



Maersk Group **Progress update on strategic review**

September 2016

Forward-looking Statements

This presentation contains forward-looking statements. Such statements are subject to risks and uncertainties as various factors, many of which are beyond A.P. Møller - Mærsk A/S' control, may cause actual development and results to differ materially from the expectations contained in the presentation.

New strategic direction

Reorganising the Group to enable strategic focus and profitable growth

- ✓ The new direction will support a higher level of strategic focus, profitable growth and a disciplined capital allocation. As a consequence the Group's portfolio will be reorganised into two separated divisions: Transport & Logistics and Energy
- ✓ Transport & Logistics
 - The unique position supported by industry leading digitalised solutions will lead to improved product offerings and services to customers
 - Operating as one integrated company will generate synergies
 - Estimated ROIC impact from synergies of up to 2%-points within three years
- ✓ Energy
 - More focused and structurally agile strategies to optimise the values
 - Maersk Oil to focus its portfolio in fewer geographies to gain scale in basins, particularly in the North Sea
 - Oil and oil related businesses, either individually or in combination, to be separated from A.P. Møller - Mærsk A/S. Objective to find solutions within 24 months
- ✓ Continuing focus on ensuring a strong capital structure and defined key financial ratio targets in line with an investment grade rating

Strategic
focus



Profitable
growth



Disciplined
capital allocation

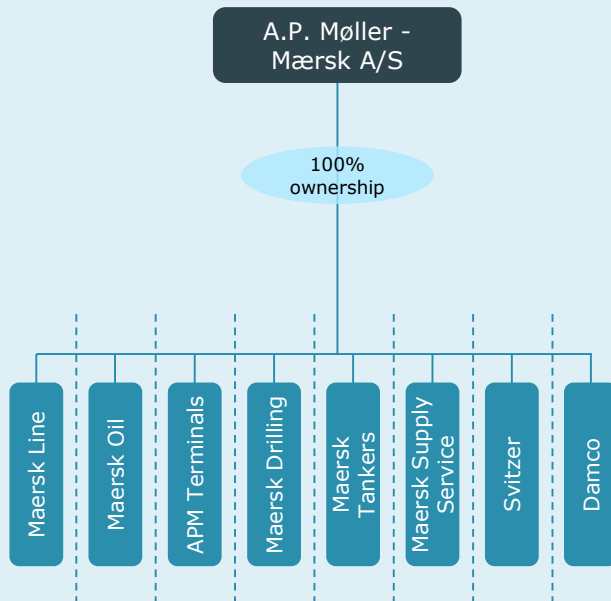


Reorganising the Group's businesses into two divisions

A.P. Møller - Mærsk A/S will become an integrated Transport & Logistics company

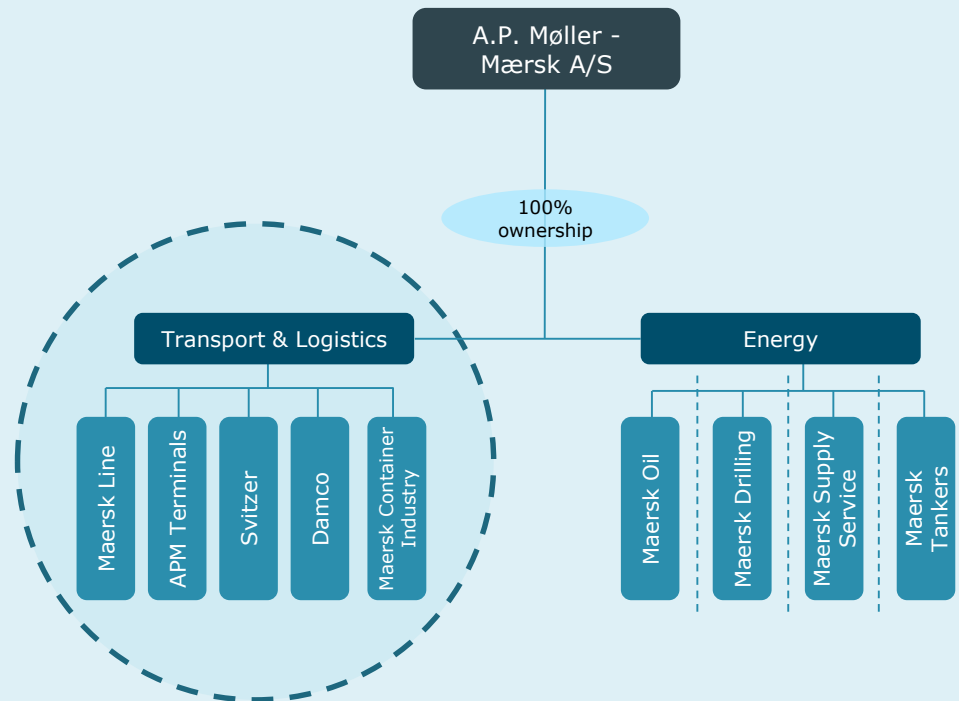
Current structure

Operated as separated business units on arm's length basis



Future structure

Integrating transportation businesses to generate synergies and unlock growth, while entities in Energy continue to operate separately to optimise the values



The new structure will enable a higher level of strategic focus

Background for strategic review

Responding to challenges in our industries

