A.P. Møller-Mærsk A/S

FY 2017 report

Date	9 February 2018
Conference call	11:00 am CET
Webcast	investor.maersk.com

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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' (APMM) control, may cause actual development and results to differ materially from the expectations contained in the presentation.

Comparative figures

Unless otherwise stated, all comparisons refer to y/y changes

2017

Key Statements

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Key Statements FY 2017

Highlights 2017

Transforming the company

- Important steps taken in **transforming APMM** towards becoming an **integrated transport & logistics company** with the announced separations of Maersk Oil, Maersk Tankers, and Dansk Supermarked Group and the acquisition of Hamburg Süd
- **Maersk Drilling** and **Maersk Supply Service** have been **reclassified as discontinued businesses** with solutions expected before end of 2018
- **Closing of the Maersk Oil transaction** is still expected in Q1 2018 and **APMM reiterates that, subject to meeting its investment grade objective**, a material portion of the value of the Total S.A. **shares will be distributed to shareholders during the course of 2018/19**
- **Proposed ordinary dividend for 2017 of DKK 150 per share** (DKK 150)

Synergies in focus

- The **Hamburg Süd transaction** closed November 30th with a purchase price of EUR 3.7bn (USD 4.4bn) on a debt-free basis (EV)
- The **integration is progressing**, and we reiterate the expectations of **synergies of USD 350-400m by 2019**
- **Synergies of USD 0.1bn were realised in 2017 from the integration** of businesses within transport and logistics and **reiterate target of up to 2pp** improvement in ROIC by 2019 equal to **USD 0.6bn**
- **Closer collaboration between Maersk Line and APM Terminal** have unlocked synergies as also closer planning between **Maersk Line and MCI** have contributed in 2017

Celebrating the welcoming of Hamburg Süd, employees at the Copenhagen headquarters could explore the world of Hamburg Süd and learn more about the integration inside one of the iconic red containers.

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Key Statements FY 2017

Highlights 2017

2017 a year with operational challenges

- **Market fundamentals** were strong throughout the year with global container demand growth of 5%, however **reactivation of the global idle fleet and increasing new-build deliveries** during the year negatively impacted freight rates in the second half of the year
- A **challenging year for the business due to the cyber-attack** in June combined with disruptions at some of **our terminal hubs and lower average network utilization in Maersk Line**, led to weaker competitive results
- **APMM reported an improvement in underlying profit** of USD 0.9bn and a growth in revenue of USD 3.7bn
- **Operating cash flow improved** by more than USD 1.3bn, and **contractual capex commitments kept declining.**

Operational rebound in Q4

- **Higher bunker fuel prices in combination with freight rates under pressure** negatively impacted Maersk Line's earnings and resulted in underlying result at the **low end of the guidance range**
- During Q4, **reliability improved significantly in Maersk Line,** reflecting a **recovery** from the low level following the cyber-attack
- Volume **grew by 3.6% and unit cost on a fixed bunker price** in Maersk Line **ended the year at the same level as 2016,** excluding Hamburg Süd
- **Despite volumes growing** in line with the market in Q4, the annual growth was **below the market growth**
- **APM Terminals** revenue and earnings **improved** and volume continue to growth faster than the market with stable development in cost per move.

2017

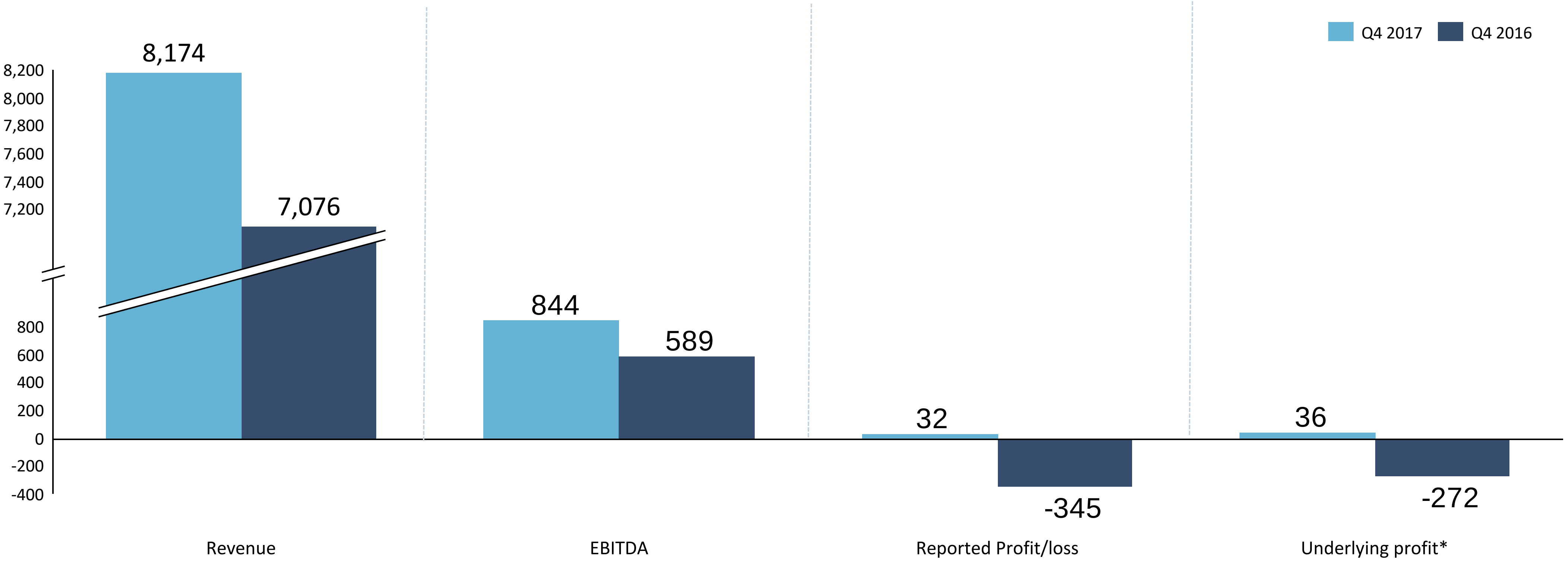
Financial Highlights

Financial Highlights Q4 2017

Revenue and earnings **growth**

USDm (continuing businesses)

Financial highlights



Revenue increased by 16% mainly driven by higher revenue in Maersk Line (8% adjusted for Hamburg Süd).

Reported profit of USD 32m was positively impacted by increased freight rates as well as volumes in Maersk Line, partly offset by an increase in bunker price of 25%.

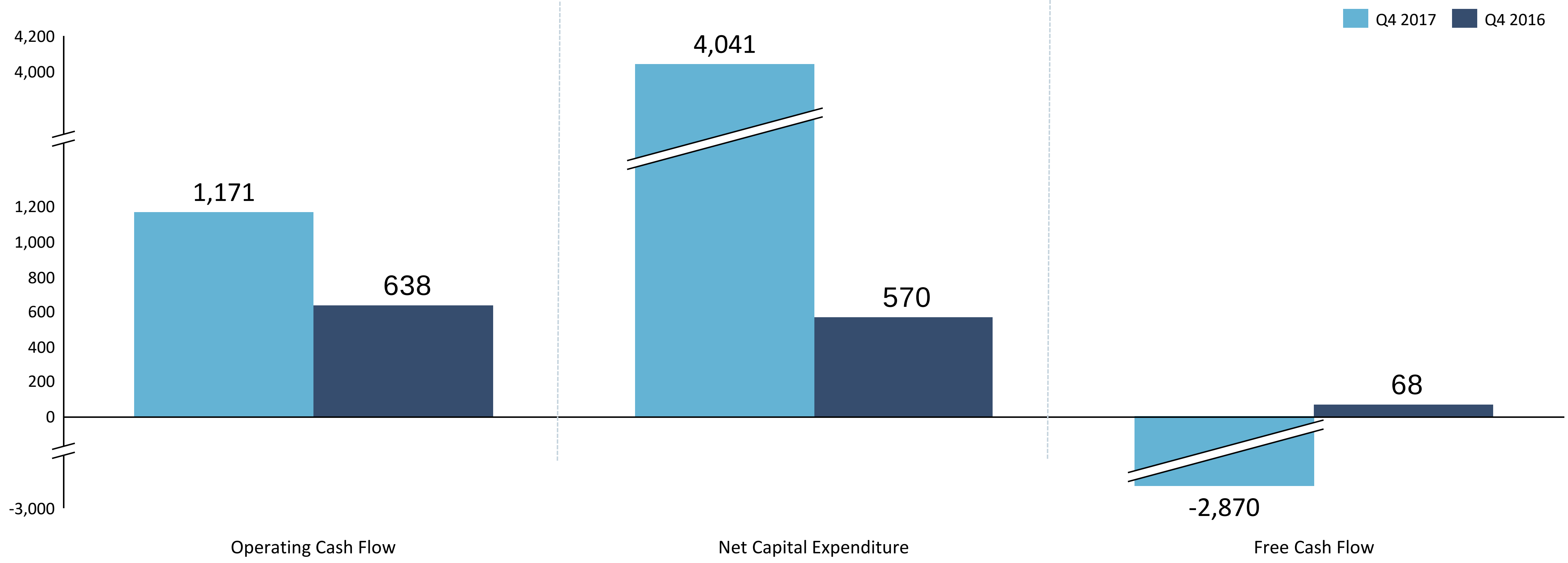
Underlying profit improved USD 308m due to improved underlying result in Maersk Line, despite slowdown in demand and headwind from the increased bunker price.

*Underlying profit/loss is equal to the profit or loss for the period adjusted for net gains/losses from sale of non-current assets, etc. and net impairments losses as well as acquisition and integration costs.
Including Hamburg Süd for December

Financial Highlights Q4 2017

Cash flow impacted by delivery of vessels

USDm (continuing businesses) **Cash Flow**



Cash flow from operating activities increased compared to last year due to improved earnings in Maersk Line.

Net capital expenditure was USD 4,041m (USD 570m) mainly related to the acquisition of Hamburg Süd, delivery of 2 new vessels and container investments in Maersk Line as well as development projects in APM Terminals, partly offset by the sale of Mercosul and remaining shares in Dansk Supermarked Group.

Gross capital expenditures in Q4 17 was USD 5.2bn including Hamburg Süd.

*Including Hamburg Süd for December

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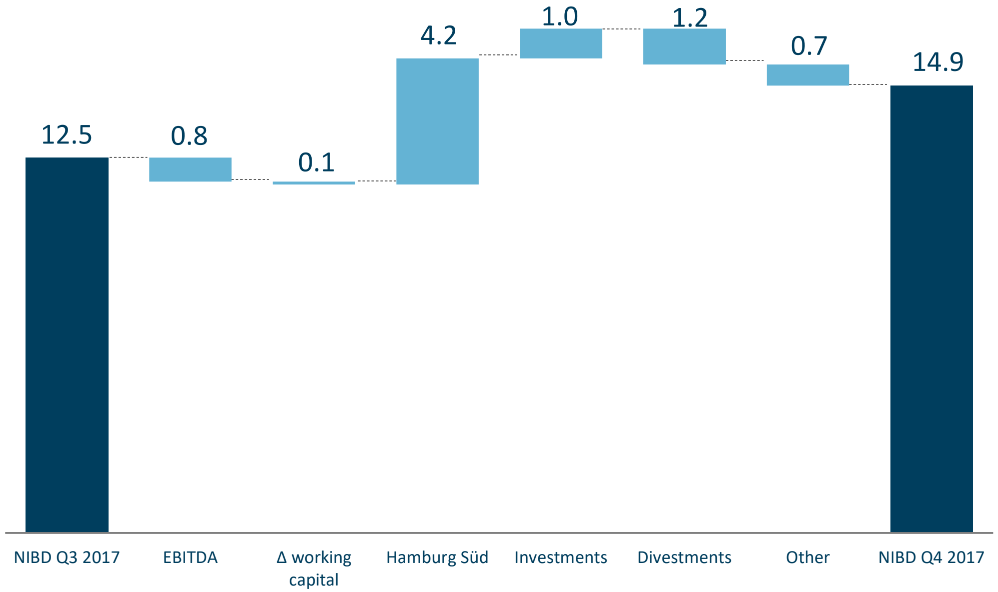
Financial Highlights Q4 2017

Reduced contractual capex commitments

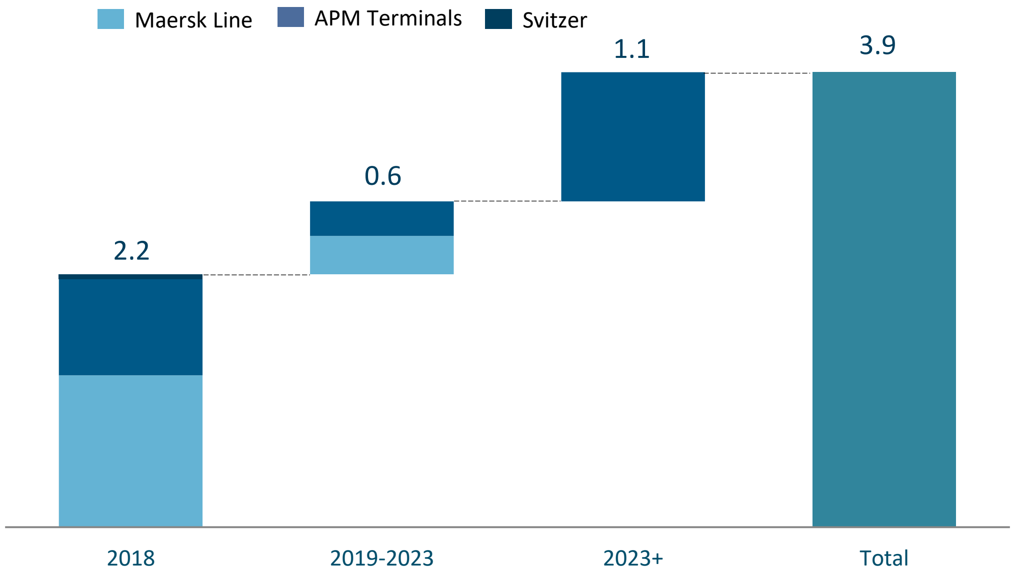
USDbn

Net Debt and Contractual Capex Commitments

Net debt increased from USD 12.5bn in Q3 2017 to USD 14.9bn end of Q4 2017



High degree of flexibility in the future contractual commitment from 2018



A.P. Moller-Maersk is committed to remain investment grade rated and well capitalised.

Funding in place with a liquidity reserve of USD 9.6bn by end of Q4 2017.

Total contractual capex commitments was USD 3.9bn. Compared to end 2016 the total future contractual capex commitments have been reduced by USD 1.5bn.

*Other from acquired/sold NIBD (USD 0.7bn) and impact from discontinued operations, including reclassification to held for sale (USD -1.4bn).
Including Hamburg Süd for December

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A.P. Moller - Maersk

Consolidated financial information

Income Statement (USDm) (Continuing operations)	Q4 2017	Q4 2016	FY 2017	FY 2016
Revenue	8,174	7,076	30,945	27,266
EBITDA	844	589	3,532	2,475
Depreciation, impairments etc.	709	644	3,015	2,495
Gain on sale of non-current assets, etc. net	77	63	154	190
Share of profit in joint ventures	27	40	-131	130
Share of profit in associated companies	34	-120	101	-55
EBIT	**273**	**-72**	**641**	**245**
Financial costs, net	-137	-236	-616	-543
Profit/loss before tax	**136**	**-308**	**25**	**-298**
Tax	104	37	219	171
Profit/loss – continuing operations	**32**	**-345**	**-194**	**-469**
Profit/loss – discontinued operations	354	-2,332	-970	-1,428
Profit/loss for the period	**386**	**-2,677**	**-1,164**	**-1,897**
Underlying profit/loss – continuing operations	**36**	**-272**	**356**	**-496**

Key figures (USD million) (Continuing operations)	Q4 2017	Q4 2016	FY 2017	FY 2016
Cash flow from operating activities	1,171	638	2,596	1,264
Cash flow used for capital expenditure	-4,041	-570	-6,187	-2,073
Net interest bearing debt (APMM total)	14,864	10,737	14,864	10,737
Earnings per share (USD)	4	-12	-11	-25
ROIC (%)	2.9%	-0.7%	1.6%	0.5

*Including Hamburg Süd for December

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Highlights FY 2017

Financial highlights

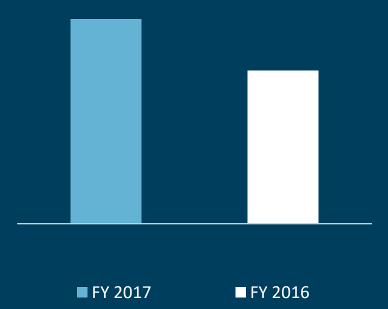
The continuing businesses grew revenue by 13.5% to USD 31bn and reported a loss of USD 194m, negatively impacted by impairments in APM Terminals

The underlying profit of USD 356m improved by USD 852m, consisting of NOPAT USD 1,015m and financial expenses etc. USD 659m.

EBITDA improved by USD 1bn to USD 3.5bn, which was mainly driven by Maersk Line positively impacted by increased rates of 11.7%.

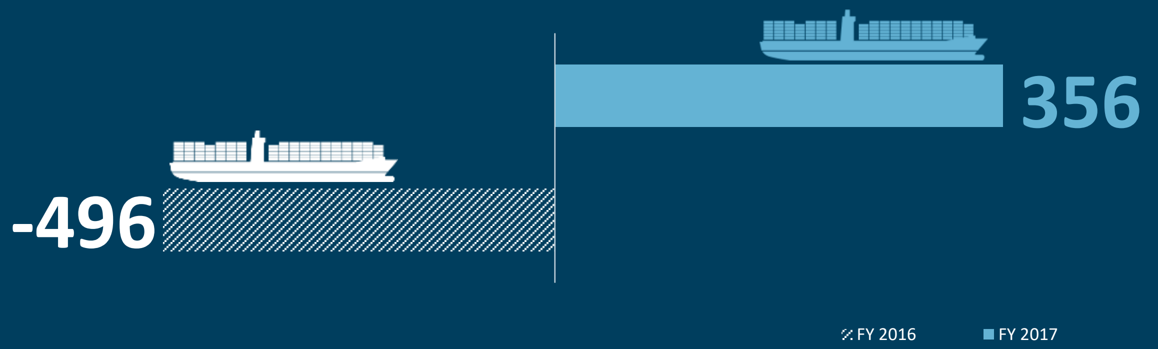
Cash flow from operating activities increased by USD 1.3bn to USD 2.6bn, while cash flow for net capital expenditure was USD 6.2bn (USD 2bn excluding Hamburg Süd).

Revenue



Revenue increased by 13% compared to 2016, mainly driven by Maersk Line and Maersk Container Industry.

Underlying profit (USD m)



	Q4 2017 (USD m)	Q4 2016 (USD m)	FY 2017 (USD m)	FY 2016 (USD m)
Revenue	8,174	7,076	30,945	27,266
EBITDA	844	589	3,532	2,475
Operating cash flow	1,171	638	2,596	1,264
ROIC (%)	2.9	-0.7	1.6	0.5

*Including Hamburg Süd for December

Highlights Q4 2017

Maersk Line

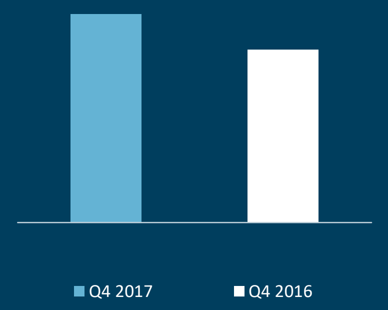
(excluding Hamburg Süd)

Maersk Line reported a profit of USD 91m with a ROIC of 1.8% in Q4 2017

Market demand grew 3% in Q4 2017, however newbuild deliveries, low idling and reduced scrapping lead to higher growth in the effective capacity during the quarter, which was reflected in the declining freight rates

Maersk Line reported a free cash flow of USD 497m in Q4 2017, as the operating cash flow of USD 871m was partly offset by container investments and delivery of 2 vessels.

