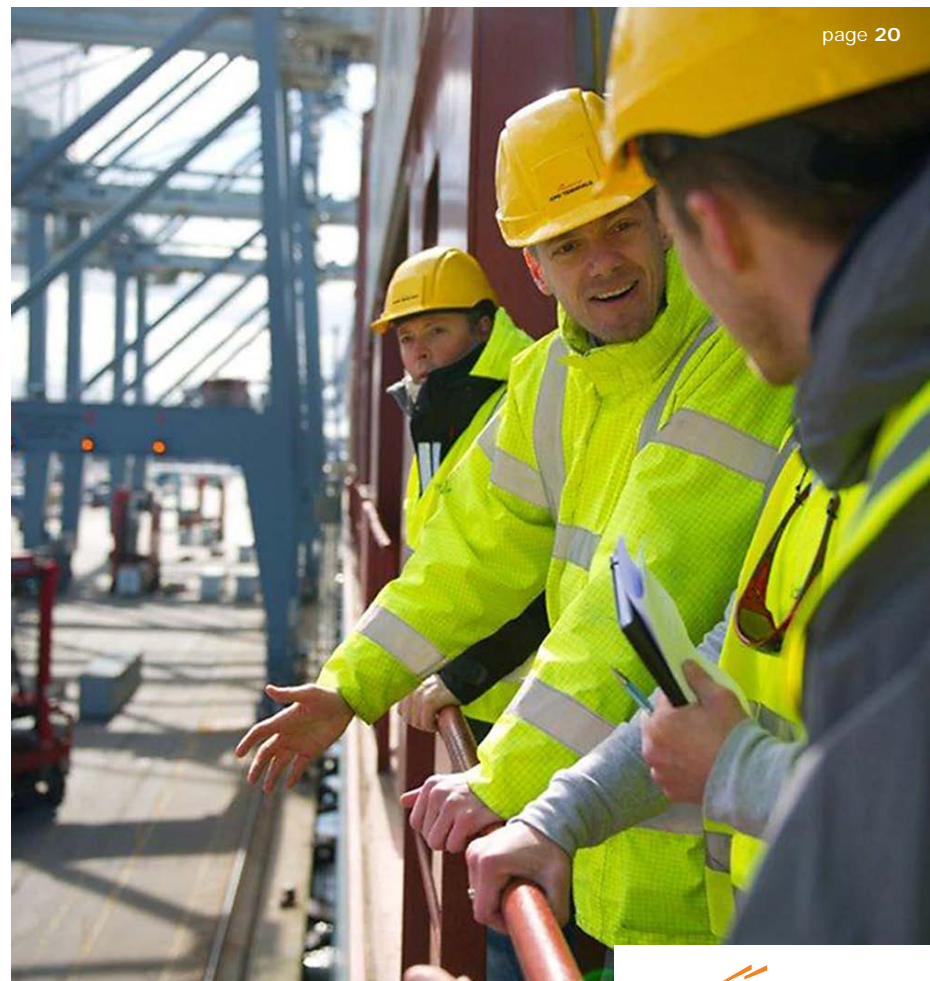
Strategic customers

Global capabilities

Strong global network

Balance sheet strength

Best people



# REACH2020

## Our 2020 ambition is to...

Become the leading port developer and operator



**Reach new markets and customers**



**Reach safe, industry-leading operations**



**Reach results through capabilities and collaboration**



**Reach our bold ambition**

## Focus areas to REACH 2020

- Accelerate investments in container and non-container ports
- Cater for the bigger vessels and bigger alliances
- Tap into new value pools
- Drive global safety and productivity improvements
- Optimize equipment utilization
- Drive innovation and automation
- Building global capabilities and learning
- Drive a performance based culture and incentives
- Disciplined execution and risk management
- Retain double-digit returns over the cycle
- Grow ahead of global transportation market
- Invest approx. USD 1.0 - 1.5bn p.a. over the cycle

# AGENDA

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# More than USD 3bn committed investment under construction



Izmir, Turkey



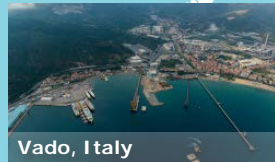
Moin, Costa Rica



Cartagena, Colombia



Callao, Peru



Vado, Italy



Maasvlakte II, NL



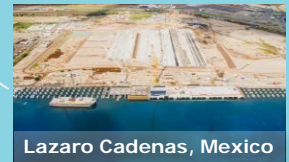
Qingdao, China



Abidjan, Ivory Coast



Tema, Ghana



Lazaro Cadenas, Mexico



Ningbo, China



A map of South America with a dark blue callout box pointing to the location of Cartagena on the northern coast of Colombia.

Cartagena

**Compas Cartagena, Colombia  
(Acquisition)**



Operational  
Capacity

0.3 mTEU (Container)  
1.5 mT (General cargo)

Quay length

550 + 280 meters

Investment  
(100%)

200 USDm

Ownership

51%

A map of the African continent with a dark blue callout box pointing to the location of Tema on the coast of Ghana.