External drivers

Disruptions:

- Digitalisation
- Low growth
- Nearshoring
- Change in energy consumption

Macro:

- GDP growth
- Private consumption
- Currency changes
- Policy decisions

Freight rates/oil price:

- Supply/demand imbalance
- Cyclicalities
- Limited visibility
- Increased uncertainty

Internal drivers

Group challenges:

- All businesses structurally challenged
- Lack of top line growth
- Investments not meeting return requirements

Transport & Logistics:

- Focus on transparency and accountability have created "stand-alone" business units with limited synergies

Energy:

- Oil and oil related businesses, all top quartile performers, need to adapt to new market outlook

Why now?

Cost and operation:

- All businesses have significantly improved cost efficiency and delivered high operational performance and are now better positioned for the new strategic direction

Portfolio management:

- The process of focusing the Group and divesting non-core assets has been completed

Legal structure:

- Businesses are legally separated, enabling different solutions, including separation from A.P. Møller - Mærsk A/S

Strategic intent

Strategic initiative supported by new structure

Key strategic changes

Refocusing the internal structure of the Group enables

- Strong strategic focus
- Profitable growth
- Increased agilities and synergies
- Disciplined capital allocation

All enabling longevity of the Group while maximising shareholder value

Key strategic intent

1

Transportation & Logistics

- Improve product offerings and customer experience supported by innovative and digitalised solutions and services
- One company structure with multiple brands, enabling synergies
- Operate the industry's most effective and reliable network combined with operational excellence and cost leadership

2

Energy

- The division will be managed with an active owner mindset with four individual companies
- Different solutions for the individual oil related businesses will be sought, which include separation of entities either in form of JVs, mergers or listing
- Maersk Oil will continue to invest in strategic projects already sanctioned or under development
- New investments in offshore service businesses and Maersk Tankers will be limited