Revenue



Revenue increased by 14% compared to Q4 2016, driven by an increase in average freight rate of 7.2% and volume growth of 3.6%

Underlying Profit/loss (USD m)

	Q4 2017 (USD m)	Q4 2016 (USD m)	FY 2017 (USD m)	FY 2016 (USD m)
Revenue	6,070	5,321	23,793	20,715
EBITDA	581	349	2,631	1,525
Operating cash flow	871	561	2,389	1,060
ROIC (%)	1.8	-2.9	2.9	-1.9

Maersk Line – highlights Q4 2017

Increased freight rates as well as volumes

Average freight rates increased by 7.2% compared to Q4 2016, driven by improvements on all three main trades. Freight rates have declined since Q2 2017 and are in Q4 2017 lowest for the year

North-South trades reported an improvement of 9.4% in average freight rates

Maersk Line's volumes increased 3.6%, with headhaul on the main trades increasing by 5.2% and backhaul volumes by 0.6%. The increase was mainly driven by East-West trades and Intra-Asia trades

Average freight rate (USD/FFE)	Q4 2017	Q4 2016	Change, USD	Change, %
East-West	2,016	1,929	87	4.5
North-South	2,094	1,914	180	9.4
Intra-regional	1,342	1,264	78	6.2
Total	**1,933**	**1,804**	**129**	**7.2**

Loaded volumes ('000 FFE)	Q4 2017	Q4 2016	Change, FFE	Change, %
East-West	976	925	51	5.5
North-South	1,360	1,330	30	2.3
Intra-regional	462	445	17	3.8
Total	**2,799**	**2,701**	**98**	**3.6**

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Maersk Line – highlights Q4 2017

Volumes recovery partly offset by increasing bunker cost

Bunker cost increased by 35% to USD 903m y/y due to bunker price increase of 25%, while bunker efficiency deteriorated by 4.1% y/y to 949 kg/FFE (912 kg/FFE), which is partly driven by capacity allocated to slot purchase agreements, lower utilisation on the headhaul as well as less backhaul volumes

At the end of Q4 2017 Maersk Line's capacity had increased by 10% compared to Q4 2016, partly due to capacity deployed to accommodate the incoming volumes from the slot purchase agreement. Compared to Q3 2017 the average capacity increased slightly by 0.8%

USD million	Q4 2017	Q4 2016	FY 2017	FY 2016
Revenue	6,070	5,321	23,793	20,715
EBITDA	581	349	2,631	1,525
Reported Profit/loss	91	-146	584	-376
Underlying Profit/loss	**63**	**-155**	**521**	**-384**
Operating cash flow	871	561	2,389	1,060
Capital expenditures	-374	-332	-1,960	-586
Volume (FFE '000)	2,799	2,701	10,731	10,415
Rate (USD/FFE)	1,933	1,804	2,005	1,795
Bunker (USD/tonne)	340	272	320	223
ROIC (%)	1.8	-2.9	2.9	-1.9

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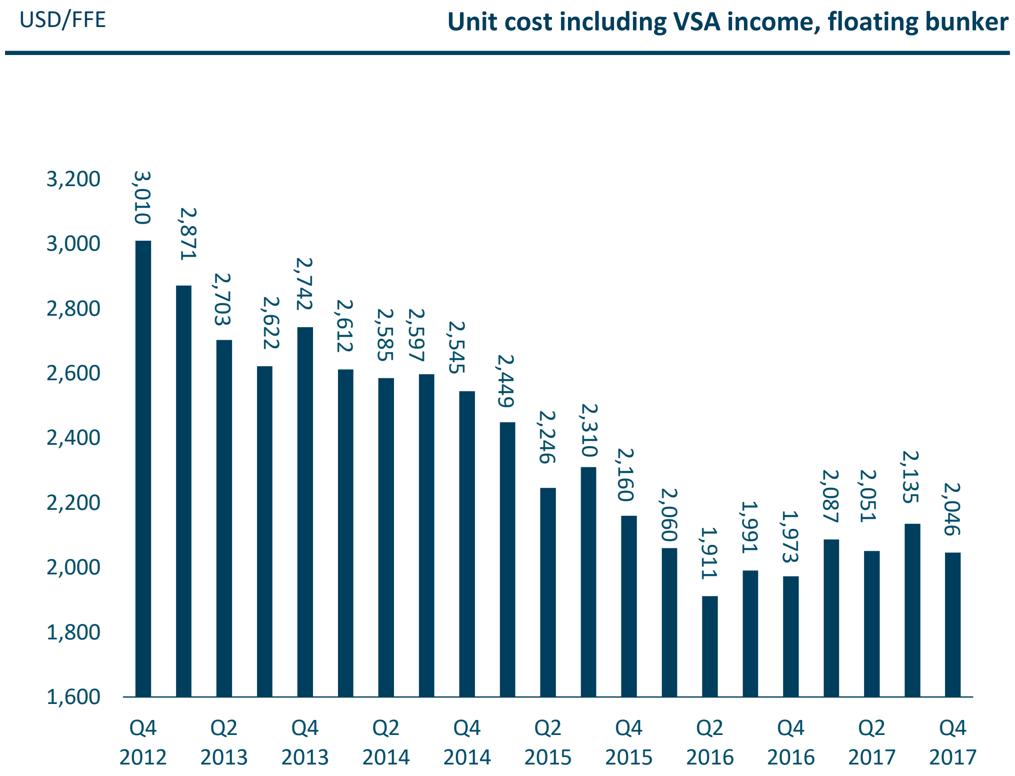
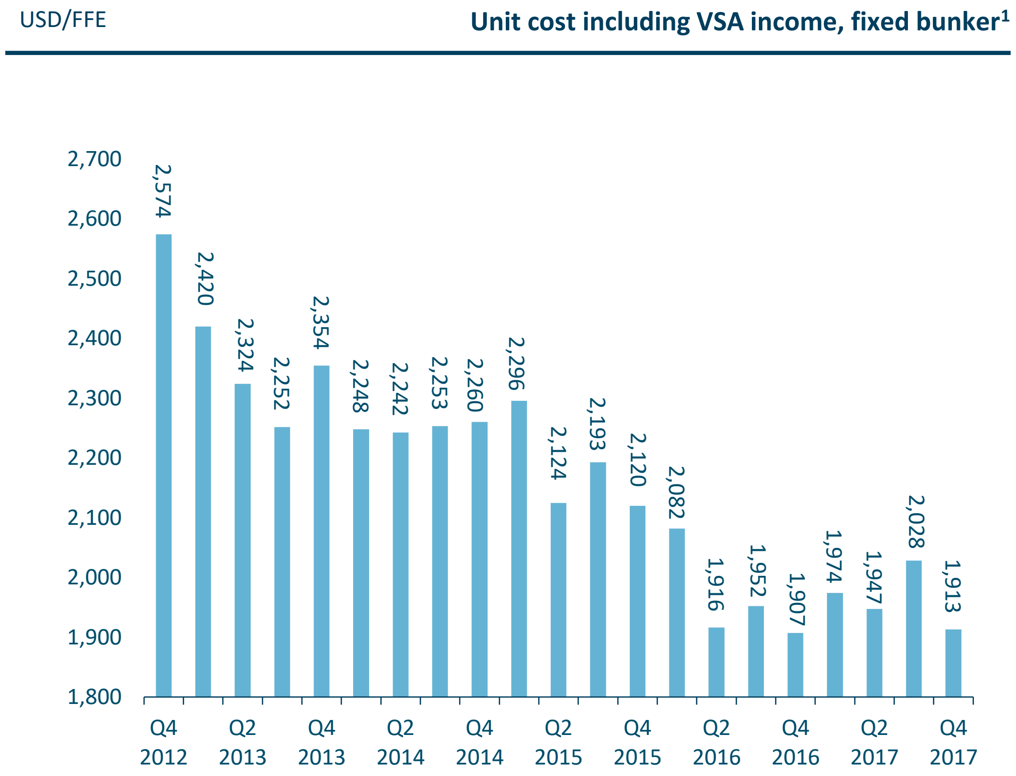
Maersk Line – highlights Q4 2017

Unit cost improvements led to similar level as Q4 2016





Unit cost was 3.7% (73 USD/FFE) higher y/y driven by a 25% increase in bunker price.

At a fixed bunker price, the unit cost was on par (6 USD/FFE higher) y/y and 5.7% (115 USD/FFE) lower q/q.

The decline q/q reflected an improvement in the utilization due to recovery in volumes after the cyber-attack in Q3.

Definition: EBIT cost excl. gain/loss, restructuring cost, associated companies share and incl. VSA income.

Note 1) Fixed at 200 USD/ton

Hamburg Süd update

Hamburg Süd joins Maersk

As of 1 December 2017, Hamburg Süd is a fully owned subsidiary of Maersk Line A/S, and is therefore included in the consolidated financial reporting from this date

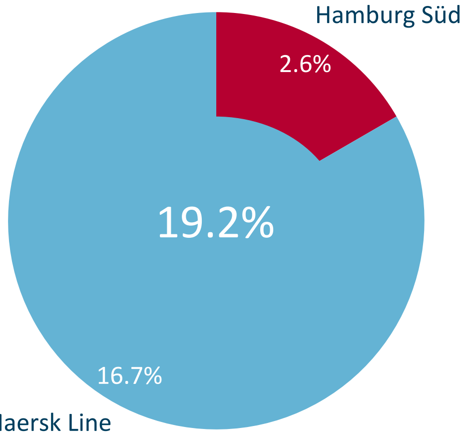
The presented pro forma figures for Hamburg Süd are based on unaudited internal management accounts

In 2017, the pro forma revenue of Hamburg Süd container activities amounted to USD 5,4bn, reflecting an increased market share over the year

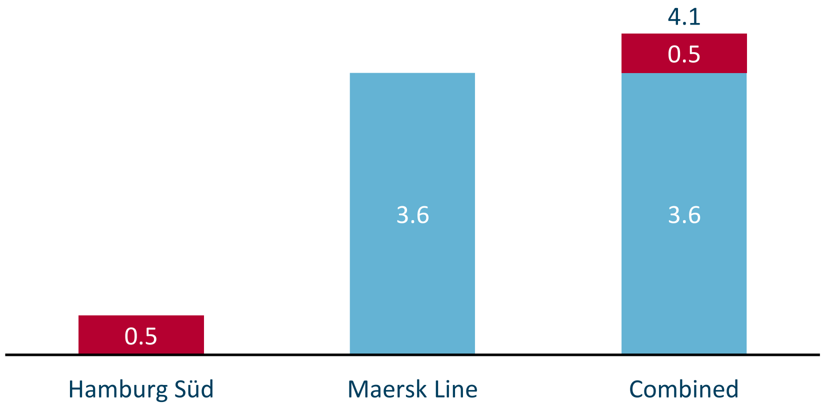
The pro forma underlying profit amounted to USD 85m, impacted by the purchase price allocation effects, including the amortisation of intangible assets in the form of customer relationships and brands.

USD million	Hamburg Süd contribution from acquisition date to 31 December 2017	Hamburg Süd pro forma full year
Revenue	458	5,416
Profit before depreciation, amortisation and impairment losses, etc. (EBITDA)	-5	554
Profit before financial items (EBIT)	-43	80
Underlying Profit/loss	**-8**	**85**

Total capacity share



Capacity (TEU m)



Note: Pro forma figures based on as if Maersk Line had owned Hamburg Süd since 1 January 2017.

Source: Alphaliner end of December 2017

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Highlights Q4 2017

APM Terminals

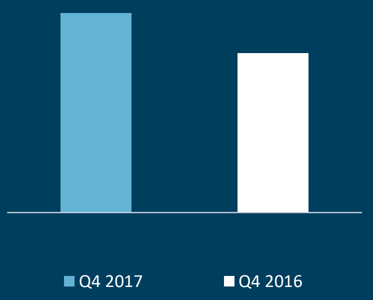
APM Terminals reported a profit of USD 108m, and a ROIC of 5.3%, positively impacted by volumes increasing by 6.8% compared to Q4 2016.

Market recovery continued in Q4 2017 and the latest estimate from Drewry for port container volume growth for Q4 2017 was 4.9% and 6% for 2017.

Operating cash flow increased to USD 263m in Q4 2017 and capex discipline remains a key focus. Free cash flow of USD 17m was generated in Q4

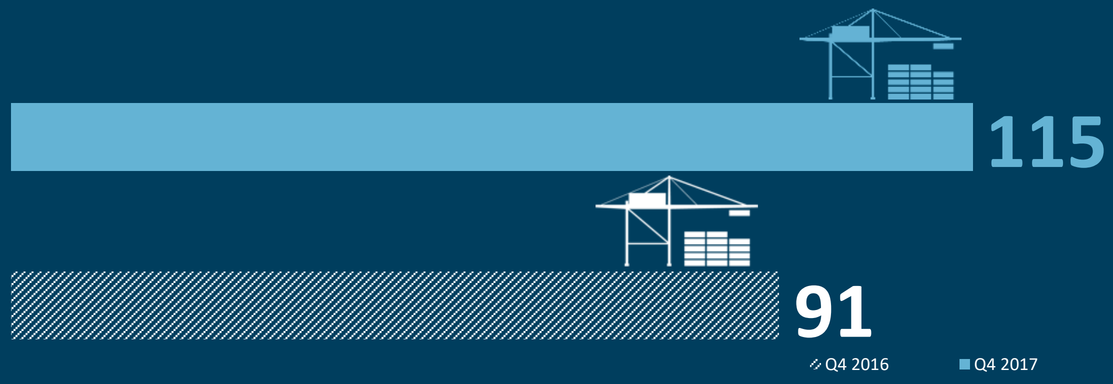
5 commercial agreements have been won, while 1 contract was lost during Q4.

Revenue



Revenue increased by 3%, positively impacted by higher volume and higher construction revenue

Underlying Profit/loss (USD m)



	Q4 2017 (USD m)	Q4 2016 (USD m)	FY 2017(USD m)	FY 2016 (USD m)
Revenue	1,117	1,088	4,138	4,176
EBITDA	212	214	705	764
Operating cash flow	263	199	827	819
ROIC (%)	5.3	4.4	-2.1	5.7

APM Terminals - highlights Q4 2017

Slightly above market growth

Terminal revenue per move increased by 2% mainly due to favorable cargo mix, partly offset by a negative rate of exchange impact.

Unit cost per move was unchanged, which is partly due to cost saving initiatives and positive rate of exchange impact, however offset by cost related to ramp-up of new terminals

Equity weighted throughput increased by 6.8% in Q4, mainly due to Latin America, Europe and North Asia terminals. Like for like throughput increased by 5.0% in Q4 2017

APM Terminals' volumes were positively impacted by strong collaboration with Maersk Line and higher volumes from external customers.

USD million	Q4 2017	Q4 2016	FY 2017	FY 2017
Revenue	1,117	1,088	4,138	4,176
EBITDA	212	214	705	764
Share of profit:				
- Associated companies	28	13	106	92
- Joint ventures	17	33	-158	101
Reported Profit/loss	108	87	-168	438
Underlying Profit/loss	**115**	**91**	**414**	433
Operating cash flow	263	199	827	819
Capital expenditures	-246	-186	-672	-1,549
Throughput (TEU m)	10.3	9.7	39.7	37.3
Revenue per move	201	197	193	198
Unit cost per move	171	171	172	172
ROIC (%)	5.3	4.4	-2.1	5.7

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Highlight Q4 2017

DAMCO

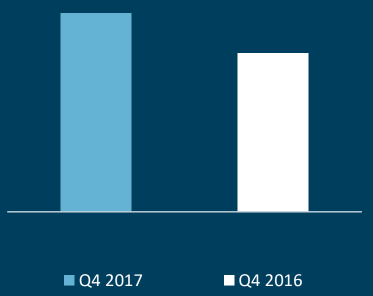
Damco increased revenue by 12% to USD 737m, however reported a loss of USD 21m, which was related to increasing cost from product investments and restructuring as well as recovering from the cyber attack in June 2017.

Margins in supply chain management as well as air freight have improved by 2% and 5% respectively compared to Q4 2016, while margins in ocean were slightly below Q4 2016.

Volumes in supply chain management grew by 8% and 16% in air freight, driven by a strong market demand. Ocean controlled volumes declined 2%, due to reduction in loss making volumes.

Operating cash flow was negative USD 28m (negative USD 20m), mainly driven by reported losses and higher net working capital.

Revenue



Revenue increased by 12%, mainly driven by growth in supply chain management and air freight volumes.

Underlying Profit/loss (USD m)

	Q4 2017 (USD m)	Q4 2016 (USD m)	FY 2017 (USD m)	FY 2016 (USD m)
Revenue	737	657	2,668	2,507
EBITDA	-8	11	-4	70
Operating cash flow	-28	-20	-101	4
ROIC (%)	-26.4	7.3	-12.7	14.6

Highlights Q4 2017

Svitzer

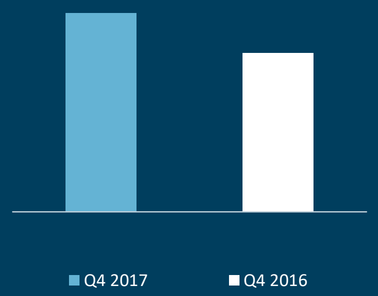
Svitzer reported a profit of USD 26m, with a ROIC of 7.9%, positively affected by increased volumes in Europe and Americas as well as new terminal projects.

The result was positively impacted by lower operational costs from various cost saving initiatives, in addition to improved revenue.

The positive development was partly offset by lower contract prices on harbour towage in some regions.

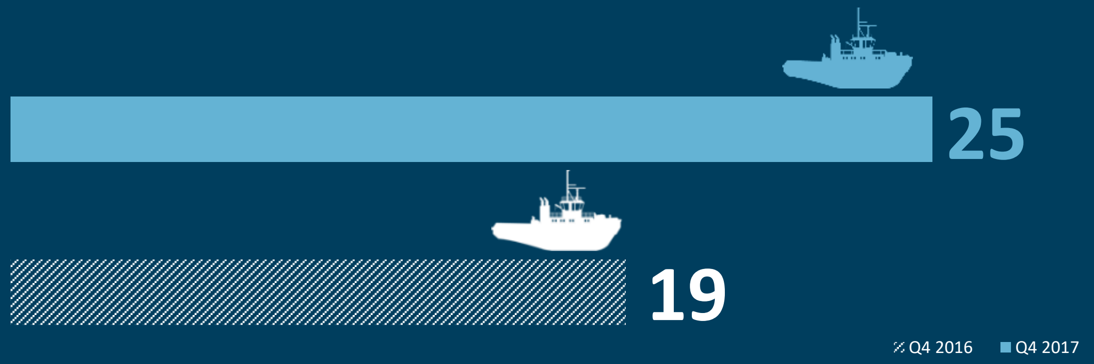
Cash flow used for capital expenditure declined to USD 5m, driven by fewer investments in new vessels and divestment of idle fleet.

Revenue



Revenue increased by 8% compared to Q4 2016, impacted by an increase in activity mainly in Europe and Americas.

Underlying Profit/loss (USD m)



	Q4 2017 (USD m)	Q4 2016 (USD m)	FY 2017 (USD m)	FY 2016 (USD m)
Revenue	166	154	659	642
EBITDA	49	36	197	166
Operating cash flow	66	26	179	144
ROIC (%)	7.9	6.0	7.9	7.5

Highlights Q4 2017

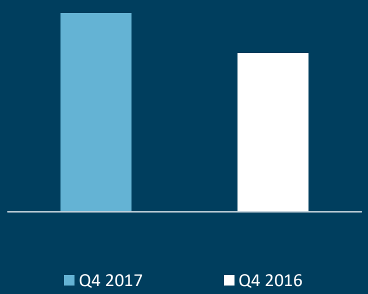
Maersk Container Industry

Maersk Container Industry reported a profit of USD 1m and a ROIC of 1.4%, driven by increased prices and higher volumes in dry containers.

The refrigerated segment came out slightly better in Q4 2017 compared to Q4 2016, positively impacted by MCI producing at full capacity in Qingdao

The negative development in operating cash flow is caused by increased net working capital across the business towards the end of the year to support commitments in Q1 2018

Revenue



Revenue increased by 16% positively impacted by higher sales and higher market price in dry containers.

Underlying Profit/loss (USD m)

	Q4 2017 (USD m)	Q4 2016 (USD m)	FY 2017 (USD m)	FY 2016 (USD m)
Revenue	247	213	1,016	564
EBITDA	11	4	87	-31
Operating cash flow	-53	57	75	4
ROIC (%)	1.4	-11.4	12.0	-13.3

DISCONTINUED OPERATIONS

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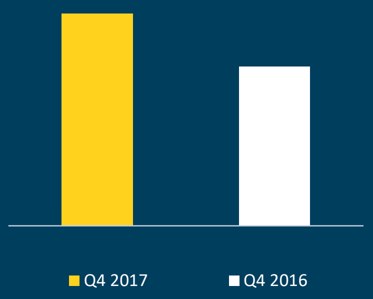
Discontinued Operations – Held for sale

Maersk Drilling

Maersk Drilling reported a profit of USD 98m in Q4, positively impacted by the reversal of depreciation as a consequence of being a discontinued operation, while negatively impacted by the sale of our 50% share in EDC (Egyptian Drilling Company), rigs being idle and day rates on new contracts remaining at a low level.

For Q4 Maersk Drilling generated an operating cash flow of USD 234m and a free cash flow of USD 356m, including effect from sale of EDC by USD 100m.

Revenue



Revenue increased by 8% compared to Q4 2016.

Profit/loss (USD m)

	Q4 2017 (USD m)	Q4 2016 (USD m)	FY 2017 (USD m)	FY 2016 (USD m)
Revenue	370	344	1,443	2,297
EBITDA	147	151	675	1,390
Operating cash flow	234	159	712	1,345

Maersk Drilling – highlights Q4 2017

New contracts and extensions of **USD 879m** was signed in Q4

Maersk Drilling during the quarter performed strongly in winning new contracts and added 3,871 days and USD 879m to the backlog, by signing four new contracts and three contract extensions.

The total revenue backlog amounted to USD 3.3bn by the end of Q4. Maersk Drillings forward contract coverage was 63% for 2018, 35% for 2019 and 25% for 2020.

The economic utilisation increased to 72% (70%) reflecting that 7 rigs were idle by the end of Q4. Two of the idle rigs are being prepared for contract commencements in Q1 2018.

Average operational uptime was 98% (98%) for the jack-up rigs and 98% (98%) for the floating rigs.

USD million	Q4 2017	Q4 2016	FY 2017	FY 2016
Revenue	370	344	1,443	2,297
EBITDA	147	152	675	1,390
Reported Profit/loss	**98**	**-1,449**	**-1,519**	**-709**
Operating cash flow	234	159	712	1,345
Capital expenditures	122	-41	-354	-315
Fleet	24	23	24	23
Contracted days	1,323	1,374	5,264	6,307

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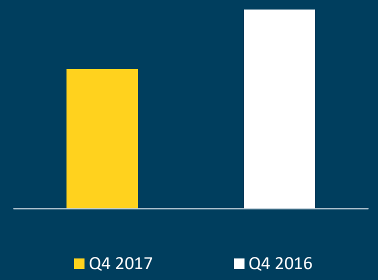
Discontinued Operations – Held for sale

Maersk Supply Service

Maersk Supply Service reported revenue of USD 60m driven by lower rates due to fewer legacy contracts, a decrease in operating cost to USD 54m due to fewer operating vessels resulting in a loss of USD 200m impacted by an impairment of USD 180m due to continued oversupply in the market.

Cash flow used for capital expenditure increased due to the delivery of Maersk Installer and Maersk Involver.

Revenue backlog from fixed contracts was USD 290m and USD 504m including options amounting to a significant increase during 2017.



Revenue decreased 25% compared to Q4 2016, which is a result of lower rates due to fewer legacy contracts

	Q4 2017 (USD m)	Q4 2016 (USD m)	FY 2017 (USD m)	FY 2016 (USD m)
Revenue	60	80	244	386
EBITDA	6	16	13	104
Operating cash flow	-3	14	-1	81

2018
Guidance

Guidance

Guidance for 2018

A.P. Moller - Maersk expects an underlying profit above 2017 (USD 356m) and earnings before interests, tax, depreciations and amortisations (EBITDA) in the range of USD 4.0-5.0bn (USD 3.5bn).

