

DELIVERY TODAY, GROWTH TOMORROW

Maersk Oil, Capital Markets Day, 24 September 2014

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Today's speakers



Jakob Thomsen
Chief Executive Officer



Graham Talbot
Chief Financial Officer



Gretchen H. Watkins
Chief Operating Officer

Maersk Oil - On track

6%

Production growth
has returned

300 mmboe

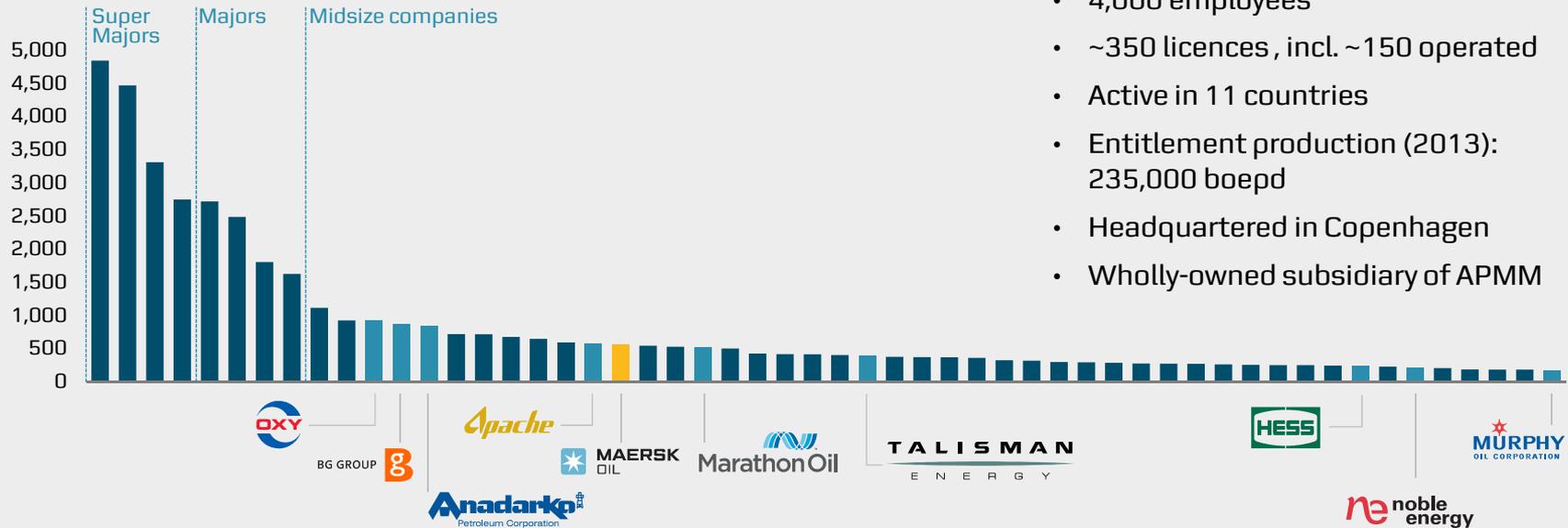
Significant reserves
additions over the next
2-3 years as projects are
sanctioned

400,000 boepd

Ambition of value
creating production
growth to 2020 remains;
ROIC >10%

Maersk Oil – A Top 30 oil company

Gross production by operator, 2013 ('000 boepd)



Maersk Oil at a glance

- 4,000 employees
- ~350 licences, incl. ~150 operated
- Active in 11 countries
- Entitlement production (2013): 235,000 boepd
- Headquartered in Copenhagen
- Wholly-owned subsidiary of APMM

Note: Data from Wood Mackenzie. National Oil Companies are not included.



The headlines

- Maersk Oil delivers solid financial results
- Delivery of major projects in line with expectations
- Positive discussions for next stage development and licence renewal in Qatar
- Exploration performance is challenged
- Impairment against Brazilian oil assets
- Growth strategy rooted in core capabilities

MARKET DYNAMICS



Changed market dynamics since 2012 present both challenges and opportunities for Maersk Oil

NEAR-TERM BUSINESS VALUE



Maximising near-term business value; optimising production operations and asset integrity

OUR THREE PILLARS



Safe and reliable Operations
Delivering profitable projects
Exploration & Acquisition

PROFITABLE GROWTH



Securing value in a challenging market



The Al Shaheen field, Qatar

MARKET DYNAMICS

Market dynamics

The fundamental underlying change

Trends



- Softening mid-term oil price outlook
- Capital expenditure increasing; returns declining
- Price correction expected for oil field services
- Boom in US unconventional
- Increasing importance of gas



Industry Response



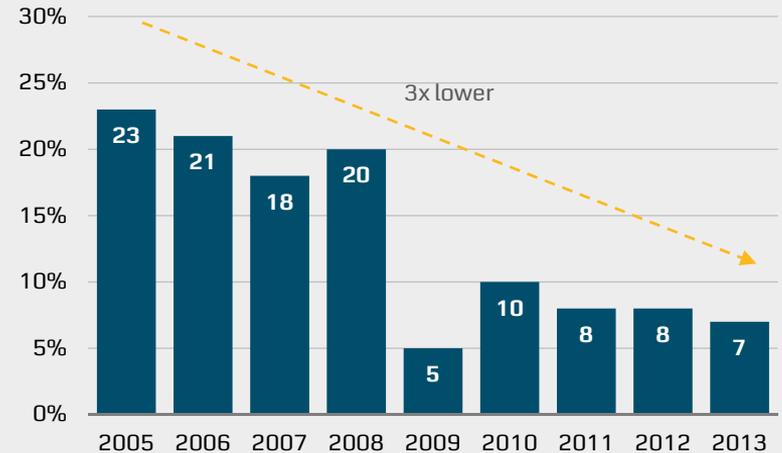
- Capital discipline
- Portfolio rationalisation
- Focus
- Cancelled or postponed projects
- Continued retreat to US onshore
- Focus on LNG (East Africa, etc.)