3

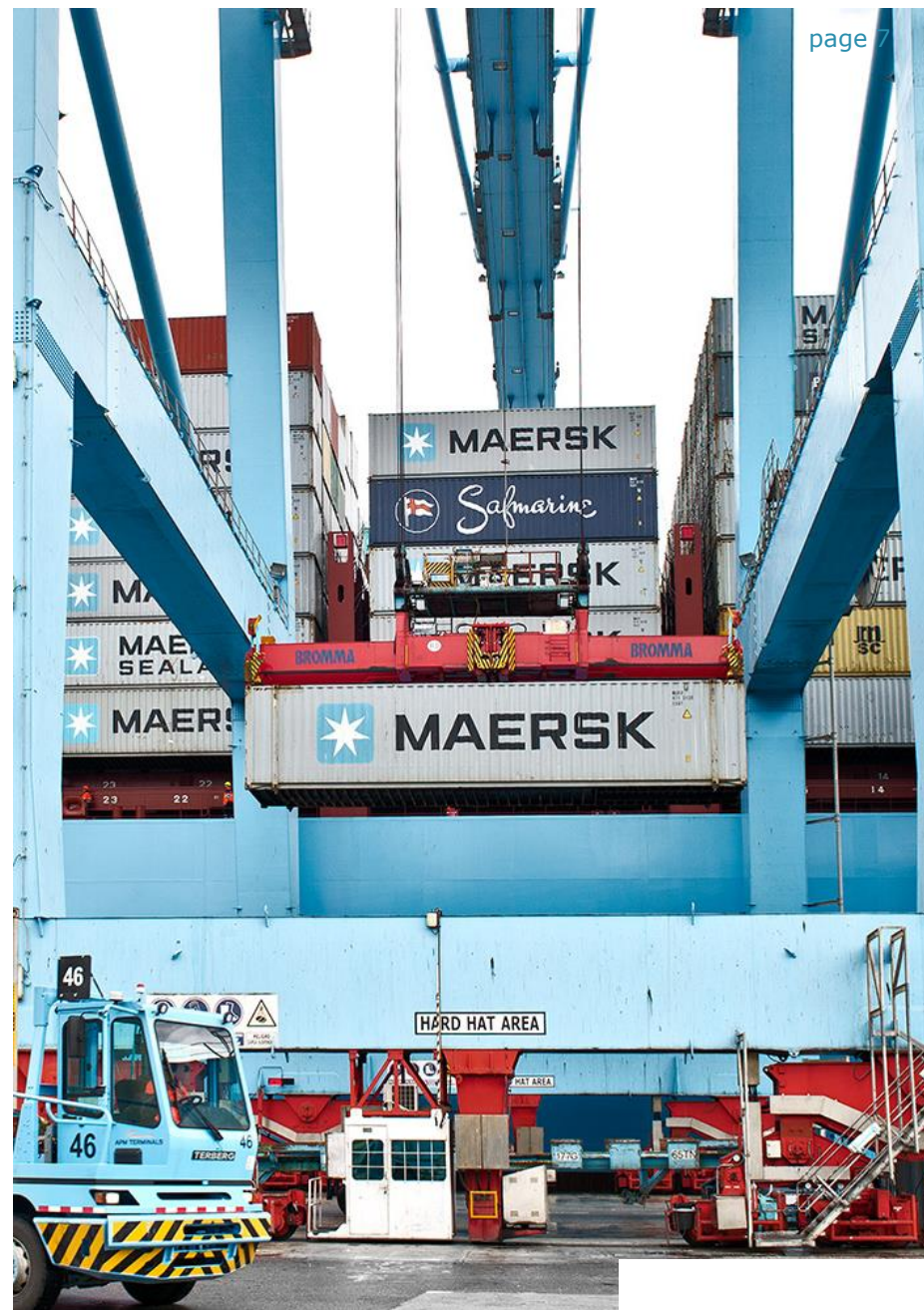
Capital allocation, performance management, leadership

- Focus on disciplined capital allocation with growth ambitions in Transport & Logistics and optimising value in Energy
- Both divisions will be managed with separate management teams with solid industry experience and financial targets
- Continuing focus on ensuring a strong capital structure and defined key financial ratio targets in line with an investment grade rating