Sensitivity Guidance

A.P. Moller - Maersk's guidance for 2018 is subject to considerable uncertainty, not least due to developments in the global economy and the container freight rates. A.P. Moller - Maersk's expected EBITDA depends on a number of factors. Based on the expected earnings level and all other things being equal, the sensitivities for 2018 for three key value drivers are listed in the table below:

Factors	Change	Impact on EBITDA
Container freight rate	+ / - 100 USD/FFE	+ / - USD 1.3bn
Container freight volume	+ / - 100,000 FFE	+ / - USD 0.1bn
Bunker price	+ / - 100 USD/tonne	- / + USD 0.5bn

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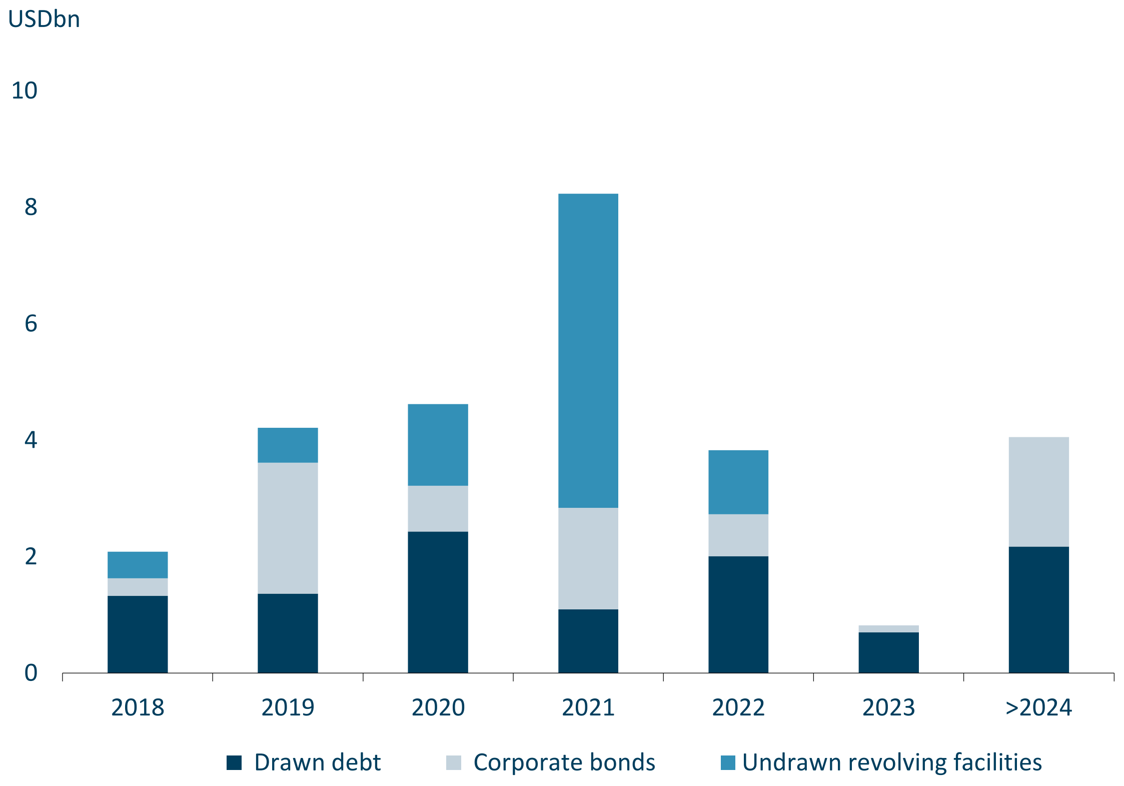
FINANCIAL HIGHLIGHTS 2017	REVENUE		UNDERLYING Profit/loss		PROFIT/LOSS		CASH FLOW FROM OPERATING ACTIVITIES		CASH FLOW FOR CAPITAL EXPENDITURE		FREE CASH FLOW		INVESTED CAPITAL	
USD million	**Q4 2017**	**Q4 2016**	**Q4 2017**	**Q4 2016**	**Q4 2017**	**Q4 2016**	**Q4 2017**	**Q4 2016**	**Q4 2017**	**Q4 2016**	**Q4 2017**	**Q4 2016**	**Q4 2017**	**Q4 2016**
Maersk Line	6,576	5,321	53	-155	48	-146	871	561	-4,556	-332	-3,685	229	25,363	20,082
APM Terminals	1,117	1,088	115	91	108	87	263	199	-246	-186	17	13	8,106	7,967
Damco	737	657	-21	4	-21	4	-28	-20	-2	-1	-30	-21	308	232
Svitzer	166	154	25	18	26	18	66	26	-5	-41	61	-15	1,334	1,203
Maersk Container Industry	247	213	1	-9	1	-11	-53	57	-6	-13	-59	44	333	357
Financial items, net after tax	-	-	-158	-293	-158	-293	82	-46	-69	-103	13	-149	95	-698
Other businesses, unallocated activities and eliminations	-669	-357	21	71	28	-4	-30	-139	843	106	813	-33	656	1,248
Continuing operations	**8,174**	**7,076**	**36**	**-272**	**32**	**-345**	**1,171**	**638**	**-4,041**	**-570**	**-2,870**	**68**	**36,195**	**30,391**
Discontinued operations	-	-	-	-	354	-2,332	-	-	-	-	-	-	10,167	12,417
Maersk total	**8,174**	**7,076**	**36**	**-272**	**386**	**-2,677**	**1,171**	**638**	**-4,041**	**-570**	**-2,870**	**68**	**46,362**	**42,808**

Funding in place with liquidity reserve of USD 9.6bn

Loan maturity profile at the end of Q4 2017



Funding

- BBB (credit watch negative) / Baa2 (review for downgrade) credit ratings from S&P and Moody's respectively
- Liquidity reserve of USD 9.6bn as of end Q4 2017[1]
- In addition to the liquidity reserve, there is in place USD 1.3bn in committed undrawn investment-specific funding
- Average debt maturity about four years
- Corporate bond programme ~44% of our gross debt (USD 7.8bn)
- Amortisation of debt in coming 5 years is on average USD 2.8bn per year

1) Defined as cash and securities and undrawn committed facilities longer than 12 months less restricted cash and securities.

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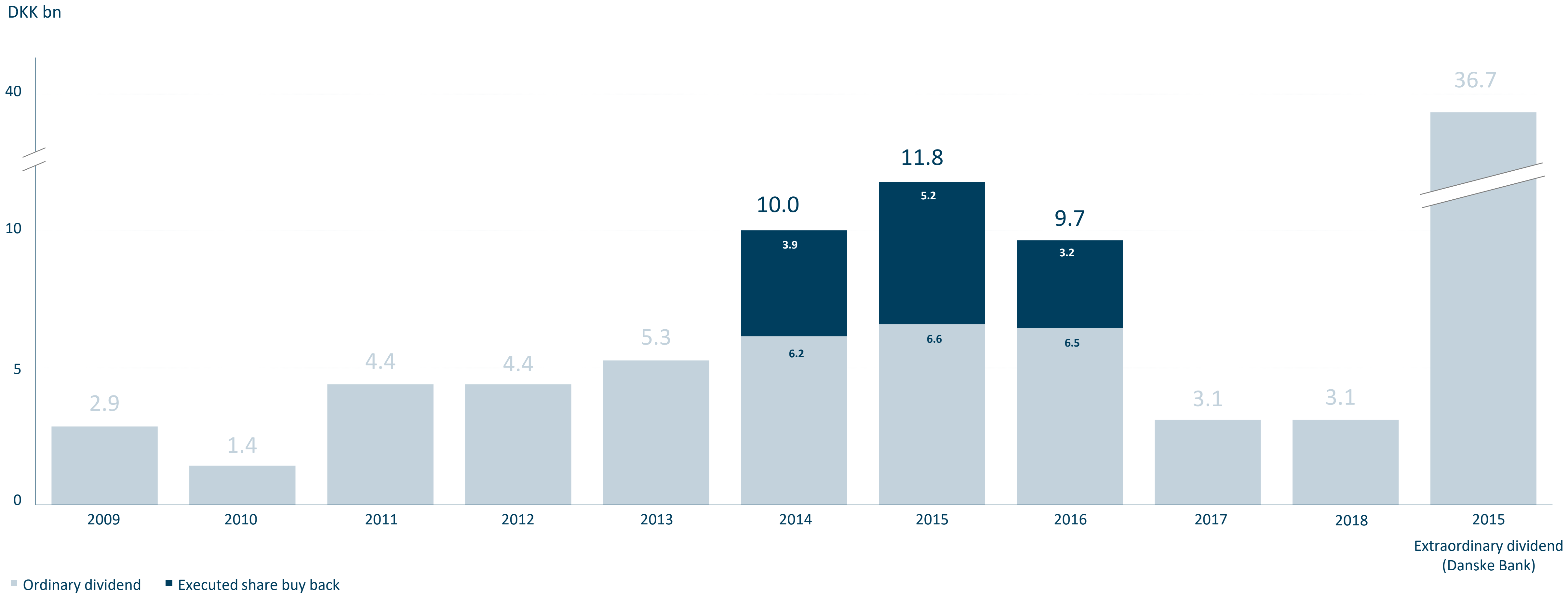
Earnings distribution to shareholders

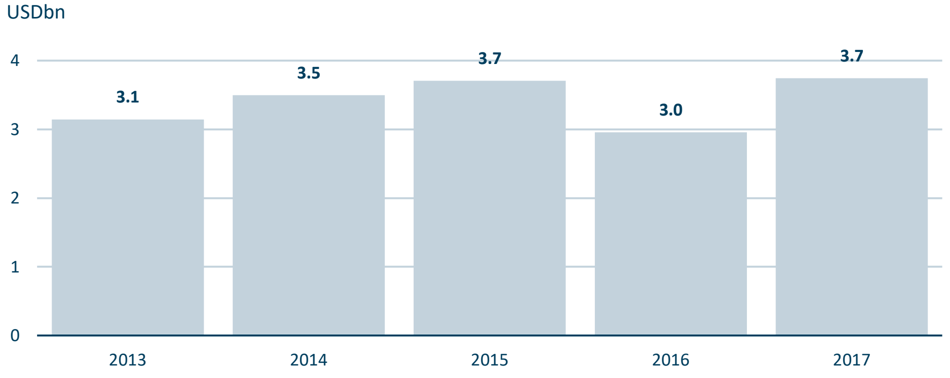


Note: Dividend and share buy back in the paid year. The second share buy back of USD USD ~1bn was completed in Q1 2016.

Stable operating cash flow generation and capital discipline

Development in gross capital expenditures[1]

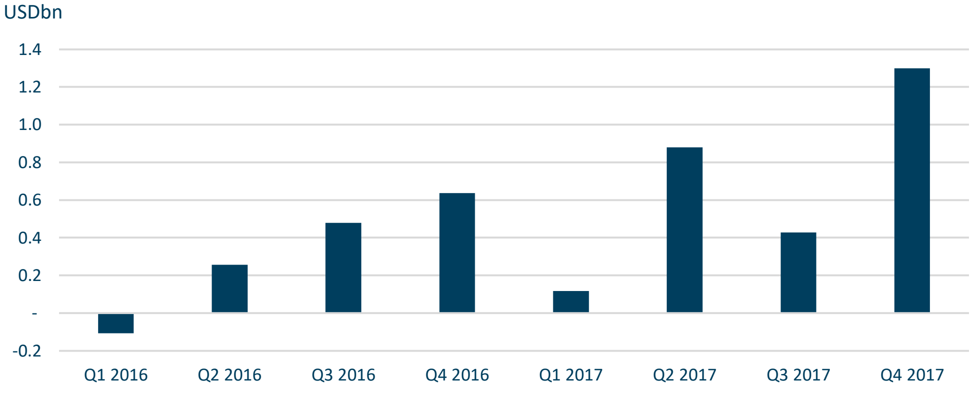
Focus on capex discipline



Note: 1) Excluding the acquisition of Hamburg Süd and for continuing businesses.

Development of operating cash flow[2]

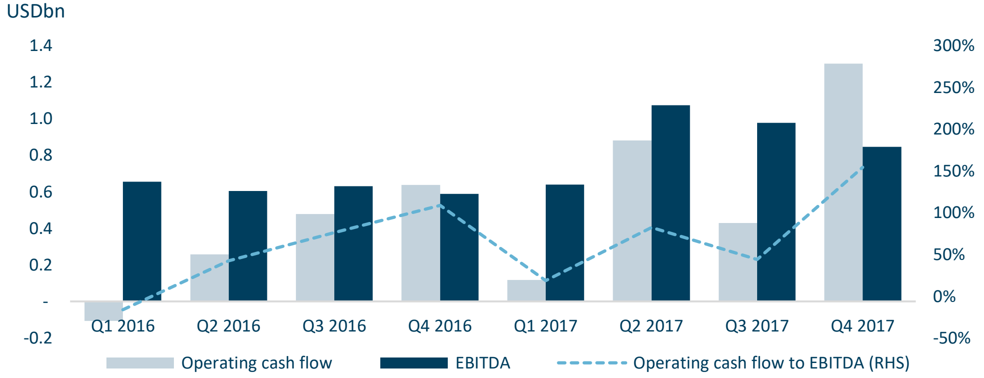
Improving performance



Note: 2) From continuing businesses

Historically solid cash conversion[3]

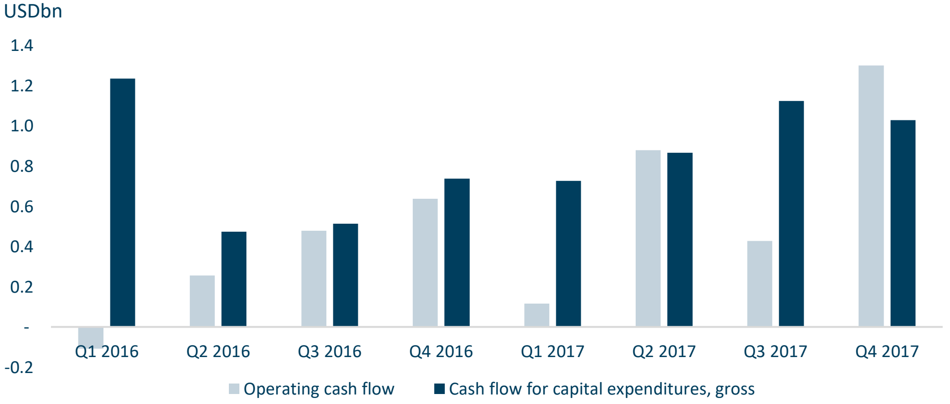
Solid conversion of EBITDA to operating cash flow



Note: 3) From continuing businesses.

Self-funded capital expenditures

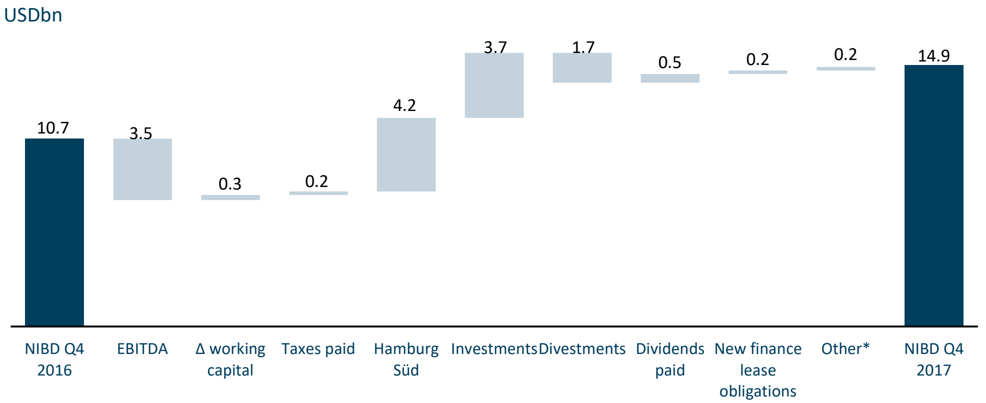
Investments primarily funded by cash flow from operating activities



A strong financial position

Well capitalised position

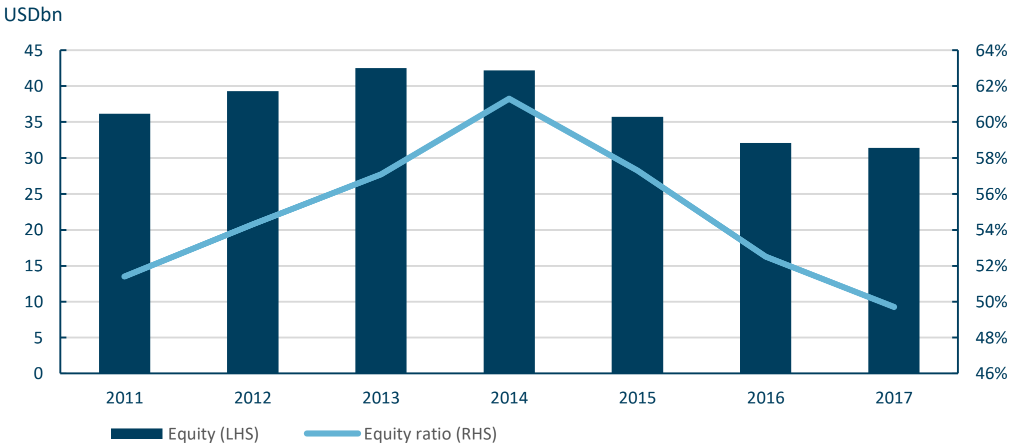
Net debt USD 10.7bn in Q4 2016 to USD 14.9bn in Q4 2017



*Other from acquired/sold NIBD (USD 0.7bn), financial items paid (USD 0.4bn), currency adjustments (USD 0.5bn) and impact from discontinued operations, including reclassification to held for sale (USD -1.4bn).

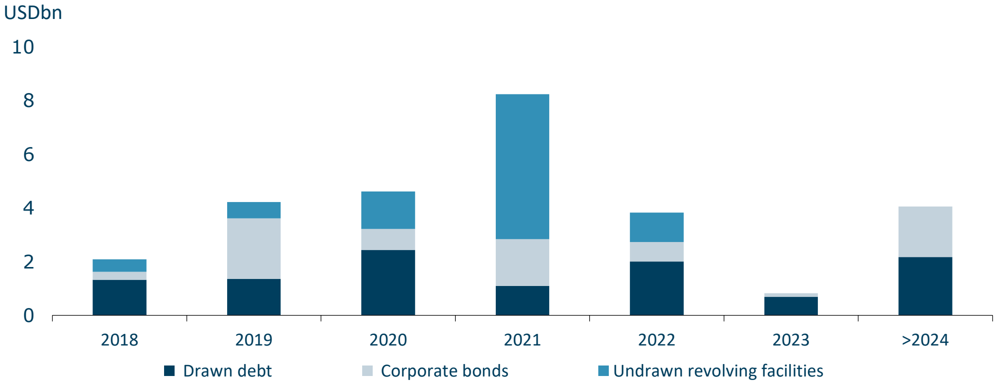
High equity ratio

Equity ratio of 49.7% by end Q4 2017



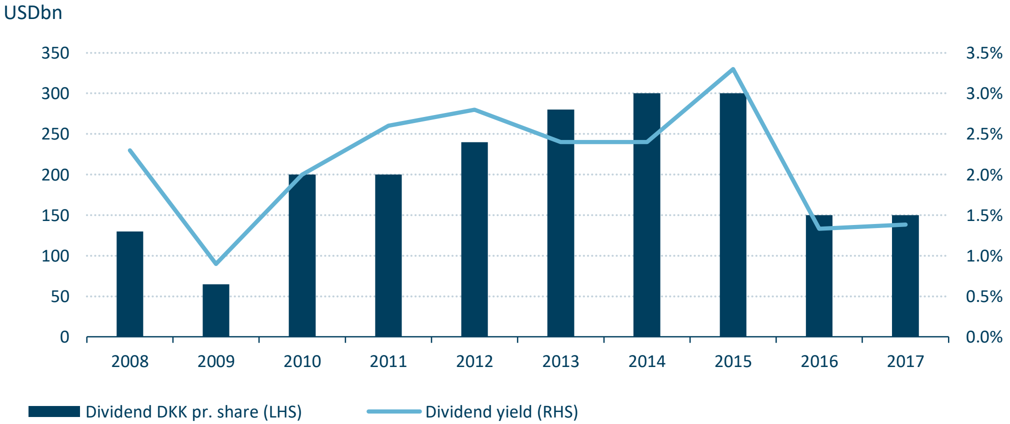
Well balanced debt structure

Funding in place with liquidity reserve of USD 9.6bn



Ordinary dividends*

Ambition to increase dividend per share supported by underlying earnings growth



* Adjusted for bonus shares issue

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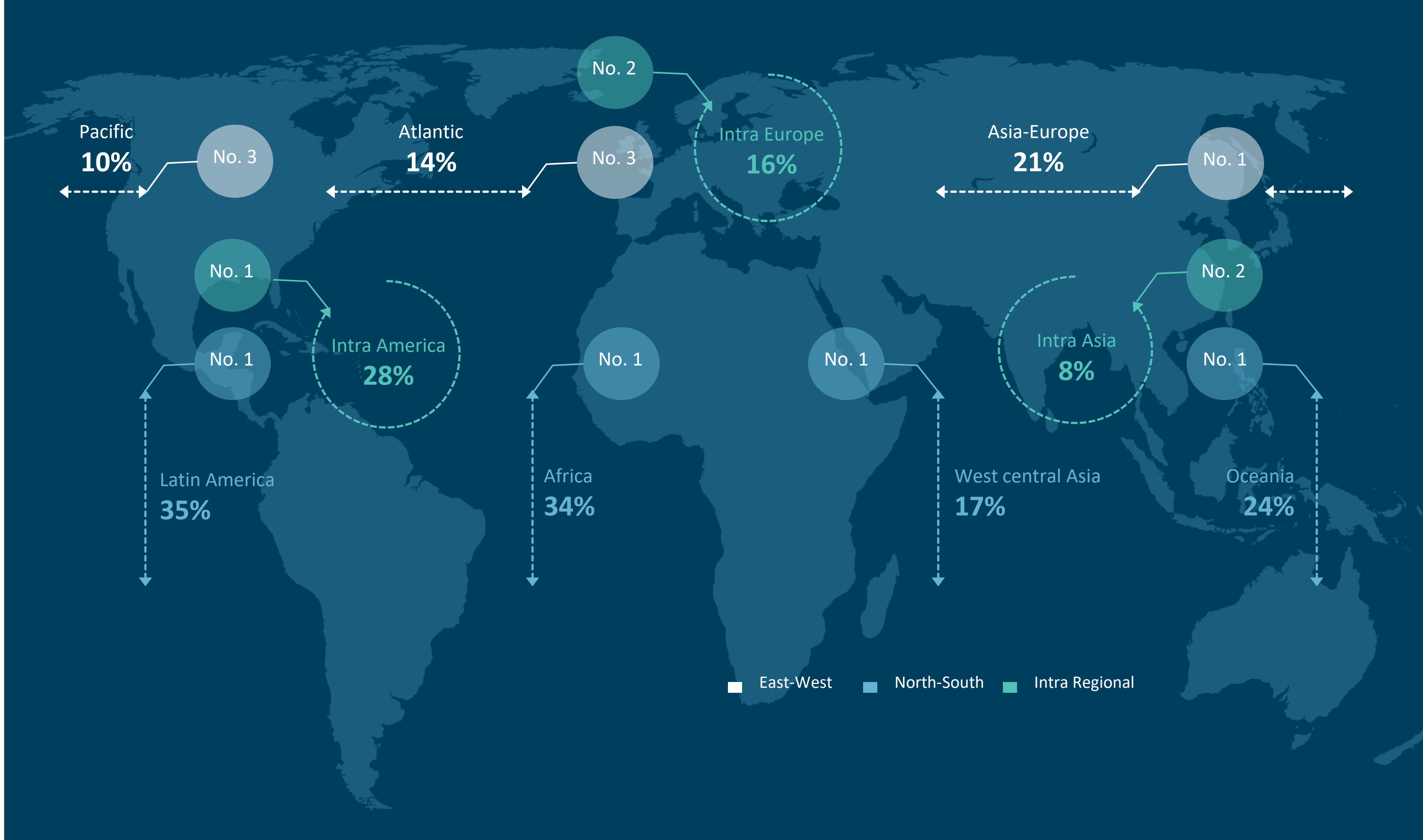
Maersk Line

Capacity market share by trade



Maersk Line is the world's biggest container carrier, active in both global and intra-regional trades.

Maersk Line has more than 550 offices around the globe

Source: Alphaliner, end-December 2017.