Increasing Capex and declining returns among peers

Annual upstream Capex¹⁾
(USD billion, 2005-13)



Annual Return on Invested Capital (ROIC)²⁾
(2005-13)



1) Sum of upstream Capex for Maersk Oil's Peer Group (Anadarko, Apache, BG, Hess, Marathon, Murphy, Noble, Occidental, Talisman)

2) Average ROIC for Peer Group

Source: Evaluate Energy

More Capex for less production

Major oil companies production and upstream investment 2002-13¹⁾

Capex in FY, USD billion



mmboed
production

Source: Evaluate Energy

1) Oil companies included: BP, Chevron, ConocoPhillips, ENI, ExxonMobil, Shell, Statoil, Total

Significant change as industry responds

Divestments

"Apache has committed to completely exit its two LNG projects, and review its international portfolio"

Wood Mackenzie, September 2014

"Anadarko sells Mozambique gas to reinvest in American oil"

Forbes, August 2013

"Statoil has sold a further tranche of North Sea oil and gas assets to Wintershall for \$1.25bn"

Financial Times, September 2014

Capital Discipline

"Statoil became the latest of the western majors to promise greater capital discipline"

Financial Times, February 2014

"Oil majors like Total and Chevron are now prepared to ditch or delay costly megaprojects"

New York Times, June 2013

"Experts say the issue of capital discipline has become pivotal to any assessment of the sector"

Financial Times, November 2013



The Dunga field, Kazakhstan

Maersk Oil advantaged by:

- Consistent financial performance
- Robust and diverse portfolio
 - Dominated by low cost barrels
 - Material growth through existing projects
- Technical ability to unlock future potential
- Skilled and demographically advantaged international workforce

Well positioned for growth – focused on value, not just volume



NEAR-TERM BUSINESS VALUE

Graham Talbot
Chief Financial Officer



The Skjold platform, Danish North Sea

Maersk Oil's financial ambitions remain intact



Value creating growth to 400,000 boepd by 2020



Development Capex within investment range of USD 3-5 billion annually



Reduced exploration expenditures during portfolio rebuild



Sustain ROIC at a double digit level through the growth cycle

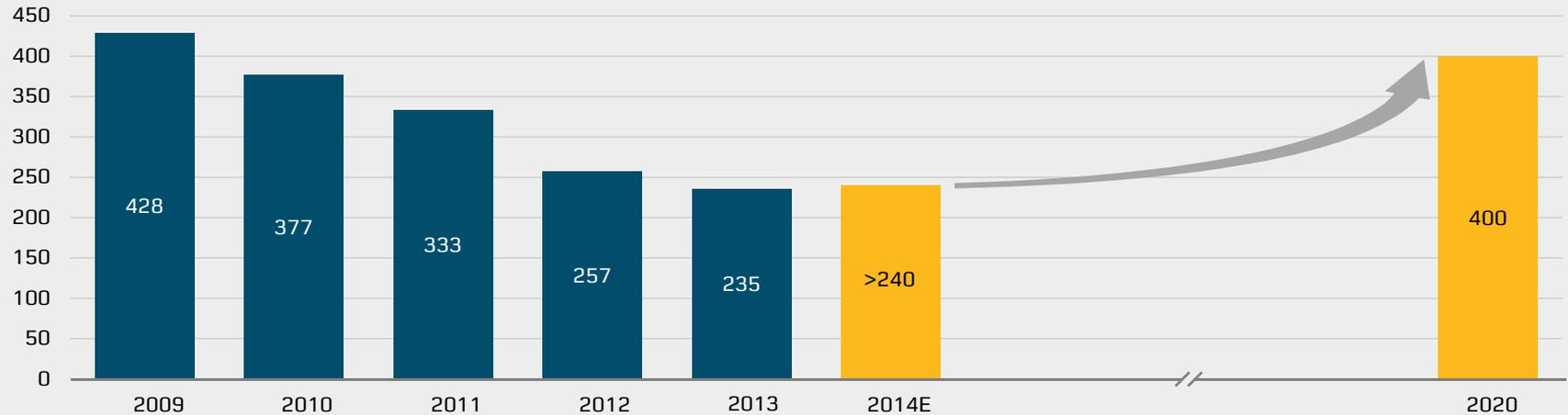


A robust resource base – focus on maturing resources to production

Value creating growth to 400,000 boepd by 2020

Total production bottomed out at 226,000 boepd in Q2 2013

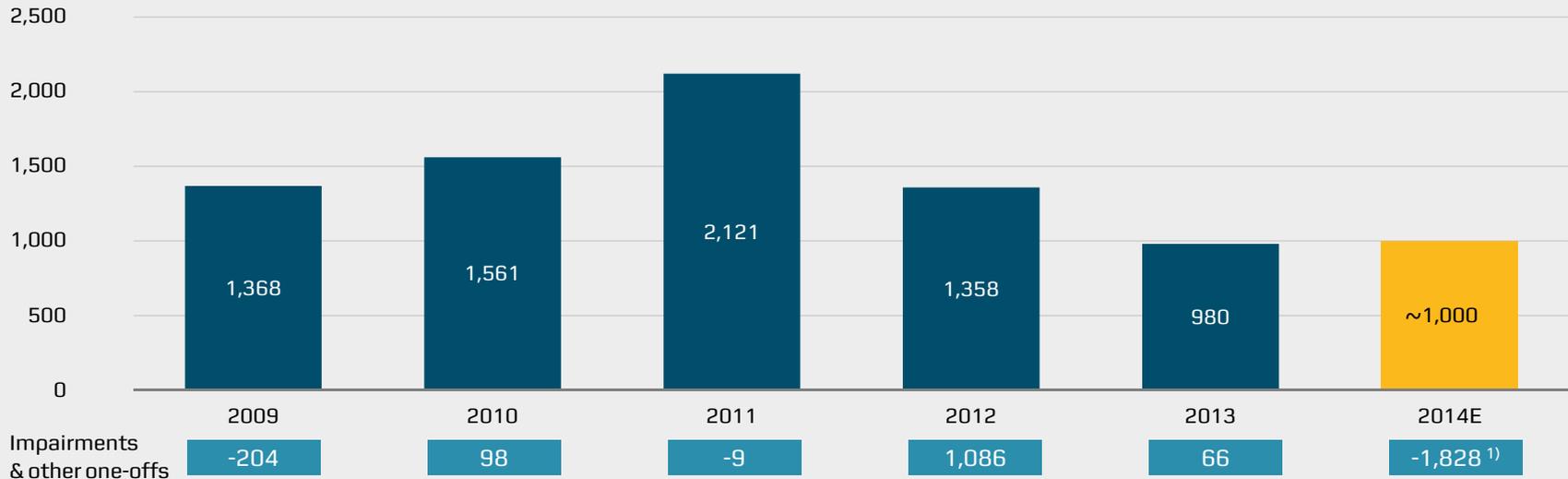
Entitlement production ('000 boepd)