Transport & Logistics

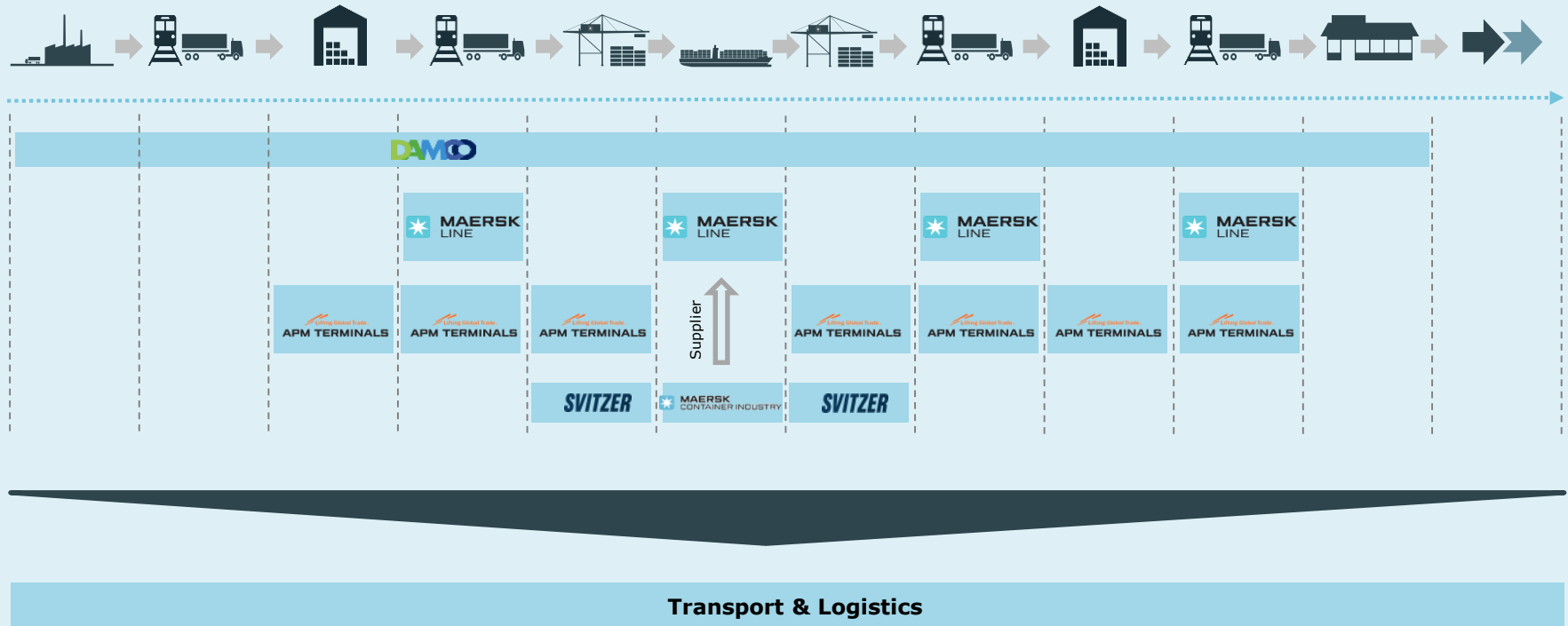
Focus on growth and synergies

- Transport & Logistics will consist of:
 - Maersk Line
 - APM Terminals
 - Damco
 - Svitzer
 - Maersk Container Industry
- Operating on a one company structure with multiple brands
- Three pillars to deliver profitable growth:
 - Improved product offerings and customer experience based on combined capabilities supported by industry leading digital solutions
 - Harvest synergies and optimise operations to secure the industry's most effective and reliable network
 - Capital discipline will be ensured and when making investments, acquisitions will be the preferred option



