

A.P. Møller - Mærsk A/S

Annual Report 2012



MAERSK

Annual Report 2012



Maersk Line: The world's largest liner company, with a global network.



Maersk Oil: Using innovation to unlock potential, turning discoveries into production.



APM Terminals: Running efficient ports, building tomorrow's port infrastructure today.



Maersk Drilling: Breaking ground offshore, working safely in ultra-harsh environments.

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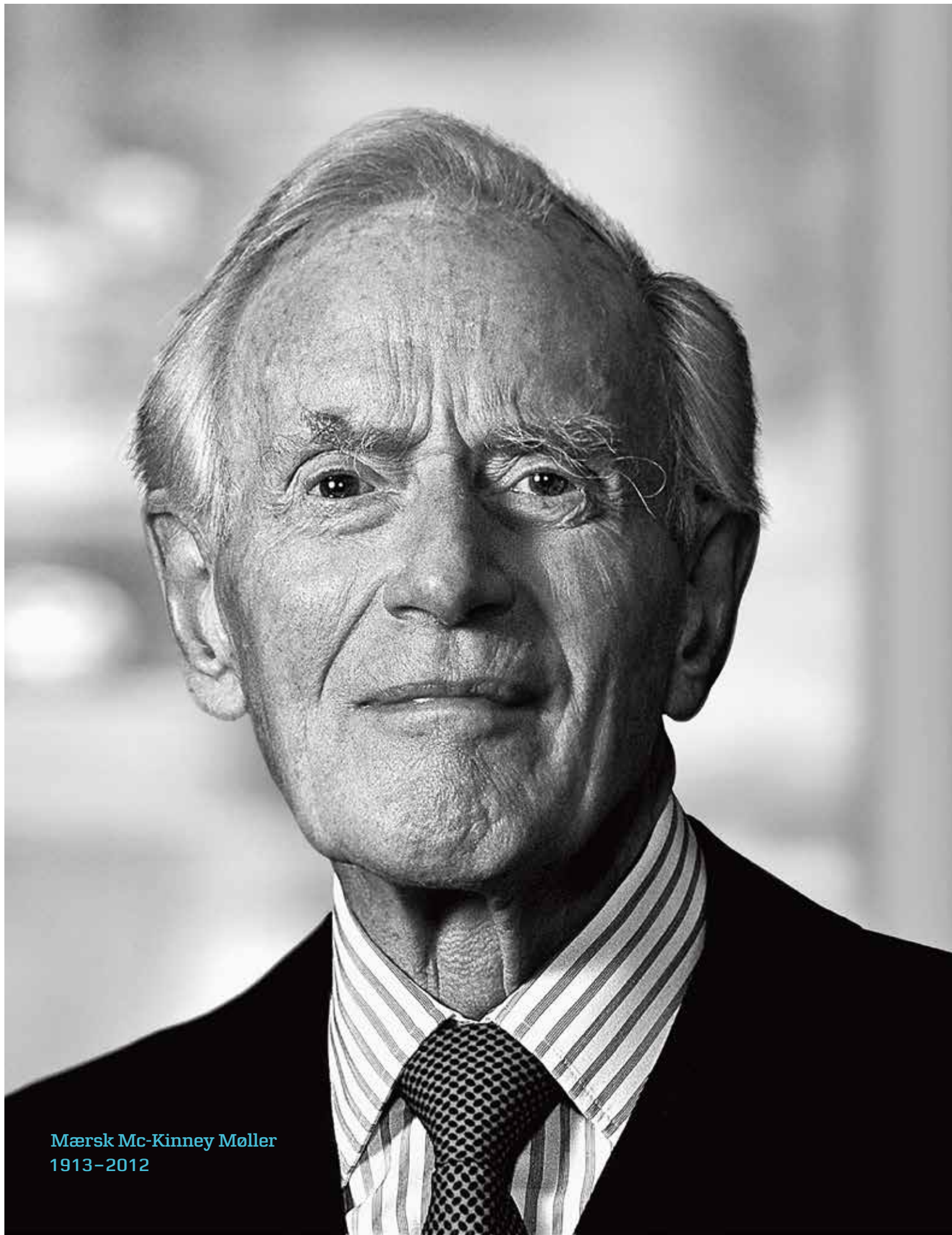
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Mærsk Mc-Kinney Møller
1913-2012

Mærsk Mc-Kinney Møller

In memoriam (1913–2012)

Mærsk Mc-Kinney Møller left an indelible mark on the A.P. Møller - Maersk Group, Denmark and the international business community.

Mærsk Mc-Kinney Møller dedicated his life to the businesses that his father had founded and which they developed together until A.P. Møller's death in 1965.

Even as a boy, the young Mærsk was involved in the office, at the shipyard and on the vessels. He was therefore no stranger to the business when he first joined the Company.

He began his apprenticeship in 1930, and the experience he gained from shipping and banking companies in Denmark, Germany, the United Kingdom and France was significant in shaping the unique part that Mærsk Mc-Kinney Møller was to play in international business.

Mr. Møller – as he was called, just like his father – joined the Company in 1938 and became a partner in the Firm A.P. Møller in 1940. He managed the Company's interests in the USA from 1940 to 1947.

Mærsk Mc-Kinney Møller took over the helm in 1965, paying profound respect to his father's work and the values that he had created and instilled. However, his attention was also directed towards new opportunities of an increasingly globalised world.

Mr. Møller's approach to the business was focussed, showing constant care and a great sense of responsibility towards the Company. His rare energy and unlimited commitment, combined with the support of his staff, helped expand the Company into all parts of the world.

Mr. Møller understood the big picture as well as the numerous small details that make up the whole. He also understood the need to keep focussing on new areas. He was able to look at an issue from all angles and to challenge experts before making the final decision. The decision would then be carried out during busy hours everywhere in offices, on ships, platforms, rigs, at shipyards, terminals and in aircrafts by teams of talented and inspired individuals, followed by an attentive Mr. Møller.

The strength that comes from stable ownership was very important to Mr. Møller. The Foundations created by his father form a guarantee for long-term stability of Group operations and this weighed heavily on Mr. Møller's mind. As chairman of the Foundations, Mærsk Mc-Kinney Møller was responsible for the inward consolidation of values, as well as the many public donations, both large and small, that have benefited society at large.

Mr. Møller followed the business to the very end of his life. He attended the Annual General Meeting and dinner just four days before his death on 16 April 2012.

Mr. Møller's parting words to the Group's Board of Directors and management team after the dinner were "Good Night and Goodbye – and Thank You".



Ane Mærsk Mc-Kinney Uggle



It all began in 1904...

Today's A.P. Møller - Maersk Group builds on more than 100 years of experience in global trade.

Mr. A.P. Møller (1876–1965) initiated and developed the original shipping company into a diverse group of businesses.

A.P. Møller was born into a shipping family and his father Peter Mærsk Møller strongly supported the start up of the company. Through his daily work, A.P. Møller expressed the family principles and values in management and eventually imbued them on his

staff. That was the foundation for today's Governance Commitments.

A.P. Møller led the activities within shipping, energy and industries to establish the Group as a leading company not only in Denmark, but also on the international business scene.

To secure the future of his lifetime's work, A.P. Møller established Foundations to own and manage the Group.

Before returning to Denmark in 1904, **A.P. Møller** was employed in trading houses and shipping companies in England, Germany and Russia.

Upon his return, A.P. Møller took up a position with a leading ship owner in Copenhagen, but with the provision that he could invest in his own ships.



1904

The Steamship Company Svendborg was founded by A.P. Møller, supported by his father Peter Mærsk Møller and leading citizens of Svendborg.

The steam ship **SVENDBORG** was acquired in October 1904.

1912

To facilitate expansion,

A.P. Møller founded the Steamship Company of 1912 and established his own business.

1913

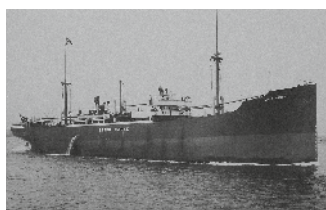
The Maersk fleet consisted of nine ships.



1918

A.P. Møller was able to realise the ambition to combine shipping with shipbuilding. **Odense Steel Shipyard** was founded and ships would be built at this yard until 1966.

Maersk ships called ports in Europe, Africa and the Americas.



1921

The motor ship LEISE MÆRSK entered the Maersk Fleet; incidentally **LEISE MÆRSK** became the first ship on a **Maersk Line's** first voyage in 1928.

1928

That year turned out to be a pivotal year for Maersk.

Global consumption of petroleum products increased and in 1928 A.P. Møller seized the opportunity to add five crude oil tankers to the fleet – the beginning of **Maersk Tankers**.

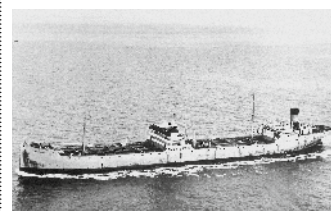
Maersk Line's first voyage took place in 1928, inaugurating the Panama Line between the USA and the Far East.

New markets were explored as Maersk ships traded in Asia and Australia for the first time.



1930

Mærsk Mc-Kinney Møller's career began in Denmark. Later, Mr. Møller worked in shipping, brokerage and banking in Germany, England and France until 1938, where he returned to Copenhagen to work in his father's company.



Agents were contracted to handle **Maersk Line's** business in Shanghai, Hong Kong and Tokyo, supported by the offices in New York and Copenhagen.

In the period from its inauguration in 1918 to 1939, **Odense Steel Shipyard** delivered 79 ships; of these 29 entered the Maersk Fleet.

1900

1910

1920

1930

1940

Mærsk Mc-Kinney Møller

became a partner in his father's firm and travelled to New York to manage the fleet during the German occupation of Denmark.



Maersk Line expanded its network, initially in the Far East and later to the Arabian Gulf and Africa.



1962

The A.P. Møller Group was awarded the concession for the exploration and extraction of hydrocarbons in Denmark.

The Foundations

A.P. Møller's concern that his life's work would be taken over by investors who had a different view on running a business was resolved by the establishment of three foundations; The Family Foundation, The A.P. Møller and Chastine Mc-Kinney Møller Foundation and The Relief Foundation.

Albeit the purposes were different, the common goal was to ensure that the Group's businesses would be managed according to A.P. Møller's principles and values.



Quietly, privately and later through the Foundations, A.P. Møller donated funds to support a range of causes, mainly of national importance.

A.P. Møller chaired the Foundations until 1965, when **Mærsk Mc-Kinney Møller** became Chairman. The family commitment continues as **Ane Mærsk Mc-Kinney Uggla** succeeded her father in 2012 in The A.P. Møller and Chastine Mc-Kinney Møller Foundation, which owns the majority of voting shares in A.P. Møller - Mærsk A/S.



1940-1945

150 sailors and 25 of the Maersk Fleet's 46 ships were lost to war causes.

Towards the end of the period, focus was to acquire replacement tonnage and regain market shares. Immediately after Liberation in May 1945 seven new buildings entered the fleet from the **Odense Steel Shipyard** and the surviving ships were recovered from the warring countries.



1955

In response to the growing energy demand in the world market, **Maersk Tankers** acquired larger and larger ships. One of those was **REGINA MÆRSK**, the first ship to have its hull painted in the distinct Maersk Blue.

1964

A.P. Møller's last major initiative before his death in 1965 was to support the expansion plans of the Danish merchant Herman Salling. The result was **Dansk Supermarked Group**, the retail arm of Maersk.



The shipping activities were expanded with special vessels transporting bulk cargoes, cars and refined oil products as well as supply vessels for off-shore.

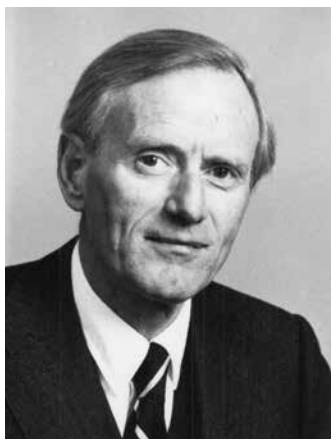
1946

Maersk Line resumed its service between the USA and the Far East. Soon afterwards the first round-the-world sailings took place, via the Suez and Panama canals.

1959

The Lindø shipyard was established to build ships up to 200,000 tons. In 1969 the yard was expanded to a capacity of 650,000 tons.

The Group invested in industrial companies producing refined oil products and the relatively new product called plastic.



Continuity and Growth

Mærsk Mc-Kinney Møller (1913-2012) was the CEO and Chairman of the A.P. Møller - Mærsk Group from his father's death in 1965 until 1993.

Mr. Møller remained the Chairman of the Group until 2003, when he passed the torch to Michael Pram Rasmussen.

The foundations created by A.P. Møller between 1946-1960 became the majority owners in Mærsk Mc-Kinney Møller's time as Chairman (1965-2012).

Mr. Møller was tireless in continuing his father's work in building up the business and did so by leading the Group into new ventures and persistently developing existing businesses.

Mærsk Mc-Kinney Møller's virtues were founded in the family background. Mr. Møller ensured that the company values are a natural part of every employee's daily work day:

"The basic principle is that people can trust us... your word should be your bond".

1965

Mærsk Mc-Kinney Møller assumed the Chair of the Group upon the death of his father A.P. Møller.

1966-1967

Today's Maersk Oil commenced exploration activities in the Danish part of the North Sea, together with its partners in DUC (Dansk Undergrunds Consortium). In support of this effort, the first supply vessels entered the Maersk Fleet.

Maersk Line included Asia-Europe to its network.

Maersk Tankers took delivery of its first product tankers and VLCC (Very Large Crude Carrier).

1969

Maersk Air was founded. The passenger activities were divested in 2005; the short-haul freight carrier **Star Air** continues operation.



Maersk Line introduced container ships on the Panama Line between Asia and USA. Today's **Damco** was founded as Mercantile to offer supply chain management and consolidation of cargo.

1972

First oil was produced from the North Sea fields by DUC – **Maersk Oil** and its partners.

Maersk Tankers received its first gas tanker and a series of ULCC's (Ultra Large Crude Carriers).

New initiatives in the decade included: Maersk Data and **Maersk Drilling** were founded, **SVITZER** was acquired.

1983

Amaliehaven, a public park at the royal residence Amalienborg, was donated to the Danish state and the City of Copenhagen by The Møller Foundation.

Maersk Line containerised its Asia-Europe and Trans-Atlantic services, and made its first acquisition of competitors.



1984

Maersk Oil produced the first natural gas from the North Sea and started preparations for international expansion.

To optimise production, **Maersk Oil** developed ground-breaking horizontal drilling technologies.

1991

Maersk Container Industry was founded; now dry and refrigerated containers are manufactured in China and soon in Chile.

Maersk Line expanded its global presence from 40 countries in 1990 to more than 100 countries in 2000. Large acquisitions positioned **Maersk Line** as the leading container carrier in the world.

The world's first double hulled VLCC and largest container ships were built at the **Odense Steel Shipyard at Lindø**.

1993

Mærsk Mc-Kinney Møller withdrew from daily management of the Group.

1994

Maersk Oil initiated oil production in Qatar.

Mercantile, later Maersk Logistics and now **Damco**, expanded to meet customer demand for supply chain management.

1960

1970

1980

1990

2000

Her Majesty Queen Margrethe II bestowed Mærsk Mc-Kinney Møller with the Order of the Elephant, the most distinguished Danish Order.

2001

APM Terminals was established on the basis of Maersk Line's terminal activities.

2003

Mærsk Mc-Kinney Møller stepped down from the chairmanship of the Company. Mr. Møller remained chairman of the Foundations.



2004

By far its largest donation, The Møller Foundation built **the Opera in Copenhagen** to the Danish state.



2006

Odense Steel Shipyard at Lindø delivered the world's largest container ships to **Maersk Line**. In 2009 it was decided to discontinue shipbuilding due to the competition from Asia.



2011

Maersk Line announced the order for 20 containerships, nicknamed Triple E for Energy efficiency, Economy of scale and the Environment. First ship will enter the Maersk Fleet in 2013.

2011

Following the divestments of several business units during the 2000's, A.P. Møller - Maersk presented its focused strategy within **shipping and energy**.

2011

Maersk Drilling continued its expansion with the order for four drill ships.

2012

Mærsk Mc-Kinney Møller died and his youngest daughter Ane Mærsk Mc-Kinney Uggla assumed the Chairmanship of A.P. Møller and Chastine Mc-Kinney Møller Foundation.

Names and Logos in Maersk

Innovation is part of the Maersk culture, as are traditions and we strive to build our actions on our heritage.

The symbols and the names in the Group are valuable for us, not least because of their background with the founding family.

The Mærsk name derives from Peter Mærsk Møller's side of the family.

His middle name came from his mother, Kiersten Pedersdatter Mærsk, whose family originally was from West Slesvig. The first known bearer of the name was Anders Nielsen Mersch, who lived in the area between 1617 and 1698.

Mærsk (also spelled mersk or marsk) is Danish for marshland, which is the typical landscape in West Slesvig. In the international context, **MAERSK** is used.



1886

The white, seven-pointed Maersk Star was introduced when A.P. Møller's father, Captain Peter Mærsk Møller, put it on the funnel of his first steam ship, named **LAURA**.

The star was placed on a blue band surrounding the black funnel – as it is on today's Maersk ships.

1904

The Maersk Star was chosen as the logo for the Steamship Company Svendborg.

1906

The Steamship Company Svendborg took delivery of its second ship. It was named **PETER MÆRSK** and two traditions were established; using family related names in ship names and using the **MÆRSK** name in ship names.



1928

The first logo was implemented as part of Maersk Line's efforts to market its new liner service from the USA to the Far East.

The shipping activities traded under the A.P. Møller name until the first use of **MAERSK** in a brand name; **MAERSK LINE** from 1928.

1972

The current Maersk logo and **MAERSK** letter fonts were developed for Maersk Line, but eventually they were introduced in most business units in the A.P. Møller - Maersk Group.

Directors' report

(figures for 2011 in parenthesis)

The Group delivered a profit of USD 4.0bn (USD 3.4bn), which was slightly higher than the latest announced outlook of around USD 3.7bn expressed on 9 November 2012. The return on invested capital (ROIC) was 8.8% (8.3%).

Profit was positively affected by the settlement of an Algerian tax dispute in Q1 of USD 899m combined with improved volumes, rates and unit costs for Maersk Line. Profit was negatively affected by a decline in Maersk Oil's share of production and impairment losses of net USD 405m of which USD 268m related to Maersk Tankers in Q3. Divestment gains were USD 636m (USD 890m) with the divestment of two FPSOs, Maersk LNG and Maersk Equipment Service as the largest transactions. Revenue decreased slightly to USD 59.0bn (USD 60.2bn).

Cash flow from operating activities was USD 7.6bn (USD 7.3bn) while cash flow used for capital expenditure was USD 6.3bn (USD 9.8bn) after netting sales proceeds amounting to USD 3.4bn (USD 1.7bn). The Group's free cash flow was positive USD 1.3bn (negative USD 2.5bn).

Net interest-bearing debt increased by USD 339m to USD 15.7bn (USD 15.3bn). Total equity was USD 39.3bn (USD 36.2bn); positively affected by the profit of the year of USD 4.0bn. Dividend paid was USD 945m (USD 924m).

Highlights for the Group 2012

	DKK million			USD million		
	2012	2011	Change	2012	2011	Change
Revenue	342,058	322,520	6%	59,036	60,230	-2%
Profit before depreciation, amortisation and impairment losses, etc.	72,897	78,506	-7%	12,581	14,661	-14%
Depreciation, amortisation and impairment losses	30,973	28,889	7%	5,346	5,396	-1%
Gain on sale of non-current assets, etc., net	3,683	4,764	-23%	636	890	-29%
Profit before financial items	46,893	55,032	-15%	8,093	10,277	-21%
Profit before tax	42,517	50,452	-16%	7,338	9,422	-22%
Profit for the year	23,395	18,083	29%	4,038	3,377	20%
Cash flow from operating activities	44,202	38,886	14%	7,629	7,262	5%
Cash flow used for capital expenditure	-36,619	-52,259	-30%	-6,320	-9,759	-35%
Return on invested capital after tax (ROIC)	9.0%	7.8%		8.8%	8.3%	



Board of Directors

Left to right: John Axel Poulsen, Erik Rasmussen, Robert Routs, Lars Pallesen, vice chairman Niels Jacobsen, vice chairman Ane Mærsk Mc-Kinney Uggla, chairman Michael Pram Rasmussen, Leise Mærsk Mc-Kinney Møller, Jan Leschly, Jan Tøpholm, Arne Karlsson, Sir John Bond.

With an equity ratio of 52.9% (51.4%) and a liquidity buffer of USD 13.6bn (USD 11.3bn), the Group is well prepared and determined to execute on its long-term growth aspirations and seize market opportunities within its core businesses despite continued constraints in the financial markets.

Maersk Line made a profit of USD 461m (loss of USD 553m) and a ROIC of 2.4% (negative 3.1%). The result was positively affected by improved volumes, rates and unit costs. The average freight rates were 1.9% higher at 2,881 USD/FFE (2,828 USD/FFE) and volumes increased by 5% to 8.5m FFE (8.1m FFE). Bunker consumption per FFE was reduced by 11% and headquarters headcount was reduced significantly.

Maersk Line announced and implemented significant general rate increases on most trades backed by active capacity adjustments in the form of slow steaming, scrapings, idling and blanked sailings. The total fleet capacity increased by 4% to 2.6m TEU (2.5m TEU). The capacity growth in owned fleet was partly offset by redelivery of time charter vessels. Maersk Line maintained its market share for the full year. Cash flow from operating activities

was USD 1.8bn (USD 899m) and cash flow used for capital expenditure was USD 3.6bn (USD 3.2bn).

Maersk Oil made a profit of USD 2.4bn (USD 2.1bn) and a ROIC of 36.6% (37.2%). The result was positively affected by the one-off tax income of USD 899m from the settlement of an Algerian tax dispute and a USD 91m gain from a partial divestment of interests in Brazil. This was partly offset by a 23% decline in the Group's share of oil and gas production to 257,000 boepd (333,000 boepd), primarily due to a lower share of production in Qatar and Denmark.

Development of the portfolio included maturation of the significant projects Chissonga in Angola and Johan Sverdrup in Norway, and an agreement of further development of the Al Shaheen field in Qatar and start-up of Dunga Phase II production in Kazakhstan. Exploration expenses were USD 1.1bn (USD 1.1bn). Cash flow from operating activities was USD 3.9bn (USD 4.3bn) and cash flow used for capital expenditure was USD 2.0bn (USD 3.8bn).

APM Terminals made a profit of USD 723m (USD 648m) and ROIC was 13.6% (13.1%). The result was positively affected by pre-tax divestment gains of USD 123m (USD

28m). Number of containers handled increased by 6% to 35.4m TEU (33.5m TEU), ahead of the market growth of 4%, boosted by additions to the portfolio.

The main portfolio changes were the acquisition of a 37.5% co-controlling stake in Global Ports Investments PLC, Russia, as well as the take-over of operations in Gothenburg, Sweden. New terminal projects were secured in Lazaro Cardenas, Mexico, and in Ningbo, China. Cash flow from operating activities was USD 975m (USD 912m) and cash flow used for capital expenditure was USD 1.4bn (USD 688m).

Maersk Drilling made a profit of USD 359m (USD 488m) and ROIC was 8.3% (12.5%). The result was negatively impacted by delayed start-up and maintenance yard stays of two units.

During 2012, Maersk Drilling has entered into three new major contracts and has now secured contracts for five out of seven newbuildings to be delivered in 2013-2015. The revenue backlog increased to USD 7.0bn (USD 4.9bn), and the one-year forward coverage by the end of 2012 was 98% (98% at the end of 2011). Operational uptime averaged 92.1% (95.6%). Cash flow from operating activities was USD 651m (USD 825m) and cash flow used for capital expenditure was USD 589m (USD 600m).

Maersk Supply Service made a profit of USD 132m (USD 243m) and a ROIC of 6.1% (11.2%), negatively affected by general oversupply in most segments of the market, except in the emergency response and rescue segment.

Maersk Tankers made a loss of USD 312m (loss of USD 153m) and a negative ROIC of 8.3% (negative 4.3%). The result was negatively affected by a USD 268m impairment loss. Maersk Tankers divested the Small Northwest

Europe segment and entered into an agreement to divest the Handygas segment. The Handygas transaction will take place in 2013. The divestments are equivalent to 14% of the fleet measured on invested capital.

Damco made a profit of USD 55m (USD 63m) and ROIC was 13.5% (24.4%). Damco significantly increased its service offerings within the airfreight market through the acquisition in 2011 of NTS International Transport Services in China. In October 2012, Damco acquired the freight forwarder Pacific Network Global Logistics, strengthening its position in Oceania.

SVITZER made a profit of USD 9m (USD 102m) after impairment of goodwill of USD 102m related to the Adsteam activities acquired in 2007. ROIC was 0.6% (6.4%).

Dansk Supermarked Group made a profit of DKK 1.3bn (DKK 5.4bn including gain from sale of Netto, UK) and a ROIC of 8.2% (35.1%). The Group opened 71 new stores and closed 55 stores of which 37 were Tøj & Sko stores.

Maersk FPSOs and Maersk LNG made a profit of USD 336m (USD 10m) and a ROIC of 33.9% (0.4%), positively affected by divestment gains of USD 245m.

SHARE PRICE AND DIVIDEND

During 2012, the Maersk B-share price increased by 12.3% to DKK 42,600. The dividend payout proposed by the Board of Directors is DKK 1,200 per share of DKK 1,000, representing a dividend yield of 2.8% based on the B-share closing price as of 31 December 2012.

QUARTERLY FIGURES

Quarterly figures for the Group for 2010-2012 are available on <http://investor.maersk.com/financials.cfm>

Outlook for 2013

The Group expects a result for 2013 below the 2012 result (USD 4.0bn). The operational result is expected to be in line with 2012 (USD 2.9bn) excluding impairment losses, divestment gains and gain from the tax settlement in Algeria.

Cash flow used for capital expenditure is expected to be somewhat higher than the USD 6.3bn in 2012, while cash flow from operating activities is expected to be stable.

Maersk Line expects a result above 2012 (USD 461m) based primarily on further unit cost reductions. Global demand for seaborne containers is expected to increase by 4-5% in 2013, lower on the Asia–Europe trades but supported by higher growth for imports to emerging economies.

Maersk Oil expects a result significantly below the result for 2012 (USD 2.4bn), which included a one-off tax income of USD 899m from the settlement of an Algerian tax dispute. The operational result is expected to be below the operational result for 2012 (USD 1.5bn) excluding one-off tax impacts, impairment losses and gains. Maersk Oil expects its share of production to be 240,000-250,000 boepd, lower in the first half than the second half of 2013 at an average oil price of USD 105 per barrel. The lower production share is predominantly caused by a natural decline and reduced ownership share in Denmark, countered by start-up in El Merk and Gryphon. Exploration expenses are expected to be above USD 1.0bn.

APM Terminals expects a result above 2012 (USD 723m) and to grow ahead of the market, supported by volumes from new terminals, whilst improving productivity in existing facilities.

Maersk Drilling has almost full contract coverage in 2013 and expects a result above the 2012 result (USD 359m).

The total result from **all other activities** is expected to be above the 2012 result excluding divestment gains and impairment losses.

The outlook for 2013 is subject to considerable uncertainty, not least due to developments in the global economy. The Group's expected result depends on a number of factors. Based on the expected earnings level and all other things being equal, the sensitivities for four key value drivers are listed in the table below.

Factors	Change	Effect on the Group's profit
Oil price for Maersk Oil	+/- 10 USD/barrel	+/- USD 0.2bn
Bunker price	+/- 100 USD/tonne	+/- USD 0.1bn
Container freight rate	+/- 100 USD/FFE	+/- USD 0.9bn
Container freight volume	+/- 100,000 FFE	+/- USD 0.2bn

Amounts in DKK million

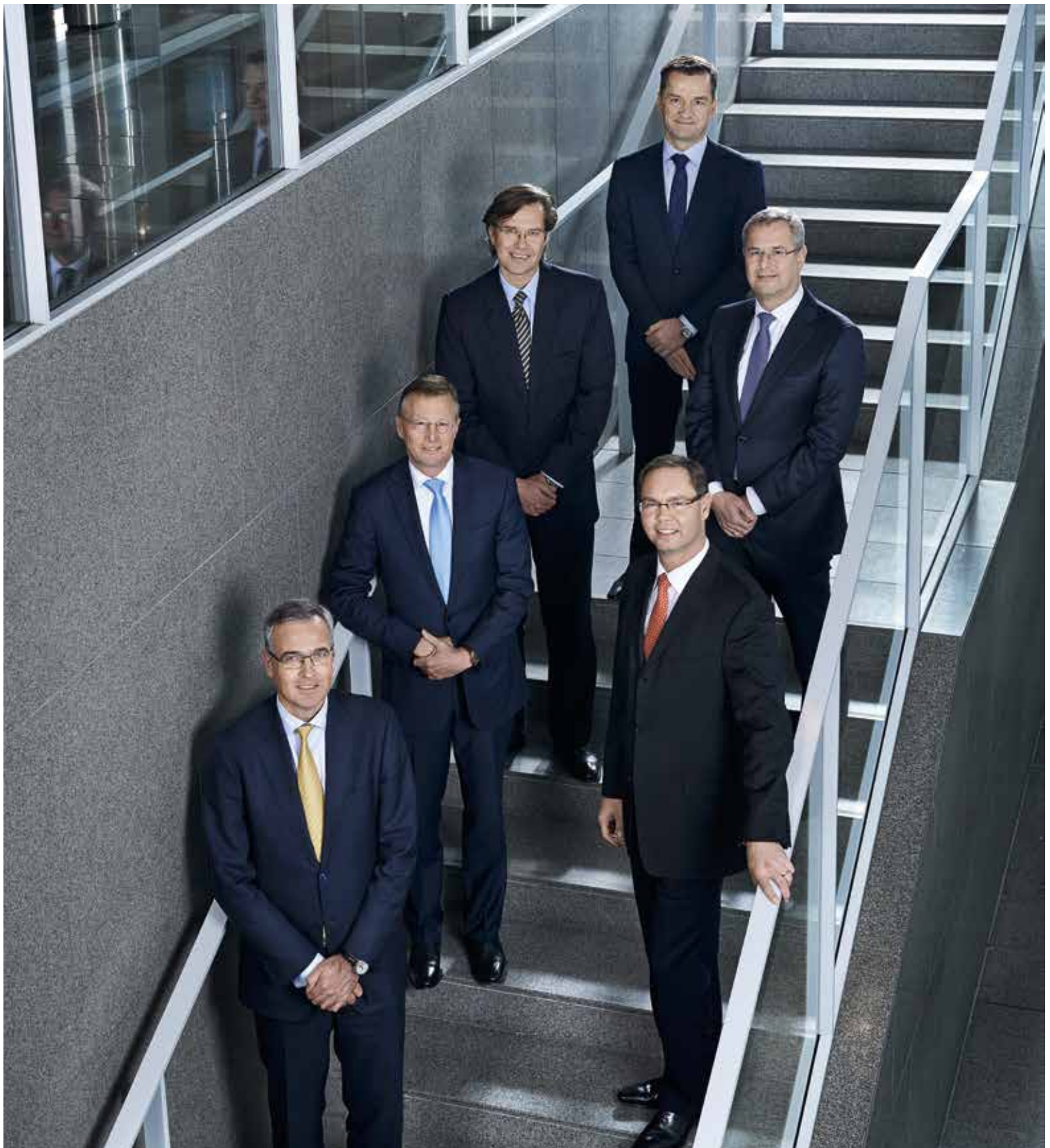
Financial highlights

	2012	2011	2010	2009	2008
Revenue	342,058	322,520	315,396	260,336	312,122
Profit before depreciation, amortisation and impairment losses, etc. (EBITDA)	72,897	78,506	89,218	49,262	83,945
Depreciation, amortisation and impairment losses	30,973	28,889	33,822	30,317	26,092
Gain on sale of non-current assets, etc., net	3,683	4,764	3,810	1,062	4,905
Share of profit/loss in associated companies	1,286	651	461	360	-1,882
Profit before financial items (EBIT)	46,893	55,032	59,667	20,367	60,876
Financial items, net	-4,376	-4,580	-5,281	-5,463	-8,057
Profit before tax	42,517	50,452	54,386	14,904	52,819
Tax	19,138	32,447	26,174	20,393	35,287
Profit/loss for the year – continuing operations	23,379	18,005	28,212	-5,489	17,532
Profit/loss for the year – discontinued operations	16	78	3	-	106
Profit/loss for the year	23,395	18,083	28,215	-5,489	17,638
A.P. Møller - Mærsk A/S' share	21,673	15,189	26,455	-7,027	16,960
Total assets	420,691	404,743	374,723	345,199	343,110
Total equity	222,544	207,935	192,962	158,868	158,394
Cash flow from operating activities	44,202	38,886	56,972	25,098	43,422
Cash flow used for capital expenditure	-36,619	-52,259	-26,078	-42,195	-52,375
Investments in property, plant and equipment and intangible assets	55,327	58,376	31,636	49,586	62,295
Return on invested capital after tax (ROIC)	9.0%	7.8%	12.7%	-0.2%	10.0%
Return on equity after tax	10.9%	9.0%	16.0%	-3.5%	11.6%
Equity ratio	52.9%	51.4%	51.5%	46.0%	46.2%
Earnings per share (EPS), DKK	4,964	3,479	6,061	-1,674	4,122
Diluted earnings per share, DKK	4,962	3,478	6,058	-1,674	4,122
Cash flow from operating activities per share, DKK	10,124	8,907	13,052	5,980	10,553
Dividend per share, DKK	1,200	1,000	1,000	325	650
Share price (B share), end of year, DKK	42,600	37,920	50,510	36,600	28,100
Total market capitalisation, end of year	180,388	160,982	217,464	156,901	116,281

Amounts in USD million

Financial highlights

	2012	2011	2010	2009	2008
Revenue	59,036	60,230	56,090	48,580	61,270
Profit before depreciation, amortisation and impairment losses, etc. (EBITDA)	12,581	14,661	15,867	9,193	16,478
Depreciation, amortisation and impairment losses	5,346	5,396	6,015	5,658	5,122
Gain on sale of non-current assets, etc., net	636	890	677	198	963
Share of profit/loss in associated companies	222	122	82	67	-369
Profit before financial items (EBIT)	8,093	10,277	10,611	3,800	11,950
Financial items, net	-755	-855	-939	-1,019	-1,582
Profit before tax	7,338	9,422	9,672	2,781	10,368
Tax	3,303	6,060	4,655	3,805	6,927
Profit/loss for the year – continuing operations	4,035	3,362	5,017	-1,024	3,441
Profit/loss for the year – discontinued operations	3	15	1	-	21
Profit/loss for the year	4,038	3,377	5,018	-1,024	3,462
A.P. Møller - Mærsk A/S' share	3,740	2,836	4,705	-1,311	3,329
Total assets	74,339	70,444	66,756	66,511	64,925
Total equity	39,325	36,190	34,376	30,610	29,972
Cash flow from operating activities	7,629	7,262	10,132	4,679	8,524
Cash flow used for capital expenditure	-6,320	-9,759	-4,638	-7,874	-10,281
Investments in property, plant and equipment and intangible assets	9,549	10,901	5,626	9,252	12,278
Return on invested capital after tax (ROIC)	8.8%	8.3%	12.2%	-0.2%	10.2%
Return on equity after tax	10.7%	9.6%	15.4%	-3.4%	11.8%
Equity ratio	52.9%	51.4%	51.5%	46.0%	46.2%
Earnings per share (EPS), USD	857	650	1,078	-312	809
Diluted earnings per share, USD	856	649	1,077	-312	809
Cash flow from operating activities per share, USD	1,747	1,663	2,321	1,115	2,072
Dividend per share, USD	212	174	178	63	123
Share price (B share), end of year, USD	7,528	6,600	8,998	7,052	5,317
Total market capitalisation, end of year	31,876	28,018	38,741	30,231	22,002
Average USD/DKK exchange rate	5.79	5.35	5.62	5.36	5.09
End of year USD/DKK exchange rate	5.66	5.75	5.61	5.19	5.28
Maersk Line					
Transported volumes (FFE in million)	8.5	8.1	7.3	6.9	7.0
Average rate (USD per FFE)	2,881	2,828	3,064	2,370	3,284
Average fuel price (USD per tonne)	661	620	458	342	520
Maersk Oil					
Average share of oil and gas production (thousand barrels of oil equivalent per day)	257	333	377	428	424
Average crude oil price (Brent) (USD per barrel)	112	111	80	62	97
APM Terminals					
Containers handled (million TEU weighted with ownership share)	35.4	33.5	31.5	30.9	33.3



The Executive Board functions as the day-to-day management and consists of:
From the top left: Jakob Thomasen, Trond Westlie, Nils S. Andersen (Group CEO), Claus V. Hemmingsen.
From the top right: Søren Skou, Kim Fejfer.

Message from the Group CEO

The Group delivered a satisfactory result in 2012, continuing to execute on its strategy including a significant investment programme with focus on building and expanding four world class businesses over the next five years. The result and return on invested capital were above 2011 but below the target of 10% over the cycle, mainly due to continued poor shipping markets affecting container and tanker earnings.