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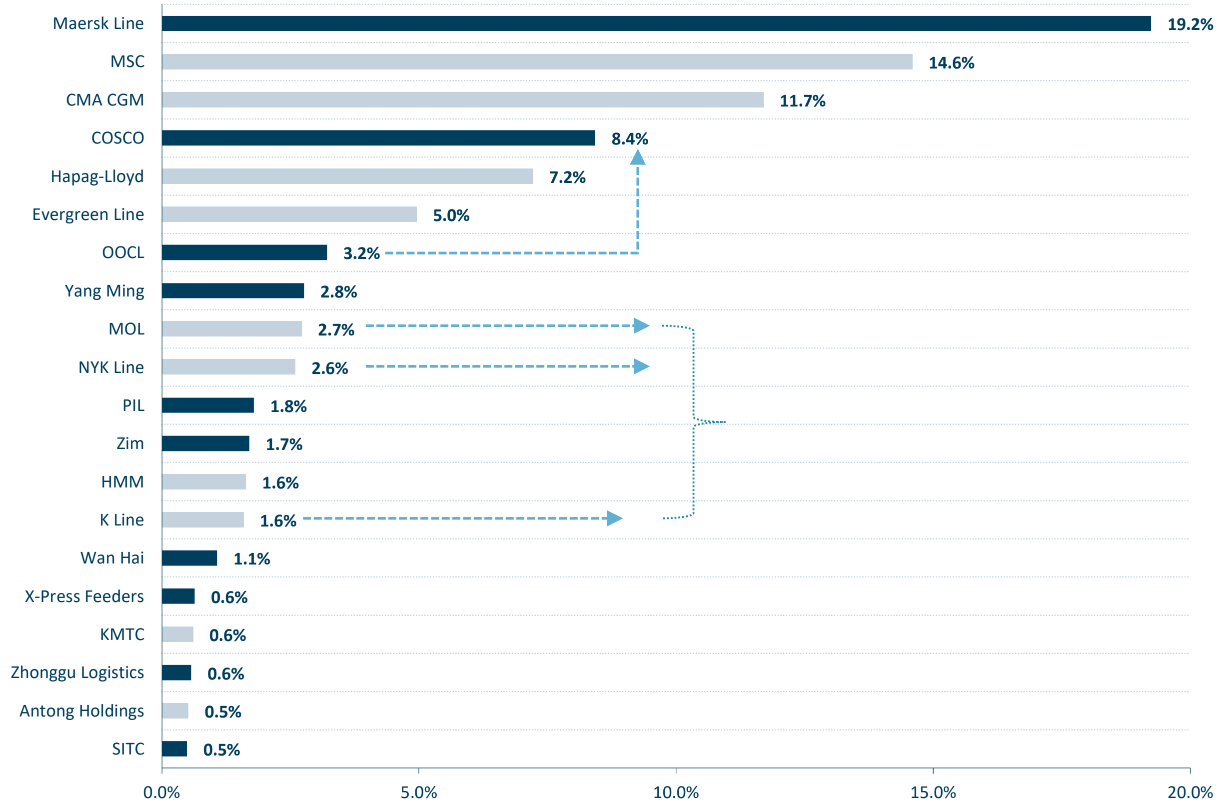
Industry moving towards more consolidation

Capacity market share, %



2M

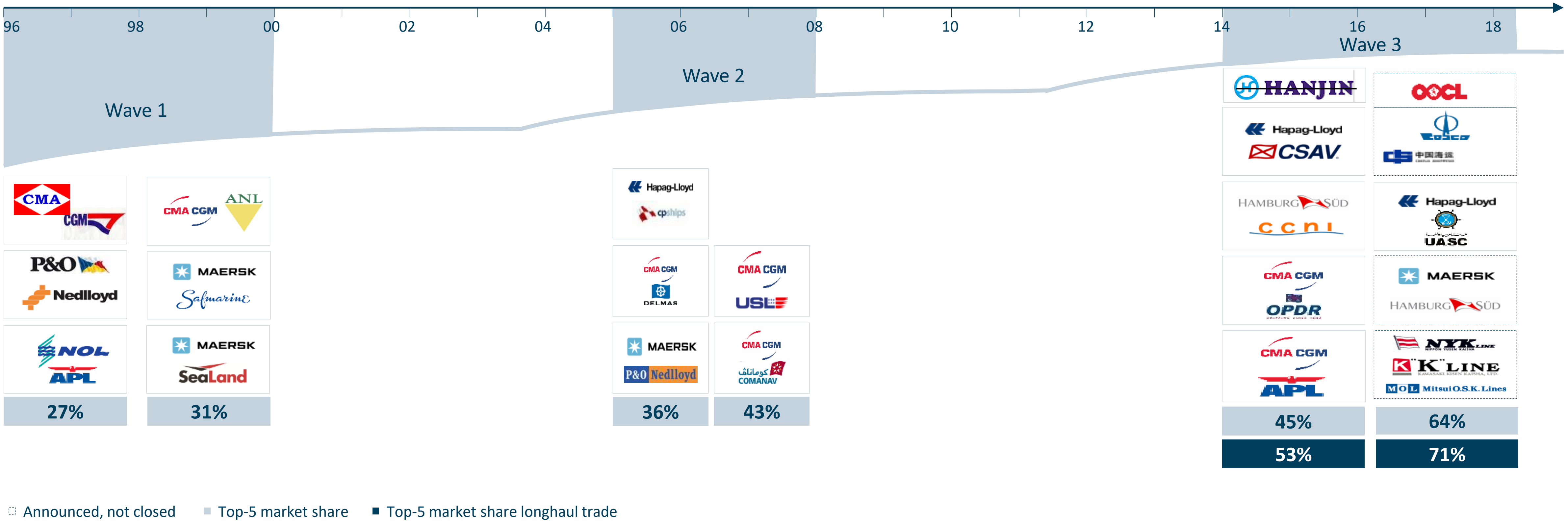
Ocean Alliance

The Alliance

Source: Alphaliner, end-December 2017.

The liner industry is consolidating and top 5 share is growing

Consolidation wave is rolling again – 8 top 20 players disappeared in the last 2 years

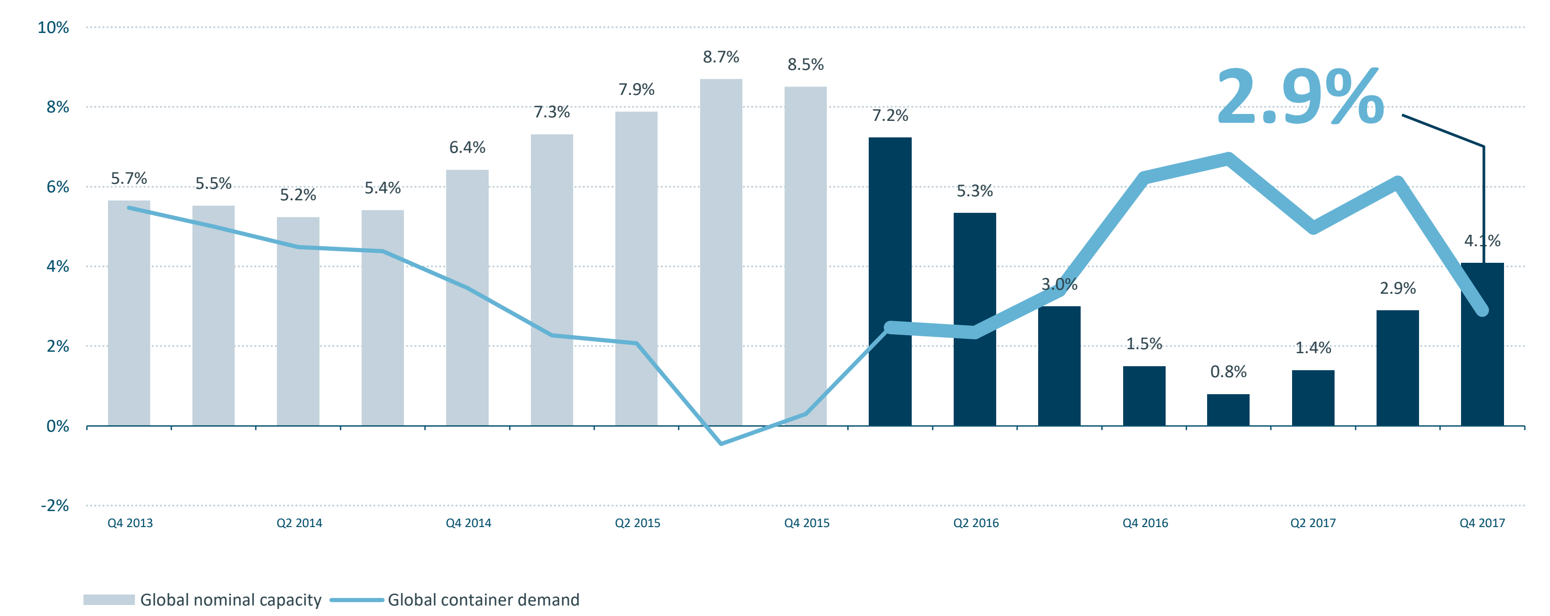


Note: Long haul trades defined as non-intra-regional trades.
Source: Alphaliner.

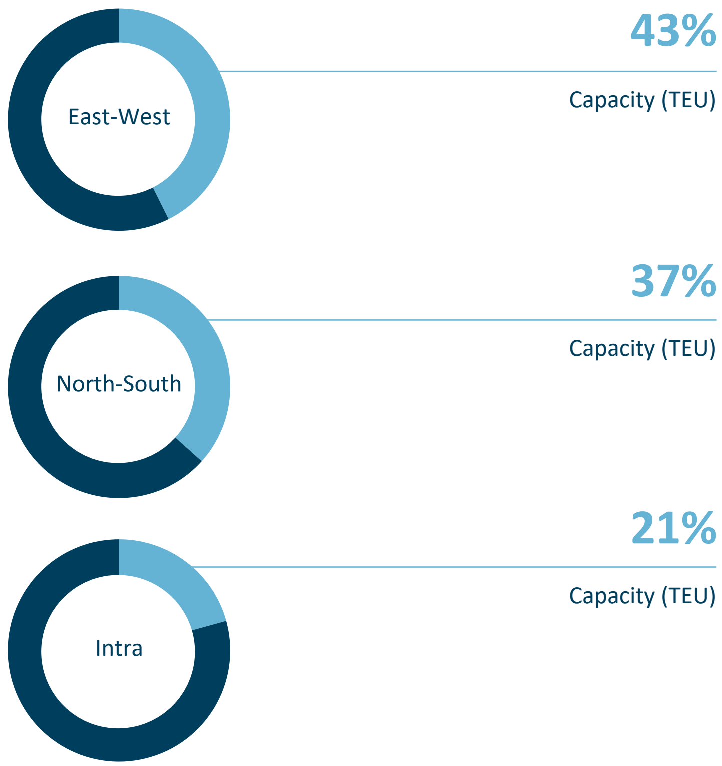
Nominal supply growth increasing in Q4 2017

Growth y/y, (%)

Global nominal supply and demand growth



Capacity (TEU)

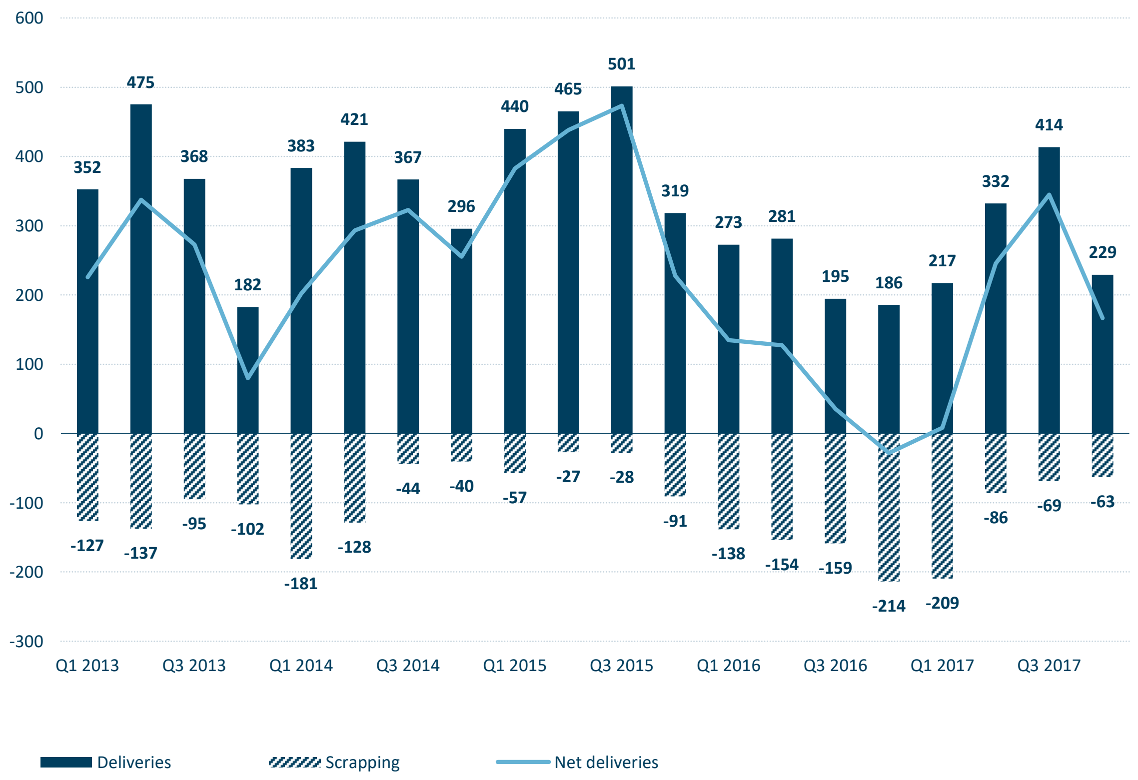


1) Global nominal capacity is deliveries minus scrapings **2)** Q4 2017E is Maersk Line internal estimates where actual data is not available yet .
Source: Alphaliner, Maersk Line.

The sharp drop in idling added to effective capacity in Q4 2017

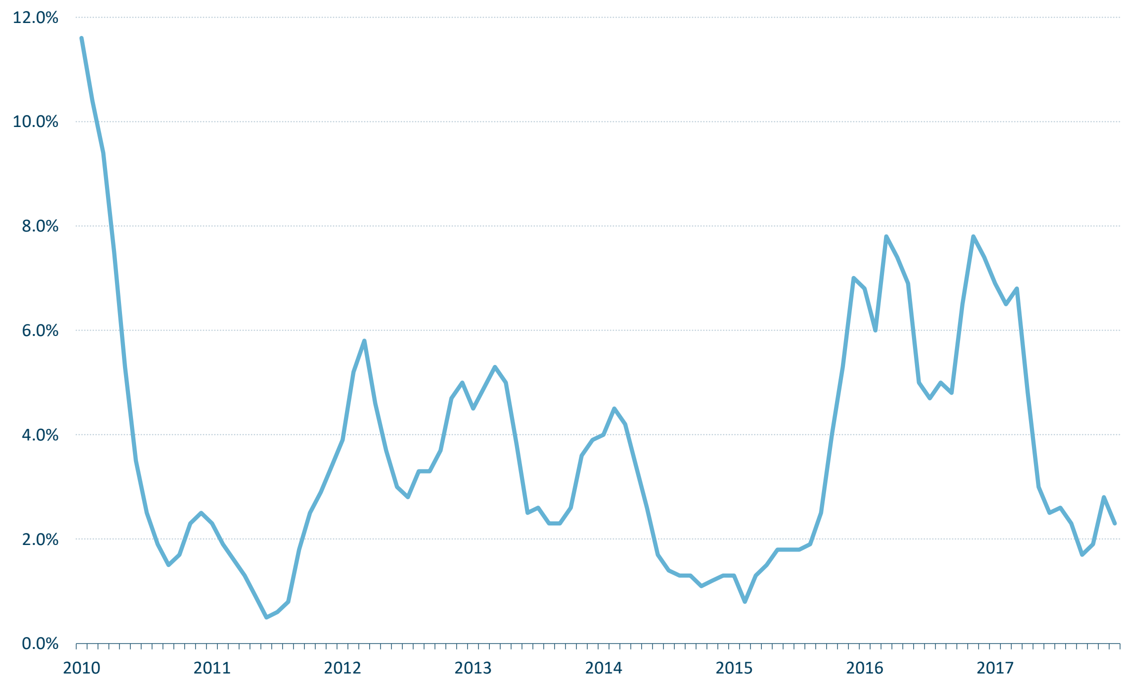
Net deliveries

TEU '000



Idling

Idle TEU As % of cellular fleet



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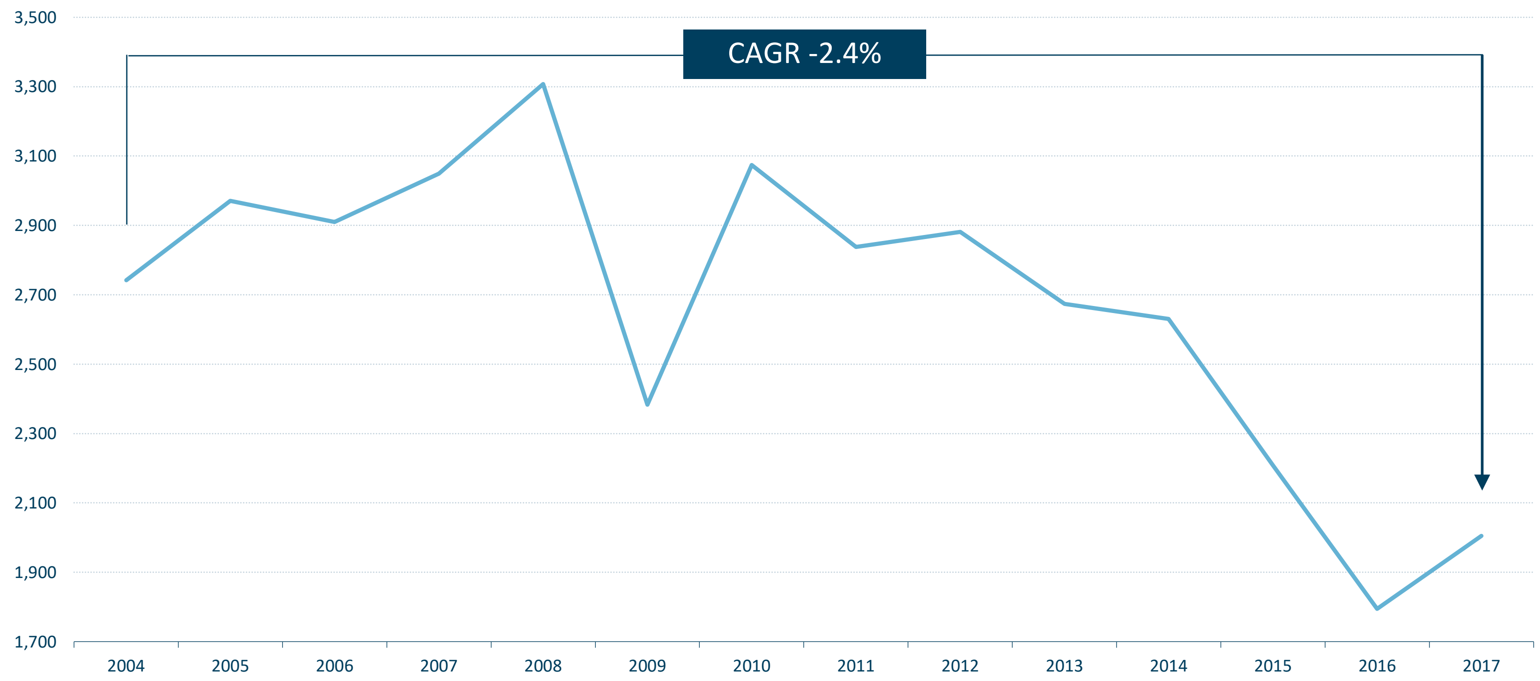
Despite improving in 2017 compared to a record low 2016, supply/demand imbalances historically have led to falling rates

Maersk Line's average freight rate has declined 2.4% p.a. since 2004

Maersk Line freight rate, USD/FFE



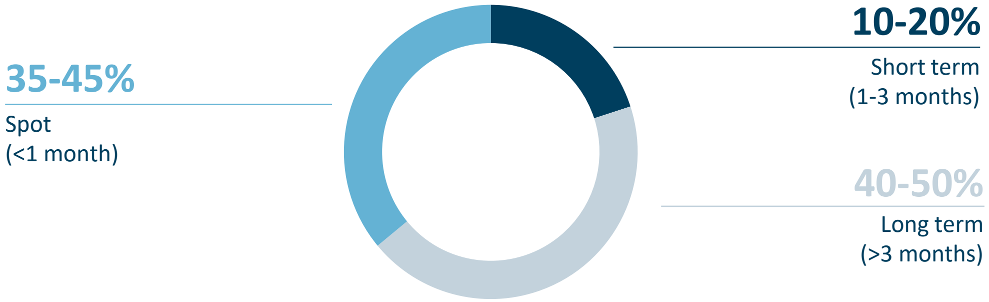
Since	CAGR (%)
2004	-2.4
2008	-5.4
2010	-5.9
2012	-7.0
2014	-8.7
2016	11.7

Source: Maersk Line.

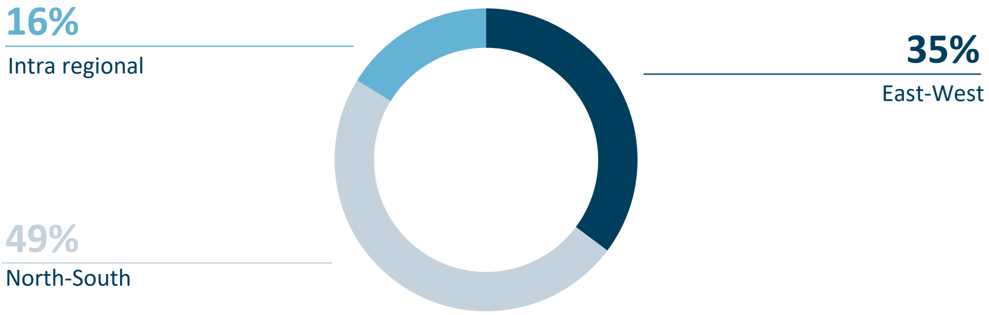
Lower volatility in rates due to contract coverage

Volume split, 2017

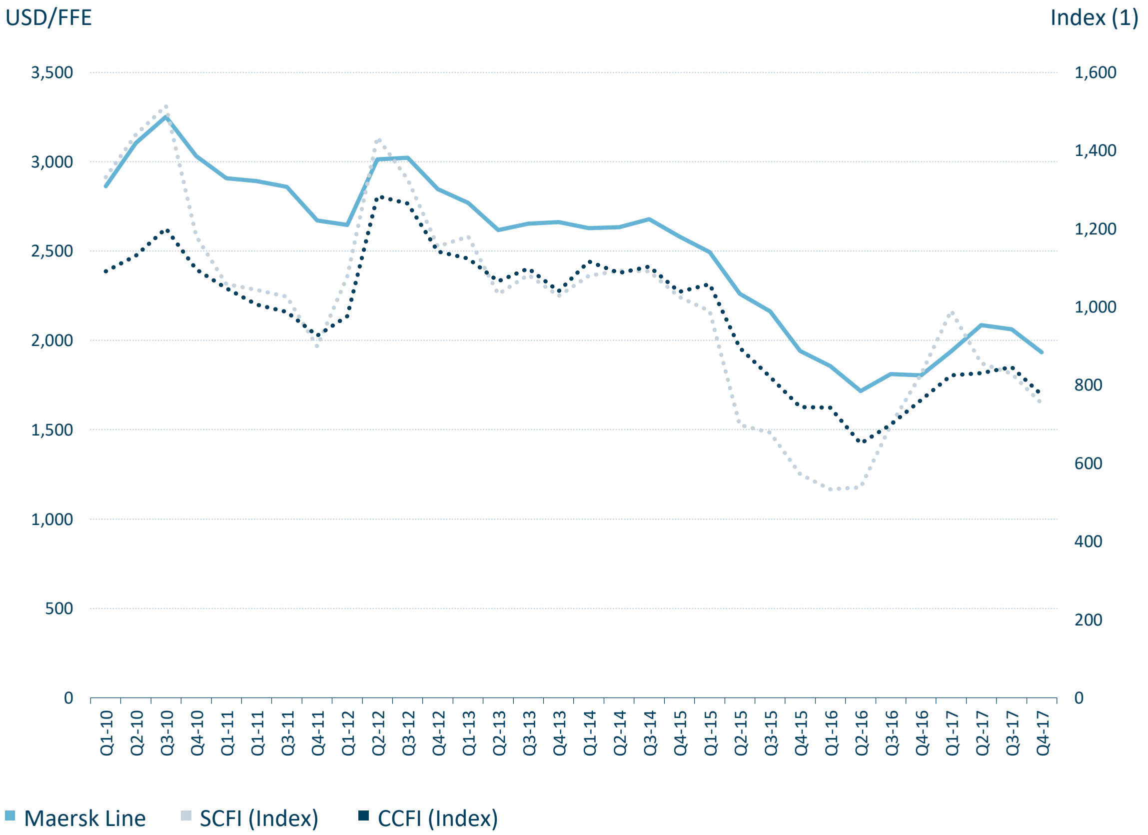
By contract type



By trade



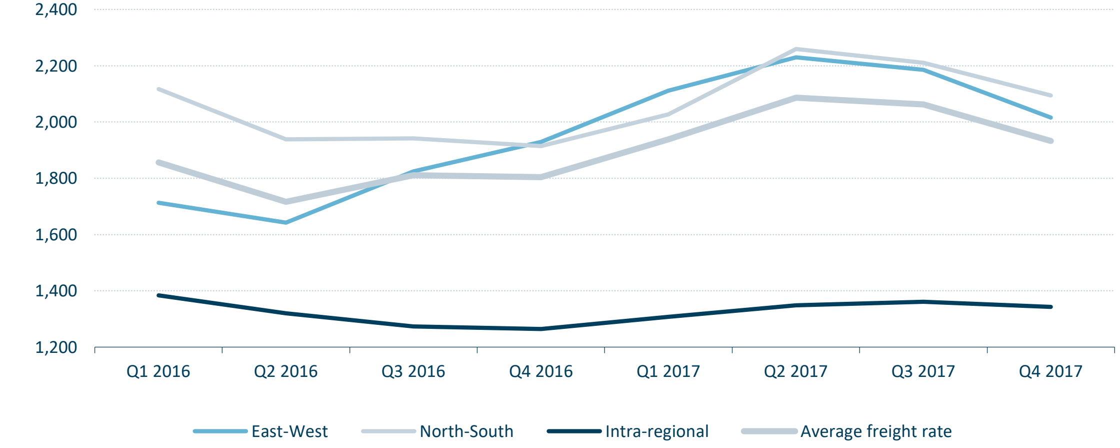
Average freight rate



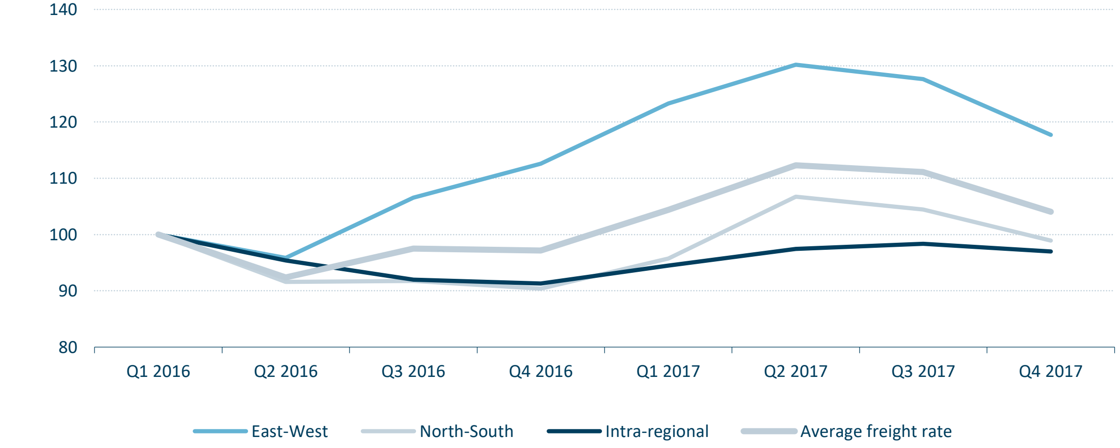
1) Oct 2009 = 1000 for SCFI, January 1998 = 1000 for CCFI.
Source: Maersk Line.