Tema

**Tema MPS, Ghana  
(Greenfield expansion)**



Operational  
Capacity

3.5 mTEU

Quay length

700 meters

Investment  
(100%)

1.5 USDbn

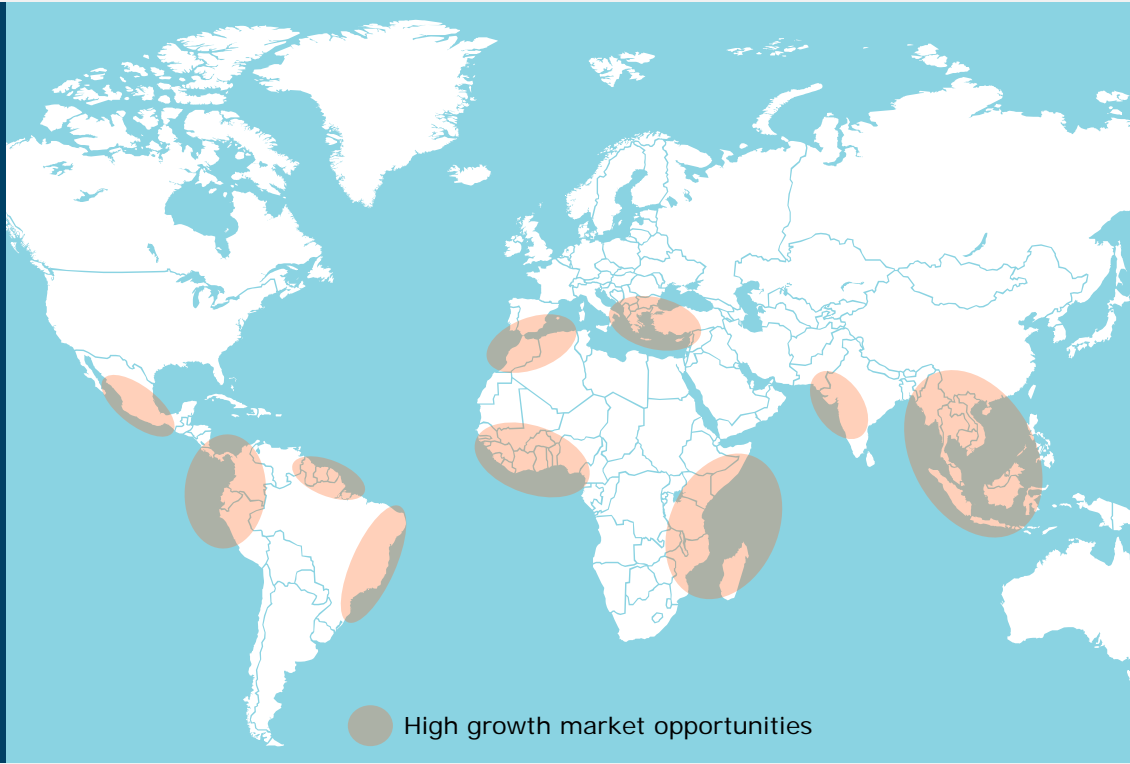
JV Ownership

35%

## ...and we have a strong project pipeline in place

### Key Trends

- Bottlenecks in growth markets
- Upgrade of infrastructure in mature ports
- Consolidations
- Non-container ports
- Competitive environment
- Geopolitical risks



### Disciplined investment criteria

- IRR
- Payback
- Shareholding structure
- Legal protection
- Reputable Partners
- Functional expertise



Facilities

11 terminals  
6 inland services

Operational Capacity

4.3 mTEU

Volumes (2014)

3.5 mTEU gross  
2.0 mTEU eq. weighted

Workforce

1,000 employees in 6  
countries

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## In conclusion...

APM Terminals has a strong position in a fundamentally attractive industry, however we are challenged by current market conditions

We will continuously focus on revenue, cost and productivity improvements while also taking advantage of the current volatility to make disciplined investments and grow the business

STRONG  
REPUTATION



STRATEGIC  
CUSTOMERS



GLOBAL  
CAPABILITIES



STRONG  
GLOBAL  
NETWORK



BALANCE SHEET  
STRENGTH



BEST PEOPLE



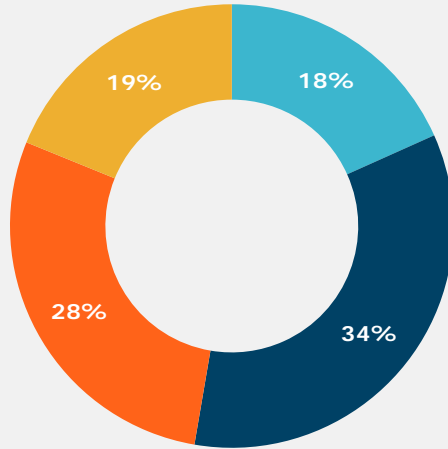
The image is a composite of two aerial photographs. The top photograph shows a coastal city with a sandy beach, a green park area, and a dense residential or commercial district with many buildings. The bottom photograph shows a large container ship, the MAERSK LINE, docked at a port. The ship is white with a red hull and is loaded with numerous grey and blue containers. Several blue gantry cranes are visible on the pier, and the water is a deep blue.

Thank you

# APPENDIX

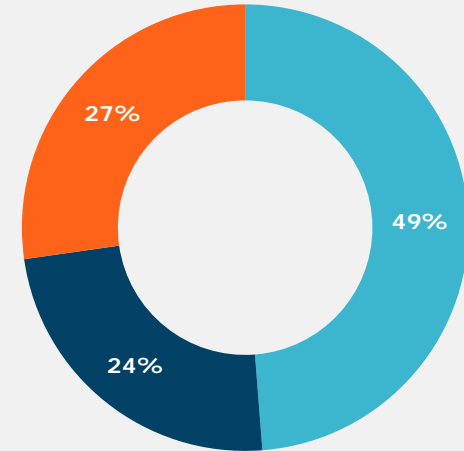
# Volume breakdown in the first six months of 2015

## By geographic location



■ Africa & Middle East   ■ Asia Pacific  
■ Europe, Russia and Baltics   ■ Americas

## By customer



■ Maersk Line   ■ Top 5 Customers  
■ Other valued customers