The non-shipping activities continue to deliver good results. Our business units are competitive and achieve high marks from customers and partners for performance and reliability. Maersk Line managed to reduce costs and improve rates after a difficult start to the year in particular due to low container freight rates.

PROMOTING GROWTH

As global growth remains subdued with 2.5% in 2012 and a similar level expected for 2013, the weakness in the main shipping corridors is expected to continue in the short term. By focusing our transport and infrastructure investments on growing markets, the Group can help unleash economic potential in countries where supply chain bottlenecks are barriers to growth.

The container vessels received for Maersk Line's African and South American networks, the acquisition of Global Ports in Russia, and construction of a major container terminal in Mexico are examples of such investments and partnerships with governments. The Group will continue to leverage its global presence to pursue more opportunities in growth markets in order to achieve a healthy geographical mix long term.

Further, the Group is constantly developing its portfolio of businesses to ensure that positions are strengthened in the most promising segments of the industries in which its businesses operate.

STATING OUR AMBITIONS

The Group held its first capital markets day in October 2012. In a volatile world, strategies and objectives will periodically be revised, but by stating our ambitions we aim to lift our performance and motivate the entire organisation to work together to build an even stronger company to the benefit of our shareholders and partners across our businesses and across the world. Maersk Line, Maersk Oil, APM Terminals and Maersk Drilling have all made progress towards achieving their objectives of becoming

strong pillars in the Group each with profits above USD 1.0bn and world class operational performance.

The Group was successful in exiting activities no longer deemed core businesses such as Maersk LNG and the large FPSO Maersk Peregrino, freeing up capital totalling up to USD 3.4bn for investments in continuing businesses.

The Group also made progress on safety measures continuing last year's positive development. Still, the number of casualties remains too high. In 2012, 17 colleagues lost their lives at work. We consider one fatality to be one too many, and we are committed to eliminating fatalities through systematic safety improvements.

DELIVERING ON PRIORITIES

With the expectation of continued slow growth in 2013, focus on operation and performance in our business units become key for the Group to deliver a good result and live up to the expectation of our partners and customers.

Part of this will be to secure progress on a number of very significant projects across the Group's strategic core businesses:

For **Maersk Oil**, the most important target is to deliver progress as planned on key projects such as El Merk in Algeria, Chissonga in Angola, and Johan Sverdrup in the Norwegian sector of the North Sea.

In **Maersk Drilling**, three new drilling rigs are coming into the fleet at the end of 2013 and the beginning of 2014. The aim is to get them delivered and put into operation without delays or extra cost.

Maersk Line will keep managing its capacity effectively during the introduction of the first new Triple-E ships which will come into the fleet this year.

APM Terminals' top priority is to effectively execute on the Santos terminal project in Brazil (opening early 2013) and the Maasvlakte II project in The Netherlands.

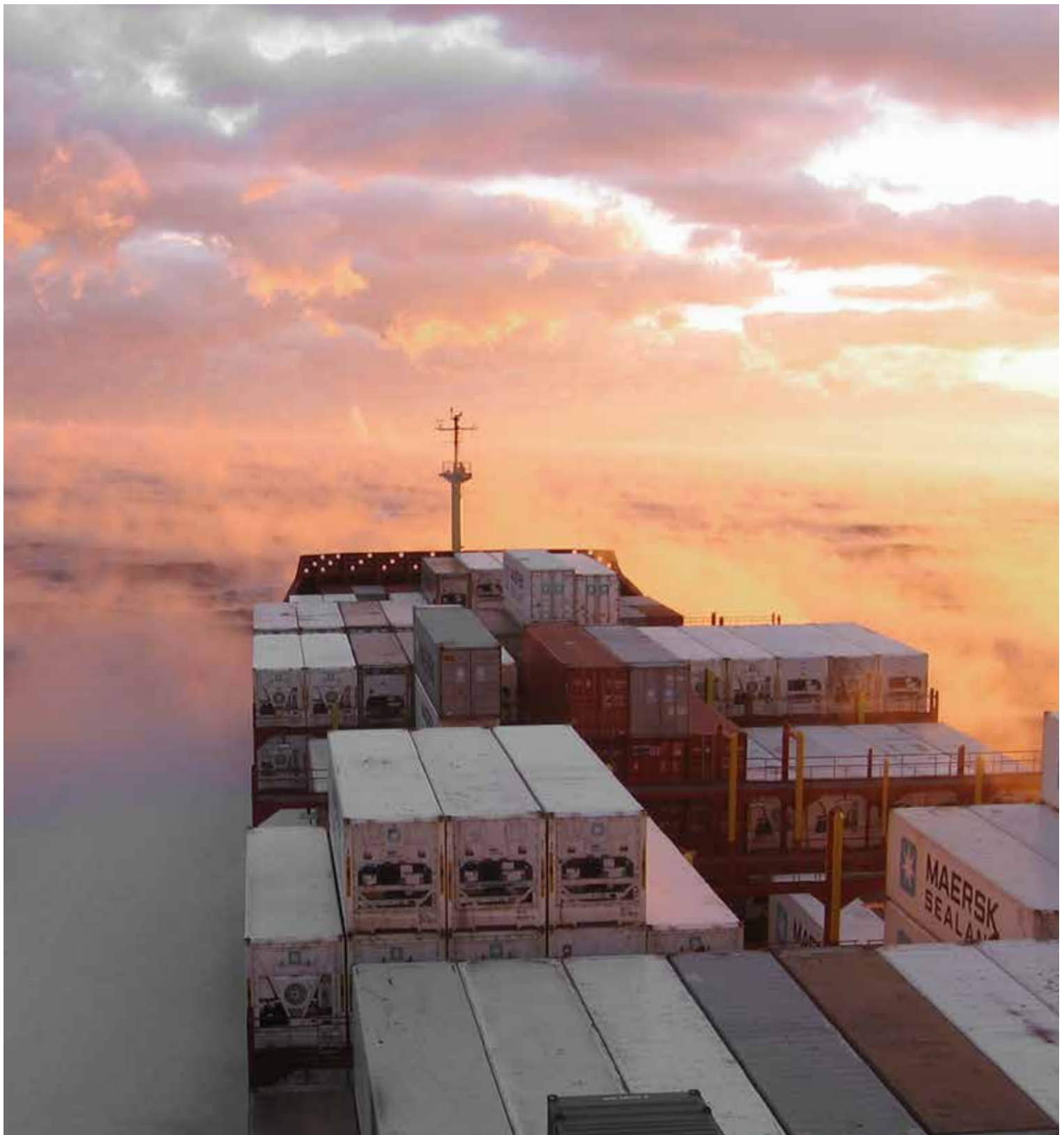
Another priority is to optimise our balance sheets for further growth. It emerges from the Group's significant growth plans which in 2013 entail investments of around USD 9bn. On top of the commitments already made, the Group expects attractive opportunities to occur in the coming years. All business units will therefore engage in an effort to clean their balance sheets of underperforming assets and terminate marginal non-core activities to release capital for the most profitable investments. Other capital effectiveness initiatives will be introduced to enable the Group's ability to pursue attractive growth oppor-

tunities. The Group has maintained its financial flexibility and is well-prepared to execute on its investment plans. It has a strong liquidity buffer and no need for near-term refinancing.

On balance, 2012 was a good year for the A.P. Møller - Maersk Group and I want to thank our employees and leaders for their strong performance and dedication.

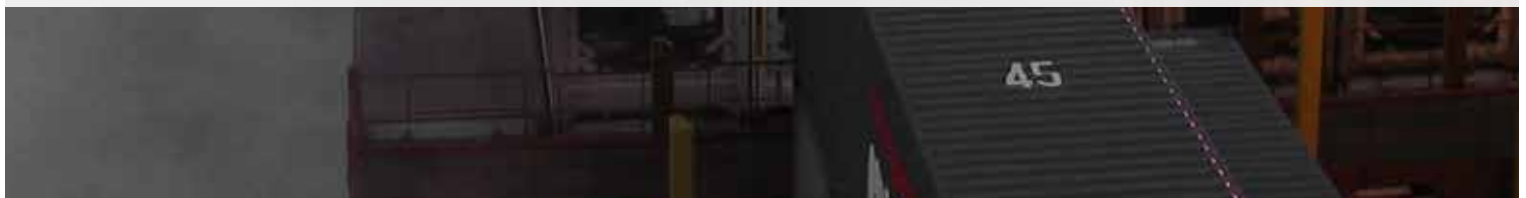


Nils S. Andersen



Maersk Line

It can be a spectacular experience to watch how the morning mist creeps in as the sun rises at sea. This particular photo was among the most shared photos on Maersk Line's social media channels in 2012.



Company profile

The A.P. Møller - Maersk Group is represented in 130 countries, employing around 121,000 people and is headquartered in Copenhagen, Denmark.

In addition to being one of the world's largest shipping companies, the Group is involved in a wide range of activities within energy, transportation, offshore and retail.

FACILITATING GLOBAL CONTAINERISED TRADE

Maersk Line carries around 14% of all seaborne containers and, together with APM Terminals and Damco, provides infrastructure for global trade.

SUPPORTING THE GLOBAL DEMAND FOR ENERGY

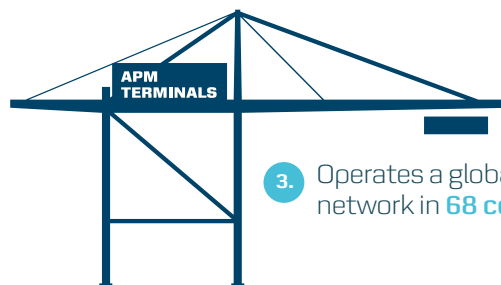
The Group is involved with production of oil and gas and other oil related activities including drilling, offshore services, FPSOs, and transportation of crude oil and products.

The Group's major businesses are displayed in the graphic. A more comprehensive list of companies is available on: <http://investor.maersk.com/financials.cfm?Year=2012>

Maersk Container Industry

Is a manufacturer of dry containers, reefer containers and refrigeration systems

MAERSK
CONTAINER
INDUSTRY



3. Operates a global terminal network in **68 countries**

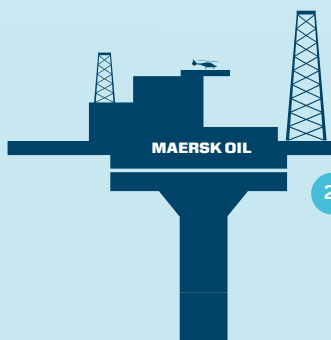
1. A fleet of **around 600 vessels** and a number of containers corresponding to more than 4.0m TEU (a 20 foot long container)



SVITZER



Is a global market leader within towage, salvage and emergency response, with a fleet **close to 500 vessels**



2. An average share of oil and gas production of **257,000 barrels** of oil equivalent per day in 2012



1. **Maersk Line** is the Group's largest business unit in terms of revenue and the leading container shipping company in the world. Maersk Line is consistently recognised as the most reliable container shipping company in the industry.



2. **Maersk Oil** is an international oil and gas company with roots in the North Sea going 50 years back in time, now with operations in many parts of the world. Maersk Oil has specialised in turning marginal and challenging fields into commercial successes.



3. **APM Terminals** has its core expertise in the development, construction and operation of ports and inland services with a Global Terminal Network of 62 port facilities in 40 countries and Inland Services operations in over 160 locations in 47 countries.



4. **Maersk Drilling** is a leading global operator of high-technology drilling rigs. Maersk Drilling provides offshore drilling services in several key regions, supporting the world's oil and gas companies with one of the world's youngest and most advanced fleets.

Damco

Is present in more than 90 countries and manages more than 2.7 million TEU of ocean freight and supply chain management volumes as well as more than 210,000 tonnes of airfreight annually



Dansk Supermarked Group

Operates 18 **Bilka** supermarkets, 89 **føtex** supermarkets, 2 **Salling** department stores and 1,210 **Netto** discount supermarkets located in Denmark, Germany, Poland and Sweden



Danske Bank

A.P. Møller - Mærsk owns a 20% stake in one of the biggest banks in the Nordics



Maersk Supply Service

A fleet of more than 50 vessels that provides worldwide services to the offshore and associated industries

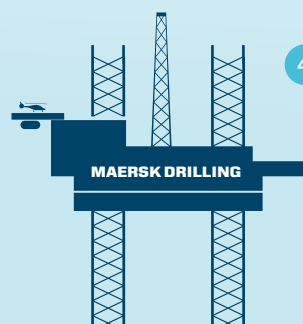
Maersk Tankers



Owns and operates a fleet of 162 crude oil carriers, product tankers, and gas carriers. The Maersk Tankers fleet is one of the largest, most modern and most diversified independent fleets in the world

Maersk FPSOs

Owns and operates four offshore floating production storage and offloading units (FPSOs) servicing major oil companies



4. The company is a specialist in harsh and deep water environments operating 16 jack-up rigs and floaters

Building on the strength of the Group

The Group's aspiration is to continue building a first class conglomerate. This will be achieved through a disciplined allocation of capital across Group businesses, active portfolio management, a clear funding strategy, operational excellence, technological innovation and development of human resources.

Strategic direction

The Group will continue to focus investments in the four core growth businesses Maersk Line, Maersk Oil, APM Terminals and Maersk Drilling. Investments in the opportunistic core businesses Maersk Supply Service, Maersk Tankers, Damco and SVITZER will be continued on the basis of continuous evaluation of opportunities. The strategic investments Dansk Supermarked Group and Danske Bank will grow mainly through own cash flow generation and own resources. Assets managed for value will continue to be developed to optimise value.

The Group's target is to achieve a return on invested capital (ROIC) above 10% with at least USD 1.0bn profit contribution from each of the four core growth businesses and to deliver gradually increasing value and thereby continue the historical trend of increasing dividends per share supported by earnings growth.

The overall emphasis on active portfolio management will continue. The portfolio of businesses and assets is evaluated in the annual review process. The existing strong position in growth markets will remain a focus area going forward as the Group is in a good position to assist developing countries and capitalise on their growth.

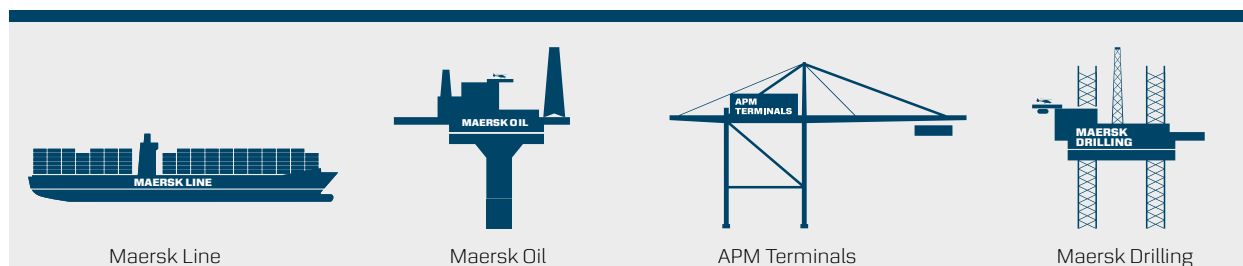
CAPITAL ALLOCATION

Today 70% of the Group's invested capital is within the four core growth businesses. By allocating more than 90% of the Group's capital expenditures to the four core growth businesses, their share of invested capital will reach at least 75% of the Group's invested capital by 2017. The total amount of the invested capital in the Group is expected to grow 30-40% during the same period as result of a high investment level.

The Group will also continue to build winning businesses and strengthen the respective competitive positions of its smaller core businesses. An opportunistic approach will be taken if their respective markets present opportunities worth pursuing.

The allocation of capital and the Group's annual strategy review is a fully integrated process. Strategies including detailed plans and opportunities for the coming years are developed with each business unit. The total capital requirements across businesses are prioritised with a view to optimising the portfolio of the Group in line with financial policies. Evaluation parameters include industry attractiveness, financial return forecasts, business

Four world class businesses



Opportunistic core:	Maersk Supply Service	Maersk Tankers	Damco	SVITZER
Strategic investments:	Dansk Supermarked Group	Danske Bank		
Assets managed for value:	DFDS	Høegh Autoliners	Others	

performance and overall strategic aspirations. The resulting plan provides the framework for each business unit. Planned portfolio adjustments are integrated into the plan.

In line with the direction of investments towards more profitable and less volatile business areas, Maersk Line's share of the Group's invested capital is likely to see a relative decline from 38% today towards a 25-30% range, while Maersk Oil's, APM Terminals' and Maersk Drilling's combined share of the invested capital will see a relative increase from 32% towards a 45-50% range over the coming 4-5 years.

PORTFOLIO MANAGEMENT

The overall emphasis on active portfolio management will continue. In order to secure the most optimal business portfolio, the Group is assessing the composition of its assets. In connection with this optimisation the Group is participating in both strategic and opportunistic acquisitions and divestments of companies as well as of individual assets.

Over the last five years, the Group has divested companies and assets of more than USD 10.4bn with pre-tax gains of USD 4.4bn.

The Group has during 2012 announced and completed a series of investments and divestments across the different segments. The main acquisitions/investments for the Group in 2012 were:

- 37.5% stake in Global Ports Investments PLC, Russia
- A pro rata contribution of USD 250m in Danske Bank's DKK 7.15bn (USD 1.2bn) capital increase in October 2012

- 100% of the shares in Skandia Container Terminal AB, Gothenburg, Sweden.

The divestments for the year totalled USD 3.4bn in released cash flow, primarily:

- Maersk LNG A/S (six fully owned and two partly owned vessels)
- FPSO Maersk Peregrino
- Small product tankers in north-west Europe (13 vessels)
- Inland service activities: Maersk Equipment Service Company, Inc.

In addition, Maersk Tankers has entered into an agreement to divest its Handygas segment (11 vessels). The transaction is expected to be completed in 2013.

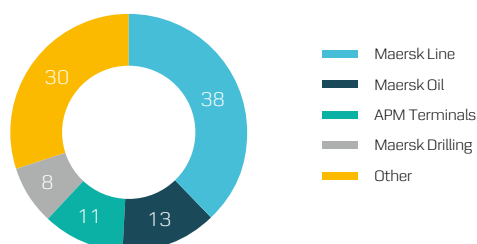
The portfolio optimisation will continue over the next years to enhance the strategic focus of the Group, but also to take advantage of opportunities which may arise in the various industries in which the Group operates.

FUNDING STRATEGY

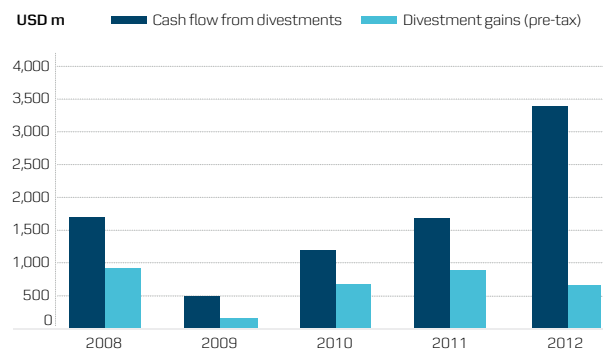
To support growth, secure liquidity and balance the risk to returns, the Group has developed a funding strategy to cater for this. The main elements are to:

- Secure long-term commitment to support business strategy
- Continue to obtain funding from diversified sources ensuring access to funding in volatile times
- Support an adequate liquidity reserve to have financial flexibility at all times
- Maintain a conservative capital structure and fund-

Invested capital 2012, percent



Cash flow and gains from divestments



ing profile, matching that of a strong investment-grade company over the business cycle.

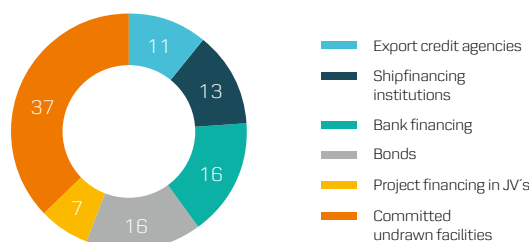
The Group raised more than USD 5bn in new financing in 2012 to support investments of net USD 6.3bn (USD 9.8bn), amortisation on the debt portfolio of USD 2.1bn (USD 3.6bn) and net repayment of revolving credit facilities of USD 2.0bn (net drawing of USD 1.9bn). With a cash flow from operating activities of USD 7.6bn (USD 7.3bn) for the year and dividend payment of USD 945m (USD 924m), the Group's liquidity reserve was USD 13.6bn (USD 11.3bn) at 31 December 2012.

Diversification of the funding sources remains a strategic priority for the Group. The Group has continued to issue corporate bonds in 2012 under its Euro Medium Term Note programme, a framework providing flexibility in accessing the bond markets, of equivalent to USD 1.9bn from the NOK, EUR and SEK markets. At 31 December 2012, total outstanding bonds were USD 4.7bn (USD 2.5bn) corresponding to 24% (13%) of the interest-bearing debt.

The interest-bearing debt totalled USD 19.6bn (USD 19.1bn) at 31 December 2012. The Group's net interest-bearing debt totalled USD 15.7bn (USD 15.3bn). The net interest-bearing debt increased slightly by USD 339m during 2012 due to investments partly offset by a strong development in the cash flow from operating activities and divestments of USD 3.4bn. The average cost of funding was 4.6% (5.0%).

At 31 December 2012, the average maturity of loan facilities in the Group was about five years (approximately

Existing loan facilities at 31 December 2012, percent



five years) and the Group has limited refinancing needs during the next 24 months.

The debt leverage in the Group (net interest-bearing debt/EBITDA levels) remains within the historic range (0.5-2.0).

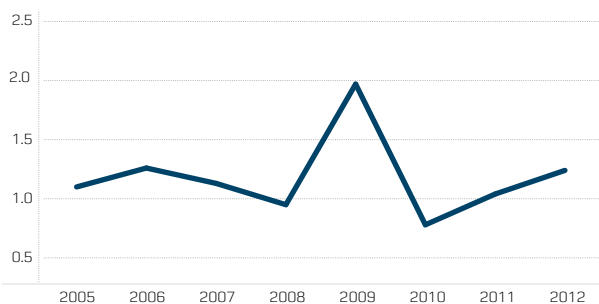
Funding position

At 31 December 2012, the liquidity reserve, defined as cash and bank balances and securities of USD 2.6bn (USD 2.7bn) and committed undrawn facilities of USD 11.0bn (USD 8.6bn), was USD 13.6bn (USD 11.3bn). Additionally, the Group has financing commitments related to the newbuilding programme of USD 3.0bn and a number of overdraft facilities relating to daily cash management operations.

The Group is committed to maintaining a conservative capital structure and funding profile matching that of a strong investment-grade company over the business cycle. As a consequence of the payment schedule of the investments and potential fluctuations in the Group's cash

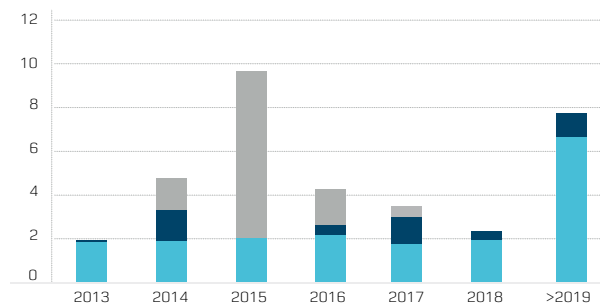
Net interest-bearing debt/EBITDA

USD bn



Re-payment schedule for loan facilities

USD bn



flow, some volatility in the financial profile is expected. Based on the size of the committed loan facilities, including investment specific financing, the maturity of the loan facilities and the capital commitments, the Group's funding position is deemed satisfactory.

OPERATIONAL EXCELLENCE

Operational excellence translates the strategy into tangible actions.

The Group's operational performance is monitored through quarterly benchmarking of key financial and operational metrics, relative to key competitors. These benchmarks are used to set specific targets, build an incentive structure, and confirm individual KPIs throughout the Group.

The Group's ambition is that all core businesses become top quartile performers within their industries and actions are defined to progress in this direction.

There are many levels and elements in performance management of which the majority are within each business unit.

Maersk Line

Maersk Line's ambition is to lift the financial performance from an above average industry performer today to a clear top quartile performer and to deliver returns above the cost of capital during the next five years. This is to be achieved through a combination of further building scalable cost leadership, while continuing to maintain the leading brand position as the most reliable carrier in the industry. Maersk Line is to grow in line with the market, funded by own cash flow.

Maersk Oil

Maersk Oil's aspiration is to grow the business by almost 50% to reach a share of production of 400,000 boepd by 2020, which implies significant capital expenditure in the coming years. Maersk Oil's return on invested capital will decline from the 30% ROIC-level delivered in 2010-2012; however, it is expected to stay double-digit during the business expansion phase. In the coming years, there will be a continued emphasis on building a strong, transparent organisation.

APM Terminals

Over the next five years, APM Terminals will continue to focus on their strong operational performance and to generate at least 50% of revenue from 3rd party customers. Further to this, APM Terminals will continue to pursue investments in attractive terminals in growth markets, whilst improving operations in existing facilities. APM Terminals' financial ambition is to deliver USD 1.0bn to the Group's profit by 2016.

Maersk Drilling

Maersk Drilling's financial ambition is to deliver USD 1.0bn to the Group's profit by 2018. This is to be achieved by world class and safe operations while building a rig fleet of a size sufficient to be a preferred drilling partner of key customers. Maersk Drilling plans to extend the fleet to 30 high-end rigs for operation mainly in harsh environments and deep water within the next five years.

To build value across the Group, the main priorities for the opportunistic core and the strategic investments are:

- Maersk Supply Service – Build on leadership position
- Maersk Tankers – Protect value during cycle lows
- Damco – Profitable growth

Strategic focus

Maersk Line	Maersk Oil	APM Terminals	Maersk Drilling
<ul style="list-style-type: none"> • Top quartile performer • EBIT margin 5% above peers • Growing with the market and funded by its own cash flow • Delivering stable returns above cost of capital • Getting value premium from customers 	<ul style="list-style-type: none"> • Share of production by 2020 > 400,000 boepd • Double digit returns • Building reserves towards 10 years' production • Strong transparent organisation 	<ul style="list-style-type: none"> • Best port operator in the world • Strong brand; at least 50% revenue from 3rd party customers • More attractive terminals in growth markets • Annual profit (NOPAT) > USD 1.0bn by 2016 	<ul style="list-style-type: none"> • Top quartile performer • 30 high-end rigs mainly for harsh environment and deep water • Annual profit (NOPAT) > USD 1.0bn by 2018

- SVITZER – Grow margins and invest in profitable contracts
- Dansk Supermarked Group – Return to growth in sales and increased profits.

TECHNOLOGICAL INNOVATION

The Group invests to ensure cutting-edge technology solutions across its businesses. Innovation is focused on:

- Delivering better services
- Protecting employees
- Minimising environmental impact
- Creating new business opportunities
- Ensuring cost-effectiveness.

Technological innovation is carried out by technology divisions within the Group's business units, in close co-operation with manufacturers, shipyards, suppliers, universities and research institutes. Below are examples from four of the Group's core business units.

Shipping

Improving vessel efficiency:

the ECO Retrofit Technology Programme

An array of retrofit initiatives, tailored for individual vessel types. Examples include:

- Fitting bulbous bows optimised for reduced fuel consumption
- Adding economisers to auxiliary engines
- Reusing waste heat from auxiliary engines.

Projected net savings in 2013 are expected to be USD 20m.

Oil

Rocket science (TriGen) gives new life to mature oil fields

With a rocket engine, low quality gas can be turned into clean energy, pure water and CO₂. This CO₂ can in turn be used to recover more oil from mature fields. The engine:

- Burns low quality gas, which might otherwise be wasted
- Transforms generated heat into electric power
- Has pure water as a by-product; a valuable resource in dry areas
- Creates CO₂ which can be pumped into mature oil fields to improve oil recovery. All CO₂ used in this way is sequestered in oil reservoirs.

As the demand for energy and oil increases, the potential for TriGen Technology is huge - both for generating

extra oil production from enhanced oil recovery and gas from fields judged non-commercial using existing technologies.

Terminals

Taking the next leap in automation:

Lift-Automated Guided Vehicles

The new terminal at Rotterdam, Maasvlakte II will have:

- The biggest and most advanced quay cranes in the world. They will be the first to be operated remotely from a central control room, allowing for more efficient operation and increased crane speeds
- The first Lift-Automated Guided Vehicles (L-AGV) that improve port efficiency. They will also use battery technology to drive them, reducing vehicle emissions to zero
- An automated bespoke software package will control all the automated equipment at the terminal. This will optimise equipment use.

Terminal automation will increase productivity by 25-30% compared to conventional terminal designs as well as reduce the space needed to handle the same volume.

Drilling

Training innovation: Highly advanced simulator complex exceeds all known standards

In 2012, Maersk Drilling, together with Maersk Training Centre, built the most advanced drilling simulator complex in the drilling industry, which will enable:

- More team training. Improving interactions between crew members on rigs helps prevent accidents
- More realistic scenarios. It is possible to simulate the extreme well control situations that crews may actually need to deal with.

These new facilities at Maersk Training Centre in Svendborg, Denmark, will be used to train many of the 3,000 new employees Maersk Drilling is planning to employ over the coming years.

HUMAN RESOURCES

Human Resources work closely with the businesses to ensure that the Group has an engaged, motivated workforce and a clear link between performance and rewards. The key HR challenges for the Group are to secure a sufficient number of highly qualified and well-trained employees to manage the planned growth.



Performance management and engagement

Employee engagement is an important priority for the Group as engaged employees deliver high performance and secure a good and positive work environment. The annual Employee Engagement Survey had a 91% response rate in 2012, the highest to date, indicating the level of importance, employees place in the survey.

Leadership development

The Group is investing in developing the future leaders of its businesses.

The management centre, Rolighed, north of Copenhagen, Denmark, opened late 2011. Rolighed has become a place where leaders and global talents from different locations

and business units meet to develop and share their experiences and skills, and to interact with senior leaders. Rolighed hosts management team meetings, leadership development programmes, and expert speakers come to share their latest thinking. Such interactions are a platform for continuously developing leaders and businesses.

Diversity and inclusion

The Group continued its focus on diversity and inclusion during 2012, supporting leaders in managing diverse teams and implementing initiatives to accelerate career progression of women as well as talents in growth markets.

Globally, the Group's representation of women in senior management was 5% (4%) at vice president level,

10% (9%) in senior management and 20% (21%) in middle management (excluding Dansk Supermarked Group and most joint venture companies).

The Group's on-going ambition to expand in growth markets is also reflected in the efforts to strengthen recruitment and other HR activities to ensure a solid foundation for a long term presence in these locations.

In 2012, the Group achieved nominations for the Diversity in the Workplace Award by the Danish Institute for Human Rights and for European Diversity Awards in the category Company of the Year. The aspiration is to be a world-recognised inclusive employer, embracing and leveraging multiple forms of diversity, constantly committed to further improving in this area.

Data-driven decision-making

A new global Human Resources system was implemented during 2012, replacing around 90 different Human Resources IT solutions across the Group. The Human Resources system supports the human resources administration and offers comprehensive self-service functionalities for employees and managers.

Key priorities in the business units

The Group's Human Resources department works in close cooperation with the Human Resources departments in the business units. The four core growth businesses each have their key priorities and focus areas to support their respective strategies.

Maersk Line

Simplicity, focus and teamwork

In supporting the strategy of cost leadership, the Human Resources focus will be on driving the strategy and related "Must Win Battles" through the organisation including the three cultural amplifiers identified as critical for success; simplicity, focus and teamwork.

The second priority area is to drive improvements in the performance management approach and culture to ensure that Maersk Line can deliver superior performance to the Group.

The HR team will support the focus areas by providing global data and develop plans for talent management, succession planning and diversity.

Maersk Oil

Attracting and retaining talent

The demand for experienced and talented oil and gas professionals is increasing significantly. The industry is facing challenges given portfolios with complex and numerous projects to be executed.

Maersk Oil has to continue attracting and retaining talent to sustain a strong and well-balanced people pipeline.

Maersk Oil wants to ensure that junior staff recruited for one of the most attractive graduate programmes in the industry can benefit from the coaching and mentoring of the more experienced professionals. Accelerated development is a focus area of the younger generations and of the company, and Maersk Oil ensures that opportunities to learn are available.

Similarly, Maersk Oil focuses on attracting experienced professionals to complement the work force.

Lately, in an effort to monitor the pace of growth and demand for professionals, the Maersk Oil leadership team has refocused manpower efforts to ensure that the human resources are allocated to the projects with the highest value creation. The prioritisation is done by the global technical functions in close partnership with the country organisations.

APM Terminals

Safe operations

Safety is APM Terminals' license to operate. In order to further emphasise and refocus the safety culture, an experienced senior executive with comprehensive insight in all aspects of the business has been appointed as an internal Safety Activist. This change has substantially increased the focus on safety from all employees during 2012.

APM Terminals is an industry leader with a strong and continuing record of growth, meaning that APM Terminals can attract good people but also that competitors wish to hire employees from APM Terminals.

The engagement survey results, which indirectly measure the quality of APM Terminals' leadership, the productivity of the workforce and the likelihood of retaining staff, continue to improve and in 2012 entered the upper quartile of a global range of benchmark companies.

To further support the emphasis on the importance of leadership, all levels of management and supervision are now covered by a leadership development suite of training programmes.

Recognising the importance of reward as a motivator for long term performance, an APM Terminals incentive plan for managing directors was introduced in 2012 intended to aid retention.

Maersk Drilling

Recruiting and integrating 3,000 new employees

The growth strategy entails hiring and integration of 3,000 new employees by 2018. The first 1,300 will be hired between 2013 and 2015. Recruitment represents a significant challenge due to shortage of skilled people for the general growth in the drilling industry.

To ensure a sustainable increase in the workforce, Maersk Drilling has launched several initiatives such as increased intake on talent programmes to develop more competencies, improved induction process to decrease time to competency and integrate new employees quickly, and a driller trainee programme to develop all-round competencies.

Individual and team training is conducted through a structured training programme which includes the use of the most advanced offshore drilling simulator in the world. To ensure a safe and efficient operation of the new rigs in compliance with the processes, systems and values, the teams on the new units will be a combination of experienced employees and new hires enabling an effective integration of the new employees.

SUSTAINABILITY

The Group is active in industries that are core to global economic growth and development: trade, energy and infrastructure. Combined with the Group's growth and prospects in emerging economies, sustainability challenges and opportunities are present throughout the Group's activities.

The Group's sustainability strategy focuses on integrating sustainable practices into the activities in each of the operating businesses. Supporting this strategy are targets for each of the sustainability issues that have been determined most material to the Group. A Sustainability Council oversees compliance with Group standards and the integration of sustainability across the businesses. The Council reports to the Executive Board which has overall responsibility for sustainability matters.

Safety

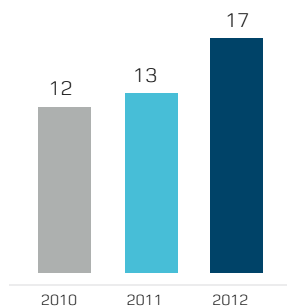
The safety of employees is a key priority, and the Group continuously monitors performance and pushes for improvements. The number of fatal accidents that occurred during operations grew in 2012. This is unacceptable and the Group fundamentally believes that all fatal accidents can be prevented. The rise in fatal accidents in 2012 confirms the decision to increase the focus on process safety and risk management.

CO₂ emissions

The Group has achieved an 8% improvement in CO₂ efficiency since 2010, mainly driven by large improvements in the container business. Both the relative and absolute CO₂ emissions decreased in 2012. The improved efficiency in shipping affects the Group's CO₂ performance substan-

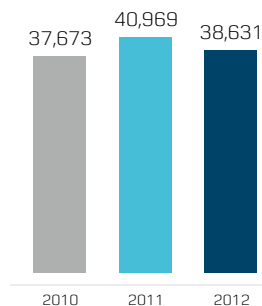
Fatalities

Number of fatal accidents
(operational scoped)



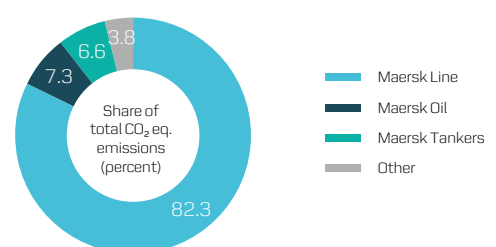
CO₂ emissions

1,000 tonnes CO₂ eq.



CO₂ improvement

Relative CO₂ reduction (2010 baseline)



tially, as more than 80% of the emissions are derived from Maersk Line. CO₂ reductions were also achieved in the oil business where Maersk Oil has reduced CO₂ emissions from flaring from operated producing facilities by 86% since 2007. In 2012, the Group raised its relative CO₂ reduction target from 10% to 20% from 2010 to 2020.

Corruption

Corruption negatively impacts communities where the Group does business as well as the global economic development. Due to the global nature of the Group's activities, the Group has an opportunity to support global improvements in this area. An internal anti-corruption training programme has been implemented across the Group. Since 2010, more than 25,000 employees have been trained in anti-corruption. The Group is also involved in industry efforts to eliminate facilitation payments in the shipping, freight forwarding, and the oil industry.