Maersk Line Q4 2017 freight rates up 7.2% in y/y

Freight rates
USD/FFE



Freight rates
Q1 2016 = 100



Average freight rate (USD/FFE)	Q3 2016	Q4 2016	Q1 2017	Q2 2017	Q3 2017	Q4 2017
East-West	1,825	1,929	2,143	2,230	2,186	2,016
North-South	1,942	1,914	2,027	2,259	2,211	2,094
Intra-regional	1,273	1,264	1,308	1,349	1,361	1,342
Average freight rate	1,811	1,804	1,939	2,086	2,063	1,933

Source: Maersk Line.

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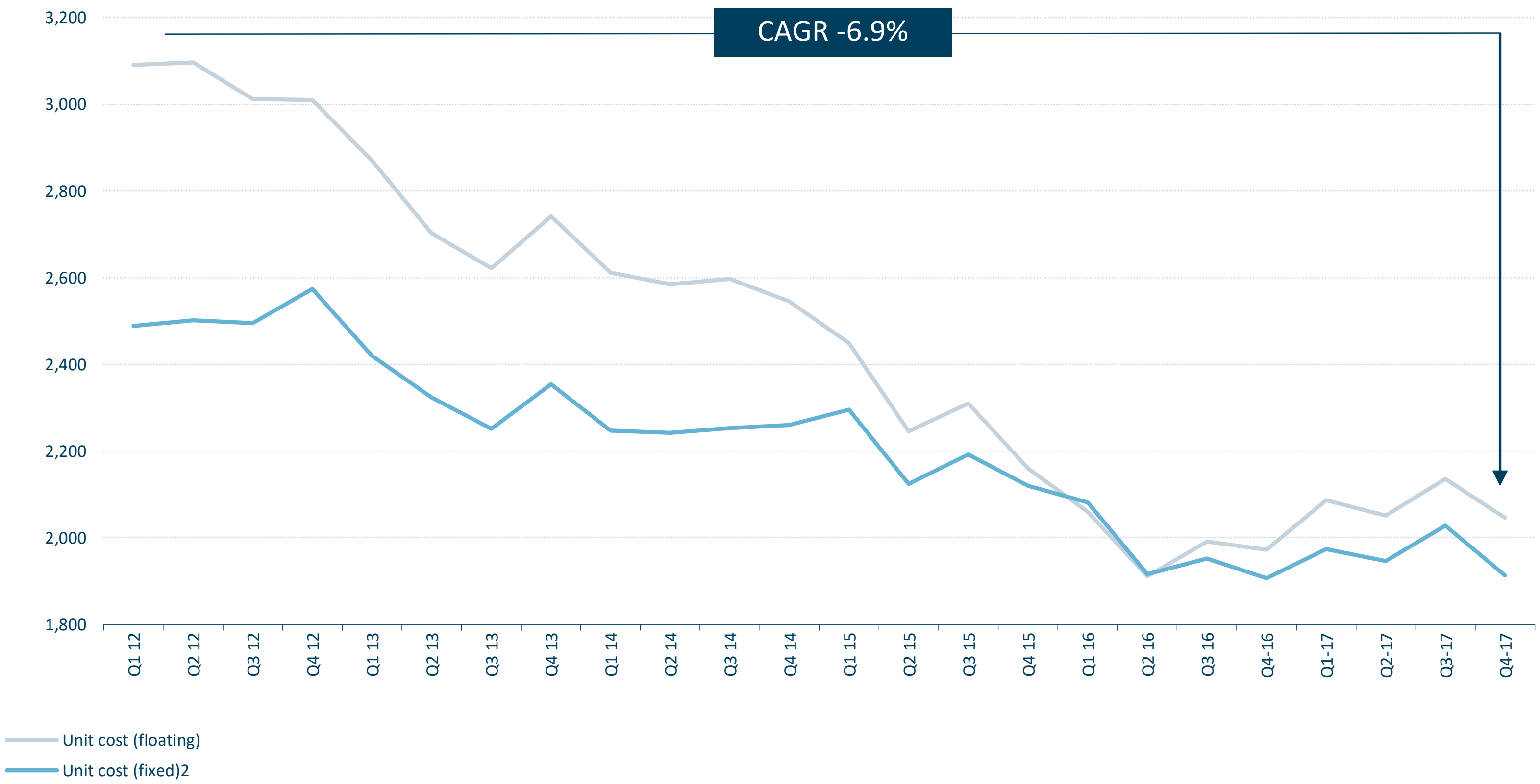
Target of lowering unit cost by 1-2% per year thorugh network optimisation and digitalisation

Maersk Line's unit cost at floating bunker has declined 6.9% p.a. since Q1 2012

Unit cost (1) USD/FFE

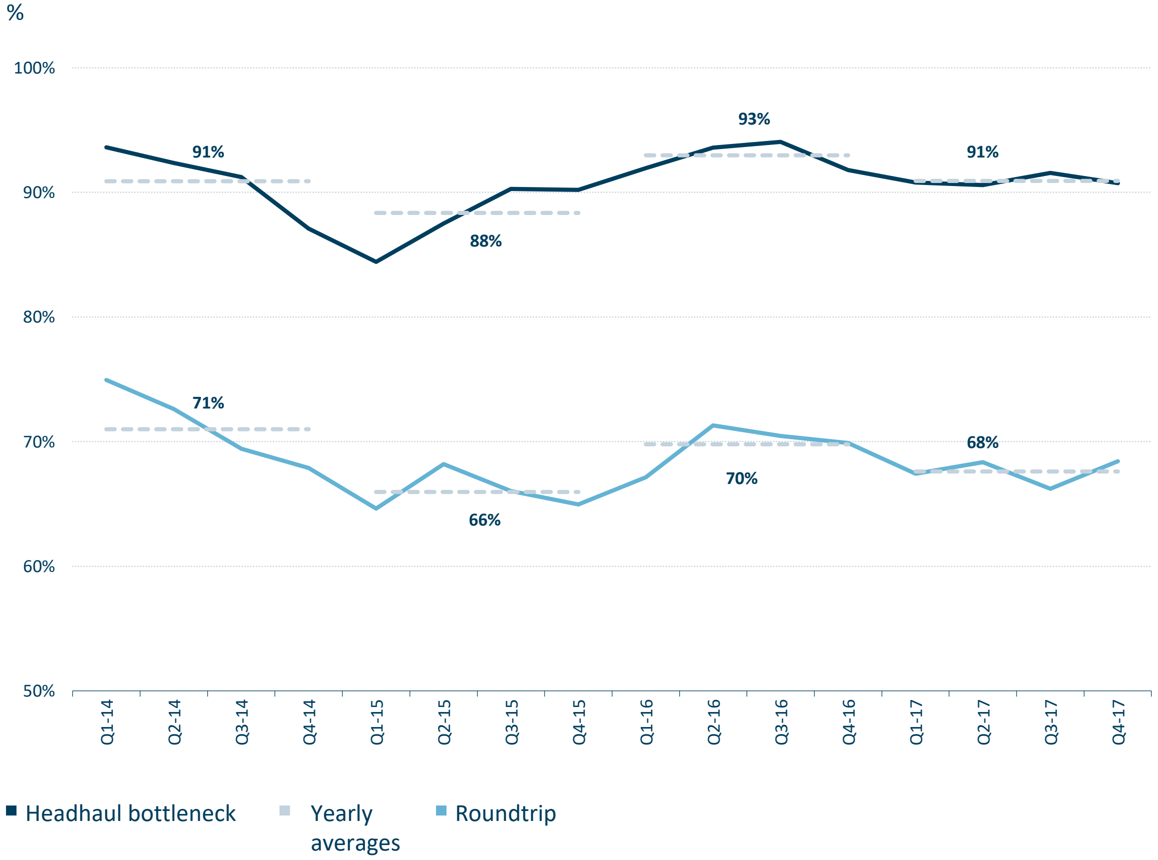


Since	CAGR (%)
Q1 2012	-6.9
Q1 2014	-6.3
Q1 2015	-6.3
Q1 2016	-0.4

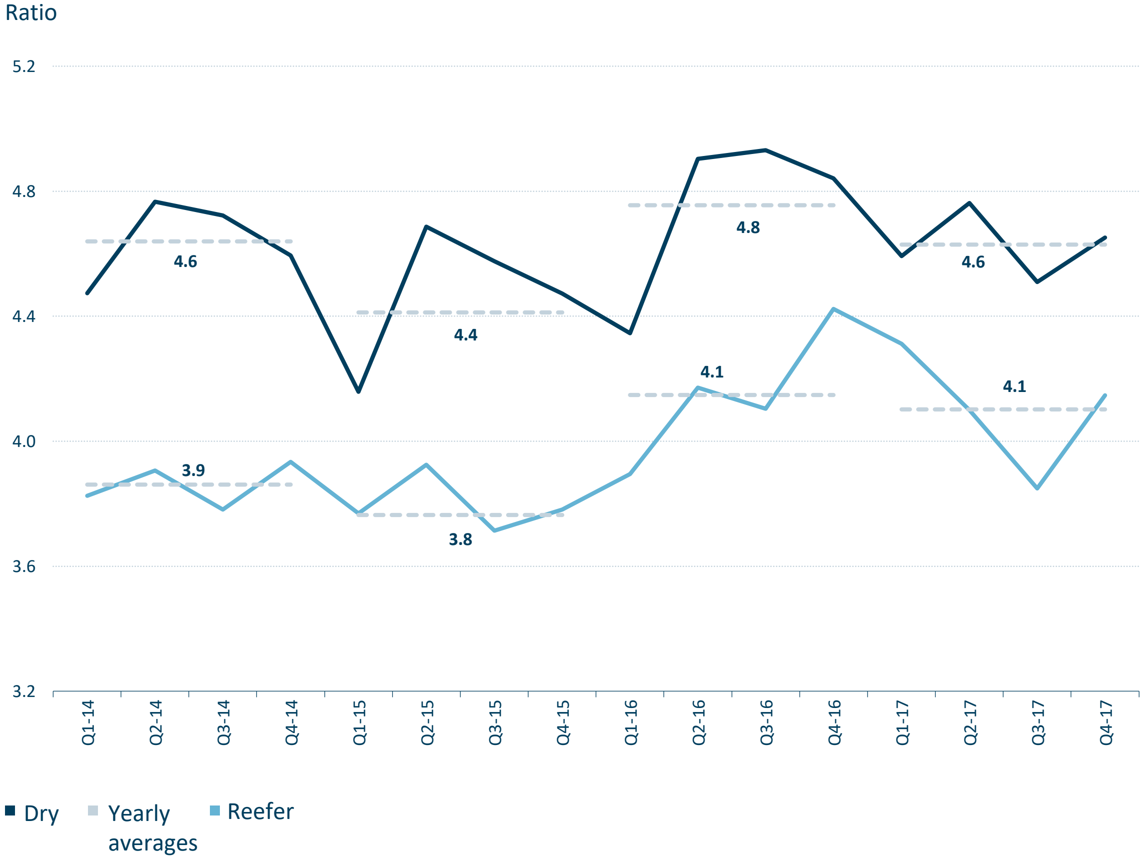
1) Unit cost excluding gain/loss, restructuring, share of profit/loss from associated companies and including VSA income. **2)** Fixed at 200 USD/ton .
Source: Maersk Line.

Asset utilisation in Q4 2017 recovered from cyber attack but remains impacted by contingencies

Vessel utilisation



Container turn



Note: Container turn is average number of times a container is shipped full per year (quarterly data annualised).

Terminal and vessel costs represent the largest components of our cost base

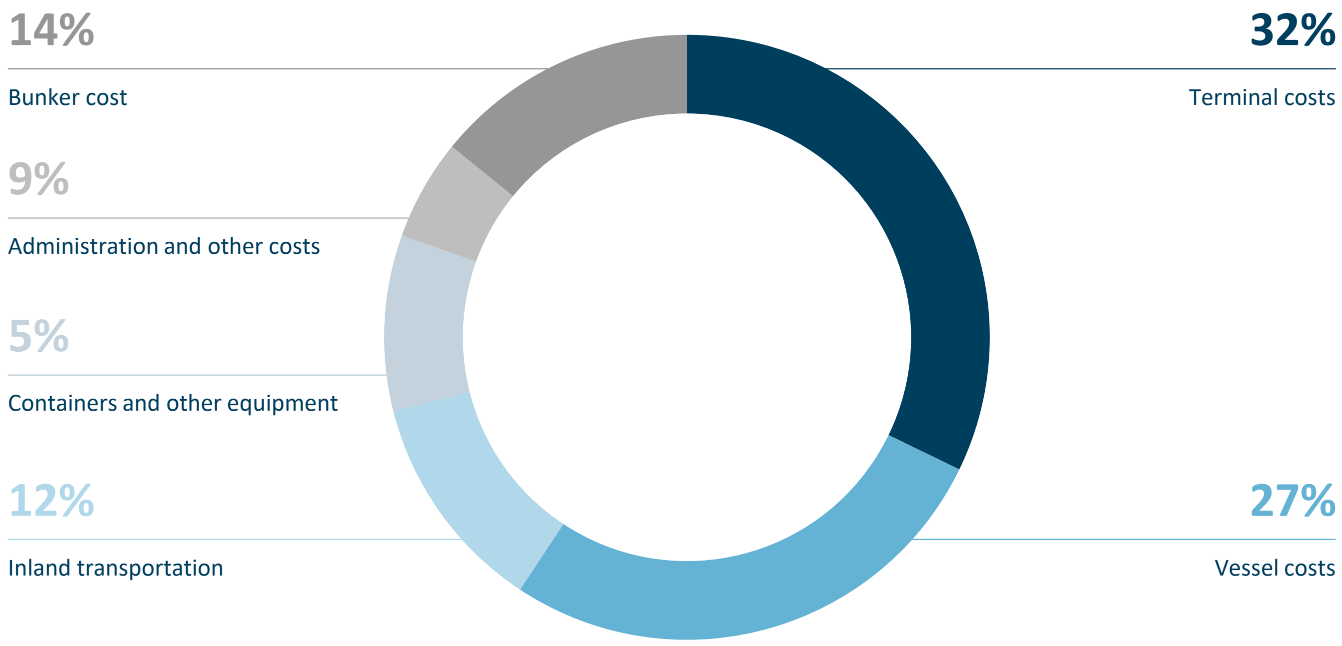
Cost base, 2017

USD 23.2bn

2017 cost base

2,079 USD/FFE

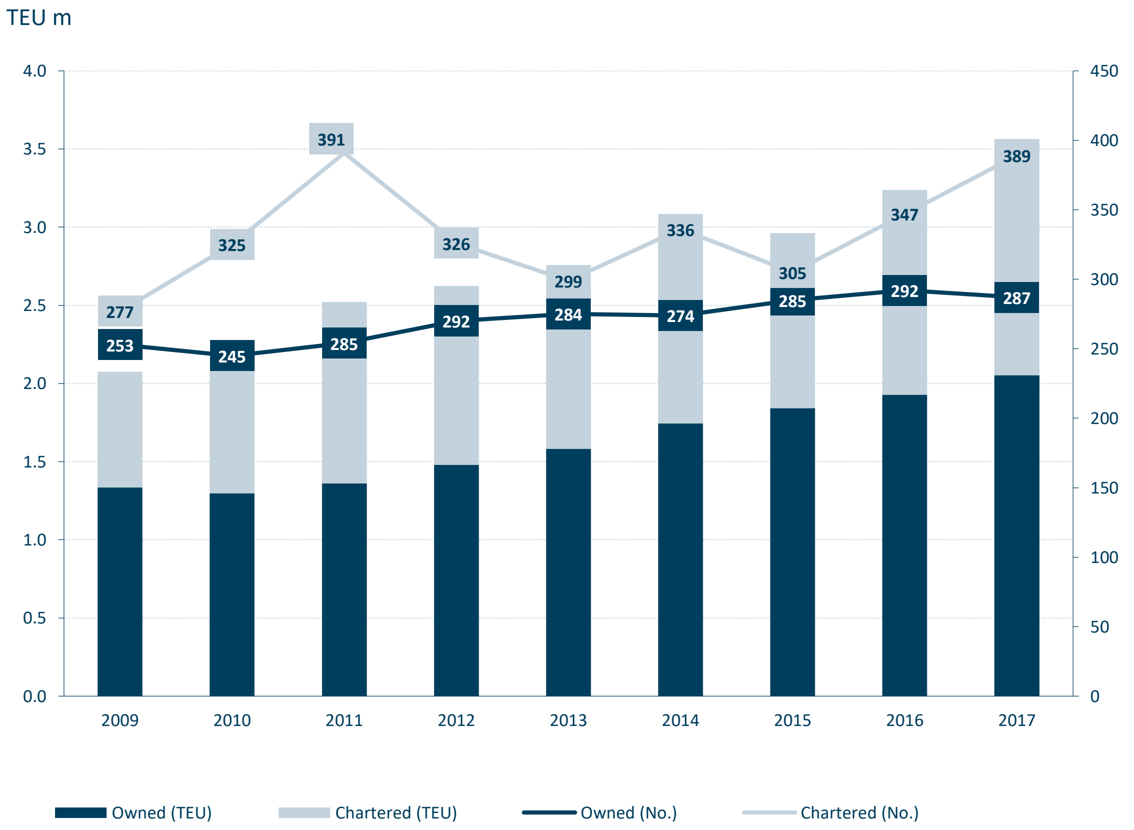
2017 unit base



Note 1: Cost base: EBIT cost adjusted for VSA income, restructuring result from associated companies and gains/losses. **Terminal costs**: costs related to terminal operation such as moving the containers (mainly load/discharge of containers), container storage at terminal, stuffing (loading) and stripping (unloading) of container content, power for reefer units, etc. **Inland transportation**: costs related to transport of containers inland both by rail and truck. **Containers and other equipment**: costs related to repair and maintenance, third party lease cost and depreciation of owned containers. **Vessel costs**: costs related to port and canal fees (Suez and Panama), running costs and crewing of owned vessels, depreciation of owned vessels, time charter of leased vessels, cost of slot (capacity) purchases and vessel sharing agreements (VSA) with partners. **Bunkers**: costs related to fuel consumption. **Administration and other costs**: cost related to own and third party agents in countries, liner operation centers, vessel owning companies, onshore crew and ship management, service centers and headquarters. Administration cost types such as staff, office, travel, training, consultancy, IT, legal and audit, etc. Other costs covering currency cash flow hedge, cargo and commercial claims and bad debt provision.
Note 2: Unit Cost per FFE (incl. VSA income).
Source: Maersk Line.

We continue to optimise the network

Development in owned vs chartered fleet



Source: Maersk Line.