Maersk Oil delivers solid financial results

Underlying profit stabilising around USD ~1 billion per year during growth phase

Underlying segment result after tax (USD million)

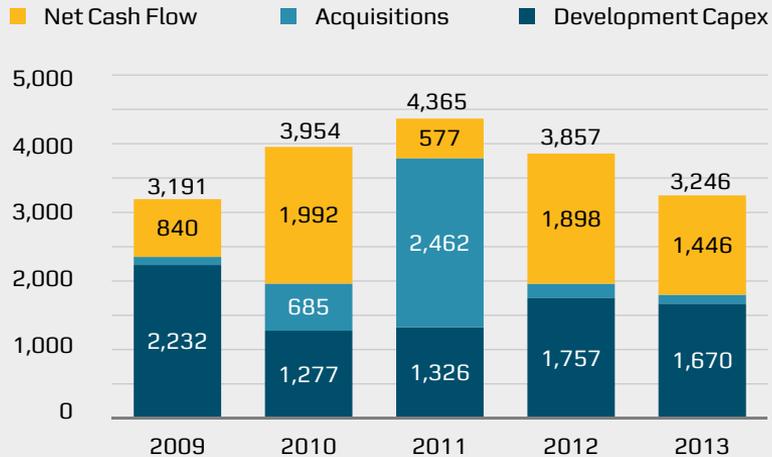


1) H1 2014 adjustments incl. Brazil impairment

Continued strong cash flow

Will be utilised to fund Maersk Oil's portfolio of growth projects

Cash flow from operating activities (USD million)



Oil Price ¹⁾	62	80	111	112	109
Production ²⁾	428	377	333	257	235

1) Average Oil price (USD/bbl) 2) Production level ('000 bpd)

- 2009-2013 total cash flow from operations after exploration costs of USD ~19 billion
- Total investments of USD ~12 billion – USD ~8.5 billion for development Capex and USD ~3.5 billion for acquisitions
- Generating net cash flow of USD 6.8 billion over the past five years
- Development Capex increasing towards USD 3-5 billion/year with maturing major projects

ROIC to remain at a double digit level

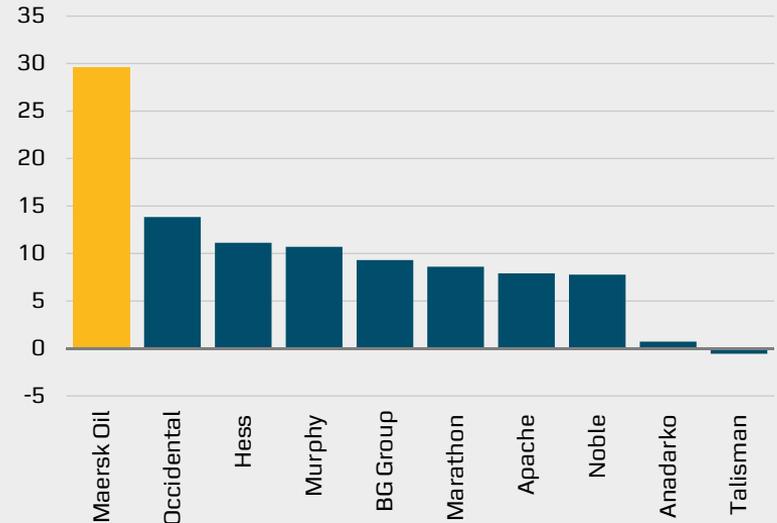
Continued cost efficient operations will be the driver through the growth cycle

Maersk Oil ROIC (%)



1) Underlying Q2 2014 ROIC excl. Brazil impairment.
2020 ROIC target based on oil price assumption of USD 100/bbl.

Industry ROIC (% , 3 year avg. 2011-2013)



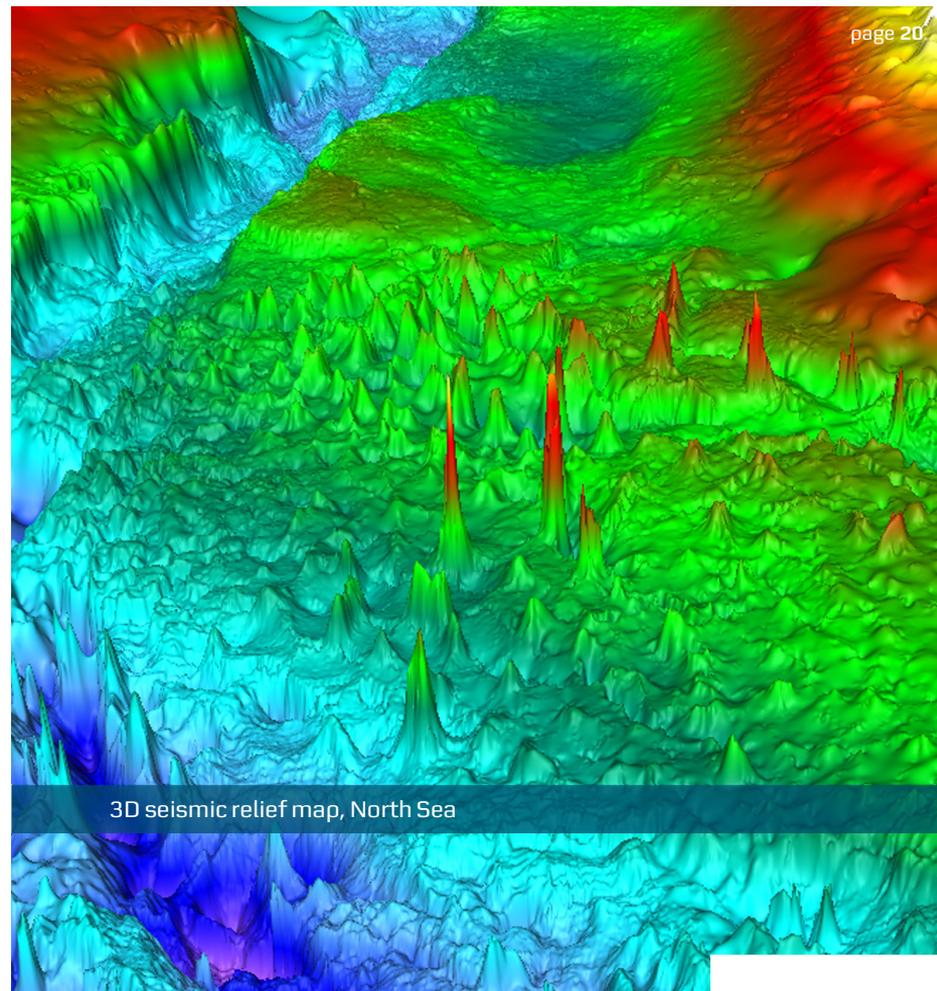
Note: Peer group data based on Evaluate Energy information