Human rights management

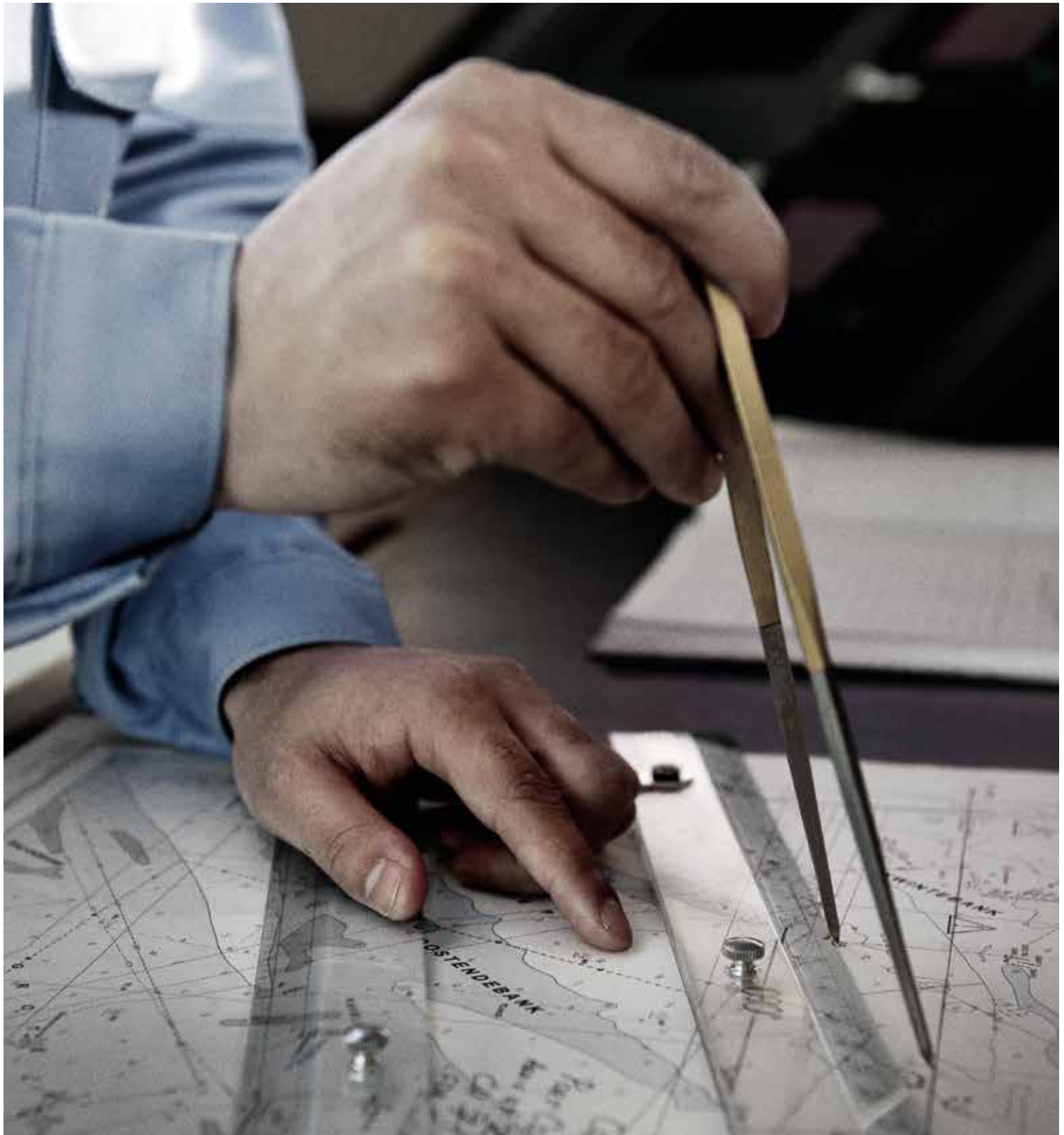
As with the overall sustainability strategy, the Group's long-term approach is to integrate human rights management into existing systems. The Group mapped in 2012 the human rights risks and gaps, carrying out 11 workshops. Overall, a majority of the Group's human rights issues are addressed through programmes on responsible procurement, global labour principles, anti-corruption and safety.

Responsible procurement

The ability to manage risks in the supply chain has since the launch of the Responsible Procurement programme in 2011 taken a step forward. The Group has approached 1,985 external vendors (equivalent to 32% of the Group's total external spend) and assessed 178 (7%). Of the assessed external vendors, the Group has audited 23, and the prevailing issues identified during the audits were working hours, overtime compensation, and subcontractor transparency. Ten vendors have signed formalised improvement plans to rectify the identified issues, while the responsible procurement team is in dialogue with the others to implement more improvement plans where needed in the future.

Increasing transparency and building trust

The Group's separate Sustainability Report for 2012 provides detailed information on the Group's sustainability performance. It is also the Group's Communication on Progress as required by the UN Global Compact. The Sustainability Report complies with the requirements of the Danish Financial Statements Act on corporate social responsibility reporting. The report is available on: www.maersk.com/Sustainability/Documents/Maersk_Sustainability_Report_2012.pdf



Maersk Line

Nautical charts are still in use from time to time, in spite of the many digital solutions available today. This photo is from EBBA MAERSK, one of Maersk Line's eight E-Class vessels.



The Group's business units

The Group's invested capital was USD 55bn at the end of 2012 and the annualised return on invested capital after tax (ROIC) was 8.8%. The Group's ambition is to achieve a ROIC > 10%.



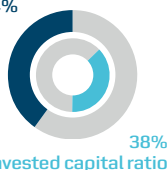
A·P·MOLLER-MAERSK GROUP

A.P. Møller - Maersk Group

Invested capital USD million	54,982
ROIC % 2012	8.8
ROIC % 2011	8.3



Revenue ratio
44%

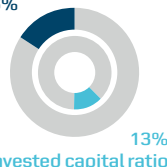


Maersk Line

Global container services	Page 36
Invested capital USD million	20,649
ROIC % 2012	2.4
ROIC % 2011	-3.1



Revenue ratio
16%

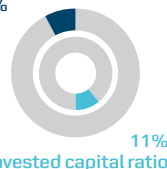


Maersk Oil

Oil and gas production and exploration activities	Page 40
Invested capital USD million	6,920
ROIC % 2012	36.6
ROIC % 2011	37.2



Revenue ratio
8%

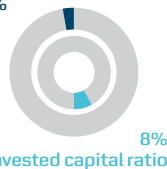


APM Terminals

Container terminal activities, inland transportation, container depots and repair of containers, etc.	Page 44
Invested capital USD million	6,284
ROIC % 2012	13.6
ROIC % 2011	13.1



Revenue ratio
3%



Maersk Drilling

Offshore drilling activities and operation of land rigs through 50% ownership of Egyptian Drilling Company	Page 48
Invested capital USD million	4,604
ROIC % 2012	8.3
ROIC % 2011	12.5

Maersk Supply Service

Supply vessel activities with anchor handling and platform supply vessels, etc.

Page 52

Invested capital USD million

2,206

ROIC % 2012

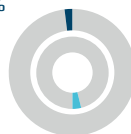
6.1

ROIC % 2011

11.2

Revenue ratio

2%



Invested capital ratio
4%



Maersk Tankers

Tanker shipping of crude oil, oil products and gas

Page 53

Invested capital USD million

3,729

ROIC % 2012

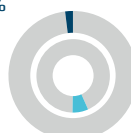
-8.3

ROIC % 2011

-4.3

Revenue ratio

2%



Invested capital ratio
7%



Damco

Logistics and forwarding activities

Page 54

Invested capital USD million

499

ROIC % 2012

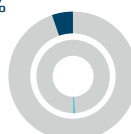
13.5

ROIC % 2011

24.4

Revenue ratio

5%



Invested capital ratio
1%



SVITZER

Towing and salvage activities, etc.

Page 55

Invested capital USD million

1,516

ROIC % 2012

0.6

ROIC % 2011

6.4

Revenue ratio

1%



Invested capital ratio
3%



Dansk Supermarked Group

Supermarkets (føtex and Bilka), department stores (Salling) and discount stores (Netto), etc.

Page 56

Invested capital USD million

2,872

ROIC % 2012

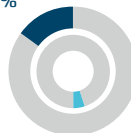
8.1

ROIC % 2011

37.2

Revenue ratio

15%



Invested capital ratio
5%



Maersk FPSOs and Maersk LNG

Floating oil and gas production units

Page 58

Invested capital USD million

120

ROIC % 2012

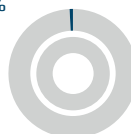
33.9

ROIC % 2011

0.4

Revenue ratio

1%



Invested capital ratio
0%



Other businesses

20% ownership Danske Bank A/S (associated company), Maersk Container Industry, Ro/Ro and related activities and other

Page 59

Invested capital USD million

5,965

ROIC % 2012

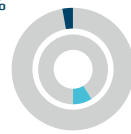
5.4

ROIC % 2011

4.5

Revenue ratio

3%



Invested capital ratio
10%

Segment overview

	DKK million		USD million	
	2012	2011	2012	2011
Revenue				
Maersk Line	157,122	134,444	27,118	25,108
Maersk Oil	58,833	67,554	10,154	12,616
APM Terminals	27,697	25,073	4,780	4,682
Maersk Drilling	10,947	10,056	1,889	1,878
Maersk Supply Service	5,080	5,047	877	942
Maersk Tankers	7,279	6,957	1,256	1,299
Damco	18,957	14,737	3,272	2,752
SVITZER	5,198	4,677	897	873
Dansk Supermarked Group	55,610	55,227	9,598	10,314
Maersk FPSOs and Maersk LNG	2,067	3,167	357	591
Total reportable segments	348,790	326,939	60,198	61,055
Other businesses	11,220	11,575	1,937	2,162
Unallocated activities	4,717	4,188	814	782
Eliminations	-22,669	-20,182	-3,913	-3,769
Total	342,058	322,520	59,036	60,230
Profit/loss for the period				
Maersk Line	2,671	-2,961	461	-553
Maersk Oil	14,164	11,311	2,444	2,112
APM Terminals	4,190	3,471	723	648
Maersk Drilling	2,081	2,611	359	488
Maersk Supply Service	765	1,301	132	243
Maersk Tankers	-1,811	-817	-312	-153
Damco	320	331	55	63
SVITZER	54	547	9	102
Dansk Supermarked Group	1,284	5,371	222	1,003
Maersk FPSOs and Maersk LNG	1,944	52	336	10
Total reportable segments	25,662	21,217	4,429	3,963
Other businesses	1,773	1,186	306	221
Unallocated activities	-4,190	-3,937	-723	-735
Eliminations	134	-461	23	-87
Discontinued operations, after elimination	16	78	3	15
Total	23,395	18,083	4,038	3,377



SVITZER
Sohar
Oman

Providing harbour towage and escorting in Sohar, SVITZER plays an active role in one of the world's largest industrial port development projects. With five to six towing moves every day, SVITZER is busy assisting the export of steel and aluminium which since 2007 has seen the port's cargo throughput go from 4 million tonnes to 44 million tonnes in 2012.



Maersk Line

Maersk Line improved its profit in 2012 by USD 1.0bn, delivering a profit of USD 461m, although the year started out with global freight rates at unsustainable levels and all time high bunker prices. From the second half of 2011 to the second half of 2012, the result improved USD 1.7bn. The improved profit was driven by a detailed profitability improvement programme with key focus on cost reductions, surcharges collection and rate increases, enabled through active capacity adjustments.

- Profit of USD 461m (loss of USD 553m)
- ROIC was 2.4% (negative 3.1%)
- Cash flow from operating activities was USD 1.8bn (USD 899m)
- Cash flow from capital expenditure (investments) was USD 3.6bn (USD 3.2bn)
- Average rate increased by 1.9% to 2,881 USD/FFE (2,828 USD/FFE)
- Active capacity adjustments through idling, slow steaming and blanked sailings
- Unit cost decreased by 1.7% to 3,054 USD/FFE (3,108 USD/FFE)
- Significant headquarters staff reduction implemented in June 2012
- Volumes grew 5% to 8.5m FFE (8.1m FFE).

MARKET DEVELOPMENT

The global market for container demand grew an estimated 2% in 2012 compared to 2011. Demand growth deteriorated during the year from 5% in Q1 to only 0-1% in Q3 and Q4 compared to the corresponding quarters in 2011. Above all, European imports were weak with west-bound Asia-Europe container demand dropping 7-9% in Q3 and Q4 year-over-year. This development reflected the weak European economy and in particular the debt crisis in the Mediterranean countries. Imports to the USA also softened and only saw a minor peak in demand during Q3. For the full year 2012, the total Asia-Europe trade declined nearly 2%, while volumes on the transpacific trade grew 2%.

Despite the low demand growth and a significant amount of deliveries of new container vessels, a stable supply/demand balance was achieved. The nominal increase in capacity from deliveries of new vessels was 8.1% in 2012, but through slow steaming, scrappings, idling and blanked sailings, the industry managed to balance the effective capacity growth with the overall head haul demand growth.

On the back of the price war in the second half of 2011, global container freight rates started at very low levels in 2012. Especially, the Asia-Europe trade was hard hit with spot market rates at around USD 700-750 per TEU in January 2012. These rate levels were significantly below operating costs, and with bunker prices peaking at an all-time high above USD 700 per ton in March 2012, the industry experienced significant losses in Q1 2012. The industry was successful in getting general rate increases (GRI) through across most trade lanes. Especially, the USD 750 per TEU rate increase on the Asia-Europe trade effective from 1 March 2012 paved the way for GRIs in other key trades such as Africa and Latin America. Despite the significant focus on general rate increases, the market experienced a constant downward pressure on rates in the second half of 2012 due to the deteriorating demand growth in Q3 and Q4.

INITIATIVES IN 2012

With freight rates at very low levels in Q1, Maersk Line started the year with losses amounting to around USD 8m per day and a Q1 2012 loss of USD 599m.

A profitability improvement programme was established to bring Maersk Line back to profitability and an overall review of the headquarters activities led to a significant reduction in headquarters staff implemented in June 2012. The profitability programme focused on executing on general rate increases, driving collection of demurrage and detention, right-sizing the vessel network to support the general rate increases and finally reducing overall costs.

FINANCIAL PERFORMANCE

Profit was USD 461m compared to a loss of USD 553m in 2011. The improvement was driven by increase in freight rates and operational cost savings mainly from vessel network efficiencies. The result improved the return on invested capital (ROIC), from negative 3.1% in 2011 to

positive 2.4% in 2012, however still below weighted average cost of capital.

Cash flow from operating activities of USD 1.8bn was significantly higher than 2011 impacted by improved profitability partly offset by an increase in working capital.

Revenue increased by 8% to USD 27.1bn, positively affected by volumes increasing 5% to 8.5m FFE and average freight rates increasing 1.9% to 2,881 USD/FFE. Maersk Line maintained its market share for the full year. The average freight rate excluding BAF increased by 4.6% to 2,274 USD/FFE compared to 2011, supported by active capacity adjustments throughout the year in the form of idling, slow steaming and blanked sailings.

On the main Asia-Europe trades, the head haul volumes decreased by 2%, while backhaul volumes increased by 16% to overall growth of 3%, compared to 2011. Average freight rates for Asia-Europe trades increased by 6%, with head haul and backhaul increasing 10% and 2%, respectively. Intra-Asia, Latin America and West & Central

Asia were strong growth trades for volumes with respectively 19%, 10% and 7% growth. For the Africa trade, the focus on yield management reduced loss making cargo, but consequently also reduced overall volumes. Asia-Europe, Africa and Intra-Asia were the trades with strongest growth in rate levels.

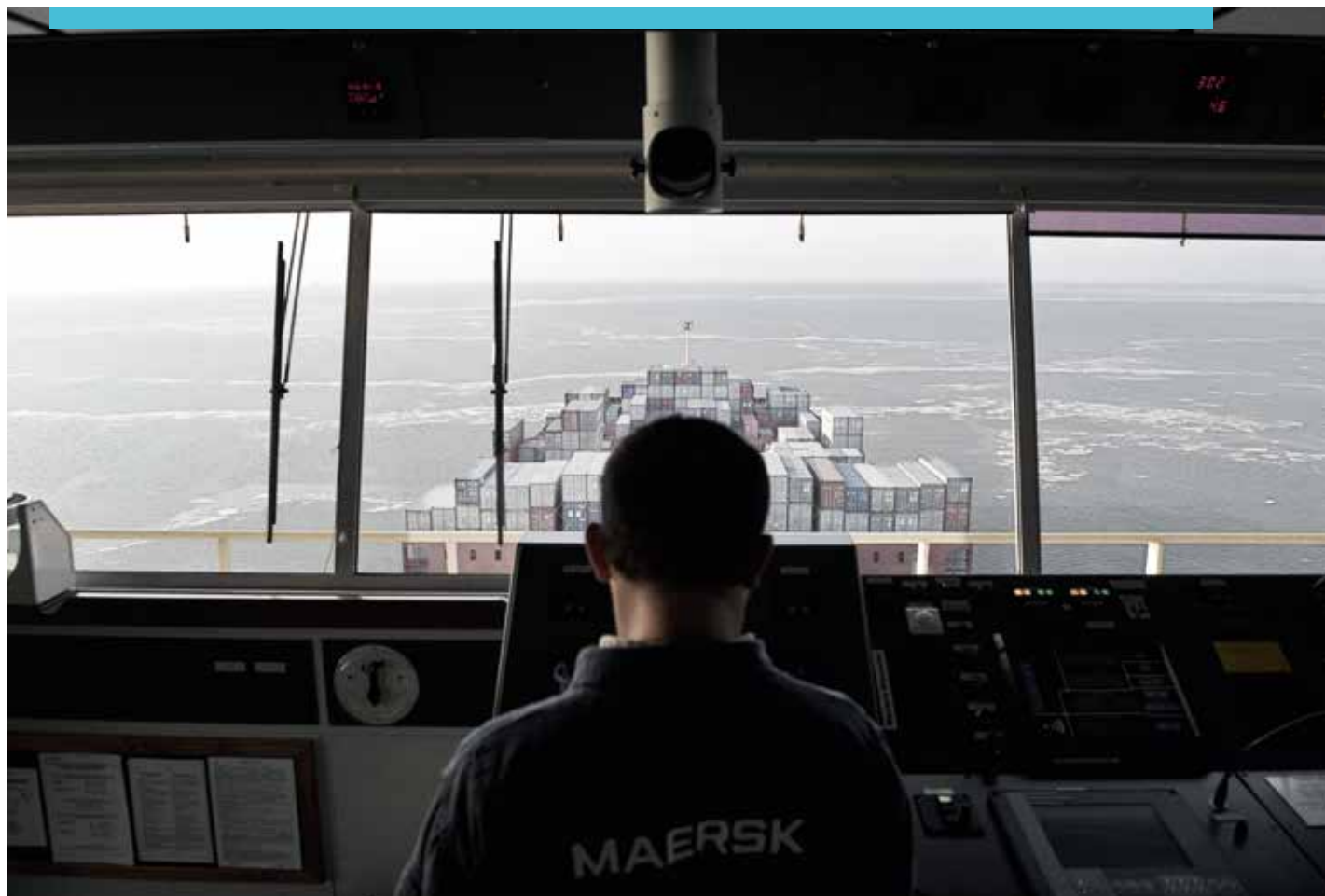
Total cost per FFE decreased by 1.7% to 3,054 USD/FFE mainly driven by decreasing bunker consumption per FFE and operational cost savings. Maersk Line continued to utilise super slow steaming to reduce emissions and save bunker cost. The bunker price was 7% higher in 2012 but total bunker costs decreased by 1% to USD 6.7bn compared to 2011.

Reliability of the Daily Maersk service has on average been above 98% since the introduction in 2011. In terms of overall reliability, Maersk Line is still the most reliable carrier with a scheduled reliability for 2012 of 91%. Daily Maersk has been very well received by customers and overall customer satisfaction is high.

Maersk Line's fleet increased by 4% to 2.6m TEU total capacity. The fleet consisted of 270 owned vessels and 326 chartered vessels by the end of 2012. The owned fleet was increased by 6% as 17 newbuild vessels with 100,000 TEU capacity were delivered. The vessels are designed for Africa and Latin America trades – two key growth markets for the Group. Apart from the focus on reducing slot cost and emission of greenhouse gasses, the vessels are attractive due to their substantial reefer capacity. Other adjustments to the owned fleet were delivery of two multi purpose vessels totalling 36,000 DWT, while one vessel of 750 TEU was sold.

Maersk Line	USD million	
Highlights	2012	2011
Revenue	27,118	25,108
Profit/loss before depreciation, amortisation and impairment losses, etc. (EBITDA)	2,179	1,009
Depreciation, amortisation and impairment losses	1,678	1,617
Gain on sale of non-current assets, etc., net	23	128
Share of profit/loss in associated companies	1	-2
Profit/loss before financial items (EBIT)	525	-482
Tax	64	71
Net operating profit/loss after tax (NOPAT)	461	-553
Cash flow from operating activities	1,799	899
Cash flow used for capital expenditure	-3,550	-3,170
Invested capital	20,649	18,502
ROIC	2.4%	-3.1%
Transported volumes (FFE in million)	8.5	8.1
Average rate (USD per FFE)	2,881	2,828
Average fuel price (USD per tonne)	661	620

	Rates 2012/ 2011	Volumes 2012/ 2011	Distribution of volumes across routes 2012	Distribution of volumes across routes 2011
Asia – Europe	6%	3%	24%	24%
Africa	5%	-4%	15%	16%
North America	3%	5%	15%	15%
Latin America	1%	10%	14%	13%
West & Central Asia	0%	7%	17%	17%
Oceania	-3%	6%	5%	5%
Intra-Asia	6%	19%	7%	6%
Intra-Europe	1%	-2%	3%	4%
Total	2%	5%	100%	100%



11 vessels had increased capacity of 1,400 TEU per vessel primarily through bridge elevation. The chartered fleet declined by 1% to 1.1m TEU capacity. The chartered fleet was reduced by 65 vessels compared to 2011 as part of optimising the network countered by need for more tonnage to implement further slow steaming. In addition to this, the Group owned five and chartered six multi purpose vessels. 25 vessels totalling 395,100 TEU are on order for delivery during 2013-2015. The first five out of 20 Triple-E container vessels suited for the Asia-Europe trade will be delivered in 2013.

STRATEGIC FOCUS

Global container demand growth is forecasted to remain modest at 4-5% range in 2013. Especially, the Asia-Europe trade outlook is bleak with westbound demand expected to stay flat. The challenging demand side is coupled with a significant amount of new tonnage being delivered corresponding to a capacity increase of 11% or 1.8m TEU. Thus, without significant capacity adjustments, the con-

tainer shipping market is most likely expected to see a continued downward pressure on freight rates in 2013.

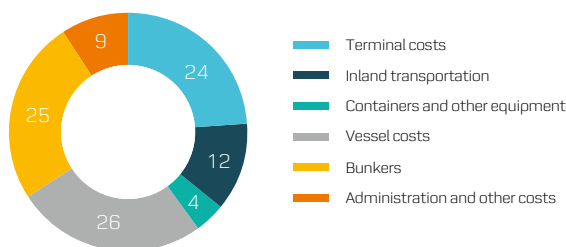
Maersk Line has defined **five key focus** areas for 2013. The **reefer rate restructuring initiative** will focus on restoring profitability in the refrigerated cargo business through a global rate restructuring. The **rates and contracting initiative** will focus on keeping rates at a sustainable level. The **network cost initiative** will focus on building a more cost-effective vessel network, while the **total unit cost initiative** will aim for the lowest achievable cost in the market. Finally, the **volume and market share initiative** will focus on maintaining the global position of Maersk Line.

SAFETY PERFORMANCE

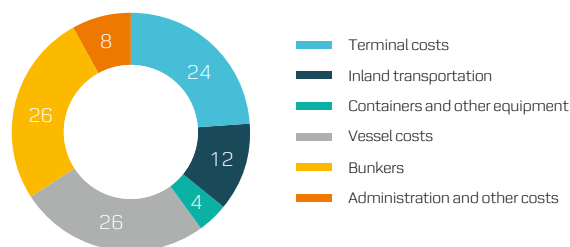
The lost time injury frequency (LTIF) for 2012 was 0.76 per million exposure hours compared to 0.63 per million exposure hours in 2011.

Distribution of container shipping unit costs*, percent

2012



2011



***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: repair and maintenance, third party lease cost and depreciation of owned containers.

Vessel costs: port costs 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 of the vessels. Lubricants are included as part of vessel cost.

Administration and other costs: own and third party agents in countries, liner operation centres, vessel owning companies, onshore crew and ship management, service centres 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.

	TEU		No.	
	2012	2011	2012	2011
Fleet				
Own container vessels				
0-2,999 TEU	103,778	104,508	57	58
3,000-4,699 TEU	403,493	351,586	98	87
4,700-7,999 TEU	268,308	254,972	41	40
> 8,000-TEU	704,050	649,922	74	69
Total	1,479,629	1,360,988	270	254
Chartered container vessels				
0-2,999 TEU	425,852	555,848	220	296
3,000-4,699 TEU	120,525	144,771	29	35
4,700-7,999 TEU	276,998	231,736	46	40
> 8,000-TEU	321,673	227,776	31	20
Total	1,145,048	1,160,131	326	391
Own and chartered container vessels	2,624,677	2,521,119	596	645
Own and chartered multi purpose vessels			11	15
Newbuilding programme (own vessels)				
0-2,999 TEU	-	-	-	-
3,000-4,699 TEU	9,000	58,500	2	13
4,700-7,999 TEU	26,100	66,690	3	9
> 8,000-TEU	360,000	360,000	20	20
Container vessels total	395,100	485,190	25	42
Multi purpose vessels			0	2

Maersk Oil

Maersk Oil continues to progress the portfolio of development projects, including Dunga Phase II production start in Kazakhstan, and further maturation of Chissonga in Angola and Johan Sverdrup in Norway, both with planned production start in 2017-18. Also, the agreement to further development of the Al Shaheen field in Qatar constitutes a milestone.

- Profit of USD 2.4bn (USD 2.1bn), positively impacted by one-off tax income of USD 899m in Algeria and a USD 91m gain from a partial divestment of interests in Brazil
- ROIC was 36.6% (37.2%)
- Cash flow from operating activities was USD 3.9bn (USD 4.3bn)
- Entitlement share of production declined by 23% to 257,000 boepd (333,000 boepd)
- Average oil price was 1% higher at USD 112 per barrel (USD 111 per barrel)
- Exploration expenses were USD 1.1bn (USD 1.1bn).

INITIATIVES IN 2012

Maersk Oil has exploration and production activities in 11 countries and has an entitlement production of some 257,000 barrels of oil equivalent per day (boepd) from six countries. Maersk Oil is maturing oil and gas resources through a large exploration programme and execution of a number of development projects.

At the A.P. Møller - Maersk Capital Markets Day on 9 October 2012, Maersk Oil disclosed information about its reserves and resources base and gave insights into the plans to increase production by almost 50% towards 2020 by reaching a daily entitlement production level of 400,000 barrels. More information from the Capital Markets Day can be found at: <http://investor.maersk.com/events.cfm?altevent=otherevents>

At the end of 2011, Maersk Oil had entitlement reserves and resources of 1.38bn barrels of oil equivalent including proved reserves (1P) of 443m barrels of oil equivalent. The reserves and resources are estimated according to international standards (Society of Petroleum Engineers' Petroleum Resources Management System) and the reserves are audited by an independent third party. The reserves and resource figures will be updated annually and the figures for end of 2012 will be released together with the Q1 report in 2013.

PRODUCTION

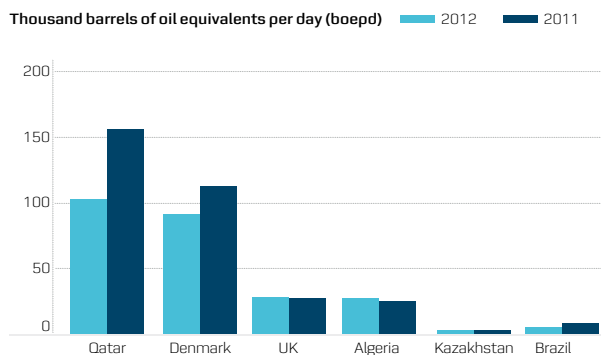
The average daily share of oil and gas production in 2012 was 257,000 boepd in line with previously announced expectations of 258,000 boepd; 23% lower than in 2011 (333,000 boepd).

In **Qatar**, the production share was 103,000 boepd (157,000 boepd); 34% lower than in 2011 due to a contractual production sharing and cost recovery mechanism, while the gross production from the field continued unchanged at a level of 300,000 boepd.

Production share in **Denmark** was 91,000 boepd (113,000 boepd); 19% lower than in 2011 largely due to the entry of Nordsøfonden (the Danish state-owned North Sea Fund) as partner with 20% interest in DUC (Dansk Undergrunds Consortium) on 8 July 2012. The effect of the change on the Group's net profit is neutral as the Danish state participation replaces a 20% profit share collected since the agreement was made in 2003. Further the natural decline of the largely mature Danish fields affected the production negatively.

The share of production in the **UK** of 28,000 boepd was at the same level as in 2011 (27,000 boepd). The Gryphon

Maersk Oil's entitlement share of production





FPSO, which was damaged in a storm in early 2011, is expected to come back into production in Q1 2013.

In **Algeria**, the share of production of 27,000 boepd was slightly higher compared to 2011 (25,000 boepd), positively affected by improved contract terms with the Algerian national oil company from the settlement of the tax dispute in Q1 2012 but offset by the natural maturation of the fields.

The share of production in **Kazakhstan** and **Brazil** was in 2011 3,000 boepd (3,000 boepd) and 5,000 boepd (8,000 boepd) respectively.

Maersk Oil's pipeline of major field developments

Field country	First production	Equity share	Plateau production
EL Merk (Algeria)	2013	~11%	15,000 boepd
Dunga (Kazakhstan)	2012	60%	15,000 boepd
FDP2012 (Qatar)	2013	100%	N/A ¹
Golden Eagle (UK)	2014	32%	20,000 boepd
Jack (USA)	2014	25% ²	8,000 boepd

¹ FDP aims at optimising recovery and maintaining a stable production plateau around 300,000 boepd

² Phase 1 Maersk Oil estimate

DEVELOPMENT

Maersk Oil has a diverse project portfolio and project delivery plan in place to deliver on the production target of 400,000 boepd by 2020. Five major projects are sanctioned by the authorities and execution is progressing towards first production by 2014.

In **Algeria**, development of the El Merk field continues with first oil expected in Q1 2013.

In **Angola**, work continues on the development plan for the Chissonga discovery in Block 16 and drilling of the 4th appraisal well was completed late 2012. The development will likely comprise a stand-alone FPSO with first oil expected in 2017-18.

In the Kurdistan region of **Iraq**, a second appraisal well was successfully completed on the Swara Tika structure, and further pre-development activities are planned for 2013. Maersk Oil increased its shareholding in HKN Energy from 20% to 30% (corresponding to 22.5% equity in the Sarsang production sharing contract).

In **Kazakhstan**, the first Dunga Phase II well was brought on-stream in December 2012 as scheduled and over the next three years another 197 wells will be drilled and brought into production.

In **Norway**, three appraisal wells were completed on the Avaldsnes part of the major Johan Sverdrup discovery. A preliminary agreement between the involved licences is in place and continued appraisal activities should lead to a concept selection by the end of 2013 and first production in 2018. The Zidane-2 well encountered a high pressure gas reservoir and evaluation of the commerciality of the combined Zidane 1 and 2 discoveries is ongoing. To support a development of Zidane and other future discoveries in Mid Norway, an interest in a planned gas pipeline has been secured.

In **Qatar**, a new field development plan for 2012 including further investments of USD 1.5bn, covering among others 51 new wells, has been agreed with Qatar Petroleum with the aim of increasing recovery and extending a stable production plateau at 300,000 boepd from the Al Shaheen field.

In the **UK**, the Golden Eagle development project is progressing towards a production start in 2014. Maersk Oil acquired the remaining 30% interest in the Maersk Oil operated Dumbarton and Lochranza fields as well as the Global Producer III FPSO. With the acquisition Maersk Oil now has 100% interest in both fields as well as in the FPSO.

In the **USA**, the Jack deepwater development project in the US Gulf of Mexico is progressing as planned towards production start in 2014. Further appraisal drilling of the Buckskin discovery is planned for 2013.

EXPLORATION

Successful exploration is crucial to Maersk Oil's aspiration to increase the daily entitlement production by 50% to 400,000 boepd by 2020. The current production profile reflects that Maersk Oil is in a catch-up phase with respect to replacing reserves. Exploration activities have been scaled up and a number of high impact discoveries have been made over the last couple of years. New prospects are continually being matured through the global portfolio and by focusing on prolific basins with familiar geology and risks. Maersk Oil has been able to add resources at competitive finding costs.

Maersk Oil completed 23 exploration/appraisal wells compared to 14 in 2011.

In **Angola**, the Caporolo discovery was made in Block 16 and further drilling is planned to decide on the commer-

cial potential of the structure, which is adjacent to the Chissonga discovery. Exploration and appraisal drilling in Block 16 will continue in early 2013. Further exploration and appraisal drilling has also been planned for Blocks 8 and 23, but timing is dependent on rig availability, which increasingly has become a challenge due to the overheated drilling market in the West Africa region.

In **Brazil**, Maersk Oil participated in drilling of four exploration/appraisal wells and several wells are planned for 2013. In Blocks BM-C-37 and BM-C-38, Maersk Oil realised value by providing the business partner with 20% additional interest and operatorship in exchange for cash and full carry in up to six wells.

In **Greenland**, acquisition of 3D seismic data was successfully completed in the Baffin Bay, and Maersk Oil participated in a shallow core sampling programme.

In the Kurdistan region of **Iraq**, the high exploration level continues in the Sarsang block and by year-end drilling of two exploration prospects was in progress.

In **Kazakhstan**, three exploration wells were completed with encouraging results and allowed progression of the Dunga Phase III, which could bring the gross production to a level above 30,000 barrels per day.

In **Norway**, Maersk Oil submitted applications in two exploration licence rounds with expected awards mid-2013. The T-Rex exploration well did not discover hydrocarbons in commercial quantities and was therefore abandoned. Drilling of the Albert exploration well commenced in December.

In the **UK**, seven exploration/appraisal wells were completed including appraisal wells on Culzean, Ockley and Jackdaw. Maersk Oil was awarded nine new licences in the UK's 27th licensing round and potential award in 2013 of three additional licences awaits the outcome of ongoing environmental assessments.

In the **USA**, Maersk Oil continues to build its prospect portfolio and was awarded seven new blocks in the US Central Gulf of Mexico bid round. Drilling of the Oceanographer prospect is planned for 2013.

FINANCIAL PERFORMANCE

Maersk Oil's profit for 2012 was USD 2.4bn (USD 2.1bn) and ROIC was 36.6% (37.2%). The result was positively affected by the one-off tax income of USD 899m from the settlement of an Algerian tax dispute, a USD 91m gain from a partial divestment of interests in Brazil and a strong average oil price of USD 112 per barrel (USD 111 per barrel). This was partly offset by the expected decline of the entitlement share of oil and gas production to 257,000 boepd (333,000 boepd) due to a lower production share in Qatar and lower production in Denmark.

The Gryphon FPSO has been out of production from early 2011. However, the loss of production and property damage in 2012 are partly recoverable under the existing insurance policies, and for 2012 a compensation of USD 407m has been received. It should be noted that negotiations are still in progress to determine the final insurance proceeds from the insurance companies.

Cash flow from operating activities was USD 3.9bn (USD 4.3bn) and cash flow used for capital expenditure was USD 2.0bn (USD 3.8bn affected by the USD 2.4bn acquisition of SK Energy in Brazil). Exploration activity remained high with completion of 23 (14) exploration/appraisal wells, leading to exploration expenses of USD 1.1bn (USD 1.1bn).

STRATEGIC FOCUS

With the current development plans and a sustained high level of exploration, Maersk Oil is entering a period with planned annual development capital expenditure in the range of USD 3-5bn compared to USD 1-3bn in recent years, in order to replenish the portfolio. Exploration expenses are expected to be above USD 1.0bn per year.

SAFETY PERFORMANCE

The lost time injury frequency (LTIF) for 2012 was 0.75 per million working hours compared to 0.91 per million exposure hours in 2011.

Maersk Oil continues its efforts to completely eliminate accidents and the improved lost time injury frequency is a result of this effort.