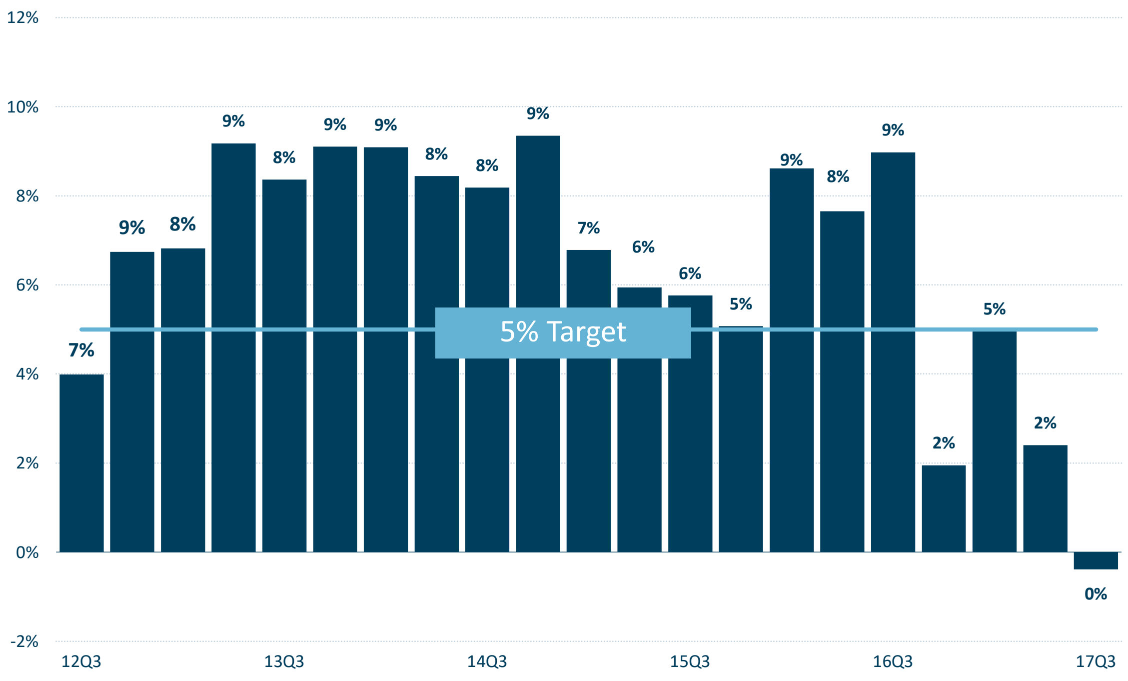
Maersk Line capacity development

- Maersk Line aims to continuously adjust capacity to match demand and optimise utilisation
- Network capacity by end of Q4 2017 increased by 10.0% y/y and by 0.8% q/q to 3.6m TEU
- More capacity was deployed to accommodate the incoming volumes from the slot purchase agreement signed with Hamburg Süd and Hyundai Merchant Marine in Q1 2017
- Chartered capacity increased 15.2% y/y while owned capacity increased 6.5% y/y

EBIT margin gap target of 5% to peers

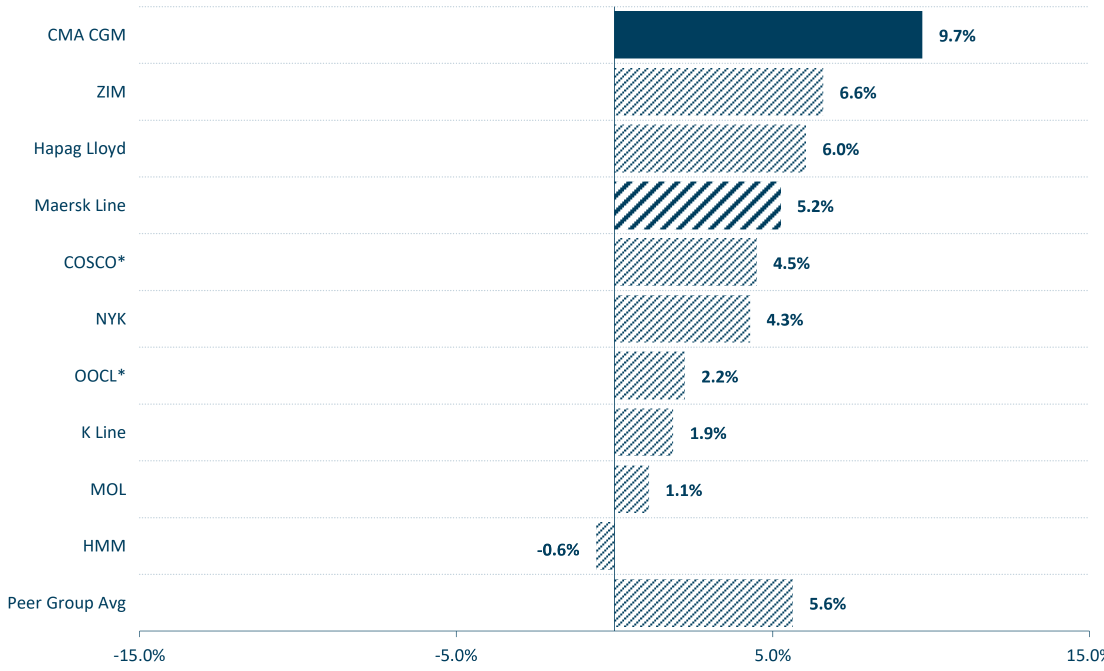
Gap to peers of -0.4% in 17Q3

Core EBIT margin gap, % pts.



CMA CGM outperformed peers in 17Q3

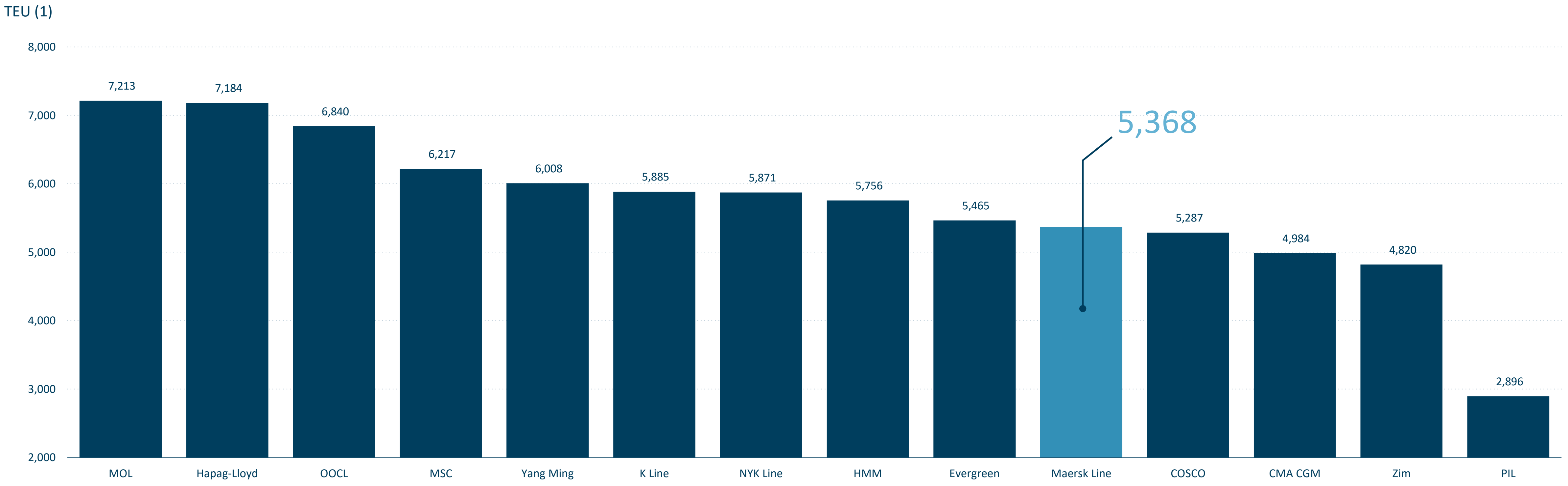
Q3 2017 Core EBIT margin, %



Note: *Included with actual 17H2 gap to MLB as they only report half and full yearly. Peer group includes CMA CGM (including APL), Hapag Lloyd (including UASC since May 2017), Hanjin (till 16Q3), ZIM, Hyundai MM, K Line, NYK, MOL, COSCO (including CSCL) and OOCL. Peer average is TEU-weighted. EBIT margins are adjusted for gains/losses on sale of assets, restructuring charges, income/loss from associates. Maersk Line' EBIT margin is also adjusted for depreciations to match industry standards (25 years).

Outperformance not caused by average vessel size

Average vessel size



Source: Alphaliner, end-December 2017.

Maersk Line’s order book

Maersk Line’s order book end-December 2017 corresponded to 7.2% of current fleet, compared to industry order book of around **12.7%**

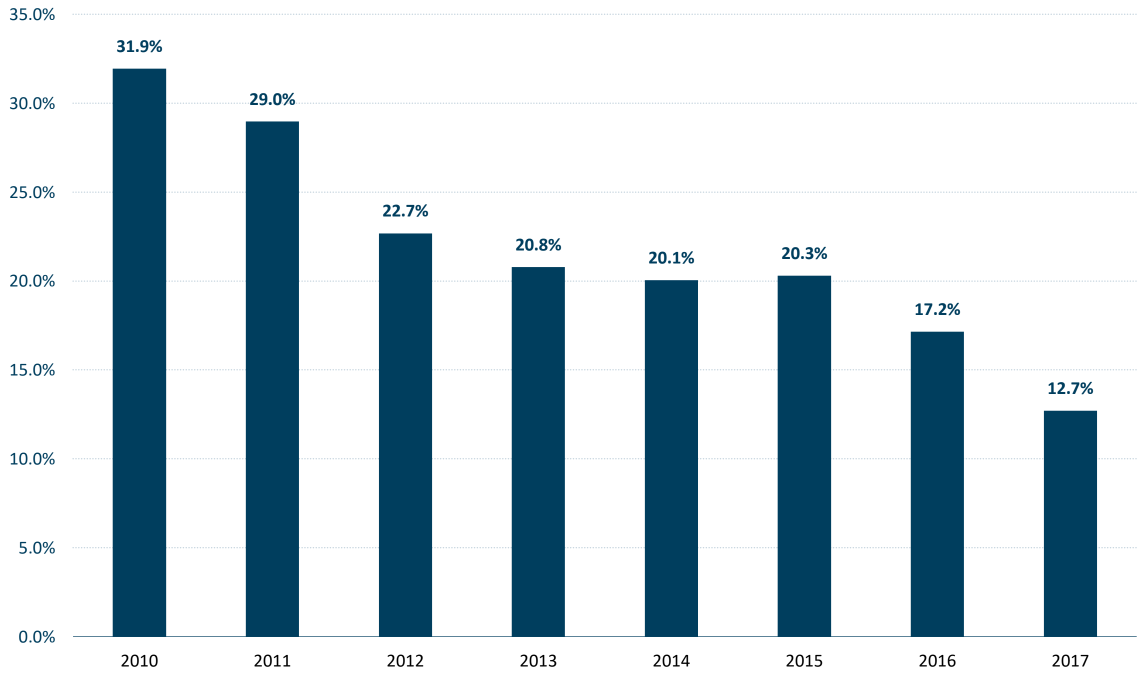
Vessel size	Number of vessels	Total TEU	Delivery year
3,596 TEU	7	25,172 TEU	2017 – 2018
15,226 TEU	7	106,582 TEU	2017 – 2019
20,568 TEU	6	123,408 TEU	2017 – 2018

Note: Order book end-December 2017.
Source: Alphaliner, end-December 2017.

Orderbook still at a low level, even with the last announced orders

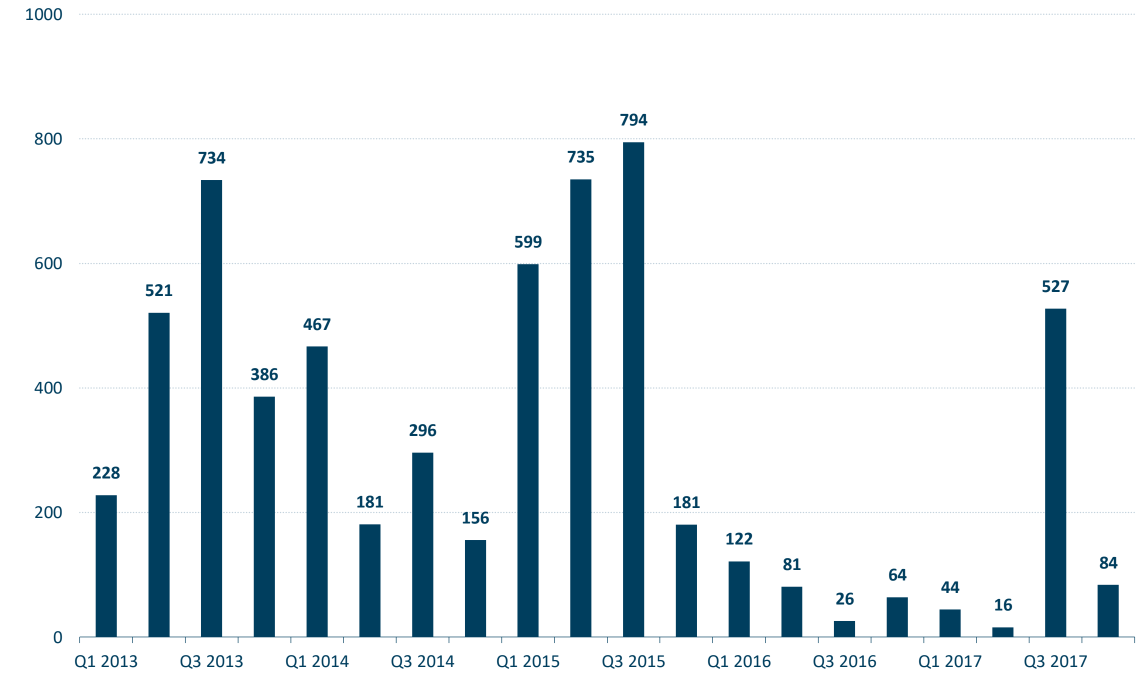
Orderbook

Orderbook as % of current fleet



New orders

TEU ‘000



Source: Alphaliner, end-December 2017

APM Terminals

APM Terminals is the world's 4th largest container terminal operator with strong Africa, Latin America and East-West hub presence.

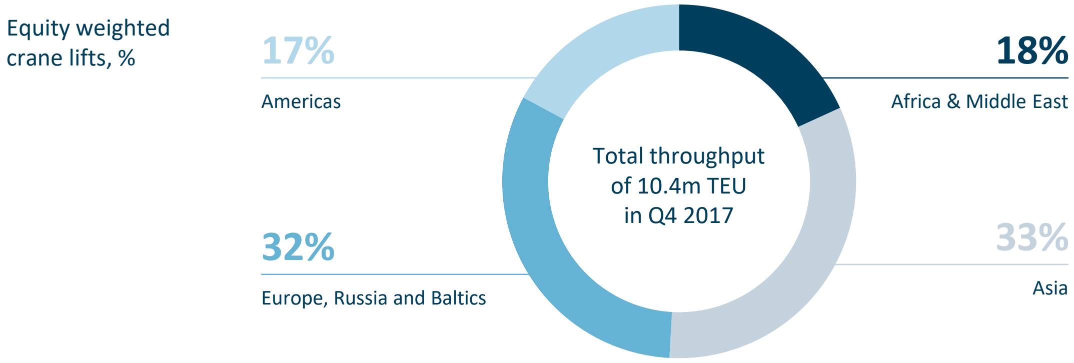
Operating ports amount to 74 and more than 22,000 employees.

1. Based on equity weighted TEUs operated in 2016. Source: Drewry annual report 2017

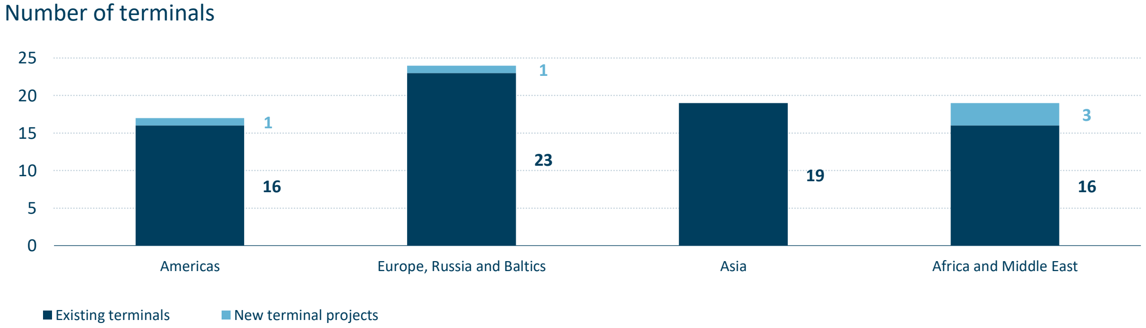
Portfolio Overview

Diversified Global Portfolio

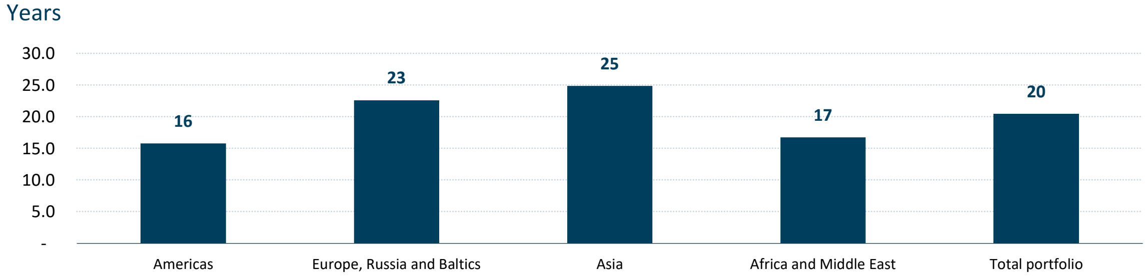
Container throughput by geographical region



Geographical split of terminals

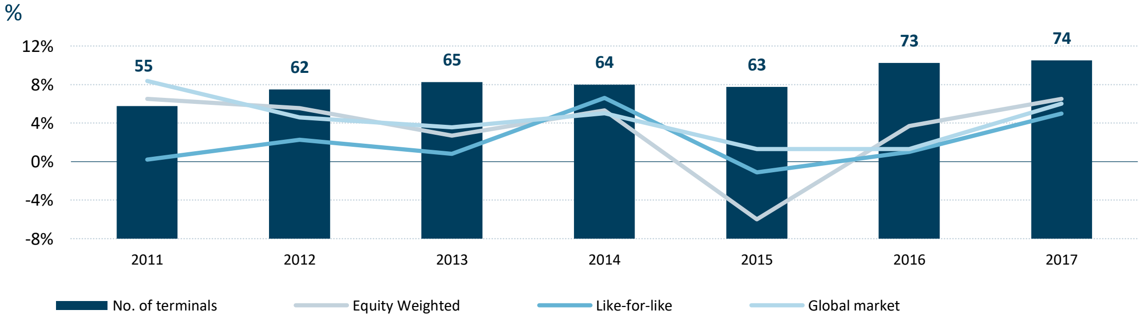


Average remaining concession length in years



Note: Average concession lengths as of Q4 2017, arithmetic mean.

Port Volume growth development



Note: Like for like volumes exclude divestments and acquisitions.

APM Terminals – **Project progress**

Project	Opening	Details	Investment
Moin, Costa Rica	2019	• 33-year concession for the design, construction and operation of new deep-water terminal • The terminal will have an area of 80 hectares, serving as a shipping hub for the Caribbean and Central America	USD 1.0bn
Vado, Italy	2019	• 50-year concession for the design, construction, operation and maintenance of a new deep-sea gateway terminal • Joint venture agreement with China COSCO Shipping Ports (40%) and Qingdao Port International Development (9.9%); APMT (50.1%)	USD 0.4bn
Abidjan, Ivory Coast	2020	• Terminal will be the second in one of the busiest container ports in West Africa • New facility will be able to accommodate vessels of up to 8,000 TEU in size (existing facility 0.75 million TEU)	USD 0.6bn
Tema, Ghana	2019	• Joint venture with existing partner Bolloré (42.3%) and the Ghana Ports & Harbours Authority (15.4%) • Will add 3.5 million TEUs of annual throughput capacity • Greenfield project located outside the present facility that includes an upgrade to the adjacent road network	USD 0.8bn
TM2, Tangier	2019	• Tangier-Med is the second-busiest container port on the African continent after Port Said, Egypt. TM2 will have an annual capacity of 5 million TEUs • Concession signing for a 30-year concession took place on 30 March 2016 and opening is targeted for October 2019	USD 0.9bn

Note: TEU and investment numbers are 100% of the projects.

Active portfolio management

Year	Acquisitions and secured Projects	Divestments/ stop operation
2010	Cotonou, Santos	Kaoshiung, Dunkirk, Oakland, Yantian
2011	Monrovia, Moin, Callao, Poti	
2012	Lazaro Cardenas, Gothenburg, Talin, Kotka / Helsinki, Vostochny, St. Petersburg	Dailan
2013	Abidjan, Ust Luga, St. Petersburg 2, Izmir	Oslo
2014	Namibe	Le Havre, Virginia
2015	Qingdao, Vado reefer, Cartagena, Tema	Charleston, Houston, Jacksonville, Gioia Tauro
2016	Tanger Med 2; Grup Marítim TCB: Quetzal, Yucatan, Buenaventura, Parangua, Valencia, Gijon, Castellon, Barcelona	
2017	Itapoa	Pentalver, Tacoma, Zeebrugge, Dalian

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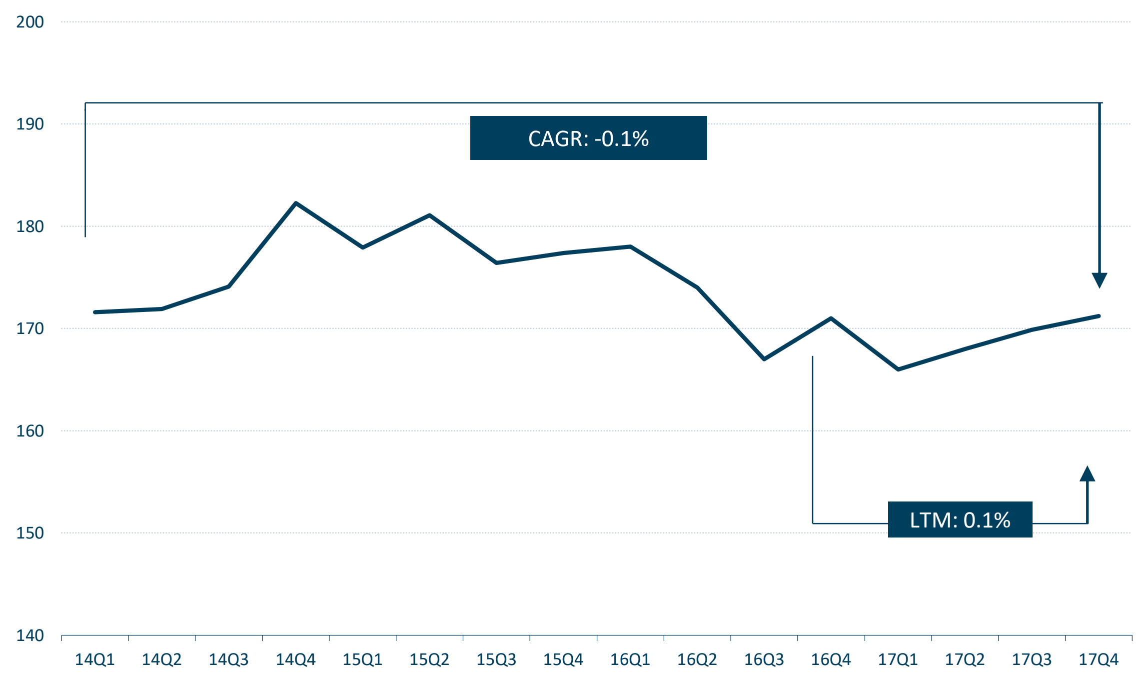
APM Terminals focusing on lower cost and higher efficiency

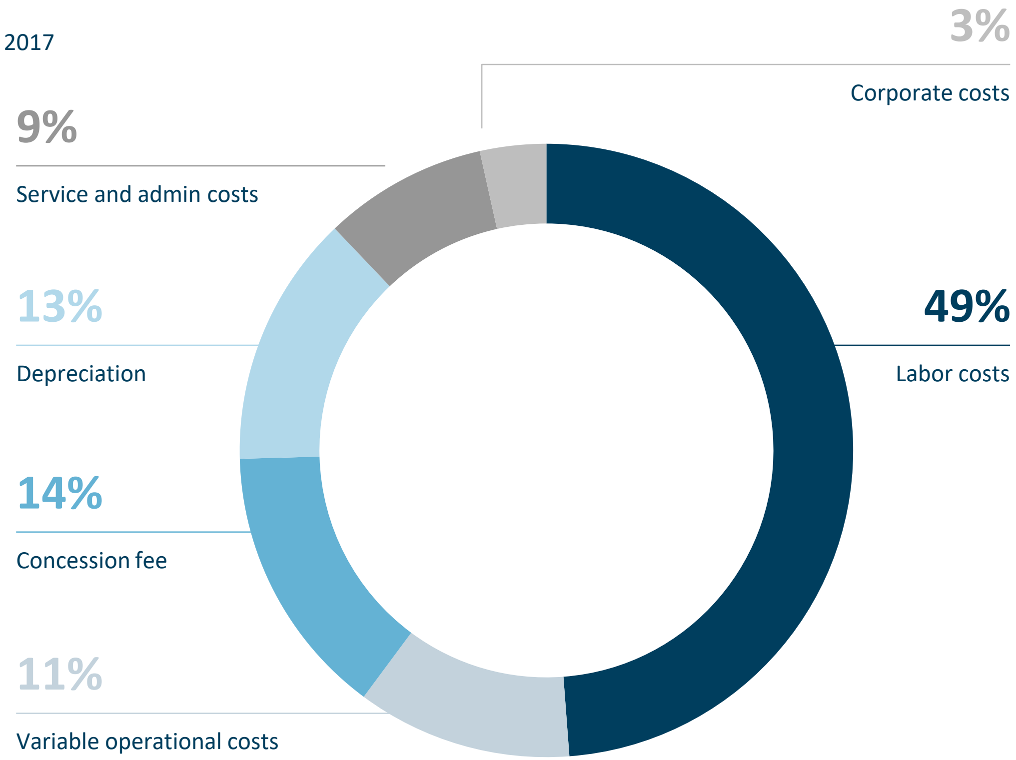
Terminal cost per move (1)

USD/move



Cost break down (2)

Q4, 2017



1) Cost per move for controlled operating terminals only, terminals under implementation excluded.
2) Cost breakdown for all controlled terminal entities.