Building our reserves and resources

(million boe)	End 2013	End 2012
Proved reserves (1P)	392	410
Probable reserves (2P _{increment})	207	209
Proved and Probable reserves (2P)	599	619
Contingent resources (2C)	874	740
Reserves & resources (2P + 2C)	1,473	1,359

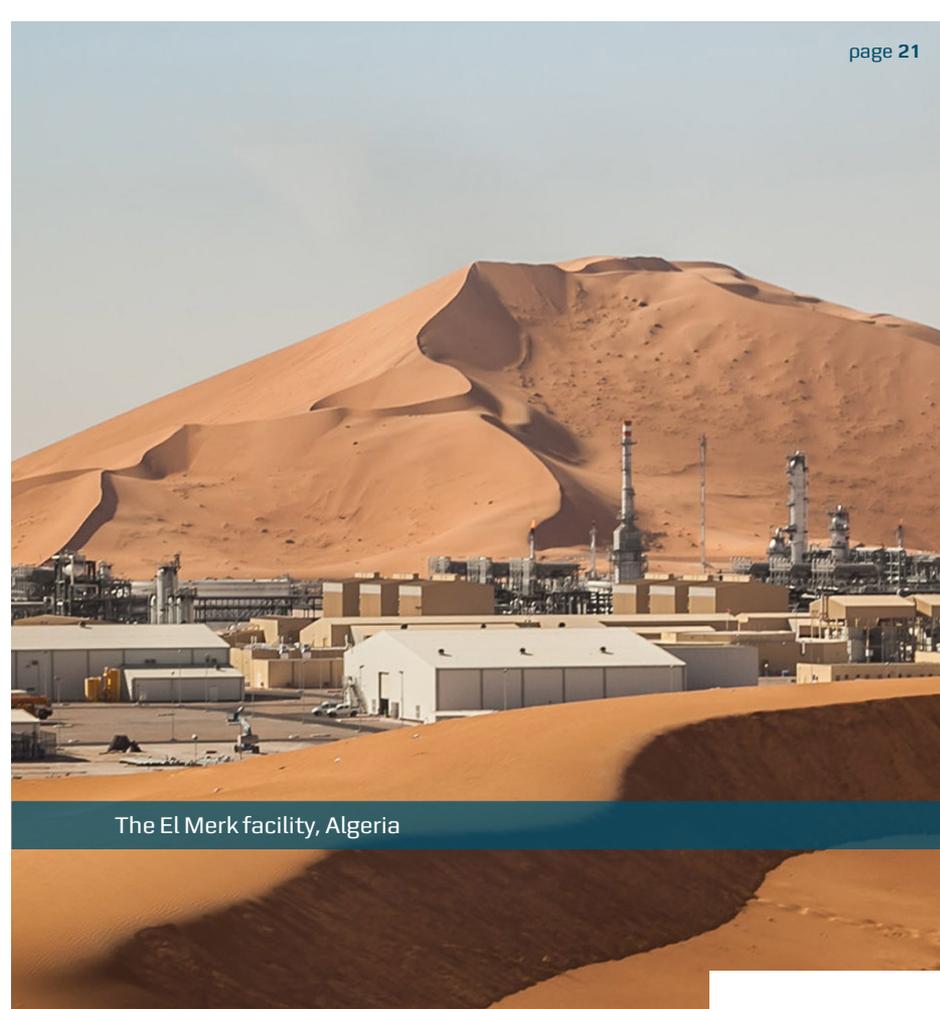
2013 Highlights

- 1P reserves replacement ratio increased to 79% with 86 million barrels entitlement production (2012: 65%)
- 2P + 2C reserves and resources increased 8%
- Post-2017 Qatar reserves and resources not included



Solid financial delivery during the growth phase

- Material growth through existing projects
- Consistent contribution to Group results
- Maintain double digit ROIC
- Increased focus on cost and efficiency



The El Merk facility, Algeria



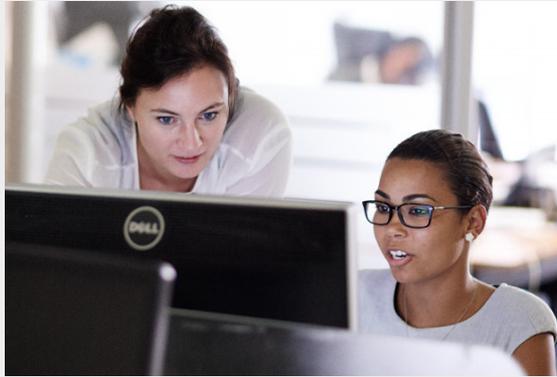
OUR THREE PILLARS

Gretchen H. Watkins
Chief Operating Officer



The three pillars of our business

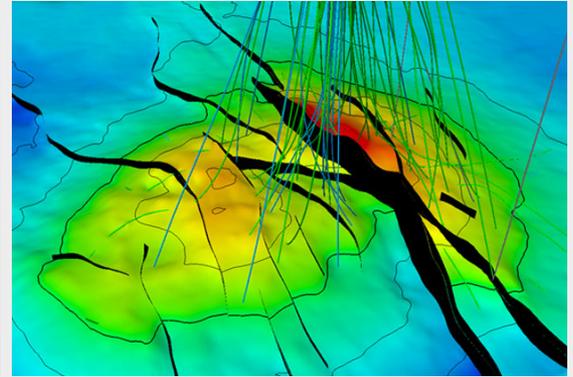
Short-term delivery:
OPERATIONS EXCELLENCE