Maersk Oil	USD million	
Highlights	2012	2011
Revenue	10,154	12,616
Profit/loss before depreciation, amortisation and impairment losses, etc. (EBITDA)	7,156	10,015
Depreciation, amortisation and impairment losses	1,895	2,171
Gain on sale of non-current assets, etc., net	109	2
Share of profit/loss in associated companies	-42	-4
Profit/loss before financial items (EBIT)	5,328	7,842
Tax	2,884	5,730
Net operating profit/loss after tax (NOPAT)	2,444	2,112
Cash flow from operating activities	3,857	4,319
Cash flow used for capital expenditure	-1,959	-3,788
Invested capital	6,920	6,427
ROIC	36.6%	37.2%
Exploration expenses, net	1,088	1,056
Average share of oil and gas production (thousand barrels of oil equivalent per day)	257	333
Average crude oil price (Brent) (USD per barrel)	112	111

APM Terminals

APM Terminals delivered an increase in profit and a ROIC of 13.6% (13.1%). The expansion into high growth markets continued, notably with the acquisition of a 37.5% co-controlling stake in Global Ports Investments PLC, a portfolio of very attractive port assets in Russia and neighbouring countries. The increased presence in high growth areas presents an opportunity but increases also geopolitical exposure.

- Profit of USD 723m (USD 648m), impacted by pre-tax divestment gains of USD 123m (USD 28m)
- ROIC was 13.6% (13.1%). Excluding the impact of portfolio changes and one offs, underlying ROIC was 12.5% (12.4%)
- Cash flow from operating activities was USD 975m (USD 912m)
- Number of containers handled increased by 6% to 35.4m TEU (33.5m TEU), ahead of the market growth of 4%, boosted by additions to the portfolio
- New terminal projects were secured in Lazaro Cardenas, Mexico, and Ningbo, China, and a new inland project secured in Mombasa, Kenya
- APM Terminals took control of the operations in Gothenburg, Sweden, and the terminal in Wilhelmshaven, Germany, opened.

terminals with crane specifications and operational capabilities to match future market requirements.

INITIATIVES IN 2012

The larger vessels being deployed and an increased appreciation by the customers of the value of having the fastest possible turnaround time in port prompted APM Terminals to launch a Global Transformation Project to lift the operational performance. The project aims at improving productivity by 15%. The crane lift per hour improved by 8% across the terminal portfolio during 2012.

APM Terminals continued to work on developing attractive propositions to unlock value in long term partnerships. Volumes from 3rd party customers reached 48% of the total in 2012 (46%).

MARKET DEVELOPMENT

The global container terminal market measured in TEU increased by 4% during 2012. The growth rate was stronger during the first half of 2012 than during the second half. The trade lane from Asia to Europe in particular softened during the second half, which affected port volumes in both Asia and in Europe.

In the first half of 2012, operations in some terminals in North Africa, Europe and the Middle East were negatively affected by local political unrest or labour issues. Operations were fairly smooth during the second half of 2012 with only a relatively minor issue affecting operations in Los Angeles in December.

In late October, Hurricane Sandy landed on the US east coast, closing the ports of New York and New Jersey including APM Terminals' Port Elizabeth facility. Operations

APM Terminals experienced renewed interest from shipping lines wishing to secure access to modern container

Portfolio

APM Terminals	Number of terminals	Number of new terminal projects	Average remaining concession length in years	Equity weighted crane lifts in million TEU		
				2012	2011	Change
Americas	13	3	16	7.2	6.9	4%
Europe	19	2	27	12.9	12.2	5%
Asia	17	1	26	10.7	10.6	1%
Africa and Middle East	13	0	18	4.5	3.8	20%
Total	62	6	22	35.4	33.5	6%



were impacted for more than a week in the entire port, but APM Terminals was successful in being the first terminal in the area to recommence operations after the hurricane.

PORTFOLIO

APM Terminals announced during 2012 the following developments with portfolio implications:

- On 28 November, a 37.5% co-controlling stake in the publicly listed company, **Global Ports**, was acquired. Global Ports is the leading operator of container terminals in Russia and the Baltics. The enterprise value of the share acquisition was around USD 900m. As a result, APM Terminals added three container terminals in Russia, two container terminals in Finland and a major oil and oil products terminal in Estonia to its global network.
- APM Terminals took control of the operations in the **Skandia Container Terminal** in Gothenburg, Sweden, effective 4 January 2012. The facility is Scandinavia's largest container terminal and handles about 0.8m TEU per year.
- A 32 year concession contract was signed with the Port Authority of the port of **Lazaro Cardenas** (APILAC), Mexico, for the design, financing, construction, operation and maintenance of a new specialised container terminal at the port. APM Terminals will invest over USD 900m in the new deepwater 4.1m TEU capacity project.
- The **Container Terminal Wilhelmshaven** (CTW) opened on 21 September 2012. APM Terminals holds a 30% share in Germany's only deep-water terminal. CTW has a 2.7m TEU capacity.
- Brasil Terminal Portuario** (BTP) in Santos, Brazil, received ship-to-shore cranes and other crucial equipment in its finalisation phase. This joint venture will result in a 2.2m TEU facility with a 15 meter draft to accommodate the larger vessels coming into the Latin American trade lanes. The start of operations has been slightly delayed and is now expected during first half of 2013. APM Terminals holds a 50% share of BTP.
- The Group signed a cooperation agreement to enlarge the Meishan box facility at **Ningbo**, China, intending to take a 25% stake in the development of three new berths at the terminal.
- APM Terminals acquired a 50% stake in an inland container depot in **Mombasa**, Kenya. APM Terminals will take charge of the operational management of the depot.

- APM Terminals disposed half of the 50% stake in the **Xiamen** terminal in China with an after tax gain of USD 20m.
- **Maersk Equipment Service Company Inc.**, USA, was divested in March 2012 with an after tax gain of USD 46m.
- APM Terminals' proposal to operate all **Port of Virginia** facilities in Hampton Roads, USA, under a long-term concession agreement with the Virginia Port Authority (VPA) was met with competing proposals submitted by the existing operator Virginia International Terminals (VIT) as well as infrastructure investment units of two financial services and investment firms. The VPA is currently considering all proposals.

FINANCIAL PERFORMANCE

APM Terminals delivered a profit of USD 723m (USD 648m) and a ROIC of 13.6% (13.1%). Excluding the impact of portfolio changes, underlying ROIC was 12.5% (12.4%).

APM Terminals is actively pursuing an investment strategy with focus on growth markets. 38 out of 62 container terminals operate in growth markets and 78% of EBITDA was generated in these markets.

APM Terminals	USD million	
Highlights	2012	2011
Revenue	4,780	4,682
Profit/loss before depreciation, amortisation and impairment losses, etc. (EBITDA)	1,093	1,059
Depreciation, amortisation and impairment losses	360	368
Gain on sale of non-current assets, etc., net	123	28
Share of profit/loss in associated companies	59	50
Profit/loss before financial items (EBIT)	915	769
Tax	192	121
Net operating profit/loss after tax (NOPAT)	723	648
Cash flow from operating activities	975	912
Cash flow used for capital expenditure	-1,350	-688
Invested capital	6,284	5,124
ROIC	13.6%	13.1%
Containers handled (measured in million TEU and weighted with ownership share)	35.4	33.5

The number of containers handled by APM Terminals (measured in crane lifts weighted with APM Terminals' ownership interest) increased by 6% compared to 2011. This was ahead of the market growth of 4%, boosted by additions to the portfolio.

During the second half of 2012, APM Terminals' volumes were adversely affected by the global economic slowdown and notably the decline in volume carried on the Asia-Europe trade lane. Positive developments in Africa and Latin America were to a large extent able to compensate for this.

Revenue grew by 2% compared to 2011. This was lower than the volume growth rate, mainly due to the divestment of Maersk Equipment Service Company in Q1, which impacted revenue without having a corresponding volume impact. The 44% tariff reduction imposed by the Tariff Authorities for Major Ports in India (TAMP) on Gateway Terminals India in Mumbai affected revenue negatively by USD 46m.

The EBITDA margin increased to 22.9% (22.6%).

Pre-tax gains of USD 123m were primarily achieved through the divestment of half of the 50% stake in Xiamen, China, and Maersk Equipment Service Company.

STRATEGIC FOCUS

The expected market growth rate for 2013 is 4-5%. APM Terminals expects volume growth above market growth, supported by new additions to the portfolio and various performance improvement drives.

APM Terminals aims to become the leading port and inland operator in the world by 2016. APM Terminals will secure this position by serving the global shipping lines and cargo owners in long term partnerships through safe and excellent operations and by actively managing the portfolio and developing port infrastructure and inland services in high growth markets.

	2011	2012	2016F
ROIC	13.1%	13.6%	13.0%
Number of terminals	55	62	65-70
Revenue (USD bn)	4.7	4.8	6.0
EBITDA (USD bn)	1.1	1.1	1.6
NOPAT (USD bn)	0.6	0.7	1.0



APM Terminals' mid-term (2016) financial targets are to reach a portfolio of 65-70 terminals, revenue of USD 6.0bn, a ROIC of 13% and a profit of USD 1.0bn.

SAFETY PERFORMANCE

The lost time injury frequency (LTIF) for 2012 was 2.41 per million exposure hours compared to 3.86 per million exposure hours in 2011.

APM Terminals has continued focus on eliminating accidents and advancing the safety management culture through the Safety Activist campaign and elimination of high risk situations through separation of man and machine and various safety enhancements to the facilities.

Maersk Drilling

With high forward contract coverage and an order book of seven large rigs with delivery in 2013-2015, Maersk Drilling is on track towards its strategic aspiration of delivering a profit of USD 1.0bn by 2018. The full year result for 2012 was negatively impacted by start-up issues on two drilling rigs.

- Profit of USD 359m (USD 488m)
- ROIC was 8.3% (12.5%)
- Cash flow from operating activities was USD 651m (USD 825m)
- Forward contract coverage of 98% for 2013 and 76% for 2014
- Operational uptime averaged 92.1% (95.6%).

MARKET DEVELOPMENT

The oil price has during 2012 remained supportive for continued increases in oil companies' exploration and development spending.

The market for **Norwegian jack-up rigs** remained strong with full utilisation throughout the year. The market is expected to remain tight in the years ahead and there are currently no jack-up rigs available until Q2 2014 and thus oil and gas companies are already now showing interest in securing rig capacity well beyond 2014.

The market for **international premium jack-up rigs** (outside Norway) enjoys significantly higher utilisation and day rates compared to older jack-up rigs, due to the safety and efficiency gains offered to the operators.

The market for **ultra deepwater floaters** (7,500ft+) was characterised by full utilisation in 2012 and day rate levels returned to pre-crisis levels at around USD 600,000 with some variations across regions and countries reflecting differences in operating cost levels and taxes.

Despite the newbuilding order book, the ultra deepwater market is expected to remain tight and the number of rigs with 2013 availability is limited and operators are already securing ultra deepwater rig capacity for commencement in 2014.

Oil supply from deepwater fields is needed to balance demand for oil, and to deliver the required deepwater oil production. Considerable exploration and development drilling will need to take place over the years to come.

The increasing demand is primarily seen from the main growth regions in West Africa and the US Gulf of Mexico while uncertainty has arisen concerning the demand in Brazil. Recent discoveries in other emerging deepwater regions such as East Africa will also contribute to growth in the future.

INITIATIVES IN 2012

Throughout 2012, with the exception of one jack-up rig, all of Maersk Drilling's 16 jack-up rigs and floaters, the ten drilling barges in Venezuela and the managed semi-submersible rig have been on contract.

Maersk Drilling's operational uptime averaged 92.1% in 2012 (95.6%). For the floating rigs the operational uptime averaged 85.1% (92.4%), while the operational uptime for the jack-up rigs averaged 95.3% (97.0%). The operational uptime was negatively affected by start-up issues for one jack-up rig and one floating rig.

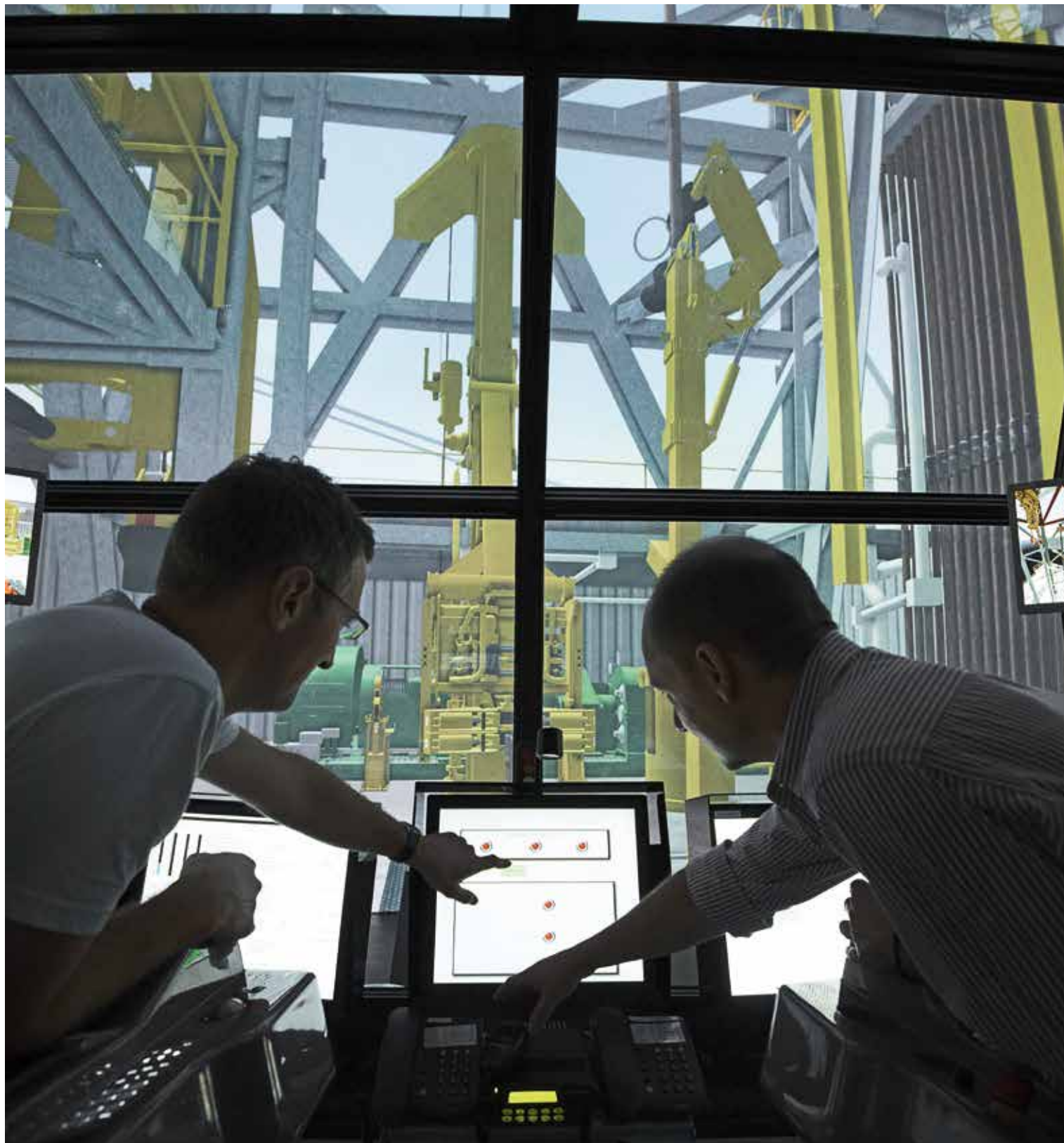
Six yard stays for planned surveys and upgrades were completed in 2012. The yard stays were completed on time and on budget.

CONTRACTS SIGNED IN 2012

- A newbuild ultra harsh, high specification jack-up rig for operation in Norway, USD 620m. The contract duration is four years and the contract commences mid-2015 after delivery from the shipyard and mobilisation to Norway.
- An option which was included in a four-year firm contract for an ultra deepwater semi-submersible rig for

Maersk Drilling's contract coverage per segment

Segment	2013	2014
Ultra harsh environment jack-up rigs (Norway)	100%	86%
Premium jack-up rigs	96%	61%
Ultra deepwater and midwater rigs	100%	90%
Total	98%	76%



Maersk Training Centre
Svendborg
Denmark

The high end rigs in Maersk Drilling's fleet can be recreated virtually in the simulator to include all rig specific equipment and control systems. This will enable the crews to train in realistic surroundings as if on board the rig.



work in the US Gulf of Mexico was also declared. The duration of the option is two years with commencement on 4 November 2013 when the firm contract expires, USD 370m.

- A two-year contract for an ultra harsh jack-up rig, USD 280m. The contract is expected to commence in April 2014 in direct continuation of its current contract.
- The first in a series of four identical ultra deepwater drillships currently under construction, USD 610m. The contract duration is three years and commencement is expected by end 2013 upon delivery and mobilisation to the US Gulf of Mexico. The estimated contract value includes mobilisation, but excludes cost escalation and performance bonus.
- A second drillship in the series, USD 694m. The contract duration is three years plus a two-year option and commencement is expected in Q2 2014 upon mobilisation to the US Gulf of Mexico.

By the end of 2012, Maersk Drilling's forward contract coverage was 98% for 2013, 76% for 2014, 51% for 2015 and 41% for 2016. The total revenue backlog for Maersk Drilling by the end of 2012 amounted to USD 7.0bn (USD 4.9bn).

Fleet and newbuilding programme

Maersk Drilling currently owns and operates six ultra harsh jack-up rigs operating in Norway, three ultra

deepwater semi-submersible rigs operating in the US Gulf of Mexico, Angola and Egypt, and six international premium jack-up rigs operating in Southeast Asia, West Africa and the North Sea. Furthermore, Maersk Drilling owns and operates a mid-water semi-submersible rig in the Caspian Sea, and manages a mid-water semi-submersible rig on behalf of its Chinese owners.

Maersk Drilling owns and operates ten drilling barges in Venezuela, which in 2012 generated revenue of USD 194m (USD 178m).

Maersk Drilling participates in the 50/50% joint venture Egyptian Drilling Company, which owns and operates 64 land and four jack-up rigs. In 2012, the joint venture generated total revenue of USD 424m (USD 447m).

Maersk Drilling has currently seven rigs under construction or on order. The order book includes three ultra harsh jack-up rigs, of which the first two will be delivered in 2014, while the third rig will be delivered in 2015. Additionally, the order book contains four ultra deepwater drillships – one to be delivered late in 2013 and the rest in 2014. The newbuilding programme is progressing according to plan.

Of the seven newbuild rigs, contracts have already been secured for five totalling a contract backlog of 17 rig years and estimated revenue backlog of around USD 2.9bn.

Maersk Drilling	USD million	
Highlights	2012	2011
Revenue	1,889	1,878
Profit/loss before depreciation, amortisation and impairment losses, etc. (EBITDA)	682	862
Depreciation, amortisation and impairment losses	232	244
Gain on sale of non-current assets, etc., net	8	-
Profit/loss before financial items (EBIT)	458	618
Tax	99	130
Net operating profit/loss after tax (NOPAT)	359	488
Cash flow from operating activities	651	825
Cash flow used for capital expenditure	-589	-600
Invested capital	4,604	4,102
ROIC	8.3%	12.5%

FINANCIAL PERFORMANCE

The profit for 2012 was USD 359m (USD 488m) negatively impacted by more than USD 125m due to delayed start-up on new contracts for two rigs due to start-up issues and positively impacted by reversal of impairment losses of USD 24m.

Fleet	2012	2011
Jack-up rigs	12	12
Semi-submersible rigs	4	4
Drilling barges	10	10
Total	26	26

Newbuilding programme

Jack-up rigs	3	2
Drillships	4	4
Total	7	6

Cash flow from operating activities was USD 651m (USD 825m) after a slight increase in working capital of USD 25m (USD 52m).

After investment cash flow of USD 589m (USD 600m), the total free cash flow was USD 62m (USD 225m).

STRATEGIC FOCUS

The focus areas for growth are Norway, leveraging the market leading position in the ultra harsh jack-up market, and the deepwater regions in the US Gulf of Mexico and West Africa where Maersk Drilling aims to build strong positions.

With full contract coverage for 2013, Maersk Drilling has a high degree of earnings visibility. The main risks relate to operational performance, cost inflation and delivery of newbuildings and yard stays for existing rigs on time and budget. Longer term Maersk Drilling will be exposed in the event of a lower oil price which will negatively impact oil companies' exploration and development spending.

As a consequence of the significant growth and taking many new rigs into operation in 2013-2015, Maersk Drilling expects additional costs associated with training and start-up of operations, which will negatively impact the result in 2013, 2014 and 2015. After delivery from the yard, the rigs will carry operational costs without earning full revenue until contract commencement. Depending on the location of operation this may be for periods of 2-3 months per rig.

SAFETY PERFORMANCE

The lost time injury frequency (LTIF) for 2012 was 0.53 per million exposure hours compared to 0.21 per million exposure hours in 2011.

The increase in the LTIF is disappointing and whereas the safety performance is still relatively strong, a number of initiatives have been implemented in order to improve the safety performance.

Maersk Supply Service

- Profit of USD 132m (USD 243m)
- ROIC was 6.1% (11.2%)
- Cash flow from operating activities was USD 305m (USD 375m).

The profit was negatively affected by general oversupply in most segments of the market, except in the emergency response and rescue segment. Cash flow used for capital expenditure increased due to investment in Canadian newbuildings and modification of a number of existing vessels.

Maersk Supply Service had a reasonable contract coverage going into 2012 with continued focus on employing spot fleet in key strategic markets such as West and East Africa, Brazil, Australia and Canada where a number of new contracts and extensions were made.

For the anchor handling tug supply vessels, the newbuilding activity in the market slowed down with very few new orders being placed, whereas the significant order book for platform supply vessels continued to grow. A number of subsea support vessels were ordered on speculation during the year.

ESVAGT became part of Maersk Supply Service's reporting segment effective 1 January 2012 and within the emergency response and rescue segment, ESVAGT achieved high utilisation in 2012 and all time high turnover and profit.

ESVAGT took delivery of three vessels during 2012. All went directly on long term contracts (duration five and ten years), two in Norway and one in Denmark. The newbuildings are ESVAGT's most advanced vessels to-date and bring the fleet to 35 vessels

Two anchor handling tug supply vessels are on order with options for up to four additional vessels. The vessels are built for the Canadian market and optimised for the local operating profile with reduced emissions and fuel consumption. One vessel was sold, bringing the Maersk Supply Service fleet to 65 vessels.

Contract coverage for 2013 is 57% and for 2014 29% excluding options.

The lost time injury frequency (LTIF) for 2012 was 0.74 per million exposure hours compared to 0.75 per million exposure hours in 2011.

Maersk Supply Service	USD million	
Highlights	2012	2011
Revenue	877	942
Profit/loss before depreciation, amortisation and impairment losses, etc. (EBITDA)	319	416
Depreciation, amortisation and impairment losses	173	167
Gain on sale of non-current assets, etc., net	-4	3
Profit/loss before financial items (EBIT)	142	252
Tax	10	9
Net operating profit/loss after tax (NOPAT)	132	243
Cash flow from operating activities	305	375
Cash flow used for capital expenditure	-214	-120
Invested capital	2,206	2,146
ROIC	6.1%	11.2%

Fleet	2012	2011
Anchor handling vessels	49	50
Supply vessels	13	13
Emergency, Response and Rescue vessels	35	32
Other vessels	3	3
Total	100	98

Newbuilding programme		
Anchor handling vessels	2	2
Emergency, Response and Rescue vessels	4	4
Total	6	6

Maersk Tankers

- Loss of USD 312m (loss of USD 153m)
- ROIC was negative by 8.3% (negative 4.3%)
- Cash Flow from operating activities was USD 142m (USD 95m)
- Impairment losses of USD 268m
- Divested the Small Northwest Europe segment and the Handygas segment
- Time charter fleet reduced by 25 vessels.

Vessel oversupply and slower demand growth continue to drive the unfavourable market balances in most segments. During the year, the market conditions led Maersk Tankers to adjust the medium term outlook, resulting in USD 268m impairment loss on Very Large Crude Carriers (VLCCs), product handy-tankers and the small product tanker segment. Significant uncertainty regarding valuation of vessels remains.

Significant VLCC tonnage will be added to the market in 2013 with demand growth expected to be unchanged. General overcapacity and weak demand growth affected the product tanker segments negatively in 2012. Expectations for 2013 remain unchanged with a relatively flat demand/supply development.

Maersk Tankers	USD million	
Highlights	2012	2011
Revenue	1,256	1,299
Profit/loss before depreciation, amortisation and impairment losses, etc. (EBITDA)	223	108
Depreciation, amortisation and impairment losses	542	278
Gain on sale of non-current assets, etc., net	8	6
Profit/loss before financial items (EBIT)	-311	-164
Tax	1	+11
Net operating profit/loss after tax (NOPAT)	-312	-153
Cash flow from operating activities	142	95
Cash flow used for capital expenditure	-461	-668
Invested capital	3,729	3,774
ROIC	-8.3%	-4.3%

In the gas segment, earnings are expected to come under pressure from increasing vessel supply in 2013.

Maersk Tankers has started several initiatives to improve profitability. A project was launched, consisting of commercial improvement and cost reduction initiatives. Significant savings have been achieved in 2012 with bunker initiatives being the largest contributor with reductions of 7% corresponding to USD 48m.

Maersk Tankers divested the Small Northwest Europe segment as part of the strategy to optimise, to focus on fewer segments and to release capital for new investments. Such investments include the potential retrofitting of VLCCs, which would result in efficiency gains and a positive environmental impact due to reductions in fuel consumption. Maersk Tankers has also significantly reduced the time charter fleet.

Maersk Tankers entered into an agreement to divest the Handygas segment. The transaction will take place in 2013.

In addition to the above initiatives Maersk Tankers has decided to cold lay-up two VLCC vessels.

Maersk Tankers has taken delivery of seven vessels (five VLCCs and two product tankers) during 2012, sold ten product tankers and has no further newbuildings on order.

The lost time injury frequency (LTIF) for 2012 was 0.89 per million exposure hours compared to 1.12 per million exposure hours in 2011.

	2012		2011	
Fleet	Own	Chartered	Own	Chartered
Crude oil	16	5	11	5
Product	84	34	92	55
Gas	16	7	16	11
Total	116	46	119	71
Newbuilding programme				
Crude oil	0	1	5	1
Product	0	0	1	0
Gas	0	0	0	0
Total	0	1	6	1

Damco

- Profit of USD 55m (USD 63m), positively impacted by pre-tax divestment gains of USD 19m
- ROIC was 13.5% (24.4%)
- Cash flow from operating activities was negative by USD 97m (positive by USD 93m).

Damco recorded significant growth in 2012, partly due to impact from acquisitions. Further, products grew volume well ahead of the market and net revenue in 2012 was up to USD 3.3bn, an increase of 18.9%.

Damco shipped 6% more ocean volumes compared to 2011. Airfreight tonnage almost doubled, recording a growth over last year of 91%. The growth in airfreight was partly due to the full year effect of the NTS acquisition in August 2011 (a China based freight forwarder), but also due to strong growth in selected focus industries. Supply Chain Management volumes returned to growth and ended 5% higher than prior year level.

The worsening market conditions as well as implementation costs related to new business caused downward pressure on Damco's unit margin profitability, which had a negative impact on Damco's performance in 2012.

Cash flow from operating activities was negative by USD 97m (positive USD 93m) driven by increased working capital employed.

Damco announced early in 2012 a restructuring of its European operations, which were split in East and West. In October, Damco acquired the freight forwarder Pacific Network Global Logistics, which significantly strengthened its position in Oceania. In September, Damco announced that the global headquarter will relocate from Copenhagen, Denmark, to The Hague, The Netherlands. The move is scheduled to be completed in Q1 2013.

The lost time injury frequency (LTIF) for 2012 was 0.51 per million exposure hours compared to 0.81 per million exposure hours in 2011.

Damco	USD million	
Highlights	2012	2011
Revenue	3,272	2,752
Profit/loss before depreciation, amortisation and impairment losses, etc. (EBITDA)	101	120
Depreciation, amortisation and impairment losses	27	23
Gain on sale of non-current assets, etc., net	19	1
Profit/loss before financial items (EBIT)	93	98
Tax	38	35
Net operating profit/loss after tax (NOPAT)	55	63
Cash flow from operating activities	-97	93
Cash flow used for capital expenditure	-22	-119
Invested capital	499	317
ROIC	13.5%	24.4%

SVITZER

- Profit of USD 9m (USD 102m), negatively impacted by impairment losses of USD 109m
- EBITDA margin of 29% (27%)
- ROIC was 0.6% (6.4%)
- Cash flow from operating activities was USD 257m (USD 131m).

Within harbour towage, activity was largely unchanged compared to the year before. Strong activity growth in Australia (7%) was offset by declining activity in Europe (-3%). Terminal towage developed as expected. SVITZER managed to charter recently delivered vessels to new terminal towage contracts and extended a number of existing contracts. Within salvage, activity was weak during large parts of the year with some increase during Q4.

Total revenue increased by 2.7% and EBITDA-margin increased to 29% (27%) driven by several initiatives to improve top line performance and strengthen cost control.

The UK towage market has been bleak over a longer period of time, and with a continued poor outlook, an impairment of goodwill was recognised in Q4 of USD 102m, related to the Adsteam activities acquired in 2007. Profit

was in addition negatively impacted by provision for bad debts (USD 5m), a tax claim from the 2007 divestment of crew boat activities (USD 5m) and impairment of the Ocean Towage division (USD 7m).

Cash flow from operating activities was USD 257m (USD 131m) following the improved operational results and significant collections of salvage receivables.

In September 2012, SVITZER launched a new strategy, coupled with a new organisational structure, to improve returns in its harbour towage activities, increase its share of long term towage contracts and raise safety standards.

The lost time injury frequency (LTIF) for 2012 was 1.46 per million exposure hours compared to 0.78 per million exposure hours in 2011.

SVITZER	USD million	
Highlights	2012	2011
Revenue	897	873
Profit/loss before depreciation, amortisation and impairment losses, etc. (EBITDA)	260	237
Depreciation, amortisation and impairment losses	212	109
Gain on sale of non-current assets, etc., net	5	4
Profit/loss before financial items (EBIT)	53	132
Tax	44	30
Net operating profit/loss after tax (NOPAT)	9	102
Cash flow from operating activities	257	131
Cash flow used for capital expenditure	-102	-187
Invested capital	1,516	1,589
ROIC	0.6%	6.4%

	2012		2011	
Fleet	Own	Chartered	Own	Chartered
Tugboats	351	17	340	23
Other vessels	126	11	143	13
Total	477	28	483	36

Newbuilding programme			
Tugboats	4	15	
Other vessels	2	1	
Total	6	16	

Dansk Supermarked Group

- Revenue of DKK 55.6bn (DKK 55.2bn)
- Profit of DKK 1.3bn (DKK 5.4bn including gain from sale of Netto, UK)
- ROIC was 8.2% (35.1%)
- Cash flow from operating activities was DKK 2.3bn (DKK 2.3bn)
- 71 new stores were opened
- Acquired remaining 25% of shares in Netto, Germany
- Tøj & Sko chain was closed
- Two non-performing føtex stores were closed.

THE MARKET FOR GROCERY RETAIL

The Danish retail market for fast moving consumer goods grew by 2.3% in 2012. The market experienced a continued shift in volume from supermarkets towards discounters due to the continued slowdown in the economic environment, more store openings in the discount segment relative to supermarkets and a new law allowing extended opening hours including Sundays.

Short term, the discount segment is expected to continue its growth especially helped by the extended opening hours. Long term, discounters are expected to grow ahead of supermarkets but not at the same pace as historically.

Dansk Supermarked increased its market share in Denmark to 34.0% (33.6%). The increase mainly took place in the second half of 2012. Dansk Supermarked's market share also increased in Poland and remained stable in Germany and Sweden.

The non-food business continued to be under pressure primarily due to the economic environment together with the growing importance of online shopping, which was also reflected in the online shops, www.bilka.dk and www.salling.dk, which both experienced a continued strong growth in 2012. However, there was an overall decline in the non-food business.

INITIATIVES IN 2012

A major transformation of Dansk Supermarked was initiated in 2012 to make a step change in the coming years to secure the position as the preferred choice of customers in all its retail formats. Every week, Dansk Supermarked delivers around 9m shopping trips and the ambition is to continuously improve the shopping experience to create value for the customers.

The transformation was initiated with a number of cost reducing projects to fund the transformation. Specifically, better prices have been negotiated with suppliers and a number of functions have been reorganised or reduced to get a lean and more agile set-up.

Strategic priorities in the coming years include improve customer insight, develop and refresh the formats,

Dansk Supermarked Group		DKK million	
Highlights	2012	2011	
Revenue	55,610	55,227	
Profit/loss before depreciation, amortisation and impairment losses, etc. (EBITDA)	2,507	2,885	
Depreciation, amortisation and impairment losses	846	564	
Gain on sale of non-current assets, etc., net	68	3,703	
Profit/loss before financial items (EBIT)	1,729	6,024	
Tax	445	653	
Net operating profit/loss after tax (NOPAT)	1,284	5,371	
Cash flow from operating activities	2,316	2,271	
Cash flow used for capital expenditure	-2,055	3,392	
Invested capital	16,252	15,091	
ROIC	8.2%	35.1%	

Number of stores	2012	2011
Netto Denmark	441	431
Netto Germany	345	341
Netto Poland	276	242
Netto Sweden	148	146
Netto total	1,210	1,160
Bilka	18	16
føtex	89	86
Salling	2	3
Other stores	0	38
Total	1,319	1,303



continue expansion of Netto International, category management, price competitiveness, continued operational efficiency and the people agenda.

As part of Dansk Supermarked's international growth strategy the remaining 25% of the shares in Netto, Germany (OHG Netto Supermarkt GmbH & Co.) was acquired effective from the end of December 2012 and Dansk Supermarked is now the sole owner of the company.

FINANCIAL PERFORMANCE

Revenue for 2012 was DKK 55.6bn, an increase of DKK 2.1bn compared to 2011 adjusted for the sale of Netto Foodstores Limited, UK. In total, 71 new stores were opened of which 48 outside Denmark. A total of 55 stores across all countries were closed.

Profit was negatively impacted by impairment losses of DKK 221m (DKK 67m) mainly related to closed stores including two fòtex stores and 37 Tøj & Sko stores. Ad-

ditionally, a sharp decline in the performance of Netto, Sweden, partly due to implementation of a new ERP system and refurbishment of Salling, Aalborg, impacted the result negatively.

Cash flow used for capital expenditure was DKK 2.1bn (positive by DKK 3.4bn). Excluding the cash received from the sale of Netto, UK the comparable capital expenditure in 2011 was DKK 2.9bn. The decrease of DKK 818m was mainly related to investments in fewer stores, relocation and refurbishment of existing stores.

The expectation for 2013 is a total growth of 4-6% in revenue together with improvements in the profitability.

SAFETY PERFORMANCE

The lost time injury frequency (LTIF) for 2012 was 13.46 per million exposure hours compared to 13.95 per million exposure hours in 2011.

Maersk FPSOs and Maersk LNG

- Profit of USD 336m (USD 10m), of which USD 245m stem from divestment gains
- ROIC was 33.9% (0.4%)
- Divestment of Maersk LNG completed, resulting in a USD 80m gain
- Divestment of FPSO Maersk Peregrino completed, resulting in a USD 163m gain
- Free cash flow was USD 2.7bn (USD 254m).

MARKET DEVELOPMENT

During the last three years, the FPSO market has seen an increase in divestments amongst contractors. The financial return on most FPSO contracts does not match the associated risks and costs, which have forced smaller contractors to exit the market creating fewer, but larger players to bid for projects today. Maersk FPSOs has taken part in divestments when the right opportunities with the right buyers have arisen.

At the end of 2012, Maersk FPSOs' fleet consisted of four units operating in the North Sea and Congo on long-term contracts running for up to nine years. Two of the units, FPSO North Sea Producer and FGSO NKossa II, are joint

ventures where Maersk FPSOs has 50% and 51% ownership, respectively.

INITIATIVES IN 2012

Following the divestment of FPSO Maersk Ngujima-Yin in December 2011, an agreement was signed on 31 July 2012 to divest FPSO Maersk Peregrino at a price of USD 1.2bn. The divestment activities generated a total accounting gain of USD 245m in 2012 and a cash flow of USD 2.6bn. In the Group's consolidated figures an additional profit of USD 53m was recognised on the FPSO Maersk Peregrino transaction.

In Q3 2012, Maersk FPSOs signed a new contract for FPSO North Sea Producer, with a positive financial effect dating from 1 January 2012.

Drilling preparations on the Volve field in the Norwegian sector of the North Sea have recommenced during 2012 and it has been decided to transfer the Volve production module and the operating company from Maersk FPSOs to Maersk Drilling as of 1 January 2013. Furthermore, it was agreed to start a process which, if successful, will lead to a transfer of ownership of the FPSO Maersk Curlew to third party.

FINANCIAL PERFORMANCE

The result for Maersk FPSOs and Maersk LNG was USD 336m (USD 10m), positively affected by divestment gains from the sale of Maersk LNG and FPSO Maersk Peregrino. The continued shutdown of FPSO Maersk Curlew had a negative impact on the result.

SAFETY PERFORMANCE

The lost time injury frequency (LTIF) for 2012 was 0.00 per million exposure hours compared to 0.53 per million exposure hours in 2011.