Transport & Logistics

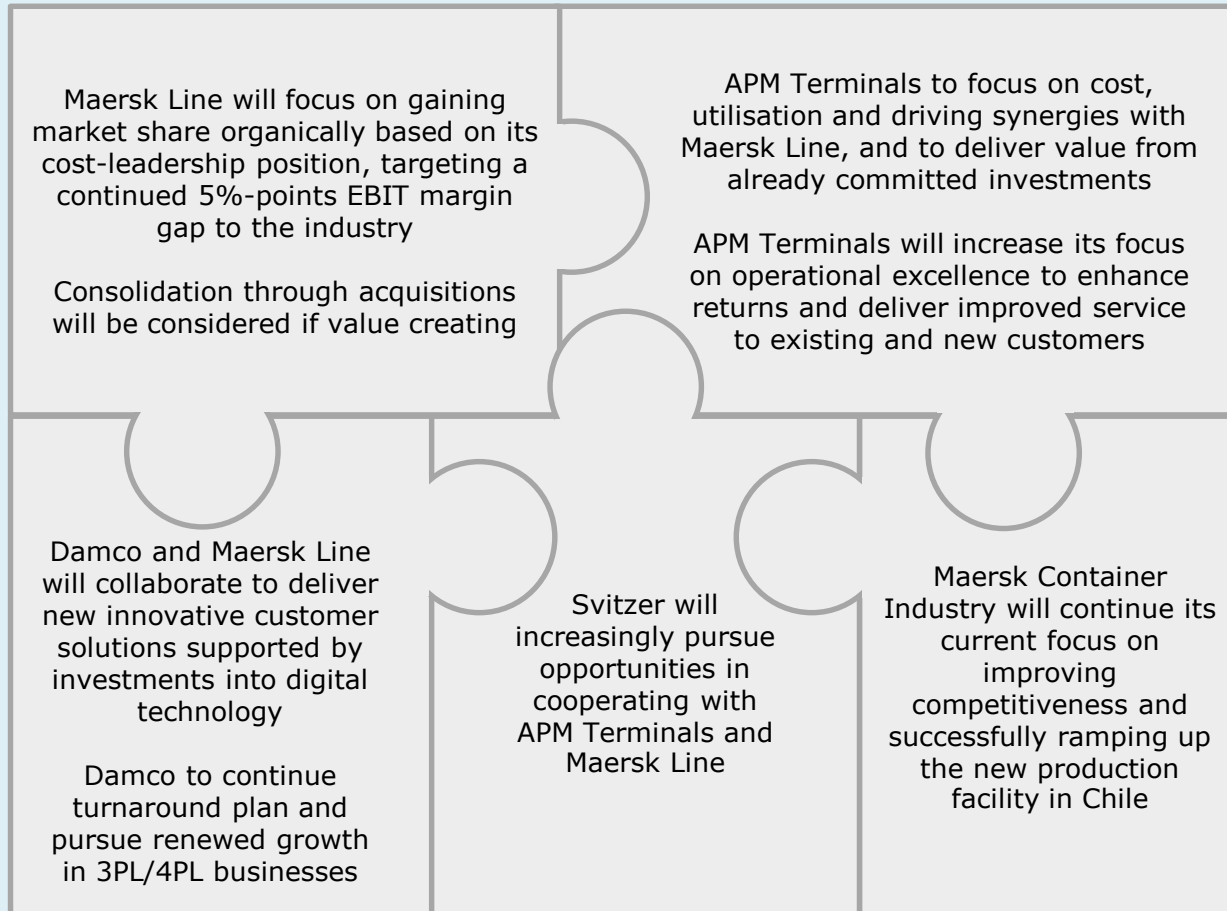
Leveraging existing strong positions throughout the value chain