Medium-term growth:
PROJECT DELIVERY



Long-term growth:
EXPLORATION & ACQUISITION

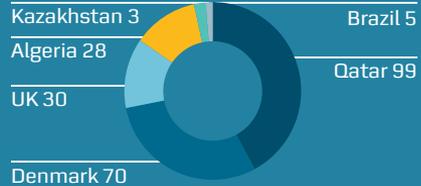


SAFETY – INCIDENT FREE
TECHNOLOGY
PEOPLE AND LEADERSHIP

Our portfolio of assets



Entitlement Production 2013 ('000 boepd)
Total: 235



● Exploration

○ Projects

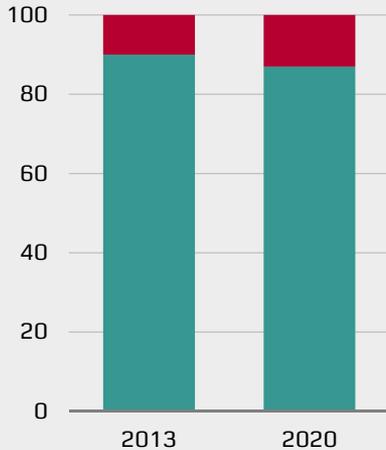
+ Production

Operations Excellence

An evolving portfolio - Maersk Oil Entitlement Production, 2013 and 2020

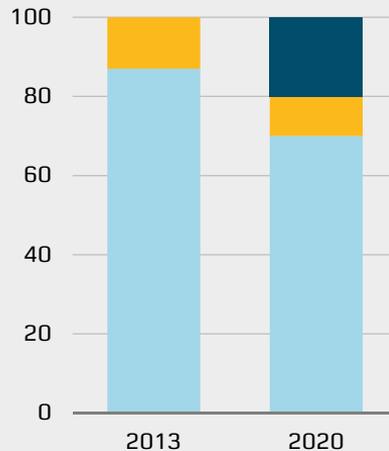
Hydrocarbon type (%)

- Oil
- Gas



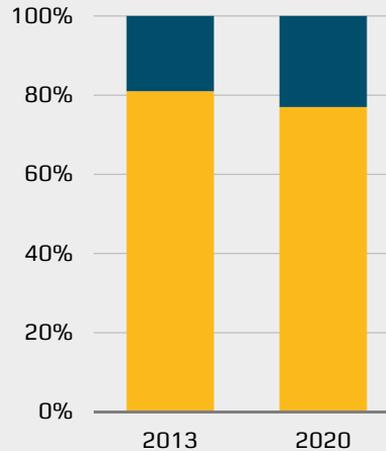
Location (%)

- Deepwater
- Shallow water
- Onshore



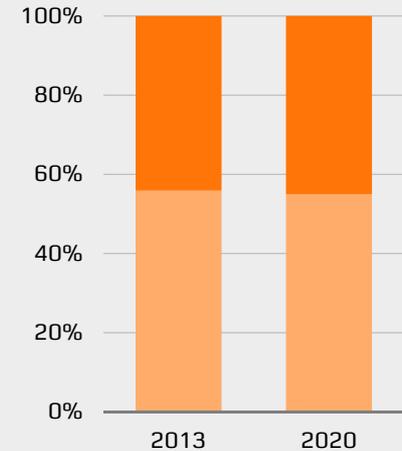
Operatorship (%)

- Operated
- Operated by others



OECD/non-OECD (%)

- OECD
- Non-OECD



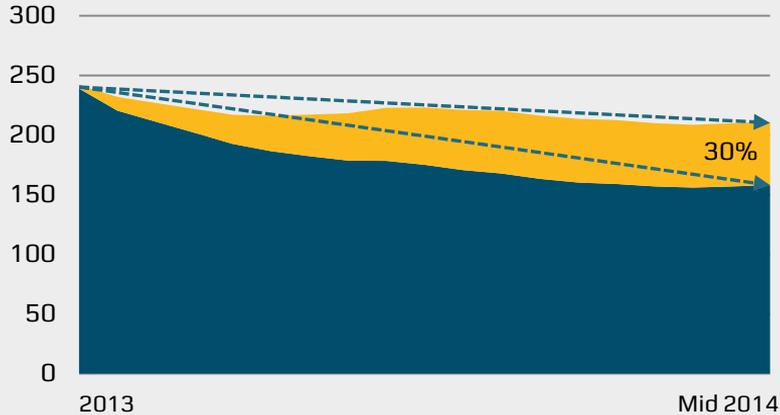
Note: Future production excludes contributions from Exploration portfolio

Operations Excellence

Realising untapped value from late life assets

Production gains from Operations Excellence

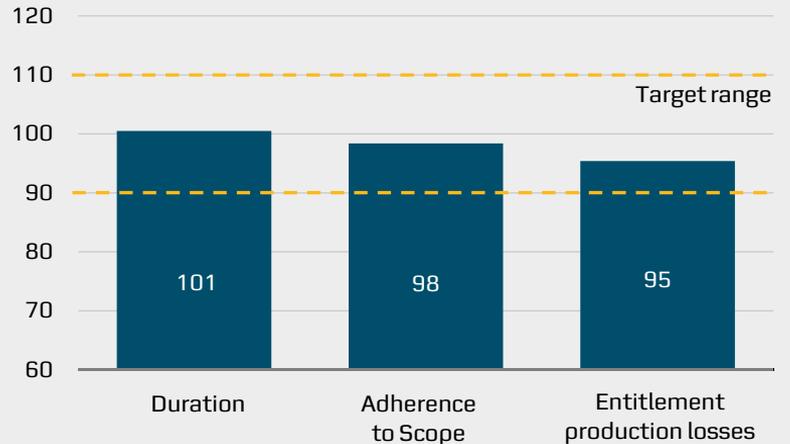
Danish Business Unit, Gross oil production ('000 boepd)
 ■ Operations Excellence gains in 2013-14



› Protect the base and improve recovery through production optimisation and well work-over campaigns

Shutdown performance within target range

Entire Portfolio, Performance index (YTD 2014)