Maersk FPSOs and Maersk LNG	USD million	
Highlights	2012	2011
Revenue	357	591
Profit/loss before depreciation, amortisation and impairment losses, etc. (EBITDA)	118	243
Depreciation, amortisation and impairment losses	51	280
Gain on sale of non-current assets, etc., net	245	8
Share of profit/loss in associated companies	-	3
Profit/loss before financial items (EBIT)	312	-26
Tax	+24	+36
Net operating profit/loss after tax (NOPAT)	336	10
Cash flow from operating activities	104	226
Cash flow used for capital expenditure	2,619	28
Invested capital	120	2,539
ROIC	33.9%	0.4%

Operated fleet	2012	2011
Floating production units (FPSO/FGSO)	4	6
LNG carriers	0	8
Total	4	14
Newbuilding programme		
Floating production units (FPSO/FGSO)	0	0
Total	0	0

Maersk Container Industry

Maersk Container Industry (MCI) experienced a high demand for reefer containers and reefer machines in the first part of 2012 as a result of sound fundamentals in the market. In the latter part of 2012, demand weakened influenced by an attempt from shipping lines to drive freight rates higher by reducing capacity. However, the fundamentals in the market seem intact driven by the underlying growth in reefer transported commodities and cargo conversion from conventional reefer bulk vessels to reefer containers.

During the year, MCI produced reefer container number 300,000 and reefer machine number 125,000. The production of the Star Cool reefer machine started in 2005

and for the first time MCI sold more reefer machines than reefer containers in a year.

Revenue was USD 1.1bn (USD 1.2bn) and the profit was USD 60m (USD 69m). ROIC was 27.7% (33.1%).

The building of the new reefer factory in Chile is progressing according to plan and is expected to be operational by the end of 2013.

The lost time injury frequency (LTIF) for 2012 was 1.47 per million exposure hours compared to 1.45 per million exposure hours in 2011.

Danske Bank

The Group owns 20% of the shares in Danske Bank, the largest Danish bank, which has operations in a number of countries, including Denmark, Sweden, Finland, Norway, Ireland and Northern Ireland. The bank's profit was DKK 4.7bn (DKK 1.7bn), of which 20%, corresponding to DKK 952m (DKK 343m), is included in the Group's profit.

The Group participated pro rata in Danske Bank's DKK 7.15bn (USD 1.2bn) capital increase in October 2012.

Ro/Ro and related activities

Ro/Ro and related activities comprise the Group's ownership interests in DFDS and Höegh Autoliners, etc. The profit was USD 55m (USD 34m) and ROIC was 7.7% (5.3%).

Unallocated activities

	USD million	
	2012	2011
Highlights		
Revenue	814	782
Costs including depreciation and amortisation, etc.	884	825
Value adjustment of oil price hedges	-3	-14
EBIT	-73	-57
Financial items, net	-755	-855
Loss before tax	-828	-912
Tax	+105	+177
Loss for the year	-723	-735
Cash flow from operating activities	-742	-1,123

Unallocated activities comprise revenue and costs, etc. as well as financial items which are not attributed to reportable segments, including in particular interest and exchange rate adjustments on borrowings. Furthermore, the purchase of bunker and lubricating oil on behalf of companies in the Group, as well as oil hedging activities that are not allocated to segments, are included on a net basis in unallocated activities.

The bunker purchase activity increased slightly compared to last year. The financial items were negative by USD 755m (negative by USD 855m). The two main contributors to this positive development were reduced net interest expenses (including hedging and fair value adjustments) primarily from short-term placements, as well as currency adjustments.

A.P. Møller - Maersk Group

Financial report

The A.P. Møller - Maersk Group's profit for the year increased by DKK 5.3bn to DKK 23.4bn (DKK 18.1bn) and the equity totalled DKK 222.5bn (DKK 207.9bn).

INCOME STATEMENT

Revenue increased by 6% to DKK 342.1bn (DKK 322.5bn). Measured in USD, revenue decreased by 2% to 59.0bn (USD 60.2bn), positively impacted by higher oil prices and container volumes and negatively offset by lower container freight rates and lower share of oil production.

Operating costs increased by DKK 26.3bn to DKK 271.9bn (DKK 245.6bn), primarily due to increasing container volumes and increasing bunker prices.

Depreciation, amortisation and impairment losses increased by DKK 2.1bn to DKK 31.0bn (DKK 28.9bn). The Group recognised impairment losses of net DKK 2.3bn (DKK 1.7bn), mainly related to Maersk Tankers and SVITZER.

Gain on sale of non-current assets, net, decreased to DKK 3.7bn (DKK 4.8bn). In 2012, the gains primarily related to the sale of the FPSO Maersk Peregrino, the LNG activities, and a partial divestment of an oil activity in Brazil, whereas 2011 primarily was attributable to divestment of Netto Foodstores Limited, UK.

Share of the result in associated companies increased by DKK 0.6bn to DKK 1.3bn (DKK 0.7bn) due to higher profit in Danske Bank and Høegh Autoliners.

Net financial expenses were reduced to DKK 4.4bn (DKK 4.6bn). The two main contributors to this positive development was lower net interest expenses including hedging and positive fair value adjustments primarily from short-term placements, as well as currency adjustments.

TAX

Companies in the Group are taxed under different tax regimes, depending on location and activity. Special tax rules apply to some of the Group's activities.

As a general rule, shipping activities are subject to a tonnage-based or similar tax system, under which the computation of taxable income includes an amount calculated on the basis of the fleet's tonnage. Moreover, in certain countries freight taxes are paid, mainly based on calculated net income in those countries.

In most countries, oil and gas activities are subject to a special form of taxation, which is often considerably higher than the normal corporate tax rate. Furthermore, for the period 1 January to 8 July the Danish government received 20% of the profit before tax from the Danish sector of the North Sea, calculated according to tax rules. This profit share is treated as tax in the financial statements. In other countries, the government receives a share of the oil production in addition to the tax payment. Such government shares are excluded from revenue and hence not included as tax.

In 2012, the total tax charge for the Group was DKK 19.1bn (DKK 32.4bn). The decrease was primarily caused by the settlement of an Algerian tax dispute resulting in a one-off income of DKK 5.2bn. Of the total tax charge, taxes payable to Denmark were DKK 9.3bn in 2012 (DKK 11.0bn), of which DKK 6.1bn related to the special hydrocarbon tax and profit share to the Danish state (DKK 7.7bn), and DKK 3.2bn represented corporate tax on oil activities (DKK 3.3bn). The shipping activities' tax payment was DKK 57m (DKK 56m).

COMPREHENSIVE INCOME

Comprehensive income for the year was DKK 21.7bn (DKK 19.9bn) and includes the profit for the year of DKK 23.4bn (DKK 18.1bn) and other comprehensive income which was negative by DKK 1.7bn (positive DKK 1.8bn). Other comprehensive income mainly includes exchange rate adjustment on translation from functional currency to presentation currency, fair value adjustment of certain securities, value adjustment of cash flow hedges and actuarial gains and losses.

BALANCE SHEET

At 31 December 2012, total assets amounted to DKK 420.7bn (DKK 404.7bn).

Intangible assets increased to DKK 34.2bn (DKK 28.8bn) mainly due to acquired terminal concession rights.

Property, plant and equipment of DKK 261.4bn (DKK 254.8bn) increased by DKK 6.6bn, with investments in the year of DKK 47.0bn (DKK 43.2bn). Depreciation for the year was DKK 26.7bn (DKK 25.7bn), and net impairment losses of DKK 1.7bn (DKK 1.4bn) were recognised. Sale of tangible assets accounted for DKK 8.8bn (DKK 10.0bn), primarily related to oil facilities in Denmark due to the entry of Nordsøfonden (the Danish state-owned North Sea Fund) as partner in DUC (Dansk Undergrunds Consortium) and FPSO Maersk Peregrino. Currency adjustments were a decrease of DKK 3.2bn (increase of DKK 5.0bn) due to the development in USD versus DKK.

Shares in associated companies amounted to DKK 35.5bn (DKK 32.5bn), hereof Danske Bank DKK 27.7bn (DKK 25.2bn).

Derivatives were as of 31 December 2012 a net liability of DKK 135m (DKK 3.3bn). The reduced liability is primarily related to the appreciation of NOK and DKK.

Total cash and cash equivalents, consisting of securities held for trading as well as cash and bank balances, totalled DKK 15.2bn (DKK 15.2bn) at 31 December 2012. Assets held for sale of net DKK 3.0bn (DKK 8.7bn) comprised assets expected to be sold during 2013 including 11 handygas vessels.

Equity totalled DKK 222.5bn (DKK 207.9bn). The increase includes comprehensive income for the year of DKK

21.7bn (DKK 19.9bn), and dividend was deducted by DKK 5.5bn (DKK 4.9bn).

Deferred tax liabilities totalled DKK 7.9bn (DKK 6.0bn) at 31 December 2012, and recognised deferred tax assets totalled DKK 3.8bn (DKK 4.9bn). Furthermore, deferred tax assets of DKK 4.0bn (DKK 4.0bn) have not been recognised, cf. note 13 to consolidated financial statements.

LEGAL DISPUTES, ETC.

The Group is involved in a number of legal disputes. Moreover, the Group is party to a number of tax disputes, some of which involve substantial amounts and are subject to considerable uncertainty.

PENSIONS, ETC.

The actuarial net liability in relation to defined benefit plans recognised in the financial statements totalled DKK 2.5bn (DKK 2.5bn) at 31 December 2012. Developments in the actuarial assumptions as well as changes to the minimum funding requirements resulted in actuarial losses of DKK 253m (loss of DKK 844m), which are included in other comprehensive income. In 2012, the Group paid DKK 584m (DKK 558m) to defined benefit plans.

CASH FLOW

Cash flow from operating activities DKK 44.2bn (DKK 38.9bn) was positively affected by less taxes paid, which was partly offset by lower earnings before depreciation and amortisation. Cash flow used for capital expenditure was DKK 36.6bn (DKK 52.3bn). The decrease was mainly due to sale of the FPSO Maersk Peregrino, the LNG activities, and a partial divestment of an oil activity in Brazil partly being offset by the investments in vessels, oil rights as well as the capital increase in Danske Bank.

OPERATING LEASE COMMITMENTS

The present value of the operating lease commitments totalled DKK 63.4bn (DKK 66.8bn) at 31 December 2012 using a discount rate of 6% (6%). The amount is divided into the following main items:

- Maersk Line and Maersk Tankers of DKK 31.9bn (DKK 39.2bn) primarily relating to vessels on time charter
- APM Terminals of DKK 24.6bn (DKK 21.5bn) primarily relating to future concession fees for port facilities
- Other commitments of DKK 6.9bn (DKK 6.1bn)

About half of the time charter payments in Maersk Line and one third of the time charter payments in Maersk



Tankers are estimated to relate to operational costs for the assets. The use of chartered vessels reduces the risk related to fluctuations in demand. The average term to maturity of commitments related to the charters was 2.4 years (2.7 years) for Maersk Line and 4.3 years (4.2 years) for Maersk Tankers.

In APM Terminals, the majority of the commitments relating to future concession fees for port facilities have long maturities with most of the concession agreements being longer than 20 years.

CAPITAL COMMITMENTS

Capital commitments related to the purchase of property, plant and equipment totalled DKK 78.1bn (DKK 84.9bn) at 31 December 2012 and are primarily related to Maersk Line DKK 19.2bn (DKK 30.0bn), Maersk Drilling DKK 19.2bn (DKK 17.4bn), Maersk Oil DKK 19.3bn (DKK 16.5bn) and APM Terminals DKK 18.3bn (DKK 16.3bn).

A total of 25 container vessels, 7 drilling units and 12 other vessels are in the order book at year-end.

The capital commitments will be financed by a combination of the Group's future cash flow from operating activities, investment specific loans and existing committed corporate facilities.

PARENT COMPANY FINANCIAL STATEMENTS

The activities of the parent company comprise the global container services in Maersk Line, parts of offshore and other shipping activities and the oil and gas activities in the Danish sector of the North Sea. In addition, activities include the holding of shares in subsidiaries and associated companies.

In the parent company financial statements, shares in subsidiaries and associated companies are recognised at cost, cf. note 1, less impairment losses, and in the income statement, dividends from subsidiaries and associated companies are recognised as income.

Profit for the year was DKK 8.4bn (DKK 10.5bn), primarily impacted by lower dividends from subsidiaries and associated companies, while tax was lower due to lower profit before tax.

Cash flow from operating activities was DKK 17.1bn (DKK 17.4bn). Main deviations were decrease in dividends received from subsidiaries and associated companies, partly offset by decrease in paid taxes. At 31 December 2012, total assets amounted to DKK 278.5bn (DKK 262.8bn) and equity totalled DKK 116.5bn (DKK 113.3bn).

A.P. Møller - Maersk Group

Shareholders

In 2012, the Group hosted its first Capital Markets Day. With more than 300 analysts and investors attending, this was the highest attendance for a Capital Markets Day in Denmark.

SHARE PRICE DEVELOPMENT

The total market value of A.P. Møller - Mærsk A/S' shares at the end of 2012 was DKK 180.4bn. On 20 February 2012, the B share closed at its highest price in 2012 of DKK 48,040 (for one DKK 1,000 share) and on 4 June 2012, at its lowest price of DKK 35,220. At the end of 2012, the price was DKK 42,600, corresponding to an increase by 12.3% compared to the end of 2011. The total shareholder return for the B share was 15.5% in 2012.

SHARE CAPITAL

A.P. Møller - Mærsk A/S was listed on the stock exchange in 1982. The shares are listed on NASDAQ OMX Copenhagen and are divided into two classes: A shares with voting rights and B shares without voting rights. Each DKK 1,000 A share entitles the holder to two votes.

At 31 December 2012, the total share capital of DKK 4,395.6m consisted of 4,395,600 shares, equally split

between A and B shares. No restrictions are imposed on the negotiability of the shares.

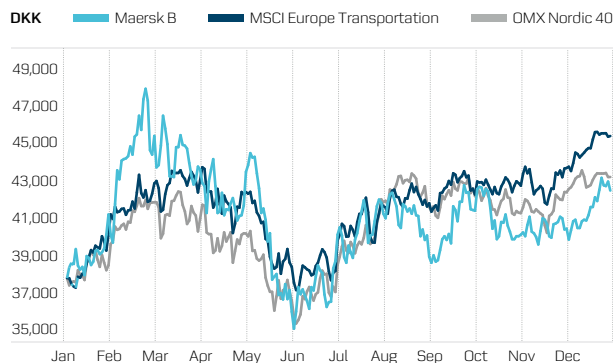
OWNERSHIP

A.P. Møller - Mærsk A/S had above 75,000 private and institutional shareholders at the end of 2012. 41.22% of the share capital, corresponding to 50.6% of the votes, is held by the foundation A.P. Møller og Hustru Chastine Mc-Kinney Møllers Fond til almene Formaal. In addition to this, the founding family controls another 25.9% of the votes through various foundations and private ownership. The free float is 42% of the share capital.

In addition to the Foundations' large ownership, A.P. Møller - Mærsk A/S has a base of international shareholders. According to an analysis of the shareholder structure carried out in December 2012, the distribution of the free floating shares is as follows:

According to § 104 in the Danish Financial Statements Act (Årsregnskabsloven)

	Share capital	Votes
A.P. Møller og Hustru Chastine Mc-Kinney Møllers Fond til almene Formaal, Copenhagen, Denmark	41.22%	50.60%
A.P. Møller og Hustru Chastine Mc-Kinney Møllers Familiefond, Copenhagen, Denmark	9.65%	13.53%
Estate of Mærsk Mc-Kinney Møller, Copenhagen, Denmark	3.73%	6.50%
Den A.P. Møllerske Støttefond, Copenhagen, Denmark	2.94%	5.86%



Source: Factset

- 60% from Denmark, split into:
 - 43% retail and other investors
 - 17% institutional investors
- 18% from North America
- 8% from the United Kingdom
- 11% from rest of Europe
- 3% from rest of the world.

OWN SHARES

The Group's holding of own shares comprises 0.7% of the share capital and is, among other purposes, held to cover the revolving option programme, cf. note 17 to consolidated financial statements. According to the authorisation of the Annual General Meeting, the Board of Directors may in the period up to 3 April 2016 allow the Company to acquire own shares up to a total nominal value of 10% of the Company's share capital, cf. section 198 of the Danish Companies Act (Selskabsloven). The purchase price may not deviate by more than 10% from the price quoted on NASDAQ OMX Copenhagen at the time of purchase.

DIVIDEND

The Board of Directors proposes a dividend to the shareholders of DKK 1,200 per share of DKK 1,000 – a total of DKK 5,275m (DKK 1,000 per share of DKK 1,000 – a total of DKK 4,396m). The proposed dividend payment represents a dividend yield of 2.8% (2.6%), based on the Maersk B share's closing price as of 31 December 2012. Payment is expected to take place on 17 April 2013. The Group intends to continue the historical trend of increasing dividends nominally per share supported by underlying earnings strength.

FINANCIAL CALENDAR 2013

11 April: Annual General Meeting
 17 May: Interim Report 1st Quarter
 16 August: Interim Report 2nd Quarter
 13 November: Interim Report 3rd Quarter

ANNUAL GENERAL MEETING

The Annual General Meeting will be held on 11 April 2013 in Svendborg, Denmark.

INVESTOR RELATIONS

A.P. Møller - Mærsk A/S continues to develop the Company's level of information and ensure a consistent, regular and relevant flow of information on the Group's activities, business objectives, strategies and results. The Group's first Capital Markets Day was held in October 2012.

To ensure a regular and open dialogue with investors and analysts, the management hosts teleconferences in connection with the presentation of the annual and interim reports and visits investors in Europe and the USA. Investors and analysts are welcome to contact the Investor Relations office.

ANALYSTS AND INVESTOR WEBSITE

A.P. Møller - Mærsk A/S is covered by around 31 analysts, including international investment banks, who regularly publish research reports. A list of the analysts, including consensus target price and recommendation, is available on <http://investor.maersk.com>. The website also provides information on the Company's activities, including financial reports, financial calendar, investor presentations, share information, corporate governance, bond programme and contact information.

The Maersk share: Key figures	2012	2011	2010	2009	2008
Year-end share price (DKK, B share)	42,600	37,920	50,510	36,600	28,100
Share price range (DKK, B share)	12,820	21,670	14,920	17,100	34,100
Market capitalisation at year-end (DKK billion, A and B share)	180	161	217	157	116
Earnings per share (DKK)	4,964	3,479	6,061	-1,674	4,122
Dividend per share (DKK, A and B share)	1,200	1,000	1,000	325	650
Dividend yield (% , B share)	2.8%	2.6%	2.0%	0.9%	2.3%
Total dividend paid (DKK million, A and B share)	5,275	4,396	4,396	1,429	2,857
Total shareholder return (% , B share)	15.5%	-22.9%	40.7%	31.4%	-47.2%



Maersk Line

Lashing at the stern. Crew members on board one of the container vessels make sure that the containers will not fall off during the journey.

MSKU 555 802
22G1



A.P. Møller - Maersk Group

Risk management

The Group is exposed to a range of different risks due to its global presence and variety of businesses. This requires a portfolio approach to risks where the downside risks are carefully evaluated and balanced against the upside potential and where risks are assessed from a portfolio perspective.

RISK MANAGEMENT PROCESS

Management of the Group's risks is anchored in an Enterprise Risk Management framework, where the most significant risks and mitigation plans are consolidated bi-annually in a Group key risk overview. The Group key risk overview is discussed with the Group's Executive Board and Board of Directors.

Strategic risks

Supply and demand imbalance in Maersk Line

The Group is exposed to substantial fluctuations in freight rates, particularly in Maersk Line, due to significant structural imbalances between supply and demand. To mitigate this risk, Maersk Line differentiates its services to build customer loyalty and furthermore enters into customer contracts to secure rates and volumes. Furthermore, scrapping of vessels, slow steaming and cancellations are used to reduce capacity and cost in periods of excess tonnage.

Oil production

The Group's projected oil production depends on continuity of existing production, progression of pending field development projects and extension of existing licenses and contracts. In order to efficiently progress discoveries to productions, a defined project maturation process has been adopted in the Group. The Group additionally focuses on recruitment, stakeholder management and termination of non-commercial projects.

Political risks

The Group's global presence exposes both assets and earnings to geopolitical events. Political actions such as

trade barriers, new taxes, currency restrictions, expropriation etc. could impact the Group's result and cash flows. Key mitigations to manage these risks include engagement with political bodies and authorities, local partnerships, monitoring of regulatory initiatives, corporate social responsibility and spread of geographical risks.

Financial risks

Liquidity

The Group must have sufficient funds available to fund its operations and investment programme and service its debt. The Group has a financial policy and closely monitors cash flow forecasts, financial ratios and the liquidity reserve. Further, the Group aims to secure funding before committing investments and seeks to diversify financing sources through corporate bonds and private placements.

Credit risk

The Group has substantial exposure to financial and commercial counterparties but has no particular concentration of customers or suppliers. To minimise the credit risk, financial vetting is undertaken for all major customers and financial institutions, adequate security is required for commercial counterparties and credit limits are set for financial institutions and key commercial counterparties.

Foreign exchange rate

The Group's income from shipping and oil related activities is mainly USD denominated while the related expenses are in both USD and a wide range of other currencies. The Group's exposure to currency fluctuations is mitigated by various hedge programs.



Oil price

The Group has substantial income from oil and gas activities and substantial costs to bunker fuel. Both items are highly sensitive to fluctuations in the oil price (crude oil price and bunker oil price respectively). The Group seeks to recover bunker fuel costs from customers through the Bunker Adjustment Factor (BAF). The net oil price position is being monitored closely and managed at Group level.

Operational risks

Major safety incidents

Controlling the risk of major safety incidents is inherent in the Group's businesses, particularly in the oil and offshore businesses. To mitigate these risks, safety training, safety risk management systems, certification and classification of equipment and procedures, quality assurance and processes for knowledge sharing across the Group are in place. When activities are performed in partnerships or in joint ventures where the Group is not in full control of the activities, the Group seeks to protect sustainable interests and values through cooperation and shareholder agreements, etc.

Major environmental incidents

Controlling the risk of major environmental incidents is inherent in the Group's businesses, particularly in the oil, offshore and tanker business. The risk is mitigated through training, environmental management systems, oil spill procedures, membership of cross industry response organisations, double hull policy and by taking limited equity shares in operations in high risk areas. Where activities are performed in cooperation or joint ventures and the Group is not in full control of the activities, the Group constantly seeks to protect sustainable interests and values through cooperation and shareholder agreements, etc.

War, terrorism or piracy attack

Due to its global operational presence the Group faces a threat of war, terrorism and piracy attacks in various areas. Main mitigations are disaster and contingency planning, security measures at offices, vessels and installations, armed guards on vessels, voyage planning and monitoring and intelligence.

Information risk

The Group's global presence, size and complexity dictate a need for having the right information available at the right time, maintaining the integrity of protected information and preventing disclosure of confidential information.

This is secured through an information security policy, IT governance, technical controls, information security user training and awareness campaigns and business continuity plans.

Procedures and controls

Continued strengthening of the business areas' competitiveness, including customer focus and cost control, has a material impact on the Group's results and development.

Part of the activities in APM Terminals and Maersk Oil are performed in cooperation and joint ventures where the Group is not in full control of the activities. Through cooperation and shareholder agreements, etc., with state-owned partners among others, the Group constantly seeks to protect sustainable interests and values as well as to ensure implementation of initiatives to improve the Group's competitiveness and results.

Compliance risks*Human rights*

It is a priority for the Group to be compliant with the global human rights standards associated with the new expectations and standards set by OECD for multinational enterprises. The Group has implemented a Responsible Procurement Programme, health and safety management programmes and global labour principles in place to mitigate the risk of non-compliance.

Tax

The Group is exposed to a large number of different tax regimes in 130 countries and there is a risk of unexpected tax expenses due to uncertainty in the interpretation of local tax regulations or failure in compliance. To mitigate this risk, specific tax compliance policies are in place, a tax risk database is maintained and the Group's tax function receives regular reporting from Business Unit and Country tax departments. In significant locations, specialised tax managers monitor changes in tax regulations and rules to ensure full compliance. In other locations the Group relies upon external tax advisors for guidance.

Anti-corruption, competition and export control

Failure to comply with applicable legislation relating to anti-corruption, competition and export control may have a substantial negative impact on the Group's financial performance and reputation. To mitigate this risk, mandatory compliance training, specific compliance policies and procedures, a whistleblower system, a "hospitality book" to report gifts and compliance audits and drills are in place.

Emerging risks

The Group has decided to further investigate and assess the potential impact of the following emerging risks:

- Consequences of the emergence of shale oil/gas and its impact on the Group's businesses, in particular Maersk Oil, Maersk Drilling and Maersk Tankers
- Consequences of emerging changes in trade patterns and consumer behaviour and their implications for Maersk Line.

Insurance

The Group's insurance programmes cover assets and liabilities across the Group's business portfolio in accordance with legal requirements and industry practice. Limits and sums insured are based on maximum foreseeable losses considering also availability and price of capacity.

Since January 2012, the Group operates its own captive insurance company, Maersk Insurance A/S, which allows the Group to self-insure risks within parameters specified by the Group's Board of Directors and thus to optimise the Group's total cost of insurable risks.

Maersk Insurance A/S insures risks across the Group's business portfolio ranging from vessels, oil and gas installations, drilling rigs to ports and terminals.



Capital Markets Day
Copenhagen
Denmark

The Group held its first Capital Markets Day in October 2012 explaining its strategy of building four world class businesses over the next five years.



A.P. Møller - Maersk Group

Corporate governance

Corporate governance is a topic that A.P. Møller - Mærsk A/S' Board of Directors continuously considers on the basis of the Company's activities, external environment, history and needs, etc.

RECOMMENDATIONS FOR CORPORATE GOVERNANCE

As a Danish listed company, A.P. Møller - Mærsk A/S must observe the "Recommendations for corporate governance" (Anbefalinger for god selskabsledelse) implemented by NASDAQ OMX Copenhagen in the Rules for issuers of shares (Regler for udstedere af aktier) and Section 107b of the Danish Financial Statements Act (Årsregnskabsloven).

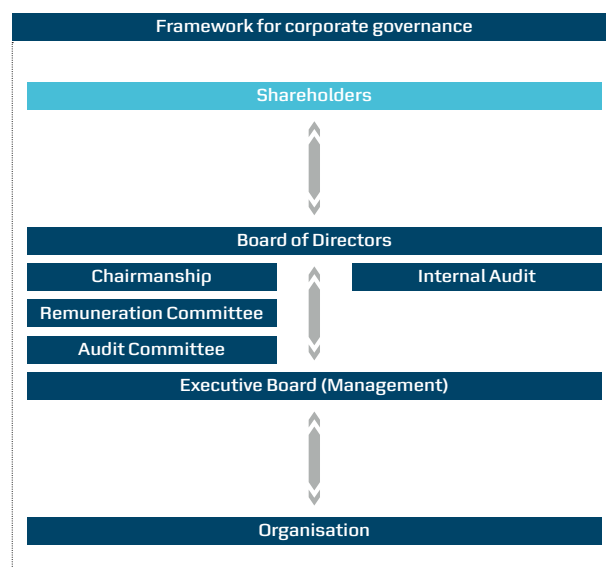
The Board of Directors of A.P. Møller - Mærsk A/S has prepared a statement on corporate governance for the 2012 financial year. The statement can be reviewed and downloaded via <http://investor.maersk.com/governancestatement.cfm>

The statement includes a description of the Company's approach to each of the "Recommendations for corporate governance" issued and a description of the Company's management structure and the main elements of the Group's internal control and risk management systems in connection with the Group's financial reporting process.

MANAGEMENT STRUCTURE

A.P. Møller - Mærsk A/S has a two-tier management structure consisting of the Board of Directors and the Executive Board, as illustrated. The Board of Directors lays down the general business and management principles for the Group and ensures the proper organisation of the Group. Furthermore, the Board of Directors decides the strategy and the risk policies and supervises the performance of the Company and its management. The Executive Board functions as the day-to-day management.

In August 2012, the Board of Directors decided that Firmaet A.P. Møller should step down as registered management as of 1 January 2013, from which date, the current members of the Executive Board, Nils S. Andersen, Kim Fejfer, Claus V. Hemmingsen, Søren Skou, Jakob Thomasen and Trond Westlie became registered as management of A.P. Møller - Mærsk A/S. Until 1 January 2013 the registered management of A.P. Møller - Mærsk A/S consisted of Firmaet A.P. Møller, a Danish partnership. Further information is available in the above-mentioned statement.



A.P. Moller - Maersk Group

Consolidated financial statements 2012





Consolidated income statement

Amounts in DKK million

Note	2012	2011
3 Revenue	342,058	322,520
4 Operating costs	271,872	245,565
Other income	2,724	1,652
Other costs	13	101
Profit before depreciation, amortisation and impairment losses, etc.	72,897	78,506
9,10 Depreciation, amortisation and impairment losses	30,973	28,889
5 Gain on sale of non-current assets, etc., net	3,683	4,764
11 Share of profit/loss in associated companies	1,286	651
Profit before financial items	46,893	55,032
6 Financial income	4,390	4,204
6 Financial expenses	8,766	8,784
Profit before tax	42,517	50,452
7 Tax	19,138	32,447
Profit for the year – continuing operations	23,379	18,005
8 Profit for the year – discontinued operations	16	78
Profit for the year	23,395	18,083
Of which:		
Non-controlling interests	1,722	2,894
A.P. Møller - Mærsk A/S' share	21,673	15,189
16 Earnings per share of continuing operations, DKK	4,960	3,461
16 Diluted earnings per share of continuing operations, DKK	4,958	3,460
16 Earnings per share, DKK	4,964	3,479
16 Diluted earnings per share, DKK	4,962	3,478

Consolidated statement of comprehensive income

Amounts in DKK million

Note	2012	2011
Profit for the year	23,395	18,083
Translation from functional currency to presentation currency:		
Translation impact arising during the year	- 2,347	2,547
Reclassified to income statement, gain/loss on sale of non-current assets, etc., net	- 279	547
Other equity investments:		
Fair value adjustment for the year	27	-9
Reclassified to income statement, gain on sale of non-current assets, etc., net	- 3	-50
15 Cash flow hedges:		
Value adjustment of hedges for the year	- 88	3
Reclassified to income statement:		
– revenue	- 17	-47
– operating costs	331	-416
– gain on sale of non-current assets, etc., net	-	-279
– financial expenses	767	763
Reclassified to cost of property, plant and equipment	97	34
Share of other comprehensive income of associated companies, net of tax	134	-180
19 Actuarial gains/losses on defined benefit plans, etc.	-253	-844
7 Tax on other comprehensive income	- 98	-252
Other comprehensive income for the year	-1,729	1,817
Total comprehensive income for the year	21,666	19,900
Of which:		
Non-controlling interests	1,686	2,977
A.P. Møller - Mærsk A/S' share	19,980	16,923

Consolidated balance sheet at 31 December

Amounts in DKK million

Note	2012	2011
9 Intangible assets	34,183	28,839
Ships, rigs, containers, etc.	172,323	169,184
Production facilities and equipment, etc.	35,635	35,812
Land and buildings	21,806	24,223
Construction work in progress and payment on account	31,605	25,609
10 Property, plant and equipment	261,369	254,828
11 Investments in associated companies	35,541	32,465
Other equity investments	425	485
15 Derivatives	1,249	815
19 Pensions, net assets	193	87
12 Other receivables	5,022	3,851
Financial non-current assets	42,430	37,703
13 Deferred tax	3,773	4,935
Total non-current assets	341,755	326,305
14 Inventories	13,042	12,868
Trade receivables	30,767	25,319
Tax receivables	2,304	1,370
15 Derivatives	622	469
12 Other receivables	11,376	10,438
Prepayments	2,598	2,375
Receivables, etc.	47,667	39,971
Securities	2,160	2,152
Cash and bank balances	13,011	13,095
8 Assets held for sale	3,056	10,352
Total current assets	78,936	78,438
Total assets	420,691	404,743

Consolidated balance sheet at 31 December

Amounts in DKK million

Note	2012	2011
16 Share capital	4,396	4,396
Reserves	199,129	185,365
Proposed dividend for distribution	5,275	4,396
Equity attributable to A.P. Møller - Mærsk A/S	208,800	194,157
Non-controlling interests	13,744	13,778
Total equity	222,544	207,935
18 Borrowings, non-current	98,112	96,884
19 Pensions and similar obligations	2,531	2,547
20 Provisions	19,351	18,432
15 Derivatives	1,441	2,444
13 Deferred tax	7,874	6,008
21 Other payables	371	457
Other non-current liabilities	31,568	29,888
Total non-current liabilities	129,680	126,772
18 Borrowings, current	12,952	12,914
20 Provisions	3,474	2,869
Trade payables	35,594	37,232
Tax payables	2,806	3,497
15 Derivatives	565	2,182
21 Other payables	8,992	9,022
Deferred income	3,993	663
Other current liabilities	55,424	55,465
8 Liabilities associated with assets held for sale	91	1,657
Total current liabilities	68,467	70,036
Total liabilities	198,147	196,808
Total equity and liabilities	420,691	404,743

Consolidated cash flow statement

Amounts in DKK million (in parenthesis the corresponding figures for 2011)

Note	2012	2011
Profit before financial items	46,893	55,032
9,10 Depreciation, amortisation and impairment losses	30,973	28,889
5 Gain on sale of non-current assets, etc., net	-3,651	-4,748
Share of profit/loss in associated companies	-1,286	-651
24 Change in working capital	-4,015	-502
Change in provisions and pension obligations, etc.	517	-1,764
24 Other non-cash items	541	-256
Cash flow from operating activities before financial items and tax	69,972	76,000
24 Financial income received	1,307	835
Financial expenses paid	-5,634	-5,879
Taxes paid	-21,443	-32,070
Cash flow from operating activities	44,202	38,886
24 Purchase of intangible assets and property, plant and equipment	-47,108	-42,058
Sale of intangible assets and property, plant and equipment	10,121	2,255
25 Acquisition of subsidiaries and activities	-6,217	-13,070
25 Sale of subsidiaries and activities	9,398	6,602
24 Other financial investments	-2,813	-5,988
Cash flow used for capital expenditure	-36,619	-52,259
Purchase/sale of securities, trading portfolio	-23	-133
Cash flow used for investing activities	-36,642	-52,392
Repayment of borrowings	-23,829	-19,484
Proceeds from borrowings	23,001	26,528
Dividends distributed	-4,366	-4,365
Dividends distributed to non-controlling interests	-1,109	-582
Acquisition of non-controlling interests	-1,653	-35
Other equity transactions	139	96
Cash flow from financing activities	-7,817	2,158
Net cash flow from continuing operations	-257	-11,348
8 Net cash flow from discontinued operations	-3	129
Net cash flow for the year	-260	-11,219
Cash and bank balances 1 January	13,129	23,921
Currency translation effect on cash and bank balances	142	427
Cash and bank balances 31 December	13,011	13,129
Of which classified as assets held for sale	-	-34
Cash and bank balances 31 December	13,011	13,095

Cash and bank balances include DKK 7.0bn (DKK 5.0bn) that relates to cash and bank balances in countries with exchange control or other restrictions. These funds are not readily available for general use by the parent company or other subsidiaries. Cash and bank balances in jointly controlled entities are stated in note 30.