Unique starting point to create a truly integrated Transport & Logistics company

Transport & Logistics

Strategies for the individual businesses



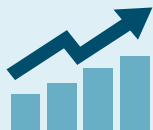
Transport & Logistics

Growth and synergies from integration

Revenue growth

Cross selling of existing products and services throughout the value chain

Development of new products via innovative, digitalised solutions



Cost savings and other benefits

Operational efficiency

Better utilisation of existing assets

IT and scaling digital platform



Improved capital discipline

Disciplined capital allocation for organic investment

When making investments, acquisitions will be the preferred option



Up to 2pp
ROIC



Energy

Entities to continue to operate separately

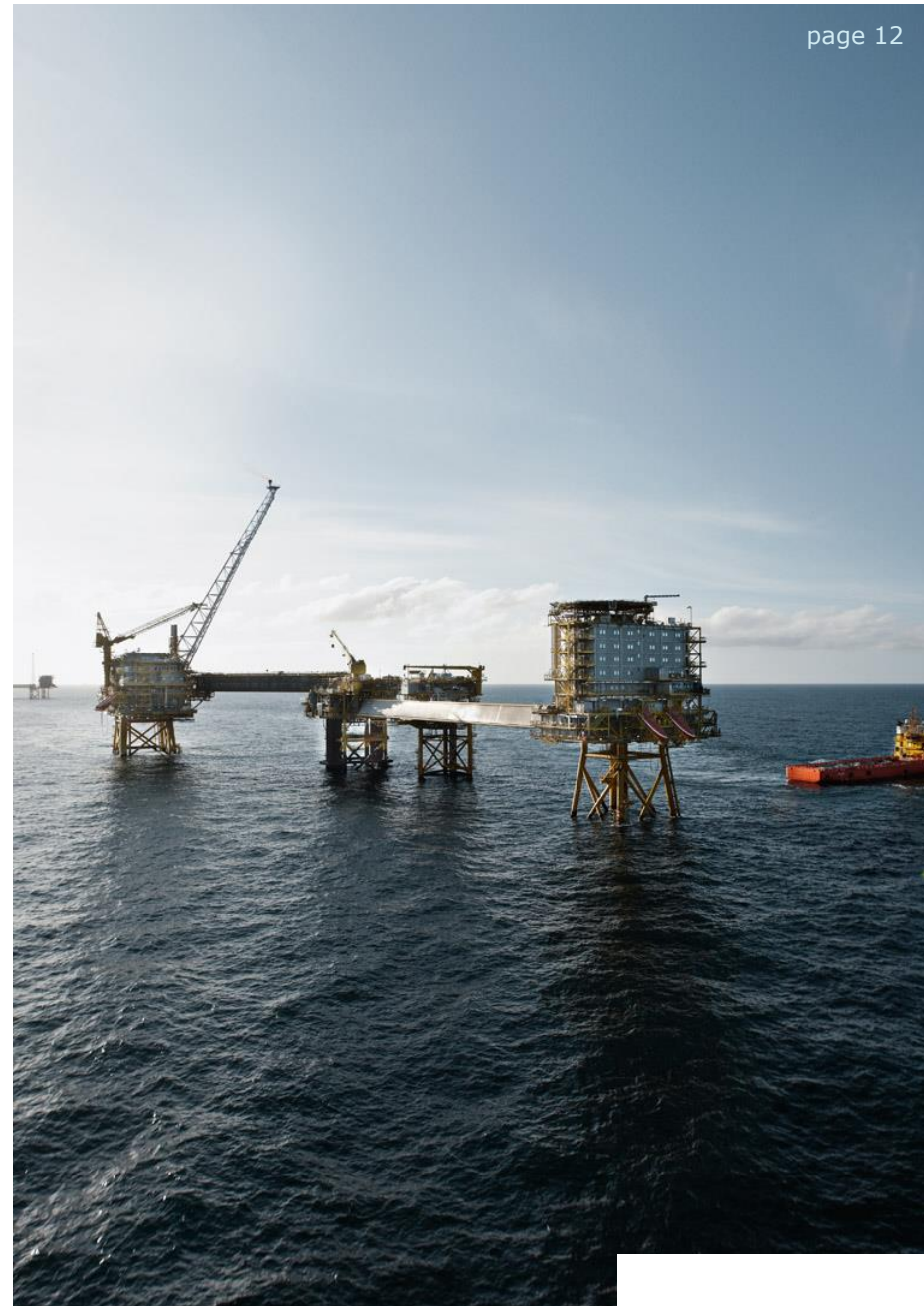
- Energy will consist of:
 - Maersk Oil
 - Maersk Drilling
 - Maersk Tankers
 - Maersk Supply Services
- More focused and structurally agile strategies to optimise the values
- The division will be managed with an active owner mindset
- The individual businesses will require different solutions for future development including separation of entities separately or in combination from A.P. Møller - Mærsk A/S in form of JVs, mergers or listing
- Depending on market development and structural opportunities, the objective is to find solutions for the individual entities within 24 months



Energy

Maersk Oil: Creating scale and leveraging core capabilities in the North Sea basin

- Maersk Oil will create value by adjusting the strategy to focus its portfolio in fewer geographies to gain scale in basins, particularly in the North Sea, through mergers or acquisitions and by leveraging capabilities within subsurface modelling, well technology and efficient operations
- The strategic focus will be reflected in a disciplined capital allocation, but significant investments in strategic projects already sanctioned or under development will continue as planned
- Exploration activities and expenses to remain at a low level
- Well positioned for energy transition with increasing gas exposure