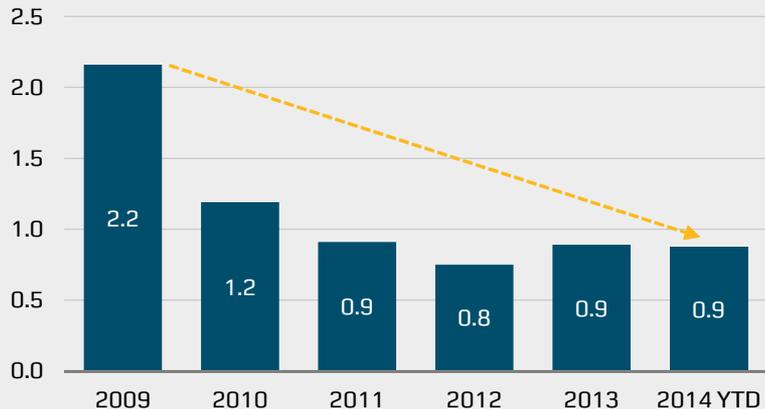


› Excellence in execution of planned integrity programs to preserve assets for the future

Safe and reliable operations

Maersk Oil safety performance

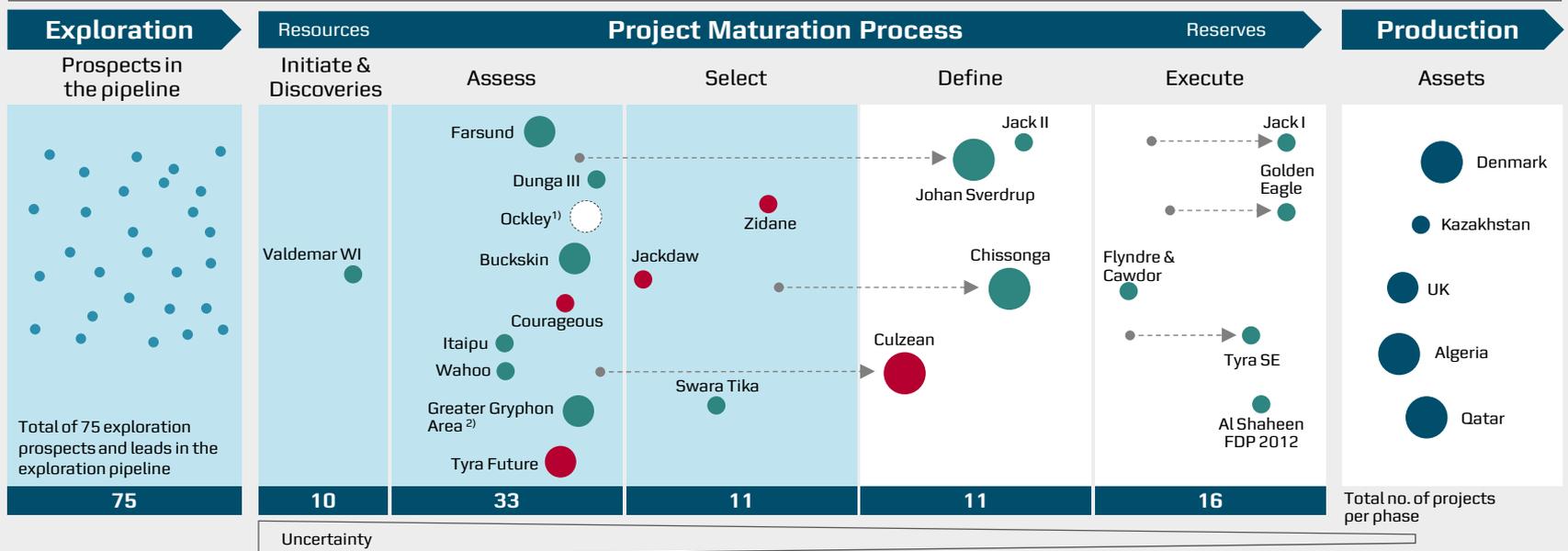
Lost Time Injury Frequency (LTIF) - per million working hours



- Reduced personal injuries over the last 5 years, but the journey to incident free continues
- Reducing process safety risks through focused 5-year plans
- Environmental agenda has led to 80% CO₂ reduction from flaring since 2007

Project Delivery

Maersk Oil's project portfolio



Bubble size indicates estimate of net resources:



Colour indicates resource type:



● Discoveries and prospects
(Size of bubbles do not reflect volumes)

● Progress of key projects
since CMD October 2012

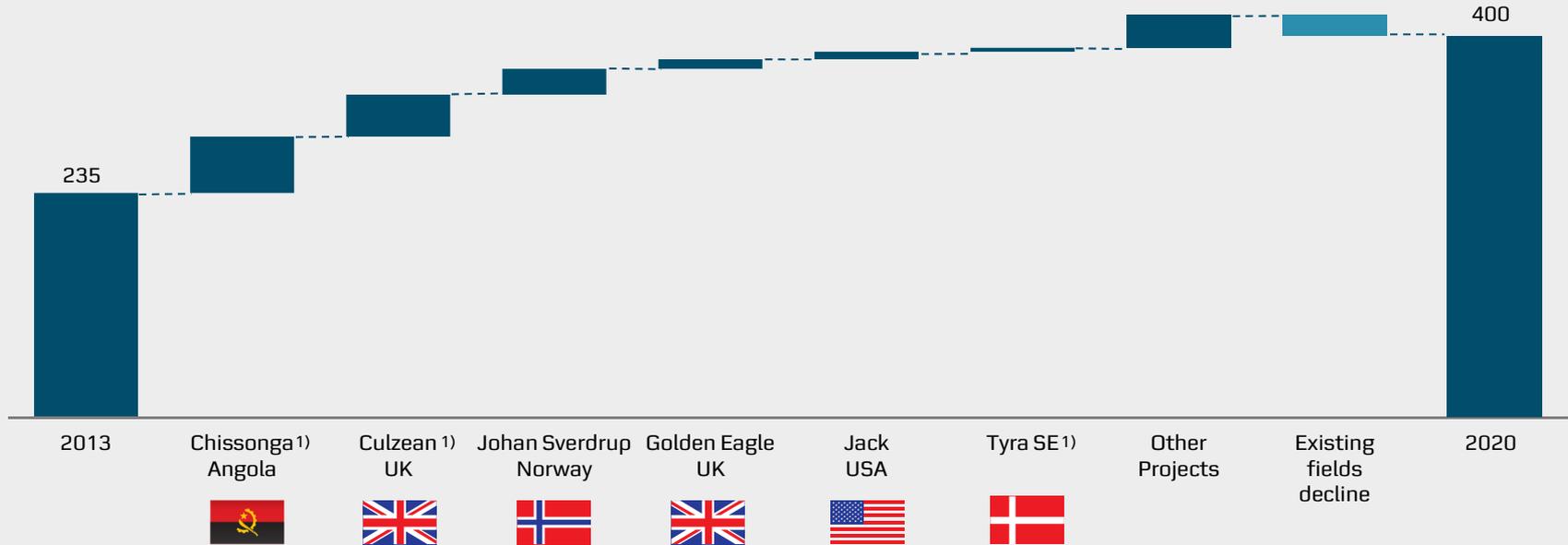
1) Based on careful analysis and evaluation, both technical and commercial, Maersk Oil has decided to terminate the Ockley project.