Consolidated statement of changes in equity

Amounts in DKK million

2012		A.P. Møller - Mærsk A/S								
Note		Share capital	Translation reserve	Reserve for other equity investments	Reserve for hedges	Retained earnings	Proposed dividend for distribution	Total	Non-controlling interests	Total equity
	Equity 1 January 2012	4,396	-3,007	65	-1,713	190,020	4,396	194,157	13,778	207,935
	Translation from functional currency to presentation currency	-	-2,627	-2	3	-	-	-2,626	-	-2,626
	Other equity investments	-	-	21	-	-	-	21	3	24
	Cash flow hedges	-	-	-	1,112	-	-	1,112	-22	1,090
	Share of other comprehensive income of associated companies, net of tax	-	-	-	-	134	-	134	-	134
	Actuarial gains/losses on defined benefit plans, etc.	-	-	-	-	-231	-	-231	-22	-253
7	Tax on other comprehensive income	-	-	-	-58	-45	-	-103	5	-98
	Other comprehensive income, net of tax	-	-2,627	19	1,057	-142	-	-1,693	-36	-1,729
	Profit for the year	-	-	-	-	16,398	5,275	21,673	1,722	23,395
	Total comprehensive income for the year	-	-2,627	19	1,057	16,256	5,275	19,980	1,686	21,666
	Dividends to shareholders	-	-	-	-	30	-4,396	-4,366	-1,109	-5,475
17	Value of granted and sold share options	-	-	-	-	43	-	43	-	43
26	Acquisition of non-controlling interests	-	-	-	-	-1,032	-	-1,032	-640	-1,672
	Sale of own shares	-	-	-	-	18	-	18	-	18
	Capital increases and decreases	-	-	-	-	-	-	-	85	85
	Tax on transactions	-	-	-	-	-	-	-	-30	-30
	Other equity movements	-	-	-	-	-	-	-	-26	-26
	Total transactions with shareholders	-	-	-	-	-941	-4,396	-5,337	-1,720	-7,057
	Equity 31 December 2012	4,396	-5,634	84	-656	205,335	5,275	208,800	13,744	222,544

Consolidated statement of changes in equity

Amounts in DKK million

2011		A.P. Møller - Mærsk A/S								
		Share capital	Translation reserve	Reserve for other equity investments	Reserve for hedges	Retained earnings	Proposed dividend for distribution	Total	Non-controlling interests	Total equity
Note										
	Equity 1 January 2011	4,396	-5,592	125	-1,764	179,995	4,396	181,556	11,406	192,962
	Translation from functional currency to presentation currency	-	2,585	-1	381	-	-	2,965	129	3,094
	Other equity investments	-	-	-58	-	-	-	-58	-1	-59
	Cash flow hedges	-	-	-	90	-	-	90	-32	58
	Share of other comprehensive income of associated companies, net of tax	-	-	-	-	-180	-	-180	-	-180
	Actuarial gains/losses on defined benefit plans, etc.	-	-	-	-	-826	-	-826	-18	-844
7	Tax on other comprehensive income	-	-	-1	-420	164	-	-257	5	-252
	Other comprehensive income, net of tax	-	2,585	-60	51	-842	-	1,734	83	1,817
	Profit for the year	-	-	-	-	10,793	4,396	15,189	2,894	18,083
	Total comprehensive income for the year	-	2,585	-60	51	9,951	4,396	16,923	2,977	19,900
	Dividends to shareholders	-	-	-	-	31	-4,396	-4,365	-582	-4,947
17	Value of granted and sold share options	-	-	-	-	41	-	41	-	41
26	Acquisition of non-controlling interests	-	-	-	-	-28	-	-28	-7	-35
	Acquisition of own shares	-	-	-	-	-24	-	-24	-	-24
	Sale of own shares	-	-	-	-	38	-	38	-	38
	Capital increases and decreases	-	-	-	-	-	-	-	76	76
	Tax on transactions	-	-	-	-	-48	-	-48	-	-48
	Other equity movements	-	-	-	-	64	-	64	-92	-28
	Total transactions with shareholders	-	-	-	-	74	-4,396	-4,322	-605	-4,927
	Equity 31 December 2011	4,396	-3,007	65	-1,713	190,020	4,396	194,157	13,778	207,935



**Maersk Container Industry
Qingdao
China**

In November 2012, the reefer factory in Qingdao produced reefer container no. 300,000. In the same month Star Cool reefer machine no. 125,000 came off the production line. The factory in Qingdao has an annual production capacity of 45,000 reefer containers and 45,000 Star Cool reefer machines.



Notes to the consolidated financial statements

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Notes to the consolidated financial statements

1 Accounting policies

The consolidated financial statements for 2012 for the A.P. Møller – Maersk Group have been prepared in accordance with the International Financial Reporting Standards (IFRS) as adopted by the EU and Danish disclosure requirements for listed companies. In addition, the consolidated financial statements have been prepared in accordance with IFRS issued by the International Accounting Standards Board (IASB).

The accounting policies are consistent with those applied to the consolidated financial statements for 2011. An overview of the new and updated standards and interpretations is given in note 31.

A number of operational segments have an increasing significance to the Group, and consequently the presentation of segment information has been changed as of 1 January 2012. The business area Tankers, offshore and other shipping activities has been divided into Maersk Drilling, Maersk Supply Service, Maersk Tankers, SVITZER and Maersk FPSOs and Maersk LNG. Maersk Supply Service includes the ESVAGT business, which was transferred from SVITZER. The Ro/Ro and related activities have been moved to Other businesses, while Damco has been separated from Container activities. Furthermore, for simplification purposes, segment profit or loss no longer includes financial items. Comparative figures have been restated.

The Board of Directors and the Management Board have on 22 February 2013 considered and adopted the annual report for 2012, which will be presented for adoption by the shareholders at the Company's Annual General Meeting on 11 April 2013.

Consolidation

The consolidated financial statements comprise the parent company A.P. Møller - Mærsk A/S, subsidiaries and proportionate shares in jointly controlled entities.

Subsidiaries are entities in which A.P. Møller - Mærsk A/S controls the financial and operational policies for the purpose of achieving a return or other benefits from the activities. Control is achieved by directly or indirectly owning or controlling more than 50% of the voting rights, by means of agreements on management control or some other way of controlling the entity concerned. Entities in which the Group exercises a significant but non-controlling influence are considered to be associated companies (associates). A significant influence is usually achieved by directly or indirectly owning or controlling 20-50% of the voting rights. Agreements and other circumstances are considered when assessing the degree of influence.

Jointly controlled entities are entities in which the Group according to contractual agreements makes strategic decisions about the financing and operation of the entity jointly with one or more other parties.

Consolidation is performed by summarising the financial statements of the parent company, subsidiaries and the proportionate share of jointly controlled entities which have been prepared in accordance with the Group's accounting policies, after the elimination of intra-group income and expenses, shareholdings, intra-group balances and dividends, and gains on intra-group transactions. Financial statement items related to part-owned vessels are included proportionately.

Unrealised gains on transactions with associated companies and jointly controlled entities are eliminated in proportion with the Group's ownership share. Unrealised losses are eliminated in the same way, unless they indicate impairment.

Non-controlling interests' share of profit for the year and of equity in subsidiaries which are not wholly owned is included as part of the Group's profit and equity respectively, but shown as separate items.

Business combinations

On acquisition of new entities, the acquired assets, liabilities and contingent liabilities are measured at fair value at the date control was achieved using the acquisition method. Identifiable intangible assets are recognised if they arise from a contractual right or can otherwise be separately identified. The difference between the fair value of the acquisition cost and the fair value of acquired identifiable net assets is recognised as goodwill under intangible assets. Any subsequent changes to contingent acquisition costs are recognised as other income or other costs in the income statement. Transaction costs are recognised as operating costs as they are incurred.

Notes to the consolidated financial statements

1 Accounting policies – continued

In stepwise acquisitions, value adjustments of previously recognised investments are recognised in the income statement. When surrendering control, the value of any retained investment is adjusted at fair value and the value adjustment is recognised in the income statement as gain on sale of non-current assets, etc., net. The effect of the purchase and sale of non-controlling interests without changes in control is included directly in equity.

Foreign currency translation

The Group uses DKK as its presentation currency. In the translation to the presentation currency for entities with a functional currency different from DKK, the statement of comprehensive income is translated into DKK at average exchange rates and the balance sheet is translated at the exchange rates at the balance sheet date. Exchange differences arising from such translation are recognised directly in other comprehensive income.

The functional currency varies from business area to business area. For the Group's principal shipping activities and oil and gas activities, the functional currency is USD. This means that, among other things, the carrying amounts of property, plant and equipment and intangible assets and, hence, depreciation and amortisation are maintained in USD from the date of acquisition. For other activities, including container terminal activities and land-based container activities, the functional currency is generally the local currency in the country in which such activities are performed.

Transactions in other currencies than the functional currency are translated at the exchange rate prevailing at the date of the transaction. Monetary items in foreign currencies not settled at the balance sheet date are translated at the exchange rate at the balance sheet date. Foreign exchange gains and losses are included in the income statement as financial income or expenses.

Derivative financial instruments

Derivative financial instruments are recognised on the trading date and measured at fair value using generally acknowledged valuation techniques based on relevant observable swap curves and exchange rates.

The effective portion of changes in the value of derivative financial instruments designated to hedge future transactions is recognised directly in other comprehensive income until the hedged transactions are realised. At that time, the cumulated gains/losses are transferred to the items under which the hedged transactions are recognised.

The effective portion of changes in the value of derivative financial instruments used to hedge the value of recognised financial assets and liabilities is recognised in the income statement together with changes in the fair value of the hedged assets or liabilities which can be attributed to the hedging relationship.

The ineffective portion of hedge transactions, including time value for oil price hedges, and changes in the fair values of derivative financial instruments which do not qualify for hedge accounting, are recognised in the income statement as financial income or expenses for financial instruments, and as other income/costs for oil price hedges and forward freight agreements.

Segment information

The allocation of business activities into segments reflects the Group's character as a conglomerate and is in line with the internal management reporting. Some activities are related, but are managed as independent units. The segments are as follows:

Maersk Line	Global container services
Maersk Oil	Oil and gas production and exploration activities
APM Terminals	Container terminal activities, inland transportation, container depots and repair of containers, etc.
Maersk Drilling	Offshore drilling activities as well as land-rig operations through 50% ownership of Egyptian Drilling Company
Maersk Supply Service	Offshore support supply vessel activities with anchor handling, platform and subsea support vessels
Maersk Tankers	Tanker shipping of crude oil, oil products and gas
Damco	Logistic and forwarding activities
SVITZER	Towing and salvage activities, etc.
Dansk Supermarked Group	Supermarkets (føtex and Bilka), department stores (Salling) and discount supermarkets (Netto), etc.
Maersk FPSOs and Maersk LNG	Floating oil and gas production units

Notes to the consolidated financial statements

1 Accounting policies – continued

Revenue from Other businesses consists of income from container sales, shipbuilding, air freight, and services sold to the energy industry. Other businesses also include investments in the associated companies Danske Bank, Høegh Autoliners and DFDS.

Revenue between segments is limited except for Terminal activities and Damco, which deliver a large part of their services to the Group's container shipping activities. Sales of products and services between segments are based on market terms.

Segment profit or loss, assets and liabilities comprise items directly related to or which can be allocated to segments. Financial assets and liabilities and financial income and expenses are not attributed to business segments.

Reportable segments do not comprise costs in group functions. Furthermore, oil hedging activities in Maersk Oil Trading and the results of Maersk Oil Trading's trading activity in the form of purchasing bunker and lubricating oil on behalf of entities in the Group are not allocated to business segments.

Income statement

Revenue from sale of goods is recognised upon the transfer of risk to the buyer.

Revenue from shipping activities is recognised as the service is rendered, by which incomplete voyages are recognised at the share related to the financial year. The earnings of vessels that are part of pool arrangements are recognised in revenue based on time charter equivalents.

Oil and gas sales are recognised as revenue upon discharge from the production site. Revenue from agreements in which the state's share of production is settled in oil is recognised gross with the state share recognised as tax expense. Royalties settled in oil are deducted from revenue.

Revenue from terminal operations, logistics, forwarding activities and towing activities is recognised upon completion of the service. In container terminals operated under certain restrictive terms of pricing and service, etc., the value of tangible assets constructed on behalf of the concession grantor is also included. For drilling activities, which are typically carried out under long-term agreements with fixed day rates, revenue is recognised for the production time related to the financial year. Revenue from retail activities is recognised by cash sales.

Lease income from operational leases is recognised over the lease term.

Exploration costs in the oil and gas activities are recognised as operating costs as they are incurred.

Share in profits of associated companies is recognised net of tax and corrected for share of unrealised intra-group gains and losses. The item also comprises any impairment losses for investments in associated companies, including goodwill, and their reversal.

Tax comprises the amount estimated to be paid for the year, as well as adjustments to previous years and deferred tax. The tax amount includes the special taxes relating to extraction and production of hydrocarbons, including the profit share to the Danish State and tax on income subject to Danish and foreign tonnage taxation, etc.

Government grants are deducted from the cost of the assets or costs to which the grant relates.

Statement of comprehensive income

Other comprehensive income consists of income and costs not included in the income statement, including exchange rate adjustments arising from the translation of consolidated and associated companies' financial statements into presentation currency, adjustment of other equity investments and hedging instruments to fair value and actuarial gains or losses on defined benefit plans, etc. The Group's share of other comprehensive income in associated companies is also included.

In the event of disposal or discontinuation of an entity, the Group's share of the accumulated exchange rate adjustment relating to the relevant entity is reclassified to the income statement. Accumulated value adjustments of securities are transferred to the income statement in the event of sale or when an impairment loss is deemed to be unrecoverable.

Notes to the consolidated financial statements

1 Accounting policies – continued

Actual and deferred tax relating to other comprehensive income are included.

Balance sheet

Intangible assets are measured at cost less accumulated amortisation and impairment losses. Amortisation is calculated on a straight-line basis over the estimated useful lives of the assets.

Intangible assets in connection with acquired oil resources (concession rights, etc.) are amortised from the commencement of production until the fields' expected production periods ends – a period of up to 15 years. Acquired exploration rights are amortised from the date of acquisition for a period of up to five years.

IT software is amortised over a useful life of 3-5 years.

For container terminals operated under certain restrictive price and service conditions, etc., concessional rights to collect usage charges are included under intangible assets. Cost includes the present value of minimum payments under concession agreements and the cost of property, plant and equipment constructed on behalf of a grantor of a concession. The rights are amortised from the commencement of operations over the concession period.

Goodwill and other intangible assets with indefinite useful lives are not amortised, but impairment tests are prepared at least annually, starting in the year of acquisition. Goodwill is attributed to cash-generating units.

Property, plant and equipment are valued at cost less accumulated depreciation and impairment losses. Depreciation is charged to the income statement on a straight-line basis over the useful lives at an estimated residual value. The useful lives of new assets are typically as follows:

Ships, rigs, etc.	20-25 years
Containers, etc.	12 years
Buildings	10-50 years
Terminal infrastructure	over lease or concession period
Plant and machinery, cranes and other terminal equipment	5-20 years
Other operating equipment, fixtures, etc.	3-7 years
Oil and gas production facilities, etc. – based on the expected production periods of the fields	up to 15 years

For oil production facilities, including facilities under construction, where oil is received as payment for the investment (cost oil), depreciation takes place concurrently with the receipt of cost oil.

The cost of an asset is divided into separate components which are depreciated separately if the useful lives of the individual components differ.

Estimated useful lives and residual values are reassessed on a regular basis. Impairment losses are recognised when the carrying amount of an asset or a cash-generating unit exceeds the higher of the estimated value in use and fair value less costs to sell.

The cost of assets constructed by the Group includes direct and indirect expenses. For assets with a long construction period, borrowing costs during the construction period from specific as well as general borrowings are attributed to cost.

Cost includes the net present value of estimated costs of abandonment, removal and restoration.

Dry-docking costs are recognised in the carrying amount of ships, rigs, etc. when incurred and depreciated over the period until the next dry-docking.

Assets held under finance leases are treated as property, plant and equipment.

Notes to the consolidated financial statements

1 Accounting policies – continued

Impairment losses are recognised when the carrying amount of an asset or a cash-generating unit exceeds the higher of the estimated value in use and fair value less costs to sell. Goodwill is fully impaired before other assets in a cash-generating unit.

Investments in associated companies are recognised as the Group's share of the equity value measured according to the Group's accounting policies inclusive of goodwill less any impairment losses. Goodwill is an integral part of the value of associated companies and is therefore subject to an impairment test together with the investment as a whole. Impairment losses are reversed to the extent the original value is regained.

Securities, including shares, bonds and similar securities, are recognised on the trading date at fair value and subsequently measured at the quoted market price for listed securities and at estimated fair value for other securities. Securities that form part of the liquidity resources (Held for trading) are classified as current assets and value adjustments are recognised in the income statement under financial items. Other equity investments are classified as non-current assets (the category Available-for-sale) where unrealised value adjustments are recognised in other comprehensive income.

Inventories are measured at cost, primarily according to the FIFO method. Write-down is made to net realisable value if lower. The cost of finished goods and work in progress includes direct and indirect production costs.

Receivables are generally recognised at nominal value, which in all material respects corresponds to amortised cost. Non-current receivables are recognised at discounted value, including finance lease receivables. Write-down is made for anticipated losses based on specific individual or group assessments.

Equity includes total comprehensive income for the year comprising the profit or loss for the year and other comprehensive income. Proposed dividend for distribution is included as a separate component of equity until the declaration date. Proceeds on the purchase and sale of own shares and dividend from such shares are recognised in equity, including proceeds on the disposal of own shares in connection with the exercise of share options.

The translation reserve comprises the Group's share of accumulated differences arising on the foreign currency translation of Group entities' and associated companies' financial statements into presentation currency. The securities reserve comprises accumulated changes in the fair value of other equity investments (Available-for-sale). The reserve for hedges includes the accumulated net change in the fair value of hedging transactions qualifying for cash flow hedge accounting.

Share options allocated to the executives of the Group as part of the Group's long-term incentive programme are recognised as staff costs over the vesting period at the grant date estimated fair value. The counter item is equity. The fair value is calculated on the basis of the Black & Scholes formula for valuation of options.

Provisions are recognised when the Group has a current legal or constructive obligation and include provisions for abandonment of oil fields, restructuring costs, legal disputes, onerous contracts, etc. Provisions are recognised on the basis of best estimates and considering discounting when the time element is significant.

Pension obligations, etc. which are defined benefit plans are recognised based on actuarial calculations of the obligations and the fair value of the assets in the plans. The pension cost charged to the income statement consists of current service costs less employee payments, computed interest cost, expected return on plan assets and settlement, gains or losses, etc. Actuarial gains and losses are recognised in other comprehensive income. Costs regarding defined contribution pension and insurance plans are recognised as incurred.

Pension plans where the Group as part of collective bargaining agreements participates together with other enterprises – so called multi-employer plans – are treated as other pension plans in the financial statements. For defined benefit multi-employer plans where sufficient information is not available to use defined benefit accounting, the plans are treated as defined contribution plans.

Deferred tax is calculated on differences between the carrying amount and tax base of assets and liabilities. Deferred tax is not provided on goodwill which is not deductible or depreciable for tax purposes, or temporary differences which have no effect on the accounting results or

Notes to the consolidated financial statements

1 Accounting policies – continued

taxable income at the time of the transaction. In addition, deferred tax is not calculated for differences relating to investments in subsidiaries and associated companies to the extent that taxable dividends are unlikely in the foreseeable future. Deferred tax assets are recognised to the extent that it is probable that they can be utilised within a foreseeable future.

Financial liabilities are initially recognised at fair value less transaction costs. Transaction costs and any premium or discount are amortised over the term of the liabilities using the amortised cost method. Fixed interest loans which under hedge accounting are swapped to variable interest are measured at amortised cost adding or deducting the fair value of the hedged interest component. Liabilities in respect of finance leases are recognised in the balance sheet.

Cash flow statement

Cash flow for the year is divided into cash flow from operating activities, cash flow used for investing activities and cash flow from financing activities. Cash and cash equivalents comprise cash and bank balances. Changes in marketable securities are included in cash flow used for investing activities.

Discontinued operations and assets held for sale

Discontinued operations represent a separate major line of business disposed of or in preparation for sale. The results of discontinued operations are presented separately in the income statement and comparative figures are restated. Similarly, assets and related liabilities from discontinued operations are presented as separate items in the balance sheet, and the cash flows from discontinued operations are presented separately in the cash flow statement.

Individual assets or groups of assets that are to be disposed of collectively are classified as assets held for sale, when the activities to carry out such a sale have been initiated and the activities are expected to be disposed of within 12 months. Liabilities that are directly related to assets held for sale are presented correspondingly.

Assets and liabilities from discontinued operations and assets held for sale except financial assets, etc. are measured at the lower of carrying amount and fair value less costs to sell. Assets held for sale are not depreciated.

Key figures

Return on equity is calculated as the profit or loss for the year divided by the average equity.

Return on invested capital after tax (ROIC) is the profit or loss for the year before interest but after calculated tax, divided by the average invested capital (equity plus net interest-bearing debt).

Equity ratio is calculated as the equity divided by total assets.

The segments' return on invested capital after tax (ROIC) is profit or loss divided by the average invested capital, net (assets less liabilities).

Earnings per share and cash flow from operating activities per share comprise A.P. Møller - Mærsk A/S' share of the profit or loss for the year respectively the cash flow from operating activities divided by the number of shares (of DKK 1,000 each), excluding the Group's holding of own shares.

Diluted earnings per share are adjusted for the dilution effect of issued share options.

Dividend per share is the proposed dividend for the year per share of DKK 1,200.

Total market capitalisation is the total number of shares – excluding the Group's holding of own shares – multiplied by the end-of-year price quoted by NASDAQ OMX Copenhagen.

Notes to the consolidated financial statements

2 Significant accounting estimates and judgements

When preparing the consolidated financial statements for the Group, the management undertakes a number of accounting estimates and judgements to recognise, measure and classify the Group's assets and liabilities.

The most significant areas subject to estimates and judgements are mentioned below.

Valuation of intangible assets and property, plant and equipment

Intangible assets and property, plant and equipment are tested for impairment, if there is an indication of impairment. However, annual impairment tests are always carried out for goodwill and other intangible assets with indefinite useful lives as well as intangible assets that are not yet in use. Impairment losses are recognised when the carrying amount exceeds the higher of fair value less costs to sell and estimated value in use.

Fair value is sought to be obtained for active markets for corresponding assets or determined on the basis of other observable input. As far as possible, the estimated fair value of ships, rigs and properties is obtained using acknowledged brokers. However, it is not possible to determine reliable fair value for certain types of ships in the current market with continued low trading activity.

The estimated value in use is computed on the basis of the expected free cash flow from the relevant cash-generating unit based on updated business plans for the next five years or the remaining useful lives for assets operating under contracts. The calculated value in use is based on a number of assumptions and is by nature subject to uncertainty. For oil concession rights the value will primarily depend on conclusions regarding the commercial prospects. The values in use for the tanker activities are based on future expectations, which have been adjusted downwards and consequently impairment losses are recognised. Assumptions are described in notes 9 and 10.

The determination and delimitation of cash-generating units differ for the various business areas. For integrated network businesses such as Maersk Line and Safmarine, the container shipping activities are considered to be a single cash-generating unit. For the oil and gas activities, connected oil and gas fields are considered to be cash-generating units, and for offshore and other shipping activities, the cash-generating unit is often the individual asset. Maersk Tankers and Maersk Supply Service group vessels according to type, size, etc. in accordance with the structure governing the management's ongoing follow-up.

Depreciation periods

The total depreciation and amortisation is a considerable cost to the Group. Intangible assets and property, plant and equipment are depreciated and amortised over the expected useful lives for ships and rigs, etc., typically over a useful life of 20-25 years to a residual value of 10% of the original cost for ships and up to 30% for drilling rigs. For producing oil fields and production platforms, the useful lives are based on the expected production profile of the field.

Estimates of useful lives and residual values are reassessed regularly based on available information. In this connection, the long term view is prioritised, in order to disregard to the extent possible temporary market fluctuations, which may be significant. Changes to estimates of useful lives and residual values may affect the annual depreciation and amortisation and thereby the results for the year significantly.

Business combinations

The allocation of the acquisition cost to the fair value of the acquired assets, liabilities and contingent liabilities and thus to goodwill, including the allocation to cash-generating units, may have a significant impact on future profits. Fair values are based on estimates using information available at the time control was achieved. When part of the acquisition cost for entities acquired is dependent on the development in future profits, estimates are made of the most probable value of the contingent acquisition cost based on current forecasts.

Leasing

Lease contracts are classified as operating or finance leases at the inception of the lease. Once determined, the classification is not subsequently changed unless there are changes to the contract documents.

Contracts which transfer all significant risks and benefits associated with the underlying asset to the lessee are classified as finance leases. This usually applies to long-term lease contracts or where ownership is transferred to the lessee at the expiry of the lease term. All conditions in a contract are assessed and the classification depends to a certain extent on judgement based on the actual circumstances of the agreement.

2 Significant accounting estimates and judgements – continued

The value of assets held under finance leases recognised in the balance sheet is based on the discounted value of the contractual lease payments. No contingent lease payments are included and the value can therefore be determined reliably. Uncertainty relating to the useful lives and residual values of assets and the impairment test principles is the same for assets held under finance leases as for own assets.

Deferred tax assets

Deferred tax assets are recognised and measured to the extent they are expected to be realisable within the foreseeable future. Tax assets which can only be utilised in the longer term are deemed to be uncertain and are not recognised.

Receivables

Provisions for bad debt and write-downs of receivables are carried out on the basis of an assessment of their recoverability at the balance sheet date. Trade receivables are grouped on the basis of maturity analyses for the purpose of providing for bad debt. In special circumstances trade receivables are impaired individually. Other receivables, including loans, are written-down on the basis of an assessment of the individual debtor's credit rating. An analysis of overdue trade receivables and movement in the provisions for bad debt can be found in note 23. The write-downs of non-current receivables performed in the period can be found in note 6.

Pension liabilities

The gross liability for defined benefit plans, etc. is based on a number of actuarial assumptions such as discount rates, future inflation, the future rate of salary and pension increases, and mortality rates. External actuaries are used for measuring the gross liabilities. Even modest changes to the actuarial assumptions may result in significant changes in the pension liability.

Plan assets that are used only to meet the obligations are set off against the gross liability. Assets are measured at fair value by fund administrators and comprise cash, securities, properties, etc. Where there is not an active market for the assets, the fair value is estimated. The less liquid the assets, the greater the uncertainty related to the measurement. The composition of the assets can be found in note 19.

Provisions for abandonment

When establishing oil and gas production facilities, provisions are made for the cost of the disposal of the facilities and re-establishment of the sea bed according to the rules which apply to the individual concession areas. The assumptions for the provisions are reassessed annually. A significant part of the liability is not realised until after 20-30 years and consequently the calculation of the liability, including the assumptions applied, is associated with significant uncertainty.

The most significant assumptions are:

- The useful economic life of the field and thereby the time of abandonment (which partly depends on the future oil price)
- Cost level at the time of abandonment
- Discount rate

Provisions for legal disputes, etc.

The management's estimate of the provisions in connection with legal disputes, including disputes on taxes and duties, is based on the knowledge available on the actual substance of the cases and a legal assessment of these. Due to the nature of legal disputes, the outcome of these is subject to considerable uncertainty.

Other provisions

The amount comprises inter alia estimated provisions for onerous contracts, guarantee obligations and provisions for incurred, but not yet reported, incidents under certain insurance programmes, primarily in the USA.

Judgement of accounting control

To a certain extent, the classification of entities partly owned by other enterprises, and thereby how the entities are accounted for in the consolidated financial statements, is based on a judgement of the formal and actual conditions and clauses in shareholders' agreements, etc.



Maersk Oil
Al Shaheen
Qatar

In November 2012, Qatar Petroleum (representing the State of Qatar) and Maersk Oil agreed on a new field development plan which included a further investment in the field of around USD 1.5bn and drilling of 51 new wells and some facility debottlenecking activities. Al Shaheen is Qatar's largest offshore oil field and currently produces around 300,000 barrels of oil per day.



Notes to the consolidated financial statements

Amounts in DKK million

3 Segment information

	Maersk Line	Maersk Oil	APM Terminals
2012			
External revenue	153,448	58,833	16,590
Inter-segment revenue	3,674	-	11,107
Total revenue	157,122	58,833	27,697
Profit before depreciation, amortisation and impairment losses, etc.	12,628	41,463	6,332
Depreciation and amortisation	9,836	10,812	2,088
Impairment losses	467	169	-
Reversal of impairment losses	579	-	-
Gain on sale of non-current assets, etc., net	133	632	715
Share of profit/loss in associated companies	6	-243	344
Profit/loss before financial items (EBIT)	3,043	30,871	5,303
Tax	372	16,707	1,113
Net operating profit/loss after tax (NOPAT)	2,671	14,164	4,190
Cash flow from operating activities	10,422	22,347	5,653
Cash flow used for capital expenditure	-20,566	-11,352	-7,823
Free cash flow	-10,144	10,995	-2,170
Investments in non-current assets¹	19,577	11,484	12,562
Investments in associated companies	17	1,114	2,706
Other non-current assets	122,479	53,343	36,646
Assets held for sale	-	-	321
Other current assets	21,440	11,645	4,147
Non-interest bearing liabilities	27,079	26,943	8,260
Invested capital, net	116,857	39,159	35,560

¹ Comprise additions of intangible assets and property, plant and equipment, including additions from business combinations.

Maersk Oil's profit for the period includes a tax income of DKK 5.2bn from the settlement of a dispute regarding tax collected by the Algerian national oil company, Sonatrach S.P.A. The settlement is related to Algerian tax imposed from August 2006.

Notes to the consolidated financial statements

Amounts in DKK million

Maersk Drilling	Maersk Supply Service	Maersk Tankers	Damco	SVITZER	Dansk Supermarked	Maersk FPSOs and Maersk LNG	Total reportable segments
10,839	4,941	7,154	17,545	5,087	55,610	2,061	332,108
108	139	125	1,412	111	-	6	16,682
10,947	5,080	7,279	18,957	5,198	55,610	2,067	348,790
3,953	1,848	1,291	584	1,508	2,507	682	72,796
1,507	964	1,585	143	599	625	296	28,455
12	39	1,554	14	630	221	-	3,106
174	-	-	-	-	-	-	753
48	-21	46	109	26	68	1,419	3,175
-	-	2	-	-	-	1	110
2,656	824	-1,800	536	305	1,729	1,806	45,273
575	59	11	216	251	445	+138	19,611
2,081	765	-1,811	320	54	1,284	1,944	25,662
3,776	1,767	824	-562	1,489	2,316	600	48,632
-3,414	-1,242	-2,672	-126	-590	-2,055	15,176	-34,664
362	525	-1,848	-688	899	261	15,776	13,968
3,899	1,329	2,901	580	802	2,237	8	55,379
1	-	34	1	-	-	-	3,873
26,569	12,399	17,786	2,015	9,222	18,814	878	300,151
-	21	2,644	20	31	-	-	3,037
3,378	1,389	2,486	4,615	1,055	4,498	662	55,315
3,892	1,322	1,847	3,824	1,728	7,060	863	82,818
26,056	12,487	21,103	2,827	8,580	16,252	677	279,558

Notes to the consolidated financial statements

Amounts in DKK million

3 Segment information – continued

	Maersk Line	Maersk Oil	APM Terminals
2011			
External revenue	131,601	67,554	14,556
Inter-segment revenue	2,843	-	10,517
Total revenue	134,444	67,554	25,073
Profit before depreciation, amortisation and impairment losses, etc.	5,401	53,626	5,670
Depreciation and amortisation	8,340	11,485	1,978
Impairment losses	313	135	-
Reversal of impairment losses	-	-	5
Gain on sale of non-current assets, etc., net	684	13	150
Share of profit/loss in associated companies	-11	-24	270
Profit/loss before financial items (EBIT)	-2,579	41,995	4,117
Tax	382	30,684	646
Net operating profit/loss after tax (NOPAT)	-2,961	11,311	3,471
Cash flow from operating activities	4,813	23,130	4,885
Cash flow used for capital expenditure	-16,978	-20,286	-3,681
Free cash flow	-12,165	2,844	1,204
Investments in non-current assets¹	19,887	21,143	4,372
Investments in associated companies	22	711	2,631
Other non-current assets	113,064	54,206	27,340
Assets held for sale	1,621	-	1,792
Other current assets	18,082	8,007	4,285
Non-interest bearing liabilities	26,481	25,998	6,608
Invested capital, net	106,308	36,926	29,440

¹ Comprise additions of intangible assets and property, plant and equipment, including additions from business combinations.

Notes to the consolidated financial statements

Amounts in DKK million

Maersk Drilling	Maersk Supply Service	Maersk Tankers	Damco	SVITZER	Dansk Supermarked	Maersk FPSOs and Maersk LNG	Total reportable segments
9,825	4,906	6,938	13,954	4,585	55,227	3,158	312,304
231	141	19	783	92	-	9	14,635
10,056	5,047	6,957	14,737	4,677	55,227	3,167	326,939
4,616	2,227	576	642	1,267	2,885	1,304	78,214
1,294	896	1,224	133	582	496	646	27,074
107	-	268	-	-	68	1,339	2,230
95	-	-	8	-	-	485	593
-	18	33	5	21	3,703	42	4,669
-	-	2	-	-	-	16	253
3,310	1,349	-881	522	706	6,024	-138	54,425
699	48	+64	191	159	653	+190	33,208
2,611	1,301	-817	331	547	5,371	52	21,217
4,420	2,011	509	498	700	2,271	1,208	44,445
-3,213	-643	-3,576	-636	-1,001	3,392	152	-46,470
1,207	1,368	-3,067	-138	-301	5,663	1,360	-2,025
3,243	707	3,752	729	1,100	2,895	36	57,864
1	7	34	1	-	-	-	3,407
24,439	12,248	21,578	1,604	9,793	17,526	7,352	289,150
29	-	-	217	-	-	6,634	10,293
3,047	1,347	2,137	3,622	891	4,629	2,047	48,094
3,946	1,270	2,064	3,624	1,554	7,064	1,443	80,052
23,570	12,332	21,685	1,820	9,130	15,091	14,590	270,892

Notes to the consolidated financial statements

Amounts in DKK million

3 Segment information – continued

	2012	2011
Revenue		
Reportable segments	348,790	326,939
Other businesses	11,220	11,575
Unallocated activities (Maersk Oil Trading)	4,717	4,188
Eliminations	-22,669	-20,182
Total	342,058	322,520
Of which:		
Sale of goods including sale of oil and gas	121,242	131,349
Rendering of services, etc.	220,816	191,171
Profit for the year		
Reportable segments	25,662	21,217
Other businesses	1,773	1,186
Financial items, net	-4,376	-4,580
Unallocated tax	+611	+946
Other unallocated items	425	303
Eliminations	134	-461
Total continuing operations	23,379	18,005
Discontinued operations, after elimination	16	78
Total	23,395	18,083
Assets		
Reportable segments	362,376	350,944
Other businesses	36,555	33,892
Unallocated activities	29,412	27,783
Eliminations	-7,663	-7,883
Total continuing operations	420,680	404,736
Discontinued operations, after elimination	11	7
Total	420,691	404,743
Liabilities		
Reportable segments	82,818	80,052
Other businesses	2,801	2,946
Unallocated activities	119,486	120,829
Eliminations	-6,974	-7,050
Total continuing operations	198,131	196,777
Discontinued operations, after elimination	16	31
Total	198,147	196,808

Notes to the consolidated financial statements

Amounts in DKK million

3 Segment information – continued

Geographical information

Revenue for the shipping activities is based on the destination for ships operated by the Group and on customer location for ships on time charter. The majority of the Group's ships, drilling rigs and containers are registered in Denmark, Singapore, United Kingdom and the USA. These types of assets are allocated to countries based on legal ownership.

Geographical split	External revenue		Non-current assets ¹	
	2012	2011	2012	2011
Denmark	64,634	63,185	104,089	98,290
Brazil	8,040	6,889	18,884	18,759
China and Hong Kong	12,204	9,760	21,546	13,180
Qatar	24,914	33,440	5,258	10,385
Singapore	1,901	1,551	51,436	53,204
United Kingdom	17,099	18,762	26,766	27,705
USA	32,340	26,766	11,267	11,200
Other	180,926	162,167	56,306	50,944
Total	342,058	322,520	295,552	283,667

¹ Comprise intangible assets and property, plant and equipment.

Exploration activities (Maersk Oil)	2012	2011
Income	735	-
Expenses	7,037	5,650
Intangible assets	16,168	14,137
Total assets	30,642	20,593
Total liabilities	2,254	725
Cash flow from operating activities	-5,074	-4,623
Cash flow used for capital expenditure	-2,768	-13,834
Free cash flow	-7,842	-18,457

The exploration activities include Maersk Oil's income, expenses, assets, liabilities and cash flows related to exploration for and evaluation of oil and gas resources. Activities in the subsequent development phases are not included. The income relates primarily to farm-out agreements. Expenses comprise exploration costs, equipment costs, amortization and impairment losses related to exploration rights, etc. The assets, liabilities and cash flows comprise Maersk Oil entities primarily engaged in exploration activities.

Notes to the consolidated financial statements

Amounts in DKK million (in parenthesis the corresponding figures for 2011)

4 Operating costs

	2012	2011
Costs of goods sold	45,583	48,003
Bunker costs	40,005	37,580
Exploration costs	6,302	5,303
Rent and lease costs	21,315	19,490
Staff costs	39,366	35,763
Integration and restructuring costs	497	344
Other	118,804	99,082
Total operating costs	271,872	245,565
Remuneration of employees		
Wages and salaries	35,017	31,720
Severance payments	520	529
Pension costs, defined benefit plans	240	242
Pension costs, defined contribution plans	2,619	2,203
Other social security costs	2,319	2,141
Total remuneration	40,715	36,835
Of which:		
Recognised in the cost of assets	321	266
Included in exploration costs	590	447
Included in integration and restructuring costs	438	359
Expensed as staff costs	39,366	35,763
Average number of employees excluding discontinued operations	121,105	117,080

Rent and lease costs include contingent rent totalling DKK 881m (DKK 644m), which entirely relates to operating leases.

Customary agreements have been entered into with employees regarding compensation in connection with resignation with consideration for local legislation and collective agreements.

For information about share-based payment reference is made to note 17.

Fees and remuneration to the Board of Directors and the Managing Director

The Board of Directors has received fees of DKK 19m (DKK 17m).

Remuneration of the Managing Director, Firmaet A.P. Møller, is expensed with DKK 96m (DKK 81m).

Contract of employment for the Managing Director contains terms customary in Danish listed companies, including termination notice and competition clauses. In connection with a possible takeover offer, neither management nor the Board of Directors will receive special remuneration.