APM Terminals – operating businessess of 6.5% underlying ROIC

Q4 2017, USDm	Consolidated businesses	JV & Associates	Operating businesses	Implementations	Total
Throughput (TEU m, equity weighted)	6.3	4.1	10.4	0.0	10.4
Revenue	1,047	-	1,047	70	1,117
EBITDA	219	-	219	-8	212
EBITDA margin (%)	20.9	-	20.9	-10.7	18.9
Underlying profit	78	44	122	-8	114
Reported profit	**70**	**45**	**115**	**-8**	**107**
Underlying ROIC (%)	6.3	8.3	6.9	-3.4	5.7
ROIC (%)	**5.7**	**8.4**	**6.5**	**-3.4**	**5.3**
Average Invested capital	4,943	2,142	7,085	946	8,030

Note: Implementations include terminals currently under construction (Vado & Vado reefer, Italy; Moin, Costa Rica; Tangier Med Port II, Morocco; ; Abidjan (TC2), ivory coast).

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APM Terminals - Consolidated businesses

USDm	Q4 2017	Q4 2016	Q4 2017 / Q4 2016
Throughput (TEU m, equity weighted)	6.3	5.4	16.4%
Revenue	1,047	942	11.1%
EBITDA	219	223	-1.7%
EBITDA margin (%)	**20.9%**	**23.7%**	**-2.76pp**
Underlying profit	78	69	13%
Reported profit	**70**	**66**	**6.5%**
Underlying ROIC (%)	6.3%	7.4%	-1.1pp
ROIC (%)	**5.7%**	**7.0%**	**-1.3pp**
Average Invested capital	4,943	3,732	32%

Note: Consolidated businesses includes terminals and inland services that are financially consolidated. In 2016, TCB terminals were included as part of “Implementation”, not “consolidated business” due to integration process

APM Terminals - JV and Associates

USDm	Q4 2017	Q4 2016	Q4 2017 / Q4 2016
Throughput (TEU m)	4.1	3.7	11%
Underlying profit	44	45	-2%
Reported profit	**45**	**46**	**-4%**
Underlying ROIC (%)	8.3%	9.1%	-0.8pp
ROIC (%)	**8.4%**	**9.1%**	**-0.7pp**
Average Invested capital	2,142	1,993	7.5%

Note: Joint venture and Associate terminals and Inland Services

APM Terminals - Implementations

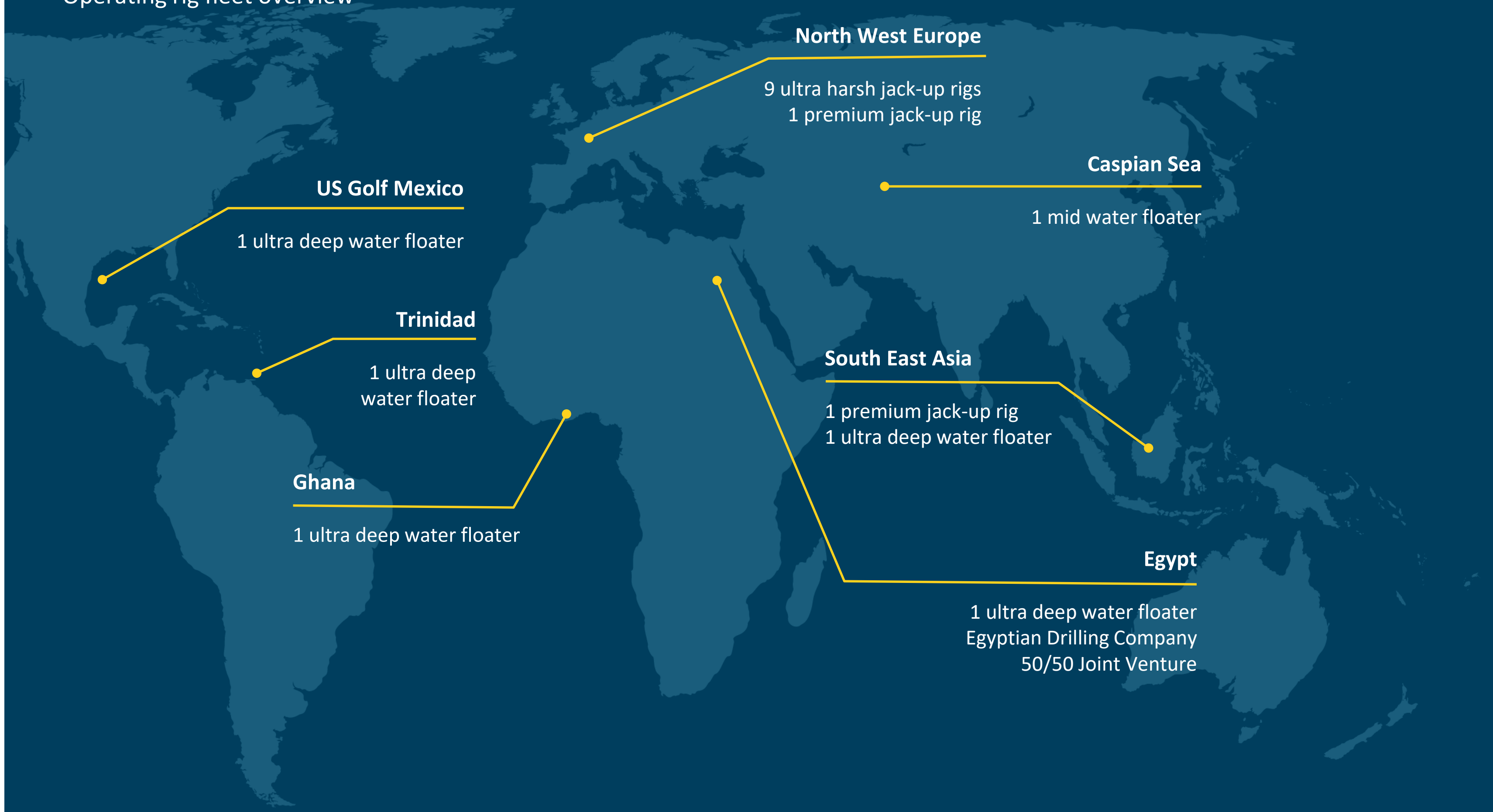
USDm	Q4 2017	Q4 2016	Q4 2017 / Q4 2016
Throughput (TEU m)	0.0	0.6	n.a.
Revenue	70	146	-51.8%
EBITDA	-8	-9	-16.3%
EBITDA margin (%)	-10.7	-6.2	-4.5pp
Underlying profit	-8	-24	-66.6%
Reported profit	**-8**	**-24**	**-66.6%**
Underlying ROIC (%)	-3.4%	-4.2%	0.8pp
ROIC (%)	**-3.4%**	**-4.2%**	**0.8pp**
Average Invested capital	946	2,276	-58.4%

Note: Implementations include terminals currently under construction (Vado & Vado reefer, Italy; Moin, Costa Rica; Tangier Med Port II, Morocco; ; Abidjan (TC2), ivory coast). Q4 2016 Implementations include Lazaro, Mexico; Moin, Costa Rica ; Izmir, Turkey; Vado, Italy) and all TCB entities

Maersk Drilling

(Discontinued operation – held for sale)

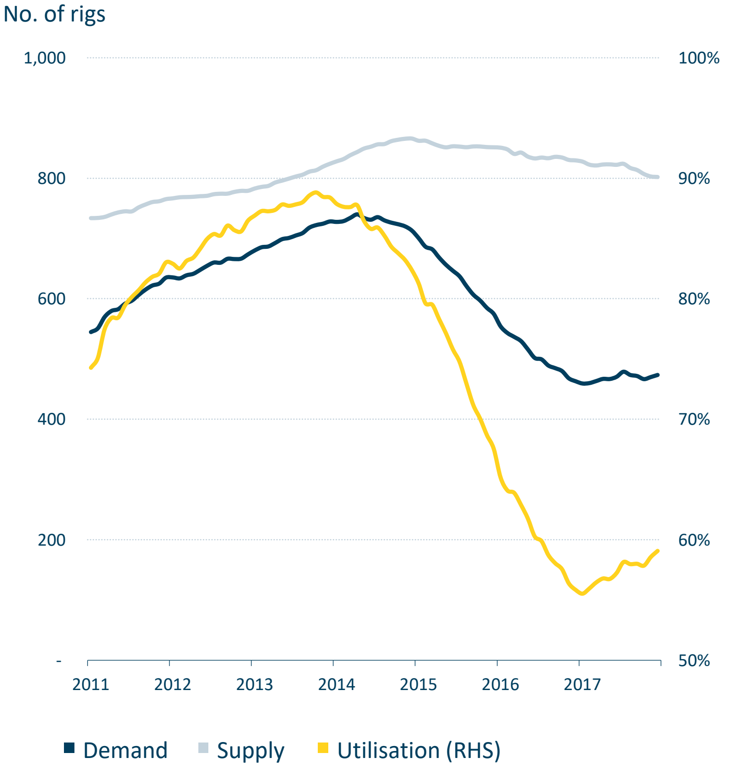
Operating rig fleet overview



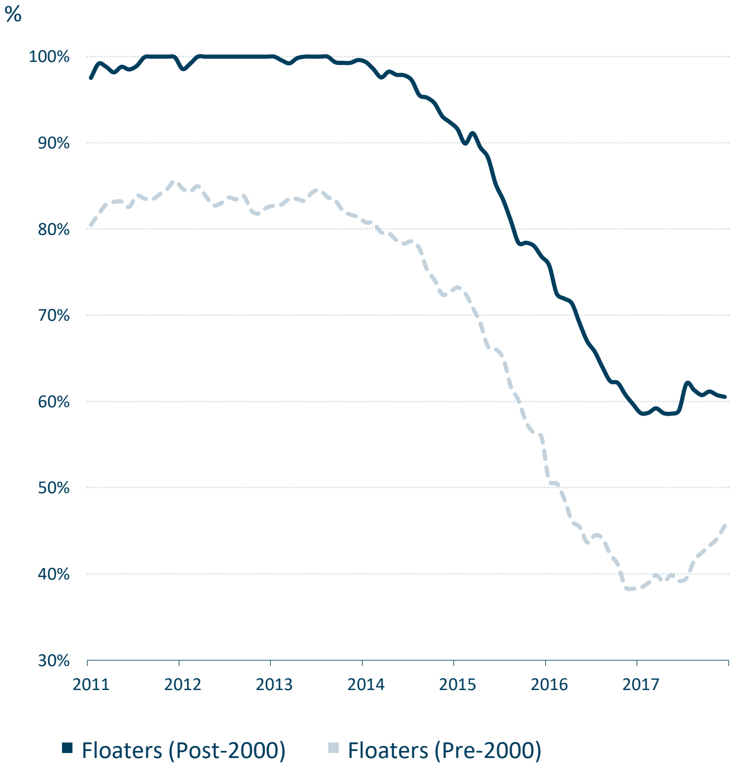
Maersk Drilling supports global oil and gas production around the world within the ultra deep water and ultra harsh environment segments.

Improving sentiment is driving increased rig demand, however day rates remain low

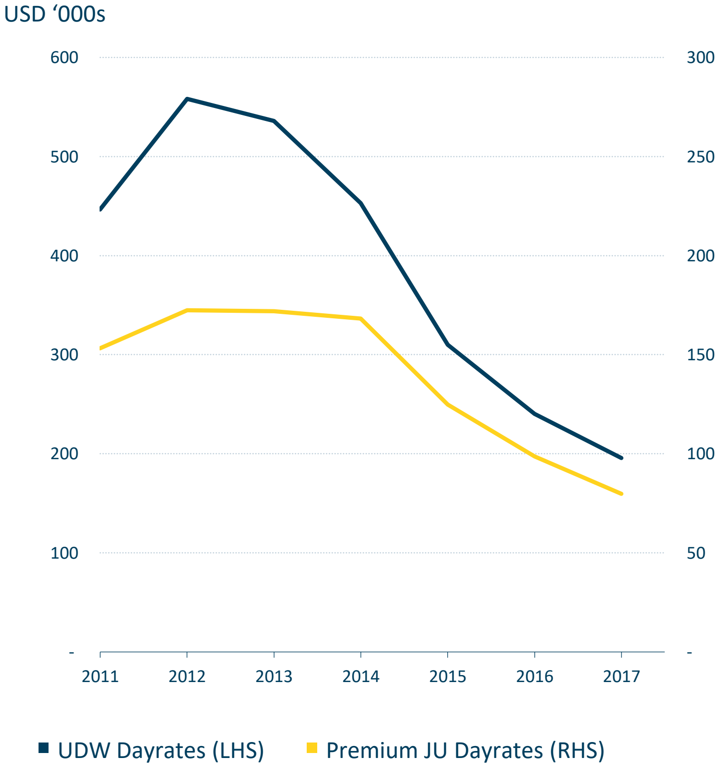
Global rig utilisation increasing as supply-demand imbalance contracts



Convergence in utilisation for rigs delivered before and after 2000



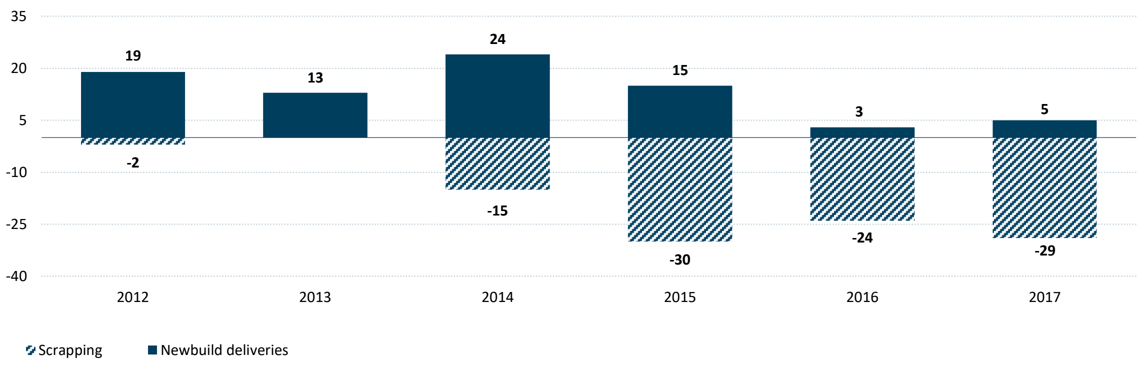
Reported dayrates continue to decline as a reaction to the rig supply-demand imbalance

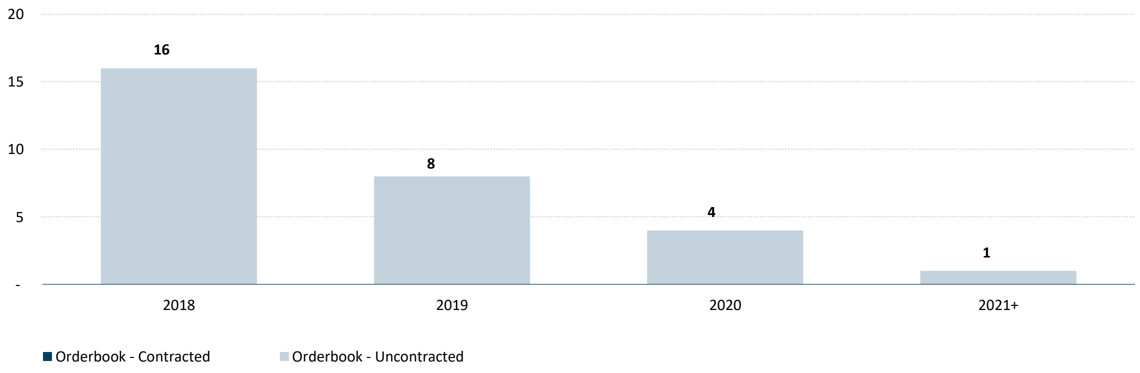


Note: Premium JU defined as rigs delivered after 2000 with 350+ water depth; UDW floater defined as 7,500ft+ water depth.
Note: Fixtures comprise New mutual, Mutual renegotiation and Mutual sublet.
Source: IHS Petrodata, Maersk Drilling.

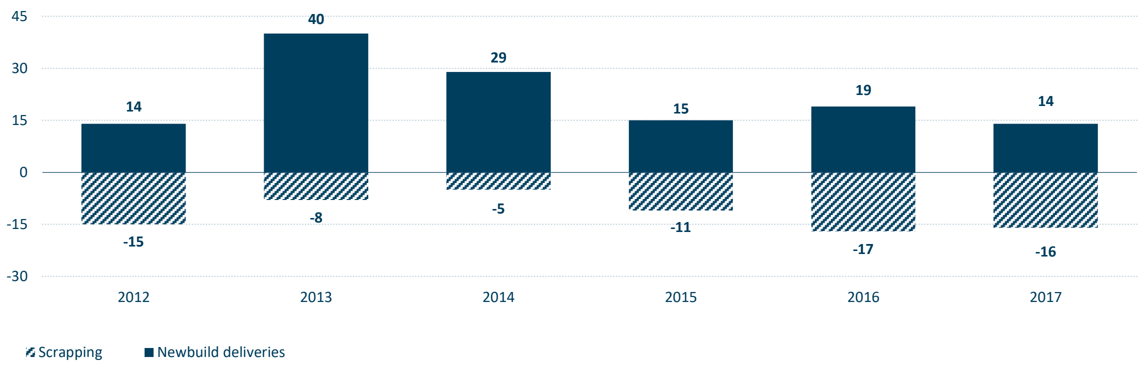
Despite contractors’ efforts to scrap rigs, the large orderbook of uncontracted rigs poses a significant risk to utilisation

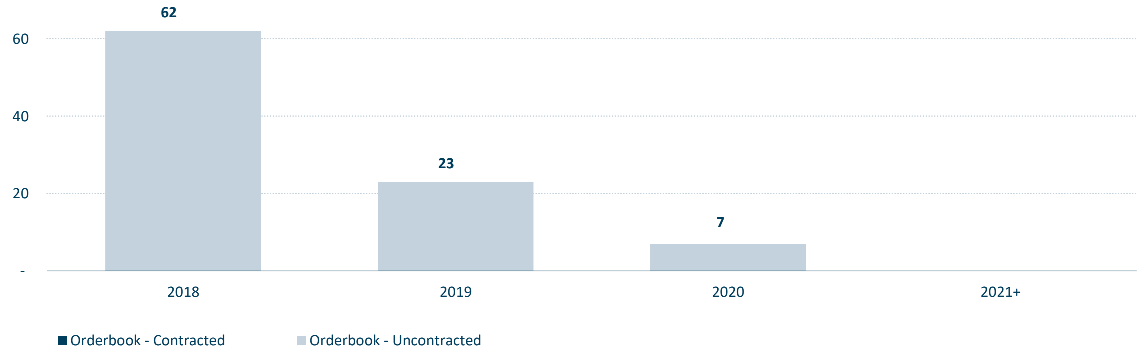
Floater rigs, global market





Jack-up rigs, global market

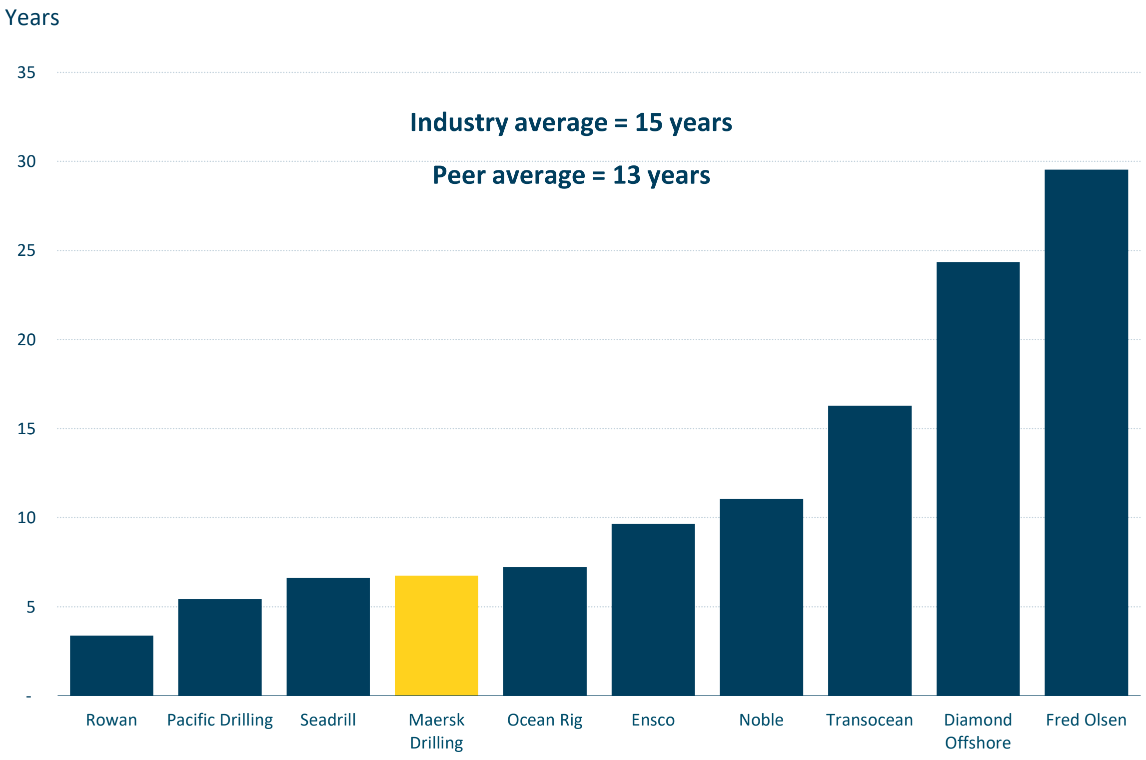




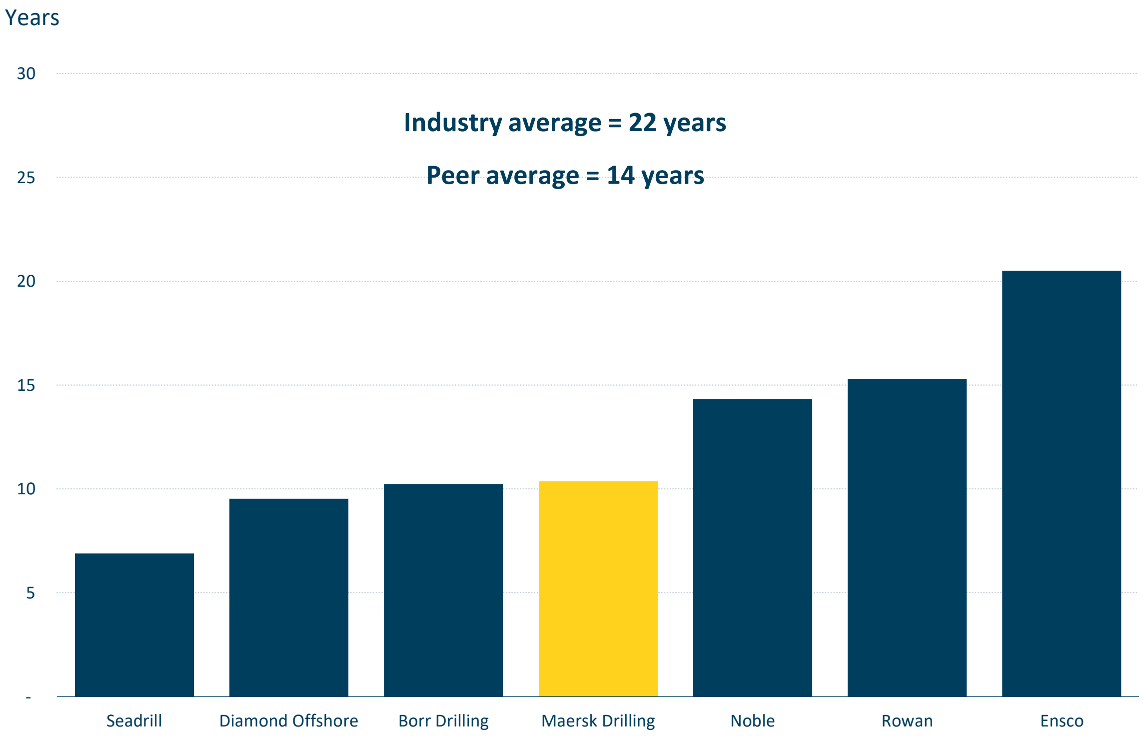
Note: Floater orderbook excludes Sete Brasil rigs.
Source: IHS Petrodata.