2) Development of oil resources in the Greater Gryphon Area (Quad 9) before initiating the Gas Blowdown project in the area

Project Delivery

Portfolio of projects to deliver growth >10% ROIC

Entitlement Production ('000 boepd)



1) Operated by Maersk Oil

Note: Existing fields decline is net of work programmes to increase well potential

Projects in Execute - First Oil 2014/2015



Golden Eagle, United Kingdom

- Operated by Nexen (36.54%)
- Co-venturers are Maersk Oil (31.56%), Suncor Energy (26.69%) and Edinburgh Oil & Gas (5.21%)
- Net plateau production is estimated at 20,000 boepd
- Net Capex USD 1.1 billion



Jack, USA

- Operated by Chevron (50%)
- Co-venturers are Maersk Oil (25%) and Statoil (25%)
- Net plateau production is estimated at 8,000 boepd
- Net Capex USD 0.7 billion¹⁾

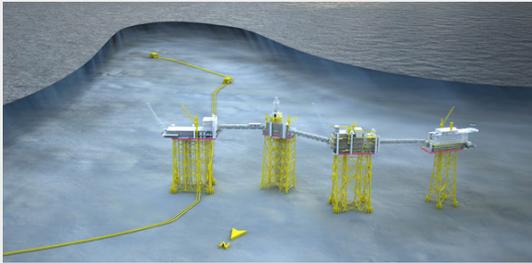


Tyra Southeast, Denmark

- Operated by Maersk Oil (31.2%)
- Co-venturers are Shell (36.8%), Nordsoefonden (20%) and Chevron (12%)
- Net plateau production is estimated at 4,000 boepd
- Net Capex USD 0.3 billion

1) Phase 1 Maersk Oil estimate

Projects in Define - Sanction in 2014/2015



Johan Sverdrup, Norway

- Operated by Statoil (pre-unit operator for all three licenses covering PL265, PL501 and PL502)
- PL501 operator is Lundin (40%), with co-venturers Maersk Oil (20%) and Statoil (40%)
- Net plateau production is estimated at 50-70,000 boepd
- Net Capex (phase 1): USD 2.0 billion¹⁾



Chissonga, Angola

- Operated by Maersk Oil (65%)
- Co-venturers are Sonangol P&P (20%) and Odebrecht (15%)
- Development plan submitted to the authorities, awaiting approval and project sanction
- Tender process ongoing



Culzean, United Kingdom

- Operated by Maersk Oil (49.99%)
- Co-venturers are JP Nippon (34.01%) and BP (16%)
- Net plateau production is estimated at 30-45,000 boepd
- Net Capex USD 3.0 billion

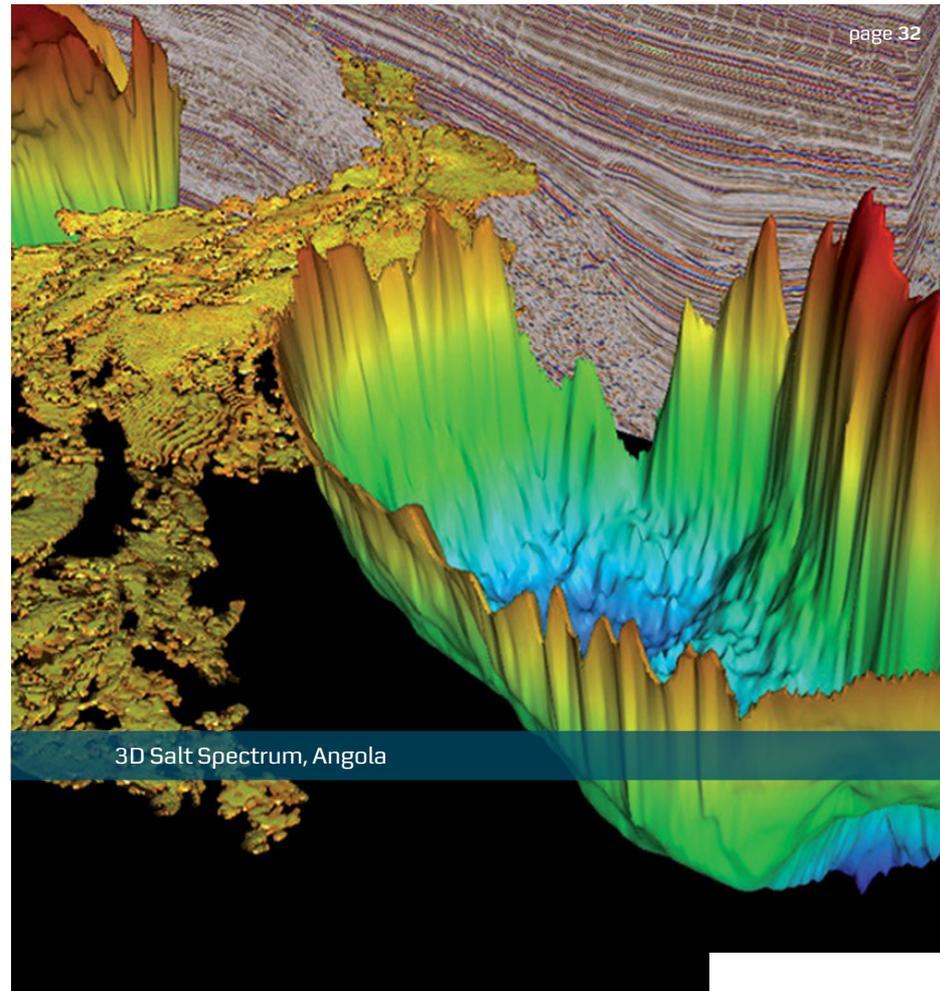
1) Estimates based on concept selection in Q1 2014 for phase 1