Notes to the consolidated financial statements

Amounts in DKK million (in parenthesis the corresponding figures for 2011)

4 Operating costs – continued

Fees to the statutory auditors	KPMG Statsautoriseret Revisionspartnerselskab		KPMG including network firms	
	2012	2011	2012	2011
Statutory audit	27	29	96	101
Other assurance services	2	2	5	3
Tax and VAT advisory services	17	15	28	26
Other services	11	6	23	17
Total fees	57	52	152	147
	PricewaterhouseCoopers Statsautoriseret Revisionspartnerselskab		PwC including network firms	
	2012	2011	2012	2011
Statutory audit	8	8	16	10
Other assurance services	1	1	1	1
Tax and VAT advisory services	2	2	3	3
Other services	11	10	42	13
Total fees	22	21	62	27

Amounts in DKK million (in parenthesis the corresponding figures for 2011)

5 Gain on sale of non-current assets, etc., net

	2012	2011
Gains ¹	3,812	4,930
Losses	129	166
Gain on sale of non-current assets, etc., net	3,683	4,764

¹ Gains include dividends received from other equity investments of DKK 32m (DKK 16m).

Gains relate primarily to the sale of the FPSO Maersk Peregrino, which was completed 31 July 2012 with a gain of DKK 1,252m, Maersk LNG A/S, DKK 465m, oil concession rights in Brazil, DKK 637m, and Maersk Equipment Service Company, Inc., DKK 458m. Gains on sale of subsidiaries and activities during the year include reclassification adjustments related to accumulated net foreign exchange rate gains of DKK 279m, which previously were recognised in other comprehensive income.

In 2011, gains related primarily to the sale of Netto Foodstores Limited, UK. The sale was completed on 13 April 2011 with a gain of DKK 3.8bn including an accumulated exchange rate loss of DKK 0.5bn previously recognised in equity.

Notes to the consolidated financial statements

Amounts in DKK million (in parenthesis the corresponding figures for 2011)

6 Financial income and expenses

	2012	2011
Interest expenses on liabilities	4,650	4,173
Of which borrowing costs capitalised on assets ¹	392	229
Interest income on loans and receivables	1,008	697
Interest income on securities	21	71
Fair value adjustment transferred from equity hedge reserve (loss)	770	673
Fair value adjustment of issued bonds attributable to interest rate risk (loss) ²	349	211
Unwind of discount on provisions	376	376
Net interest expenses	4,724	4,436
Exchange rate gains on bank deposits, loans and working capital	1,225	2,947
Exchange rate losses on bank deposits, loans and working capital	2,818	1,500
Net foreign exchange gains/losses	-1,593	1,447
Fair value gains from derivatives ²	2,106	464
Fair value losses from derivatives	173	2,029
Fair value gains from securities	22	20
Fair value losses from securities	11	24
Net fair value gains/losses	1,944	-1,569
Dividends received from securities	8	5
Impairment losses on financial non-current receivables	11	27
Financial expenses, net	4,376	4,580
Of which:		
Financial income	4,390	4,204
Financial expenses	8,766	8,784

¹ The capitalisation rate used to determine the amount of borrowing costs eligible for capitalisation is 4.8% (5.2%).

² Derivatives in fair value hedging amounting to DKK 394m (DKK 211m) have been recognised in fair value gains from derivatives.

For an analysis of gains and losses from derivatives reference is made to note 15.

Notes to the consolidated financial statements

Amounts in DKK million

7 Tax

	2012	2011
Tax recognised in the income statement	19,138	32,447
Of which regarding Danish and foreign tonnage tax, freight tax, etc.	-432	-610
Total	18,706	31,837
Of which:		
Current tax	17,231	30,458
Current and deferred tax arise as follows:		
Profit before tax	42,517	50,452
Income subject to Danish and foreign tonnage taxation, etc.	-399	3,186
Share of profit/loss in associated companies	-1,286	-651
Profit before tax, adjusted	40,832	52,987
Calculated 25% tax	10,208	13,247
Tax rate deviations in foreign entities, net	-681	-209
Additional tax in the oil segment in excess of 25%	12,961	18,985
Gains related to shares, dividends, etc.	-196	-879
Adjustment to previous years' taxes ¹	-5,340	-9
Deferred tax assets, not previously recognised	-412	-462
Tax losses for which no deferred tax asset was recognised	768	1,142
Other permanent differences, net	1,398	22
Total	18,706	31,837
Tax recognised in equity		
Fair value adjustment of other equity investments	-	1
Cash flow hedges	82	420
Actuarial gains/losses on defined benefit plans, etc.	16	+169
Tax recognised in other comprehensive income, net	98	252
Tax recognised directly in equity	30	48
Total	128	300
Of which:		
Current tax	64	56
Deferred tax	64	244

¹ Includes a tax income of DKK 5.2bn from the settlement of a dispute regarding tax collected by the Algerian national oil company, Sonatrach S.P.A. The settlement is related to Algerian tax imposed from August 2006.

Notes to the consolidated financial statements

Amounts in DKK million (in parenthesis the corresponding figures for 2011)

8 Discontinued operations and assets held for sale

Assets held for sale are primarily related to Maersk Tankers' 11 vessels in the handygas segment.

Seven container vessels in Maersk Line, of which four are owned and three under finance lease, have due to unsuccessful sales efforts ceased to be classified as held for sale and in consequence impairment losses of DKK 550m have been reversed.

Impairment losses of DKK 148m have been recognised in relation to the reclassification to assets held for sale.

In 2011, assets held for sale primarily related to Maersk LNG A/S, Maersk Equipment Service Company, Inc. and seven container vessels, of which four were owned and three under finance lease. Impairment losses of DKK 112m were recognised relating to the seven container vessels.

On 12 October 2011, the Group entered into an agreement with Teekay LNG Operating LLC and Marubeni Corporation on the sale of Maersk LNG A/S for a total consideration of USD 1.4bn on a cash and debt free basis. The transaction was completed on 28 February 2012.

The sale of Netto Foodstores Limited, UK was completed on 13 April 2011 with a gain of DKK 3.8bn including an accumulated exchange rate loss of DKK 0.5bn previously recognised in equity. Furthermore, the three aircrafts that remained in Maersk Aviation (discontinued operations) and one handysize product tanker were sold in 2011.

	2012	2011
Profit for the year – discontinued operations		
Revenue	3	6
Costs, etc. (including provisions made and reversed)	14	42
Profit before tax, etc.	17	48
Tax	1	10
Profit	16	38
Gain on sale of non-current assets, etc., net	-	56
Tax hereof	-	16
Profit for the year – discontinued operations	16	78
A.P. Møller - Mærsk A/S' share hereof	16	78
Earnings and diluted earnings per share, DKK	4	18
Cash flows from discontinued operations for the year		
Cash flow from operating activities	-10	-14
Cash flow used for investing activities	6	141
Cash flow from financing activities	1	2
Net cash flow from discontinued operations	-3	129
Balance sheet items comprise:		
Non-current assets	2,921	10,148
Current assets	135	204
Assets held for sale	3,056	10,352
Provisions	15	73
Other liabilities	76	1,584
Liabilities associated with assets held for sale	91	1,657

Notes to the consolidated financial statements

Amounts in DKK million (in parenthesis the corresponding figures for 2011)

9 Intangible assets

	Goodwill	Terminal and service concession rights	Oil concession rights	Other rights	Total
Cost					
1 January 2011	3,931	6,299	26,017	3,131	39,378
Addition	-	485	887	593	1,965
Acquired in business combinations	399	284	12,345	139	13,167
Disposal	2	6	123	176	307
Transfer, assets held for sale	-	-122	-	-90	-212
Exchange rate adjustment	109	-84	1,570	84	1,679
31 December 2011	4,437	6,856	40,696	3,681	55,670
Addition	-	630	1,141	635	2,406
Acquired in business combinations	235	5,537	-	184	5,956
Disposal	11	1	-	180	192
Exchange rate adjustment	4	-222	-639	-46	-903
31 December 2012	4,665	12,800	41,198	4,274	62,937
Amortisation and impairment losses					
1 January 2011	553	1,134	21,026	2,036	24,749
Amortisation	-	197	1,031	319	1,547
Impairment losses	-	-	135	12	147
Disposal	2	-	67	139	208
Transfer, assets held for sale	-	-26	-	-10	-36
Exchange rate adjustment	12	-7	575	52	632
31 December 2011	563	1,298	22,700	2,270	26,831
Amortisation	-	301	1,290	356	1,947
Impairment losses	623	-	-	-	623
Disposal	11	-	-	176	187
Exchange rate adjustment	-16	-41	-371	-32	-460
31 December 2012	1,159	1,558	23,619	2,418	28,754
Carrying amount:					
31 December 2011	3,874	5,558¹	17,996²	1,411³	28,839
31 December 2012	3,506	11,242¹	17,579²	1,856³	34,183

¹ Of which DKK 936m (DKK 637m) is under development. DKK 1,528m (DKK 284m) is related to terminal rights with indefinite useful life in Poti Sea Port Corp. and Global Ports. The impairment tests are based on the estimated value in use according to business plans. An average discount rate of 11.0% (13.5%) p.a. after tax has been applied in the calculations. Furthermore, the development in volumes and rates are significant parameters.

² Of which DKK 15,383m (DKK 14,967m) is related to oil concession rights where amortisation will begin when production commences.

³ Of which DKK 839m (DKK 798m) is related to ongoing development of software.

Notes to the consolidated financial statements

Amounts in DKK million

9 Intangible assets – continued

Goodwill impairment test

The carrying amount of goodwill has been allocated to the following operating segments and cash generating units based on the management structure:

Operating segment	Cash generating unit	Carrying amount	
		2012	2011
SVITZER	Adsteam Marine Limited (Australia)	2,325	2,564
SVITZER	Adsteam Marine Limited (United Kingdom)	-	320
Damco	Airfreight service	421	442
Dansk Supermarked Group	OHG Netto Supermarkt GmbH & Co.	413	415
Other		347	133
Total		3,506	3,874

The impairment tests are based on the estimated value in use from five year business plans and a calculated terminal value with growth equal to the expected local economic growth.

Impairment losses for 2012 of DKK 623m primarily relate to Adsteam Marine Limited goodwill in the United Kingdom, which was fully impaired due to weak market conditions. Regarding goodwill in Australia, an increase in the discount rate of 1%-point is estimated to result in an additional impairment of DKK 570m. Likewise a decline of 1%-point in terminal value growth rate is estimated to result in an impairment of DKK 445m.

Impairment losses for 2011 of DKK 147m primarily related to oil concession rights on the Janice field in the United Kingdom and were based on estimated value in use. A discount rate of 8.5% p.a. after tax and the forward curve for oil prices at 31 December 2011 were used in the calculation.

Key assumptions	Terminal value growth rate		Estimated average earnings growth p.a. in the forecast period		Applied discount rate p.a. after tax	
	2012	2011	2012	2011	2012	2011
Cash generating unit						
Adsteam Marine Limited (Australia)	1.7%	2.0%	4.3%	12.5%	7.0%	7.5%
Adsteam Marine Limited (United Kingdom)	1.0%	1.5%	5.6%	5.9%	8.0%	7.5%
Airfreight service	2.0%	2.0%	7.2%	8.6%	9.1%	9.6%
OHG Netto Supermarkt GmbH & Co.	0.0%	0.0%	2.3%	11.3%	7.0%	7.0%

Notes to the consolidated financial statements

Amounts in DKK million

10 Property, plant and equipment

	Ships, rigs, containers, etc.	Production facilities and equipment, etc.	Land and buildings	Construc- tion work in progress and payment on account	Total
Cost					
1 January 2011	242,519	127,047	33,586	22,835	425,987
Addition	11,919	2,422	755	26,693	41,789
Acquired in business combinations	120	620	675	40	1,455
Disposal	8,916	3,015	273	170	12,374
Disposal on sale of businesses	32	65	-	-	97
Transfer	17,422	4,494	2,021	-23,937	-
Transfer, assets held for sale	-8,824	-166	-389	-1	-9,380
Exchange rate adjustment	6,462	2,761	-176	655	9,702
31 December 2011	260,670	134,098	36,199	26,115	457,082
Addition	12,436	1,358	383	30,181	44,358
Acquired in business combinations	2	1,439	948	218	2,607
Disposal	2,521	8,136	248	163	11,068
Disposal on sale of businesses	39	38	15	-	92
Transfer	17,236	11,160	-4,290	-24,106	-
Transfer, assets held for sale	-7,752	-79	-160	-	-7,991
Exchange rate adjustment	-4,120	-1,887	306	-505	-6,206
31 December 2012	275,912	137,915	33,123	31,740	478,690
Depreciation and impairment losses					
1 January 2011	83,846	86,240	11,420	815	182,321
Depreciation	12,675	11,703	750	543	25,671
Impairment losses	1,792	35	68	110	2,005
Reversal of impairment losses	581	5	8	-	594
Disposal	6,943	2,718	141	128	9,930
Disposal on sale of businesses	12	47	-	-	59
Transfer	203	721	-94	-830	-
Transfer, assets held for sale	-1,809	-66	-5	-	-1,880
Exchange rate adjustment	2,315	2,423	-14	-4	4,720
31 December 2011	91,486	98,286	11,976	506	202,254
Depreciation	14,525	11,588	568	-	26,681
Impairment losses	2,076	220	173	-	2,469
Reversal of impairment losses	739	25	-	-	764
Disposal	2,048	7,634	116	1	9,799
Disposal on sale of businesses	23	31	8	-	62
Transfer	277	1,378	-1,282	-373	-
Transfer, assets held for sale	-371	-72	-36	-	-479
Exchange rate adjustment	-1,594	-1,430	42	3	-2,979
31 December 2012	103,589	102,280	11,317	135	217,321
Carrying amount:					
31 December 2011	169,184	35,812	24,223	25,609	254,828
31 December 2012	172,323	35,635	21,806	31,605	261,369
Of which carrying amount of finance leased assets:					
31 December 2011	13,601	-	40	-	13,641
31 December 2012	13,477	107	6	-	13,590

Notes to the consolidated financial statements

Amounts in DKK million (in parenthesis the corresponding figures for 2011)

10 Property, plant and equipment – continued

Impairment tests of property, plant and equipment have been carried out within the following cash generating units :

Operating segment	Cash generating unit	Methodology	Applied discount rate p.a. after tax		Impairment losses		Reversal of impairment losses	
			2012	2011	2012	2011	2012	2011
Maersk Tankers	Intermediate product tankers	Value in use	-	10.0%	-	268	-	-
	Crude tankers	Value in use	10.0%	-	1,043	-	-	-
	Product Handy	Value in use	10.0%	-	406	-	-	-
Maersk Line	Maersk Line ¹	Fair value	-	-	220	-	566	-
	Multi purpose vessel	Value in use	10.0%	-	214	-	-	-
Maersk Oil	Janice area	Value in use	8.5%	-	169	-	-	-
Maersk FPSOs	FPSOs	Value in use	-	9.0%	-	1,339	-	-
Maersk LNG	LNG carriers	Fair value	-	-	-	-	-	485
Maersk Drilling	EDC rigs	Fair value	-	-	-	-	174	-
	Other				417	398	24	109
Total					2,469	2,005	764	594

¹ Container vessels previously held for sale, partly redeployed and partly laid-up.

Transfers

The negative transfer from land and buildings is primarily related to pavement and other terminal infrastructure being reclassified to production facilities and equipment, etc. Transfer to assets held for sale primarily comprise the FPSO Maersk Perigrino.

Finance leases

As part of the Group's activities, customary leasing agreements are entered into, especially with regard to the chartering of vessels and leasing of containers and other equipment. In some cases, the leasing agreements comprise purchase options for the Group and options for extension of the lease term.

In the financial statements, assets held under finance leases are recognised in the same way as owned assets.

Operating leases as lessor

Property, plant and equipment include assets, mainly drillships, jack-up rigs and vessels, which are leased out as part of the Group's activities. The future lease income is DKK 53.3bn (DKK 29.5bn) of which DKK 13.5bn (DKK 3.6bn) is payable within one year, DKK 35.4bn (DKK 9.6bn) between one and five years and DKK 4.4bn (DKK 16.3bn) in more than five years.

Ownership of production facilities, etc.

Ownership of production facilities, etc. relating to oil production in Qatar and Algeria with a carrying amount of DKK 8.3bn (DKK 13.1bn) is transferred to state-owned oil companies on an ongoing basis according to agreements. The right of use is maintained during the concession period.

Pledges

Ships, buildings, etc. with a carrying amount of DKK 61.4bn (DKK 54.8bn) have been pledged as security for loans of DKK 41.4bn (DKK 41.4bn).

Notes to the consolidated financial statements

Amounts in DKK million (in parenthesis the corresponding figures for 2011)

11 Investments in associated companies

In aggregate, the Group's associated companies have the following revenue, profit for the year, total assets and total liabilities (100%):

	Banking activities		Other activities	
	2012	2011	2012	2011
Revenue	127,200	118,523	29,002	20,414
Profit for the year	4,749	1,723	874	793
Total assets	3,485,181	3,424,403	53,988	54,122
Total liabilities	3,346,947	3,298,548	29,913	30,361

The fair value of listed shares in associated companies totalled DKK 22.0bn (DKK 16.7bn). The carrying amount of these is DKK 30.6bn (DKK 28.0bn) and is primarily related to the Group's ownership interest in Danske Bank.

Revenue from banking activities includes interest income, fee income and net premiums.

Contingent liabilities in associated companies totalled DKK 48.6bn (DKK 50.9bn) proportionally and are mainly related to Danske Bank's guarantees and other contingent liabilities.

Banking activities

Profit in Danske Bank was DKK 4.7bn (DKK 1.7bn). The Group's share was DKK 1.0bn (DKK 0.3bn).

In October 2012, the Group participated pro rata in Danske Bank's capital increase of DKK 7.2bn with an investment of DKK 1.4bn.

Ro/Ro activities

Overall, the Group's ownership interest in DFDS and Høegh Autoliners, etc. contributed a profit of DKK 224m (DKK 50m). The Group's share of DFDS' profit is based on the latest consensus estimates as the 2012 annual financial statements for DFDS have not yet been published.

Notes to the consolidated financial statements

Amounts in DKK million

12 Other receivables

	2012	2011
Loans	5,554	4,937
Finance lease receivables	868	648
Other interest-bearing receivables and deposits	883	1,020
Receivables from sale of non-current assets, etc.	39	1,162
VAT and similar receivables	914	904
Receivables from settled claims	2,495	547
Other	5,645	5,071
Total	16,398	14,289
Of which:		
Classified as non-current	5,022	3,851
Classified as current	11,376	10,438

Receivables from settled claims are primarily related to a tax dispute in Algeria. The finance lease receivables are primarily related to the Ports-mouth terminal in Virginia, USA, and the Poti terminal in Georgia.

Finance lease receivables	Gross receivables	Interest	Carrying amount	Gross receivables	Interest	Carrying amount
	2012	2012	2012	2011	2011	2011
Within one year	83	47	36	36	9	27
Between one and five years	352	196	156	149	45	104
After five years	1,298	622	676	674	157	517
Total	1,733	865	868	859	211	648

Notes to the consolidated financial statements

Amounts in DKK million

13 Deferred tax

Recognised deferred tax assets and liabilities are attributable to the following:

	Assets		Liabilities		Net liabilities	
	2012	2011	2012	2011	2012	2011
Intangible assets	185	172	2,272	1,386	2,087	1,214
Property, plant and equipment	1,932	1,874	10,843	8,443	8,911	6,569
Receivables, etc.	140	145	438	341	298	196
Provisions, etc.	3,696	4,073	367	218	-3,329	-3,855
Oil lifting balances in joint operations	528	373	-	-	-528	-373
Tax loss carry forwards	2,978	2,216	-	-	-2,978	-2,216
Other	430	521	70	59	-360	-462
Total	9,889	9,374	13,990	10,447	4,101	1,073
Offsets	-6,116	-4,439	-6,116	-4,439	-	-
Total	3,773	4,935	7,874	6,008	4,101	1,073

	2012	2011
Change in deferred tax, net during the year	2012	2011
1 January	1,073	-734
Intangible assets	-344	-123
Property, plant and equipment	2,129	1,727
Receivables, etc.	96	-12
Provisions, etc.	501	-143
Oil lifting balances in joint operations	-164	-221
Tax loss carry forwards	-859	214
Other	116	-63
Recognised in the income statement	1,475	1,379
Intangible assets	1,237	75
Property, plant and equipment	315	74
Other	44	-144
Change from acquisition/sale of businesses	1,596	5
Recognised in equity	64	244
Transfer, assets held for sale	-3	5
Exchange rate adjustments	-104	174
31 December	4,101	1,073

Notes to the consolidated financial statements

Amounts in DKK million

13 Deferred tax – continued

Unrecognised deferred tax assets

The tax losses carried forward have no significant time limitations. No tax value is recognised as it is not considered likely that the deferred tax assets can be realised in the foreseeable future.

	2012	2011
Deductible temporary differences	1,122	1,394
Tax loss carry forwards	2,909	2,610
Total	4,031	4,004

There are no significant unrecognised tax liabilities on investments in subsidiaries, associated companies and jointly controlled entities.

Amounts in DKK million

14 Inventories

	2012	2011
Raw materials and consumables	2,240	2,046
Work in progress	127	125
Finished goods and goods for resale	4,952	4,852
Bunker	5,723	5,845
Total	13,042	12,868

No significant write-downs or reversals have been recognised on inventories.

Notes to the consolidated financial statements

Amounts in DKK million (in parenthesis the corresponding figures for 2011)

15 Derivatives

Foreign exchange forwards and option contracts are used to hedge the currency risk related to recognised and unrecognised transactions. Interest rate swaps are used to hedge interest rate exposure on borrowings. Derivatives are entered into to hedge crude oil prices and bunker prices.

	2012	2011
Non-current receivables	1,249	815
Current receivables	622	469
Non-current liabilities	1,441	2,444
Current liabilities	565	2,182
Liabilities, net	135	3,342

The fair value of derivatives held at the balance sheet date can be allocated by type as follows:

	Fair value	Recognised in income statement	Recognised in equity	Fair value	Recognised in income statement	Recognised in equity
	2012	2012	2012	2011	2011	2011
Currency derivatives ¹	161	-53	214	-2,382	-1,743	-639
Interest rate derivatives ¹	-262	555	-817	-929	108	-1,037
Price hedge derivatives ²	-34	-34	-	-31	-31	-
Total	-135	468	-603	-3,342	-1,666	-1,676

¹ Of which DKK 857m (DKK 32m) is related to fair value hedges.

² Price hedge derivatives comprise oil price and raw material hedges.

The fair value recognised in equity relates to derivatives designated as effective hedging of future cash flows. The gains/losses are mainly expected to affect the income statement in the same periods as the cash flows are expected to occur. The expected timing of the effect on the income statement is as follows:

	Currency derivatives	Interest rate derivatives	Total	Currency derivatives	Interest rate derivatives	Total
	2012	2012	2012	2011	2011	2011
Within one year	222	-305	-83	-622	-575	-1,197
Between one and five years	5	-369	-364	-2	-387	-389
After five years	-13	-143	-156	-15	-75	-90
Total	214	-817	-603	-639	-1,037	-1,676

Notes to the consolidated financial statements

Amounts in DKK million

15 Derivatives – continued

The gains/losses, including realised transactions, are recognised as follows:

	2012	2011
Hedging foreign exchange risk on revenue	17	47
Hedging foreign exchange risk on operating costs	-331	416
Hedging foreign exchange risk on gain on sale of non-current assets, etc.	-	279
Hedging interest rate risk	-770	-673
Hedging foreign exchange risk on the cost of property, plant and equipment	-97	-34
Total effective hedging	-1,181	35
Ineffectiveness recognised in financial expenses	3	-90
Total reclassified from equity reserve for hedges	-1,178	-55
Derivatives accounted for as held for trading:		
Currency derivatives recognised directly in financial income/expenses	1,372	-1,762
Interest rate derivatives recognised directly in financial income/expenses	558	287
Hedging of oil prices and freight rates recognised directly in other income/costs	-11	-88
Net gains/losses recognised directly in the income statement	1,919	-1,563
Total	741	-1,618

Currency derivatives hedge future revenue, operating costs and investments and are recognised on an ongoing basis in the income statement and the cost of property, plant and equipment respectively.

Interest rate derivatives swap floating to fixed rates on borrowings and are recognised in the income statement concurrently with the hedged interest expenses. Interest rate derivatives are also used to swap fixed rates to floating rates.

Furthermore, the Group enters into derivatives to hedge economic risks that are not accounted for as hedging. These derivatives are accounted for as held for trading.

For information about currencies, maturities, etc. reference is made to note 23.

Amounts in DKK million

16 Share capital and earnings per share

The share capital on 31 December 2012 comprises:

A shares DKK 2,197.8m divided into 2,197,607 shares of DKK 1,000 and 386 shares of DKK 500

B shares DKK 2,197.8m divided into 2,197,678 shares of DKK 1,000 and 244 shares of DKK 500

All shares are fully issued and paid up.

One A share of DKK 1,000 holds two votes. B shares have no voting rights.

For adoption of resolutions regarding changes in the Company's articles and increase or decrease to the share capital, the presence of two-thirds of the class A voting rights at the Annual General Meeting is required and further the resolution shall be passed by two-thirds of the votes cast.

Apart from a resolution for the dissolution of the Company, other resolutions at the Annual General Meetings are passed by simple majority, unless legislation requires particular voting majority. Reference is made to the Company's articles of association.

Notes to the consolidated financial statements

Amounts in DKK million (in parenthesis the corresponding figures for 2011)

16 Share capital and earnings per share – continued

In the event of an increase of the Company's share capital, the shareholders in the given share class shall have a pre-emptive right to subscribe for a proportionate share of the capital increase.

According to the authorisation of the Annual General Meeting, the Board of Directors may in the period up to and including 3 April 2016 allow the Company to acquire own shares up to a holding of 10% of the Company's share capital. The purchase price may not deviate by more than 10% from the price quoted on NASDAQ OMX Copenhagen A/S at the time of purchase.

	No. of shares of DKK 1,000		Nominal value		% of share capital	
	2012	2011	2012	2011	2012	2011
Own shares (B shares)						
1 January	29,729	30,619	30	31	0.68%	0.70%
Addition	-	465	-	-	0.00%	0.01%
Disposal	659	1,355	1	1	0.02%	0.03%
31 December	29,070	29,729	29	30	0.66%	0.68%

Additions and disposals of own shares are primarily related to the share option programme.

Based on the parent company's profit of DKK 8,435m (DKK 10,477m), the Board of Directors proposes a dividend to the shareholders of DKK 1,200 per share of DKK 1,000 – a total of DKK 5,275m (DKK 1,000 per share of DKK 1,000 – a total of DKK 4,396m). Payment is expected to take place on 17 April 2013.

Payment of dividends to shareholders does not trigger taxes for the Group.

Basis for calculating earnings per share is as follows:

A.P. Møller - Mærsk A/S' share of:	2012	2011
Profit for the year of continuing operations	21,657	15,111
Profit for the year of discontinued operations	16	78
Profit for the year	21,673	15,189
	2012	2011
Issued shares 1 January	4,395,600	4,395,600
Average number of own shares	29,330	30,015
Average number of shares	4,366,270	4,365,585

At 31 December 2012, there is a dilution effect on earnings per share of 4,658 (5,317) issued share options while there is no dilution effect on 15,931 (11,255) issued share options. This corresponds to 0.11% (0.12%) and 0.36% (0.26%) of the share capital, respectively.

Notes to the consolidated financial statements

Amounts in DKK million (in parenthesis the corresponding figures for 2011)

17 Share-based payment

The Group has established a share option programme for partners in Firmaet A.P. Møller and other employees. Each share option granted is a call option to buy an existing B share of nominal DKK 1,000 in A.P. Møller - Mærsk A/S.

The fair value of share options granted to 123 (126) employees was DKK 39m (DKK 36m) at the time of such grant. Total value of granted share options recognised in the income statement is DKK 36m (DKK 32m). In addition to this, three (four) partners in Firmaet A.P. Møller bought share options corresponding to a fair value of DKK 7m (DKK 9m).

The share options are granted at an exercise price corresponding to 110% of the average of the market price on the first five trading days following the release of A.P. Møller - Mærsk A/S' annual report. Exercise of the share options is contingent on the option holder still being permanently employed at the time of exercise. The share options can be exercised when at least two years and no more than five years have passed from the time of grant and can only be exercised within the trading periods as stated in the internal rules for trading of A.P. Møller - Mærsk A/S' securities in force at any time. Special conditions apply regarding illness, death and resignation as well as changes in the Company's capital structure, etc.

The share options can only be settled in shares. A portion of the Group's holding of own shares is reserved for settlement of granted options.

Outstanding share options	Partners in Firmaet A.P. Møller ¹ No.	Employees ¹ No.	Total No.	Average exercise price DKK	Total fair value ¹ DKK million
1 January 2011	3,824	10,466	14,290	39,363	
Granted	-	3,161	3,161	57,959	36
Sold	775	-	775	57,959	9
Exercised	140	1,215	1,355	27,237	
Forfeited	-	299	299	42,438	
Outstanding 31 December 2011	4,459	12,113	16,572	44,716	
Exercisable 31 December 2011	2,919	6,121	9,040	38,053	
Granted	-	4,356	4,356	49,843	39
Sold	792	-	792	49,843	7
Exercised	-	659	659	27,237	
Forfeited	-	472	472	52,351	
Outstanding 31 December 2012	5,251	15,338	20,589	46,382	
Exercisable 31 December 2012	3,684	8,076	11,760	41,183	

¹ At the time of grant.

The weighted average share price at the dates of exercise of share was DKK 43,124 (DKK 48,778).

The average remaining contractual life of outstanding share options as per 31 December 2012 is 2.3 years (2.7 years) and the exercise price is in the range of DKK 27,237 to DKK 57,959 (DKK 27,237 to DKK 57,959).

The fair value per option granted in 2012 is calculated at DKK 8,839 (DKK 11,275) at the time of grant based on Black & Scholes' options pricing model.

Notes to the consolidated financial statements

Amounts in DKK million

17 Share-based payment – continued

The following principal assumptions are used in the valuation:

	2012	2011
Share price, five days average, DKK	45,312	52,690
Exercise price, DKK	49,843	57,959
Expected volatility (based on historical volatility)	31.3%	31.1%
Expected term	4.0 years	4.0 years
Expected dividend per share, DKK	1,000	1,000
Risk free interest rate (based on the five years swap interest curve)	1.6%	3.2%

Amounts in DKK million

18 Borrowings

	2012	2011
Bank and other credit institutions	72,002	81,553
Finance lease liabilities	12,605	13,738
Issued bonds	26,457	14,507
Total	111,064	109,798
Of which:		
Classified as non-current	98,112	96,884
Classified as current	12,952	12,914

Finance lease liabilities	Minimum lease pay- ments	Interest	Carrying amount	Minimum lease pay- ments	Interest	Carrying amount
	2012	2012	2012	2011	2011	2011
Within one year	1,625	587	1,038	2,907	667	2,240
Between one and five years	6,413	1,906	4,507	6,040	2,163	3,877
After five years	8,977	1,917	7,060	10,005	2,384	7,621
Total	17,015	4,410	12,605	18,952	5,214	13,738

The finance lease agreements are described in note 10.

Notes to the consolidated financial statements

Amounts in DKK million

19 Pensions and similar obligations

As employer, the Group participates in pension plans according to normal practice in the countries in which the Group operates. As a main rule, the pension plans within the Group are defined contribution plans, where contributions are recognised in the income statement on an accrual basis. A number of entities have defined benefit plans, in which retirement benefits are based on length of service and salary level. To a limited extent, these defined benefit plans also include payment of medical expenses, etc.

Pension and medical plans which, as part of collective bargaining agreements, have been entered into with other enterprises (known as multi-employer plans) are treated as other pension plans. Such defined benefit plans are treated as defined contribution plans when sufficient information for calculating the individual enterprises' share of the obligation is not available.

	2012	2011
Recognised net liability		
Present value of funded plans	14,044	12,927
Fair value of plan assets	-12,596	-11,619
Net liability of funded plans	1,448	1,308
Present value of unfunded plans	857	752
Net liability	2,305	2,060
Assets not recognised due to limit of the asset ceiling	32	50
Adjustment for minimum funding requirement	1	350
Funded plans with surplus, transfer to assets	193	87
Net liability 31 December	2,531	2,547
Change in gross liability		
Gross liability 1 January	13,679	12,282
Current service costs, etc.	158	153
Computed interest costs	629	632
Actuarial gains/losses	832	1,001
Change from acquisition/sale of businesses	9	-2
New plans, etc.	6	-
Curtailments and settlements	-	-61
Benefits paid	-662	-655
Contribution from employees	16	19
Exchange rate adjustment	234	310
Gross liability 31 December	14,901	13,679
Change in plan assets		
Fair value 1 January	11,619	10,410
Expected return	547	558
Actuarial gains/losses	202	445
Settlements	-	-76
Benefits paid	-597	-579
Contributions from the Group, etc.	584	558
Contributions from employees	16	19
Exchange rate adjustment	225	284
Fair value 31 December	12,596	11,619

In 2013, the Group expects to pay contributions totalling DKK 445m to funded defined benefit plans (DKK 425m in 2012).

Notes to the consolidated financial statements

Amounts in DKK million

19 Pensions and similar obligations – continued

	2012	2011
Specification of plan assets		
Shares	4,535	4,023
Government Bonds	4,297	3,758
Corporate Bonds	2,504	1,909
Real estate	130	187
Other assets	1,130	1,742
Fair value 31 December	12,596	11,619
The plan assets do not include assets used by the Group or own shares.		
Cost recognised in the income statement		
Current service costs, etc.	158	153
Computed interest costs	629	632
Expected return on plan assets	-547	-558
Gains/losses on curtailments and settlements	-	15
Cost, net	240	242
Return on plan assets		
Expected return	547	558
Actuarial gains/losses	202	445
Actual return	749	1,003
Gains/losses (-) recognised in other comprehensive income		
Actuarial gains/losses on gross liability	-832	-1,001
Actuarial gains/losses on plan assets	202	445
Effect of the asset ceiling	18	49
Adjustment for minimum funding requirement	359	-337
Total	-253	-844
Accumulated actuarial gains/losses (-)		
Accumulated losses 1 January	-808	-266
Actuarial gains/losses for the year	-630	-556
Disposal	-	32
Exchange rate adjustment	7	-18
Accumulated losses 31 December	-1,431	-808

Notes to the consolidated financial statements

Amounts in DKK million (in parenthesis the corresponding figures for 2011)

19 Pensions and similar obligations – continued

	2012	2011
Actuarial assumptions		
Actuarial assumptions 31 December expressed as weighted averages:		
Discount rate	4.2%	4.6%
Inflation rate	2.9%	2.9%
Expected return on plan assets	N/A	4.6%
Future salary increase	3.9%	3.9%
Future pension increase	2.8%	2.8%
Medical cost trend rate	4.5%	4.5%

Expected return on plan assets has not been determined in 2012, since the pension cost from 2013 is calculated on the basis of the discount rate in accordance with the revised IAS 19.

Historical overview	2012	2011	2010	2009	2008
Gross liability	14,901	13,679	12,282	11,423	10,140
Plan assets	-12,596	-11,619	-10,410	-9,505	-7,764
Net liability	2,305	2,060	1,872	1,918	2,376
Experience adjustments to liabilities	-119	-173	104	107	-188
Experience adjustments to plan assets	202	445	216	926	-2,275

Multi-employer plans

Due to collective agreements, some entities in the Group participate together with other enterprises in defined benefit pension and health insurance schemes for current and retired employees (multi-employer plans). In 2012, the Group's contribution is estimated at DKK 707m (DKK 572m). The contributions to be paid in 2013 are expected to be DKK 760m.

No reliable basis exists for allocation of the schemes' obligations and plan assets to individual employer participants. The Group's share might be significant. Deficit in some of the schemes may necessitate increased contributions in the future. Based on the most recent available financial data from the plans' trustees, the plan assets totalled DKK 38.8bn (DKK 41.5bn) and the actuarial value of obligations approximately DKK 52.8bn (DKK 53.7bn). Net obligations in the plans with deficits totalled DKK 15.5bn (DKK 13.8bn). In general, the contributions to the schemes are based on man hours worked or cargo tonnage handled, or a combination hereof.

Notes to the consolidated financial statements

Amounts in DKK million

20 Provisions

	Abandonment	Restructuring	Legal disputes, etc.	Other	Total
1 January 2012	9,426	550	6,431	4,894	21,301
Provision made	289	368	2,739	2,146	5,542
Amount used	89	432	241	928	1,690
Amount reversed	229	112	1,067	948	2,356
Addition from business combinations	-	-	1	4	5
Unwind of discount	375	-	0	1	376
Exchange rate adjustment	-150	-1	-95	-107	-353
31 December 2012	9,622	373	7,768	5,062	22,825
Of which:					
Classified as non-current	9,622	57	6,083	3,589	19,351
Classified as current	-	316	1,685	1,473	3,474
Non-current provisions expected to be realised after more than five years	8,716	-	1,065	815	10,596

Provisions for abandonment comprise estimated expenses for abandonment of oil and gas fields at discounted value. Restructuring includes provisions for decided and publicly announced restructurings. Legal disputes, etc. include tax and duty disputes among other things. Other includes provisions for guarantees, onerous contracts, and risk under certain self-insurance programmes. The provisions are subject to considerable uncertainty, cf. note 2.