Maersk Drilling has one of the most modern fleets in the competitive landscape

Floater fleet average age



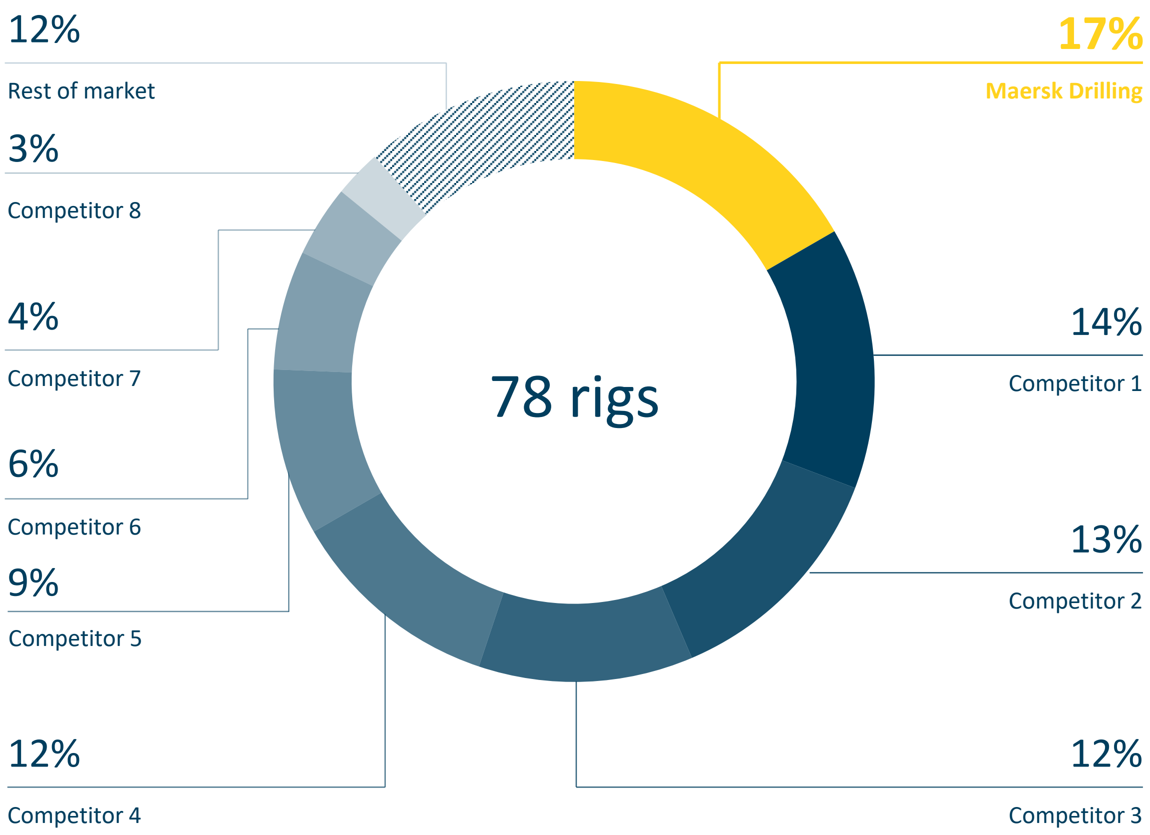
Jack-up fleet average



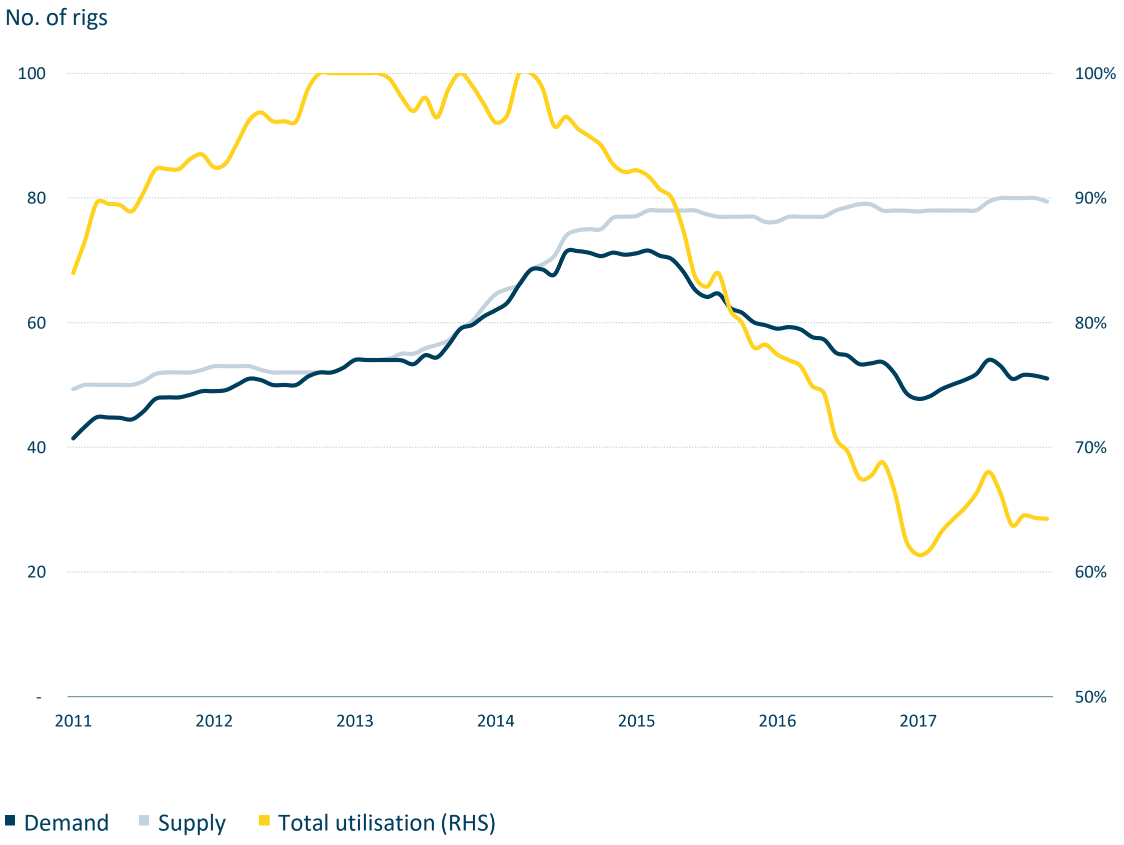
Note: Excludes orderbook.
Note: Maersk Guardian (accommodation rig) not included jack-up average age calculation.
Source: IHS Petrodata, Maersk Drilling.

Maersk Drilling is the market leader in the harsh environment jack-up sector, which has recently reached an inflection

Harsh environment jack-up market share



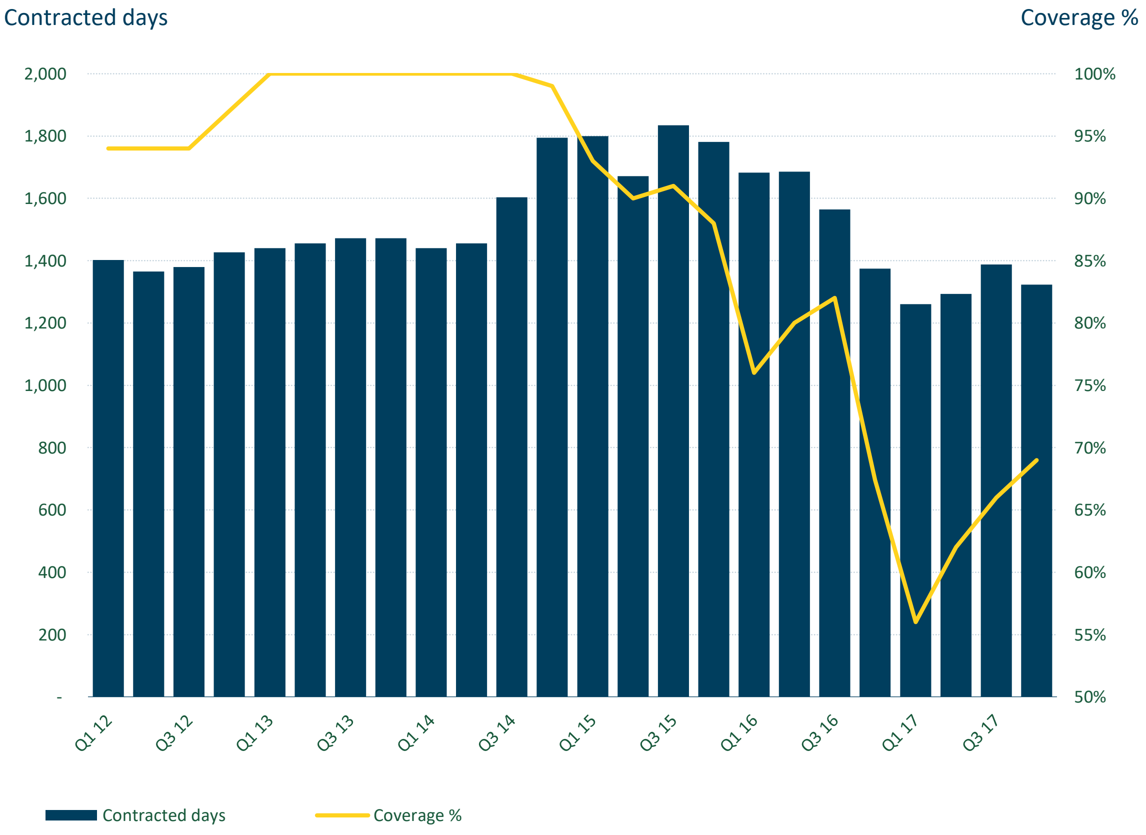
Harsh environment jack-up utilisation buoyed by increased rig demand



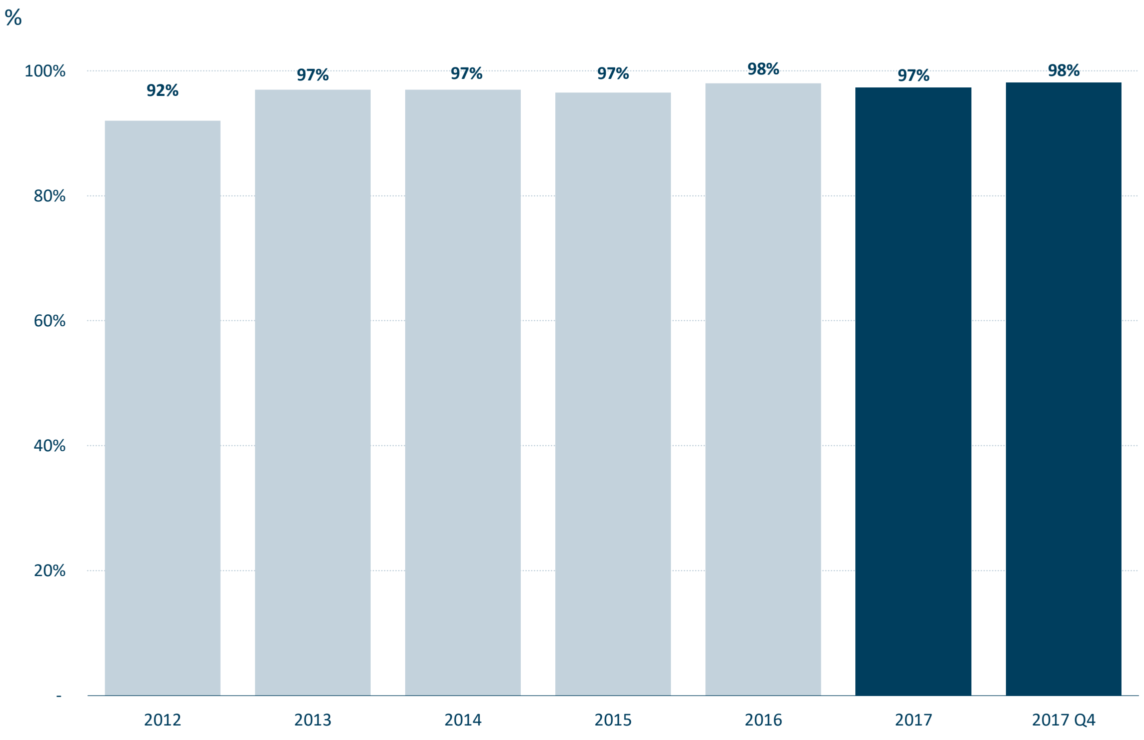
Note: Excludes orderbook.
Source: IHS Petrodata, Maersk Drilling.

Utilisation adversely impacted by idle rigs but continued strong operational uptime

Contracted days and coverage



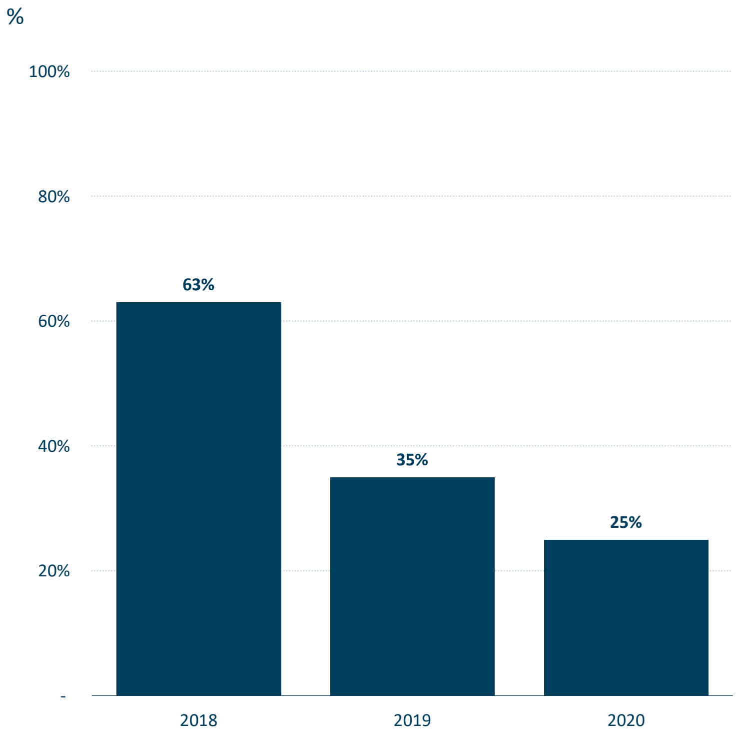
Operational uptime (1)



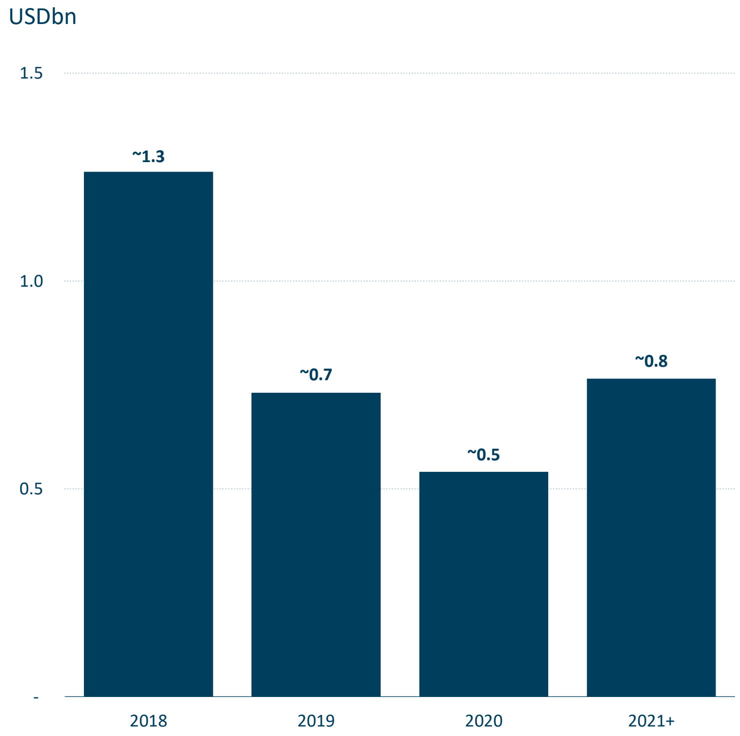
1) Operational availability of the rig.
Source: Maersk Drilling.

Strong forward coverage with backlog providing revenue visibility

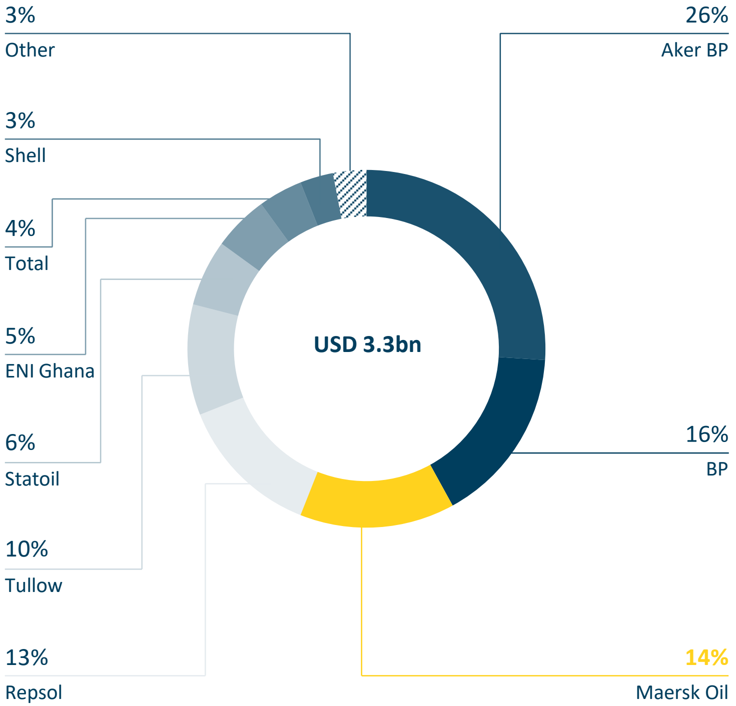
Contract coverage



Revenue backlog



Revenue backlog by customer



Note: As of January 2018; numbers may not sum due to rounding.
Source: Maersk Drilling.

Fleet status – Jack-ups

Jack-ups	Delivery year	Customer	Contract start	Contract end	Country	Comments
Mærsk Innovator	2003	ConocoPhillips Nexen	Feb 2010 Jul 2018	Jun 2018 Feb 2019	Norway UK	3 wells firm with 9 well options
Mærsk Inspirer	2004	Repsol	Q4 2019	Q4 20204	Norway	5 years firm + options up to 5 years, under going production modifications until contract start
Maersk Intrepid	2014	Total	Aug 2014	Mar 2019	Norway	
Maersk Interceptor	2014	Aker BP	Dec 2014	Dec 2019	Norway	Up to 2 years options
Maersk Integrator	2015	Statoil	Jun 2015	Jun 2019	Norway	2 x 1 year options
Maersk Invincible	2016	Aker BP	Apr 2017	Apr 2022	Norway	
Maersk Highlander	2016	Maersk Oil	Sep 2016	Sep 2021	UK	2 x 1 year options
Mærsk Gallant	1993	Maersk Oil	Feb 2017	Jun 2018	UK	
Mærsk Giant	1986					Available
Maersk Guardian	1986	Maersk Oil	Nov 2016	Nov 2021	Denmark	Accommodation contract with 2 x 1 year options
Maersk Reacher	2009					Available
Maersk Resolute	2008					Available
Maersk Resolve	2009	Wintershall	Jul 2017	Apr 2018	UK	Extension, further options included
Maersk Resilient	2008	Maersk Oil	Oct 2015	Oct 2018	Denmark	
Maersk Completer	2007					Available
Maersk Convincer	2008	BSP	Sep 2017	Oct 2018	Brunei	3x1 year options

Note: As of 02 January 2018.

Fleet status – floaters

Semisubmersibles	Delivery year	Customer	Contract start	Contract end	Country	Comments
Mærsk Developer	2009	Shell	Jan 2018	Sep 2018	Trinidad	+2 year option
Mærsk Deliverer	2010	Total	Dec 2017	Jan 2018	Malaysia	1 well
Maersk Discoverer	2009	BP	Jul 2012	Aug 2019	Egypt	
Maersk Explorer	2003	BP	Sep 2012	May 2021	Azerbaijan	

Drillships	Delivery year	Customer	Contract start	Contract end	Country	Comments
Maersk Viking	2014	ExxonMobil	May 2014	Apr 2018	USA	
Maersk Valiant	2014					Available
Maersk Venturer	2014	Tullow	Mar 2018	Feb 2022	Ghana	
Maersk Voyager	2015	Eni	Jul 2015	Dec 2018	Ghana	1 x 1 year option

Note: As of 02 January 2018.

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