Exploration & Acquisition

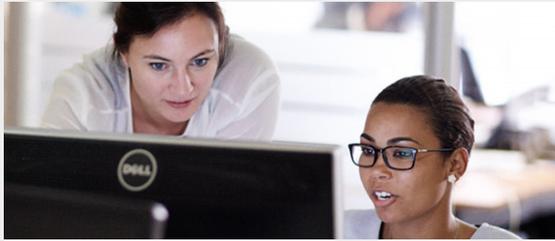
Building long-term value

Increased costs and fewer commercial discoveries have led to:

- Full review of exploration portfolio
- Reduced 2014 exploration spend while in review
- Rebuilding portfolio for long-term growth through exploration and acquisitions



The three pillars of our business



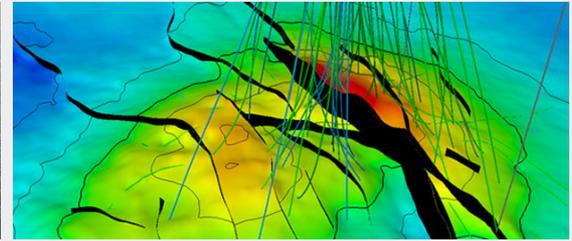
Short-term delivery: OPERATIONS EXCELLENCE

- An evolving portfolio
- Production gains of 30% in the Danish North Sea
- Shutdown performance with in target range



Medium-term growth: PROJECT DELIVERY

- Material growth through existing projects
- Projects progressing on schedule
- Sharp focus on value delivery



Long-term growth: EXPLORATION & ACQUISITION

- Exploration performance is challenged
- Unit finding costs have increased
- Exploration excellence programme launched



PROFITABLE GROWTH

Jakob Thomasen
Chief Executive Officer



A strategy built on Maersk Oil's capabilities



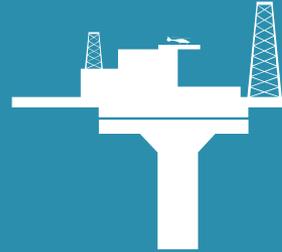
MAXIMIZE VALUE FROM HERITAGE ASSETS

- Top quartile operational performance
- Qatar renewal
- Maximise value - short and long-term value



STRENGTHEN EXISTING POSITIONS

- Sustained materiality
- Organic and inorganic growth
- Preference to operate



LEVERAGE CAPABILITIES FOR GROWTH

- Subsurface resolution
- Well solutions
- Technology deployment
- Solid project delivery

Maersk Oil's portfolio priorities

● MAXIMIZE VALUE FROM HERITAGE ASSETS

- Denmark
- Qatar
- UK
- Algeria

● STRENGTHEN EXISTING POSITIONS

- Norway
- Kazakhstan
- Iraqi Kurdistan
- Angola

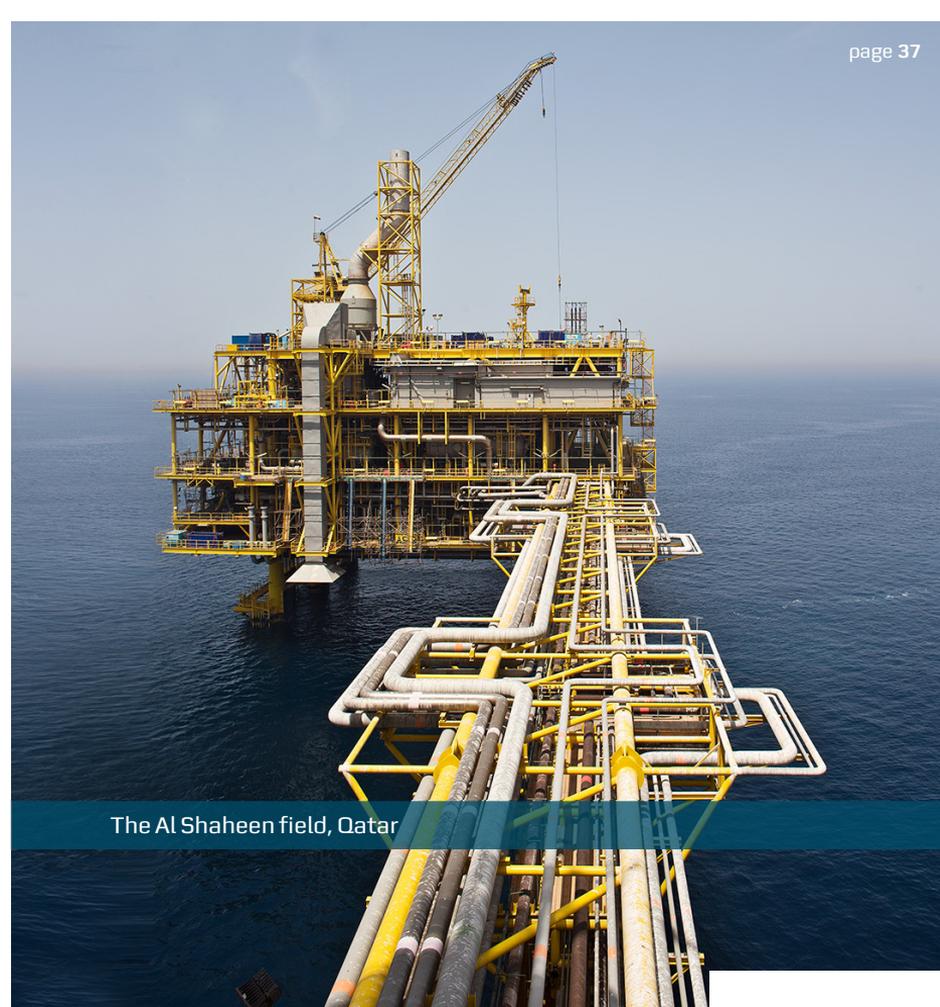
● MANAGE FOR VALUE

- Brazil
- US Gulf of Mexico
- Greenland



Near-term strategic actions

- Focus
- Capital discipline
- De-risking ultra-deep water
- Capital risk management
- Positioning for long-term growth



The Al Shaheen field, Qatar

A great deal achieved, much more to do

6%

Production growth
has returned

300 mmboe

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Thank you