Energy

Maersk Drilling and Maersk Supply Service: Optimising the values

Operational performance

Focus on delivering high quality performance with existing assets

Well positioned in their industries with one of the youngest and most advanced fleet

Strict focus on cost efficiency and cash flow generation



Disciplined capital allocation

Continue to optimise market position within the existing fleet and order book

New investments will be limited



Structural opportunities

Consider structural options



Optimising
the values

Energy

Maersk Tankers: Continuing executing on existing strategy of “taking lead”

Cost leadership, operational platform

Pure play market leader with a strong scalable platform and fleet

Cost leadership

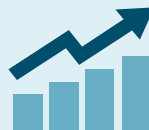
New investments will be limited



Third party services, active position taking

Profitable and scalable service offerings to third party customers

Active position taking using analytically driven approach to take positions in spot market, time charter and assets



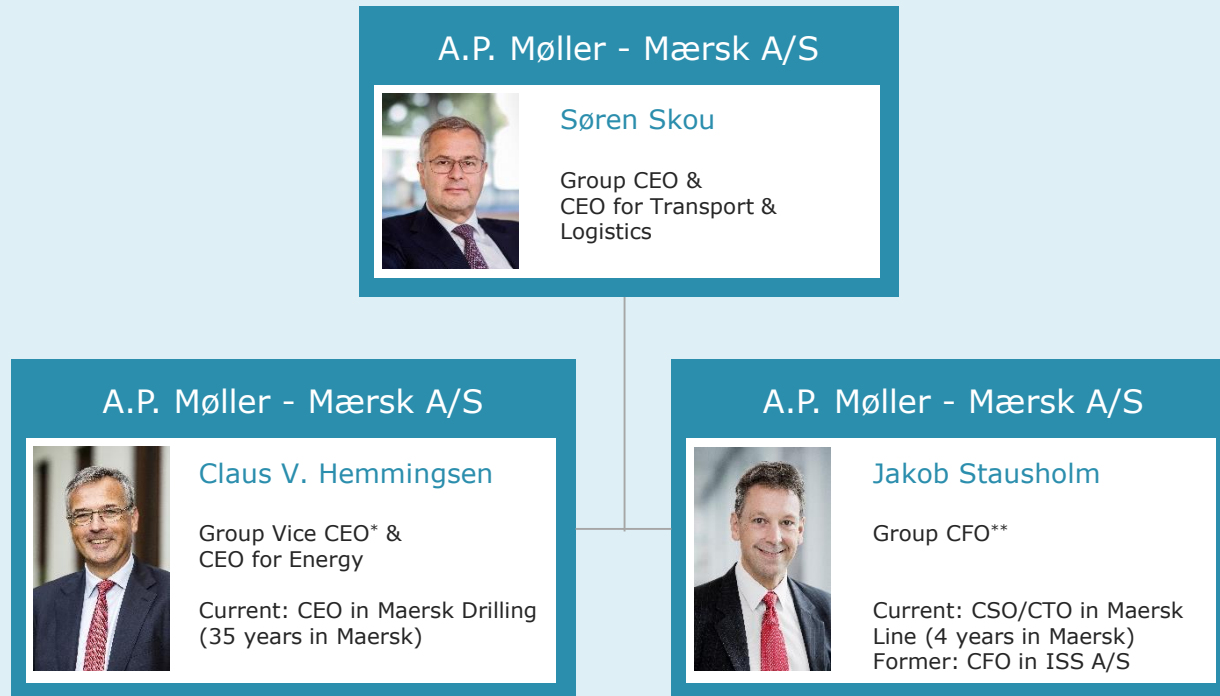
Structural opportunities

Consider structural options



Reorganisation and management

The financial reporting for the new structure will be effectuated from Q1 2017



Capital Markets Day 2016 will be held in Q4 2016

*As of 1 October 2016

**As of 1 December 2016



Q&A

To ask a question please press **01**