Reversals of provisions primarily relate to legal disputes and contractual disagreements, which are recognised in the income statement under operating costs and tax.

Amounts in DKK million

21 Other payables

	2012	2011
Interest payable	996	940
VAT and duties payable	2,867	3,369
Accrued staff costs	3,217	2,851
Contingent consideration	281	350
Other	2,002	1,969
Total	9,363	9,479
Of which:		
Classified as non-current	371	457
Classified as current	8,992	9,022

The contingent consideration, primarily related to the acquisitions of Poti Sea Port Corp. and NTS International Transport Services Co. Ltd., are dependent on the future financial and operational performance of the companies.

Notes to the consolidated financial statements

Amounts in DKK million (in parenthesis the corresponding figures for 2011)

22 Financial instruments by category

Financial assets measured at amortised cost	Carrying amount	
	2012	2011
Loans	5,554	4,937
Finance lease receivables	868	648
Other interest-bearing receivables and deposits	883	1,020
Total interest-bearing receivables	7,305	6,605
Trade receivables	30,767	25,319
Other receivables (non-interest-bearing)	9,093	7,684
Cash and bank balances	13,011	13,095
Total loans and receivables	60,176	52,703

Trade receivables include work in progress for third parties of DKK 0m (DKK 164m) net of prepayments of DKK 0m (DKK 1,179m).

Fair value of the non-current receivables is not materially different from the carrying amount.

Financial liabilities measured at amortised cost	Carrying amount	Fair value	Carrying amount	Fair value
	2012	2012	2011	2011
Bank and other credit institutions	72,002	75,546	81,553	86,383
Finance lease liabilities	12,605	14,752	13,738	16,577
Issued bonds	26,457	27,619	14,507	14,855
Borrowings	111,064	117,917	109,798	117,815
Trade payables	35,594		37,232	
Other financial liabilities	9,082		9,129	
Total financial liabilities	155,740		156,159	

Fair value of issued bonds is based on observable market prices. Fair value of other liabilities is calculated on the basis of discounted interest and instalments.

Notes to the consolidated financial statements

Amounts in DKK million (in parenthesis the corresponding figures for 2011)

22 Financial instruments by category – continued

Financial instruments measured at fair value

Financial instruments measured at fair value can be divided into three levels:

Level 1 – Quoted prices (unadjusted) in active markets for identical assets or liabilities;

Level 2 – Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices);

Level 3 – Inputs for the asset or liability that are not based on observable market data.

	Carrying amount	Quoted prices	Other observable inputs	Level 1 Other measurement methods
2012				
Listed shares	37	37	-	-
Non-listed shares	388	-	-	388
Total other equity investments (available-for-sale)	425	37	-	388
Bonds	2,019	2,019	-	-
Listed shares	1	1	-	-
Non-listed shares	9	-	-	9
Other securities	131	1	120	10
Total securities (held for trading)	2,160	2,021	120	19
Derivatives	1,871	11	1,860	-
Total financial assets	4,456	2,069	1,980	407
Derivatives	2,006	46	1,960	-
Other payables	281	-	-	281
Total financial liabilities	2,287	46	1,960	281
2011				
Listed shares	21	21	-	-
Non-listed shares	464	-	-	464
Total other equity investments (available-for-sale)	485	21	-	464
Bonds	1,910	1,910	-	-
Listed shares	1	1	-	-
Non-listed shares	57	-	-	57
Other securities	184	3	91	90
Total securities (held for trading)	2,152	1,914	91	147
Derivatives	1,284	92	1,192	-
Total financial assets	3,921	2,027	1,283	611
Derivatives	4,626	97	4,529	-
Other payables	350	-	-	350
Total financial liabilities	4,976	97	4,529	350

Derivatives designated as cash flow hedges (hedging instruments) are equal to a net liability of DKK 603m (DKK 1.7bn).

Notes to the consolidated financial statements

Amounts in DKK million (in parenthesis the corresponding figures for 2011)

22 Financial instruments by category – continued

Movement during the year in level 3	Non-listed shares		Other securities	Total financial assets	Other payables	Total financial liabilities
	Available-for-sale	Held for trading				
Carrying amount 1 January 2011	578	75	85	738	67	67
Addition	1	29	6	36	316	316
Disposal	7	52	6	65	42	42
Gains/losses recognised in the income statement	-	4	4	8	-11	-11
Gains/losses recognised in other comprehensive income	-4	-	-	-4	-	-
Transfer, assets held for sale	-110	-	3	-107	-	-
Exchange rate adjustment	6	1	-2	5	20	20
Carrying amount 31 December 2011	464	57	90	611	350	350
Addition	-	-	-	-	61	61
Disposal	10	41	20	71	-	-
Gains/losses recognised in the income statement	-	-	-	-	-126	-126
Gains/losses recognised in other comprehensive income	-10	-	-	-10	-	-
Transfer, assets held for sale	-51	-	-	-51	-	-
Transfer between fair value levels	-	-	-67	-67	-	-
Transfer, other	-	-7	7	-	-	-
Exchange rate adjustment	-5	-	-	-5	-4	-4
Carrying amount 31 December 2012	388	9	10	407	281	281

Fair value of level 3 assets and liabilities are primarily based on the present value of expected future cash flows. A reasonably possible change in the discount rate is not estimated to affect the Group's profit or equity significantly.

Gains/losses recognised in the income statement are included under financial income/expenses for financial assets and under other income/costs for other payables. DKK 115m (DKK 6m) is related to other payables held at the balance sheet date.

Notes to the consolidated financial statements

Amounts in DKK million (in parenthesis the corresponding figures for 2011)

23 Financial risks

The Group's activities expose it to a variety of financial risks: market risks, i.e. currency risk and interest rate risk, credit risk and liquidity risk. The Group's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise the potential adverse effects on the Group's financial performance. The Group uses derivative financial instruments to hedge certain risk exposures.

Risk management is carried out by a central finance department under policies approved by the Board of Directors. The finance department identifies, evaluates and hedges financial risks in close co-operation with the Group's Business Units.

Market risk

Market risk is the risk that changes in market prices, such as foreign exchange rates and interest rates, will affect the Group's profit or the value of its holdings of financial instruments. Below sensitivity analyses relate to the position of financial instruments at 31 December 2012.

The sensitivity analyses for currency risk and interest rate risk have been prepared on the basis that the amount of net debt, the ratio of fixed to floating interest rates of the debt and the proportion of financial instruments in foreign currencies remain unchanged from hedge designations in place at 31 December 2012. Furthermore, it is assumed that the exchange rate and interest rate sensitivities have a symmetric impact, i.e. an increase in rates results in the same absolute movement as a decrease in rates.

The sensitivity analyses show the effect on profit or loss and equity of a reasonably possible change in exchange rates and interest rates.

Currency risk

The Group's currency risk arises due to income from shipping and oil-related activities are denominated mainly in USD, while the related expenses are incurred in both USD and a wide range of other currencies such as DKK, EUR, CNY and GBP. As the net income is in USD, this is also the primary financing currency. Income and expenses from other activities, including APM Terminals and Dansk Supermarked, are mainly denominated in local currencies, thus reducing the Group's exposure to these currencies.

The main purpose of hedging the Group's currency risk is to hedge the USD value of the Group's net cash flow and reduce fluctuations in the Group's profit. The Group uses various financial derivatives, including forwards, option contracts and cross-currency swaps, to hedge these risks. The key aspects of the currency hedging policy are as follows:

- Net cash flows in other significant currencies than USD are hedged using a layered model with a 12-months horizon;
- Significant capital commitments in other currencies than USD are hedged;
- Most non-USD debt is hedged, however, depending on asset-liability match and the currency of the generated cash flow.

An increase in the USD exchange rate of 10% against all other significant currencies to which the Group is exposed, is estimated to have a negative impact on the Group's profit before tax by DKK 0.8bn (positive DKK 0.1bn) and the Group's equity, excluding tax, negatively by DKK 1.8bn (DKK 0.9bn). The sensitivities are based only on the impact of financial instruments that are outstanding at the balance sheet date, cf. notes 15 and 22, and are thus not an expression of the Group's total currency risk.

Notes to the consolidated financial statements

Amounts in DKK million (in parenthesis the corresponding figures for 2011)

23 Financial risks – continued

Currency position of net interest-bearing debt	Cash and bank balances	Other interest-bearing assets ¹	Borrowings	Net interest-bearing debt	Cash and bank balances	Other interest-bearing assets ¹	Borrowings	Net interest-bearing debt
	2012	2012	2012	2012	2011	2011	2011	2011
USD	4,324	3,669	71,354	63,361	3,958	2,985	78,440	71,497
EUR	619	575	17,282	16,088	1,220	70	10,971	9,681
DKK	825	4,153	1,907	-3,071	1,448	4,973	4,685	-1,736
Other currencies	7,243	1,058	20,521	12,220	6,469	671	15,702	8,562
Total	13,011	9,455	111,064	88,598	13,095	8,699	109,798	88,004

¹ Other interest-bearing assets consist of bonds, other securities and interest-bearing receivables (cf. note 22).

Interest rate swaps entered into for the purpose of hedging interest rate risks on loans are mainly in USD. Fair values can be found in note 15.

Foreign exchange forwards and option contracts for hedging currency risks	Fair value	
	2012	2011
USD	46	26
EUR	-553	-1,283
DKK	182	-809
GBP	278	225
NOK	188	-274
SEK	15	-152
Other	5	-115
Total	161	-2,382

Interest rate risk

The Group has most of its debt denominated in USD, but part of the debt (e.g. issued bonds) is in other currencies such as DKK, EUR and NOK. Some loans are at fixed interest rates, while others are at floating interest rates.

The Group strives to maintain a combination of fixed and floating interest rates on its net debt, reflecting expectations and risks. The hedging of the interest rate risk is governed by a duration range and is primarily obtained through the use of interest rate swaps. The duration of the Group's debt portfolio is 1.8 years (2.0 years). A general increase in interest rates by one percentage point is estimated, all other things being equal, to affect profit before tax negatively by DKK 0.4bn (DKK 0.4bn). The effect on equity, excluding tax effect, of an increase in interest rates as mentioned above is estimated to be positive by DKK 0.1bn (negative by DKK 0.2bn).

This analysis assumes that all other variables, in particular foreign currency rates, remain constant.

Notes to the consolidated financial statements

Amounts in DKK million

23 Financial risks – continued

Borrowings by interest rate levels inclusive of interest rate swaps	Carrying amount	Next interest rate fixing		
		0-1 year	1-5 years	5+ years
2012				
0-3%	49,754	40,565	6,312	2,877
3-6%	51,251	25,551	11,005	14,695
6%-	10,059	1,423	1,999	6,637
Total	111,064	67,539	19,316	24,209
Of which:				
Bearing fixed interest	55,757			
Bearing floating interest	55,307			
2011				
0-3%	46,542	44,306	756	1,480
3-6%	49,502	13,282	23,155	13,065
6%-	13,754	1,263	5,255	7,236
Total	109,798	58,851	29,166	21,781
Of which:				
Bearing fixed interest	60,243			
Bearing floating interest	49,555			

Credit risk

The Group has substantial exposure to financial and commercial counterparties but has no particular concentration of customers or suppliers. To minimise the credit risk, financial vetting is undertaken for all major customers and financial institutions, adequate security is required for commercial counterparties and credit limits are set for financial institutions and key commercial counterparties.

Notes to the consolidated financial statements

Amounts in DKK million (in parenthesis the corresponding figures for 2011)

23 Financial risks – continued

	2012	2011
Maturity analysis of trade receivables		
Receivables not due	23,853	19,502
Less than 90 days overdue	6,111	5,578
More than 90 days overdue	2,672	1,755
Receivables, gross	32,636	26,835
Provision for bad debt	1,869	1,516
Carrying amount	30,767	25,319

	2012	2011
Change in provision for bad debt		
1 January	1,516	2,546
Disposal on sale of businesses	-	4
Provision made	946	662
Amount used	252	518
Amount reversed	307	1,145
Exchange rate adjustment	-34	-25
31 December	1,869	1,516

Liquidity risk

The equity share of total assets was 52.9% at the end of 2012 (51.4%). The Group's long term objective is to maintain a conservative financial solvency profile. Capital is managed for the Group as a whole.

	2012	2011
Borrowings	111,064	109,798
Net interest-bearing debt	88,598	88,004
Liquidity reserve ¹	77,215	64,897

¹ Liquidity reserve is defined as undrawn committed revolving facilities, securities, cash and bank balances, including balances in countries with exchange control or other restrictions, cf. page 78.

Based on the liquidity reserve, the size of the committed loan facilities, including loans for the financing of specific assets, the maturity of outstanding loans, and the current investment profile, the Group's financial resources are deemed satisfactory. The Group's long term objective is to maintain a conservative funding profile, matching that of a strong investment grade company over the business cycle, with a strong liquidity position in order to withstand fluctuations in the economy, and have the strength to exploit new and attractive investment opportunities.

The average term to maturity of loan facilities in the Group was about five years (about five years).

Notes to the consolidated financial statements

Amounts in DKK million

23 Financial risks – continued

It is of great importance for the Group to maintain a financial reserve to cover the Group's obligations and investment opportunities and to provide the capital necessary to offset changes in the Group's liquidity due to changes in the cash flow from operating activities.

The flexibility of the financial reserve is subject to ongoing prioritisation and optimisation, among other things, by focusing on release of capital and following up on the development in working capital.

Maturities of liabilities and commitments	Carrying amount	Cash flows including interest			Total
		0-1 year	1-5 years	5- years	
2012					
Bank and other credit institutions	72,002	13,908	40,629	27,060	81,597
Finance lease liabilities	12,605	1,625	6,413	8,977	17,015
Issued bonds	26,457	1,007	20,560	9,549	31,116
Trade payables	35,594	35,594	-	-	35,594
Other payables	9,363	8,992	252	119	9,363
Derivatives	2,006	565	1,250	191	2,006
Total recognised in balance sheet	158,027	61,691	69,104	45,896	176,691
Operating lease commitments		14,917	33,666	44,200	92,783
Capital commitments		31,935	41,114	5,058	78,107
Total		108,543	143,884	95,154	347,581
2011					
Bank and other credit institutions	81,553	12,650	51,628	27,725	92,003
Finance lease liabilities	13,738	2,907	6,040	10,005	18,952
Issued bonds	14,507	684	12,404	4,331	17,419
Trade payables	37,232	37,232	-	-	37,232
Other payables	9,479	9,022	394	63	9,479
Derivatives	4,626	2,182	1,777	667	4,626
Total recognised in balance sheet	161,135	64,677	72,243	42,791	179,711
Operating lease commitments		15,977	36,618	41,097	93,692
Capital commitments		35,907	45,862	3,130	84,899
Total		116,561	154,723	87,018	358,302

Notes to the consolidated financial statements

Amounts in DKK million

24 Cash flow specifications

	2012	2011
Change in working capital		
Inventories	-287	-2,000
Trade receivables	-2,744	-1,087
Other receivables and prepayments	-134	1,104
Trade payables and other payables, etc.	-715	1,744
Exchange rate adjustment of working capital	-135	-263
Total	-4,015	-502
Financial income received		
Dividends received	364	230
Interest and other financial income received	943	605
Total	1,307	835
Purchase of intangible assets and property, plant and equipment		
Addition	-46,764	-43,754
Addition, assets held for sale	-39	-20
Of which finance leases, etc.	71	739
Of which borrowing costs capitalised on assets	392	229
Change in payables to suppliers regarding purchase of assets	-828	192
Change in provision for abandonment	60	556
Total	-47,108	-42,058
Other financial investments		
Capital increases and acquisition of shares in associated companies	-2,378	-5,192
Sale of shares in associated companies	-1	-
Purchase of non-current assets available-for-sale	-1	-38
Sale of non-current assets available-for-sale	134	111
Loan repayments received	516	771
Loans granted	-1,083	-1,640
Total	-2,813	-5,988

Other non-cash items related primarily to adjustment of provision for bad debt regarding trade receivables.

Notes to the consolidated financial statements

Amounts in DKK million

25 Acquisition/sale of subsidiaries and activities

Cash flow used for acquisitions in 2012	Skandia Container Terminal	Global Ports	Other	Total
Fair value at time of acquisition				
Intangible assets	1,627	3,918	176	5,721
Property, plant and equipment	182	2,421	4	2,607
Financial assets	-	23	5	28
Current assets	111	379	253	743
Provisions	-	-	-5	-5
Liabilities	-557	-1,989	-284	-2,830
Net assets acquired	1,363	4,752	149	6,264
Goodwill	-	-	235	235
Purchase price	1,363	4,752	384	6,499
Contingent consideration assumed	-	-	-61	-61
Cash and bank balances assumed	-	-203	-18	-221
Cash flow used for acquisition of subsidiaries and activities	1,363	4,549	305	6,217

If the acquisitions during the year had occurred 1 January 2012, the Group's revenue and profit would not have been materially different.

Fair value adjustments on contingent considerations in relation to prior year acquisitions of Poti Sea Port Corp. and NTS International Transport Services Co. Ltd. have during 2012 resulted in gains of DKK 87m and DKK 47m, respectively. The gains are recognised as other income.

Skandia Container Terminal AB

On 4 January 2012, the Group acquired 100% of the shares in Skandia Container Terminal AB, which operates the port of Gothenburg, Sweden. The acquisition will strengthen APM Terminals' position in Scandinavia.

The total purchase price was DKK 1,363m. The net assets acquired consist of terminal rights of DKK 1,627m, property, plant and equipment of DKK 182m and liabilities of DKK 557m.

From the acquisition date to 31 December 2012, Skandia Container Terminal AB contributed with a revenue of DKK 540m and a profit of DKK 63m.

Global Ports Investments PLC

On 28 November 2012, the Group acquired 37.5% of the shares in Global Ports (30% voting rights), which is a leading operator of container terminals in Russia and the Baltics. The Group has through a shareholder agreement joint control over the entity. The acquisition enables APM Terminals to expand its network in Russia and neighbouring countries and create further opportunities to accommodate growth.

The total purchase price was DKK 4,752m. The net assets acquired consist of terminal rights of DKK 3,918m, property, plant and equipment of DKK 2,421m and liabilities of DKK 1,989m.

As the acquisition date is close to the year end, the revenue and the profit contributed to the Group is insignificant.

The accounting for the business combination is considered provisional at 31 December 2012 as some analyses are still ongoing.

Notes to the consolidated financial statements

Amounts in DKK million

25 Acquisition/sale of subsidiaries and activities – continued

Cash flow used for acquisitions in 2011	Poti Sea Port	SK do Brasil	NTS International Transport Services	Other	Total
Fair value at time of acquisition					
Intangible assets	284	12,345	134	5	12,768
Property, plant and equipment	911	482	8	54	1,455
Financial assets	101	-	1	-	102
Deferred tax assets	-	142	-	-	142
Current assets	78	864	452	21	1,415
Provisions	-	-205	-	-	-205
Liabilities	-301	-446	-268	-22	-1,037
Net assets acquired	1,073	13,182	327	58	14,640
Goodwill	-	-	399	-	399
Purchase price	1,073	13,182	726	58	15,039
Change in payable purchase price, etc.	-	-	-87	2	-85
Contingent consideration recognised	-151	-	-157	-	-308
Contingent consideration paid	-	-	-	42	42
Paid in prior years	-	-1,071	-	-27	-1,098
Cash and bank balances assumed	-14	-479	-25	-2	-520
Cash flow used for acquisition of subsidiaries and activities	908	11,632	457	73	13,070

If acquisitions during the year had occurred on 1 January 2011, the Group's revenue and profit would not have been materially different.

Notes to the consolidated financial statements

Amounts in DKK million

25 Acquisition/sale of subsidiaries and activities – continued

Poti Sea Port Corp.

On 14 May 2011, the Group acquired 100% of the shares in Poti Sea Port Corp., which owns and operates the Black Sea port of Poti, Georgia.

The total acquisition cost was DKK 1,073m including a contingent consideration of DKK 151m. The contingent consideration is dependent on the future financial and operational performance of the company and is estimated to range between DKK 27m and DKK 310m (undiscounted).

From the acquisition date to 31 December 2011, Poti Sea Port Corp. contributed revenue of DKK 149m and a profit of DKK 21m.

SK do Brasil Ltda.

On 21 July 2011, the Group acquired 100% of the shares in SK do Brasil Ltda., which owns shares in three offshore oil licenses in Brazil.

From the acquisition date to 31 December 2011, SK do Brasil Ltda. contributed revenue of DKK 550m and a profit of DKK 41m.

NTS International Transport Services Co. Ltd.

On 18 August 2011, the Group acquired 100% of the shares in the China based airfreight forwarder NTS International Transport Services Co. Ltd.

The total acquisition cost was DKK 726m including a contingent consideration of DKK 157m. The contingent consideration is dependent on the future financial and operational performance of the company and is estimated to range between DKK 90m and DKK 280m (undiscounted).

Current assets include trade receivables with a fair value of DKK 292m. The gross amount due under the contracts is not materially different from the fair value.

The goodwill of DKK 399m is attributable to synergies between Damco's customer base and NTS International Transport Services Co. Ltd.'s airfreight services and is not deductible for tax purposes.

From the acquisition date to 31 December 2011, NTS International Transport Services Co. Ltd. contributed revenue of DKK 636m and a profit of DKK 4m.

Notes to the consolidated financial statements

Amounts in DKK million

25 Acquisition/sale of subsidiaries and activities – continued

	2012	2011
Cash flow from sale		
Carrying amount		
Intangible assets	196	-
Property, plant and equipment	8,532	2,525
Financial assets	15	1
Deferred tax assets	5	-
Current assets	571	515
Provisions	-5	-2
Liabilities	-717	-564
Net assets sold	8,597	2,475
Non-controlling interests	-27	-
A.P. Møller - Mærsk A/S' share	8,570	2,475
Gain/loss on sale	1,062	4,355
Proceeds from sale	9,632	6,830
Change in receivable proceeds, etc.	-	237
Non-cash items	-	-368
Cash and bank balances sold	-234	-97
Cash flow from sale of subsidiaries and activities	9,398	6,602

Sales during 2012 primarily comprised Maersk LNG A/S and Maersk Equipment Service Company, Inc.

Non-current assets sold include assets that were previously classified as assets available for sale.

Sales during 2011 primarily comprised of Netto Foodstores Limited, UK. The sale was completed on 13 April 2011 with a gain of DKK 3.8bn including an accumulated exchange rate loss of DKK 0.5bn previously recognised in equity.

Amounts in DKK million

26 Effect of changes in ownership where the Group retains control

	2012	2011
Effect on equity attributable to A.P. Møller - Mærsk A/S		
Increase in ownership		
Purchase of 44% in West Africa Container Terminal BVI Ltd.	-129	-
Purchase of 27% in West Africa Container Terminal Nigeria Ltd.	-86	-
Purchase of 40% in APM Terminals Apapa Ltd.	-494	-
Purchase of 25% in OHG Netto Supermarkt GmbH & Co.	-304	-
Other	-19	-28
Total increase in ownership	-1,032	-28

Notes to the consolidated financial statements

Amounts in DKK million (in parenthesis the corresponding figures for 2011)

27 Commitments

Operating lease commitments

As part of the Group's activities, customary agreements are entered into regarding charter and operating leases of ships, containers, port facilities, etc. The future charter and operating lease payments for continuing operations are:

	Maersk Line ¹	Maersk Oil	APM Terminals	Maersk Drilling	Maersk Tankers ¹	Other	Total
2012							
Within one year	8,937	1,094	1,892	14	1,695	1,285	14,917
Between one and two years	6,189	919	1,736	9	1,416	893	11,162
Between two and three years	4,307	833	1,946	-	1,205	644	8,935
Between three and four years	3,333	779	1,999	-	1,021	312	7,444
Between four and five years	2,412	499	2,040	-	973	201	6,125
After five years	3,571	59	36,543	-	3,418	609	44,200
Total	28,749	4,183	46,156	23	9,728	3,944	92,783
Net present value ²	24,403	3,577	24,611	21	7,494	3,300	63,406
2011							
Within one year	10,043	920	1,810	12	2,020	1,172	15,977
Between one and two years	7,415	728	1,656	2	1,666	870	12,337
Between two and three years	5,155	469	1,701	3	1,451	720	9,499
Between three and four years	3,998	432	1,780	3	1,241	555	8,009
Between four and five years	3,262	404	1,834	1	1,057	215	6,773
After five years	6,101	259	29,668	-	4,541	528	41,097
Total	35,974	3,212	38,449	21	11,976	4,060	93,692
Net present value ²	30,051	2,734	21,511	19	9,131	3,392	66,838

¹ About half of the time charter payments in Maersk Line and one-third of the time charter payments in Maersk Tankers, included above, are estimated to relate to operational costs for the assets.

² The net present value has been calculated using a discount rate of 6% (6%).

Total operating lease costs incurred and contingent payments related to volume, etc., are stated in note 4.

Notes to the consolidated financial statements

Amounts in DKK million

27 Commitments – continued

Capital commitments	Maersk Line	Maersk Oil	APM Terminals	Maersk Drilling	Maersk Tankers	Other	Total
2012							
Capital commitments relating to acquisition of non-current assets	19,211	9,757	4,441	19,194	-	2,084	54,687
Commitments towards concession grantors	-	9,561	13,859	-	-	-	23,420
Total capital commitments	19,211	19,318	18,300	19,194	-	2,084	78,107
2011							
Capital commitments relating to acquisition of non-current assets	30,032	8,313	3,338	17,354	2,337	2,395	63,769
Commitments towards concession grantors	-	8,194	12,936	-	-	-	21,130
Total capital commitments	30,032	16,507	16,274	17,354	2,337	2,395	84,899

The decrease in capital commitments is primarily related to contractual payments during 2012. The decrease is partly offset by investments in Qatar as well as contracts for a jack-up rig.

	No.			
Newbuilding programme	2013	2014	2015	Total
Container vessels	10	8	7	25
Rigs and drillships	2	4	1	7
Anchor handling vessels, tugboats and standby vessels, etc.	3	8	1	12
Total	15	20	9	44

	DKK million			
Capital commitments relating to the newbuilding programme	2013	2014	2015	Total
Container vessels, etc.	7,629	6,662	4,674	18,965
Rigs and drillships	9,307	6,614	1,574	17,495
Anchor handling vessels, tugboats and standby vessels, etc.	701	342	103	1,146
Total	17,637	13,618	6,351	37,606

DKK 37.6bn (USD 6.6bn) of the total capital commitments is related to the newbuilding programme for ships, rigs, etc. at a total contract price of DKK 48.1bn (USD 8.5bn) including owner-furnished equipment. The remaining capital commitments of DKK 40.5bn (USD 7.2bn) relate to investments mainly within Terminal activities and Oil and gas activities.

The capital commitments will be financed by cash flow from operating activities as well as existing and new loan facilities.

Notes to the consolidated financial statements

Amounts in DKK million (in parenthesis the corresponding figures for 2011)

28 Contingent liabilities

Except for customary agreements within the Group's activities, no material agreements have been entered into that will take effect, change or expire upon changes of the control over the Company.

The necessary facility of DKK 2,150m (DKK 2,183m) corresponding to USD 380m (USD 380m) has been established in order to meet the requirements for trading in the USA under the American Oil Pollution Act of 1990 (Certificate of Financial Responsibility).

Maersk Line and APM Terminals have entered into certain agreements with terminals and port authorities, etc. containing volume commitments including an extra payment in case minimum volumes are not met.

When exploring or producing oil in foreign countries, each subsidiary is generally liable for contractual obligations jointly with the other consortium parties.

The Group is involved in a number of legal disputes. The Group is also involved in tax disputes in certain countries. Some of these involve significant amounts and are subject to considerable uncertainty.

Tax may crystallise if the companies leave the tonnage tax regimes and on repatriation of dividends.

Notes to the consolidated financial statements

Amounts in DKK million (in parenthesis the corresponding figures for 2011)

29 Related parties

	Associated companies		Jointly controlled entities		Management ¹	
	2012	2011	2012	2011	2012	2011
Revenue	62	82	120	108	-	-
Operating costs	1,141	1,342	2,210	1,969	89 ²	110 ²
Remuneration to management	-	-	-	-	184	146
Other income	-	-	-	-	11	11
Financial income	434	165	8	8	-	-
Financial expenses	5	355	2	2	0	-
Derivatives, non-current	87	185	-	-	-	-
Other receivables, non-current	859	163	334	334	-	-
Trade receivables	274	130	179	116	-	-
Derivatives, current	83	101	-	-	-	-
Other receivables, current	59	147	96	174	-	-
Securities	83	55	-	-	-	-
Cash and bank balances	1,652	1,185	-	-	-	-
Derivatives, non-current	541	895	-	-	-	-
Bank and other credit institutions, etc. current	6	575	68	87	22	23
Trade payables	134	62	271	200	13	14
Derivatives, current	3	399	-	-	-	-
Other payables, current	40	42	-	-	-	-
Purchase of property, plant and equipment, etc.	-	-	-	-	18	-
Capital increases	1,659	4,505	-	-	-	-
Dividends	361	225	-	-	-	-

¹ The Board of Directors and the Executive Board in A.P. Møller - Mærsk A/S, A.P. Møller og Hustru Chastine Mc-Kinney Møllers Fond til almene Formaal and their close relatives (including undertakings under their significant influence).

² Includes commission to Maersk Broker K/S from chartering, purchase and sale of ships with DKK 89m (DKK 103m) as well as time charter hire to part owners.

Notes to the consolidated financial statements

Amounts in DKK million (in parenthesis the corresponding figures for 2011)

29 Related parties – continued

The A.P. Møller og Hustru Chastine Mc-Kinney Møllers Fond til almene Formaal, Copenhagen, Denmark has control over the Group. Related parties also include the companies in which the Group exercises significant influence or joint control. In addition, related parties comprise the Executive Board, Firmaet A.P. Møller, members of the Board of Directors, as well as their close family members and companies significantly influenced by them.

One (four) partner in Firmaet A.P. Møller participates in one (three) shipping partnership with one vessel that is operated as part of the A.P. Møller - Maersk fleet. A.P. Møller - Mærsk A/S owns more than 50% (50%) of the vessel and holds the ultimate control. The vessel is operated directly in the market. All transactions between related parties and the Group are subject to arm's length conditions.

During the year DKK 1 m (DKK 1 m) has been expensed regarding office rent to the A.P. Møller og Hustru Chastine Mc-Kinney Møllers Fond til almene Formaal.

In relation to Danske Bank's arrangement of payment transactions, sale and purchase of securities, etc. only the related costs are included in the above.

For jointly controlled entities, only the non-eliminated part is included.

Three (four) members of the Managing Director bought 792 (775) share options in total corresponding to a fair value of DKK 7m (DKK 9m). Further information is provided in note 17.

Notes to the consolidated financial statements

Amounts in DKK million

30 Jointly controlled entities

The jointly controlled entities listed on page 148 are included proportionally in the consolidated financial statements with the following amounts before elimination of internal transactions:

	2012	2011
Revenue	5,882	5,398
Expenses, depreciation, amortisation, interest, etc.	5,152	4,735
Profit for the period	730	663
Non-current assets	20,448	13,318
Current assets	2,822	3,252
Non-current liabilities	9,174	6,908
Current liabilities	2,907	2,861
Net assets	11,189	6,801
Cash and bank balances	1,341	1,083
Capital commitments	1,407	1,083

The Group has not assumed any separate capital commitments or contingent liabilities regarding jointly controlled entities.

The Group's share of jointly controlled entities' capital commitments and contingent liabilities is included proportionally in notes 27 and 28.

Notes to the consolidated financial statements

31 New financial reporting requirements

Changes in accounting policies

The International Accounting Standards Board (IASB) has issued a number of changes to financial reporting standards and interpretations which come into effect for the 2012 financial year. None of these are of significance to the accounting policies applied by the Group.

Changes in coming years

The Group expects to implement the following new standards when they become mandatory in 2015 (IFRS 9) and 2013 (others):

- **Financial instruments**

IFRS 9 Financial Instruments will be issued in phases to gradually replace IAS 39.

So far, the changes cover the recognition, classification and measurement of financial assets and liabilities.

The Group's current practice of classifying and recognising gains and losses in the income statement and other comprehensive income can be retained under IFRS 9.

- **Consolidation**

IFRS 10 Consolidated Financial Statements is based on the principle in IAS 27 that control is a precondition for the consolidation of an entity. The concept of control is expanded upon including guidelines on how to determine control in cases where an assessment is required.

The Group expects IFRS 10 to have limited impact.

- **Jointly controlled entities**

IFRS 11 Joint Arrangements replaces IAS 31 and removes the choice of method for preparing the financial statements of jointly controlled entities. Going forward it must be assessed whether the contracting parties have rights to assets and liabilities in the jointly controlled entity (joint operations) or if they have rights to the net assets in the arrangement (joint ventures). Joint operations will continue to be recognised proportionately, whereas joint ventures will be recognised according to the equity method, equivalent to associates.

On the basis of an analysis of the existing contractual relationships, it can be concluded that the change will not have a significant impact on the Group.

- **Other changes**

IFRS 12 Disclosure of Interests in Other Entities contains new requirements for information about interests in subsidiaries, jointly controlled entities and associates.

IFRS 13 Fair Value Measurement contains a definition of fair value and comprehensive guidelines on its application; these replace the guidelines found in the individual financial reporting standards. The standard means new disclosure requirements but does not change the Group's accounting policies.

IAS 19 Employee Benefits has been revised in terms of the accounting of and disclosure on defined benefit pension plans. The revised rules change the calculation of the period's interest cost for the net obligation with no material impact on the Group's profit.

IAS 1 Presentation of Financial Statements means a change in the presentation of items in other comprehensive income.

Some of the above changes have not yet been endorsed by the EU. The standards endorsed by the EU with a later effective date than the corresponding effective date from the IASB are pre-implemented and thus comply with the IASB's effective date.

A.P. Møller - Mærsk A/S

Statement of the Board of Directors and Management

The Board of Directors and the Management have today discussed and approved the annual report of A.P. Møller - Mærsk A/S for 2012.

The annual report for 2012 of A.P. Møller - Mærsk A/S has been prepared in accordance with International Financial Reporting Standards (IFRS) as adopted by the EU and Danish disclosure requirements for annual reports of listed companies and in our opinion gives a true and fair view of the Group's and the Company's assets and liabilities, financial position at 31 December 2012 and of the results of the Group's and the Company's operations and cash flows for the financial year 2012.

In our opinion, the Directors' report includes a fair review of the development in the Group's and the Company's operations and financial conditions, the results for the year, cash flows and financial position as well as a description of the most significant risks and uncertainty factors that the Group and the Company face.

We recommend that the annual report be approved at the Annual General Meeting.

Copenhagen, 22 February 2013

Management:

	Nils S. Andersen Group CEO	
Kim Fejfer	Claus V. Hemmingsen	Søren Skou
Jakob Thomasen		Trond Westlie

Board of Directors:

	Michael Pram Rasmussen Chairman	
Ane Mærsk Mc-Kinney Uggle Vice chairman		Niels Jacobsen Vice chairman
Sir John Bond	Arne Karlsson	Jan Leschly
Leise Mærsk Mc-Kinney Møller	Lars Pallesen	John Axel Poulsen
Erik Rasmussen	Robert Routs	Jan Tøpholm

A.P. Møller - Mærsk A/S

Independent auditors' report

To the shareholders of A.P. Møller - Mærsk A/S

Report on the consolidated financial statements and the parent company financial statements

We have audited the consolidated financial statements and the parent company financial statements of A.P. Møller - Mærsk A/S for the financial year 1 January to 31 December 2012, which comprise income statement, statement of comprehensive income, balance sheet, cash flow statement, statement of changes in equity and notes, including a summary of significant accounting policies, for the Group as well as for the parent company. The consolidated financial statements and the parent company financial statements are prepared in accordance with International Financial Reporting Standards (IFRS) as adopted by the EU and Danish disclosure requirements for listed companies.

The Board of Directors' and the Management's responsibility for the consolidated financial statements and the parent company financial statements

The Board of Directors and the Management are responsible for the preparation of consolidated financial statements and parent company financial statements that give a true and fair view in accordance with International Financial Reporting Standards (IFRS) as adopted by the EU and Danish disclosure requirements for listed companies and for such internal control that the Board of Directors and the Management determine is necessary to enable the preparation of consolidated financial statements and parent company financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' responsibility

Our responsibility is to express an opinion on the consolidated financial statements and the parent company financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing and additional requirements under Danish audit regulation. This requires that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance whether the consolidated financial statements and the parent company financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial

statements and the parent company financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the consolidated financial statements and the parent company financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation of consolidated financial statements and parent company financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Board of Directors and the Management, as well as evaluating the overall presentation of the consolidated financial statements and the parent company financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

The audit has not resulted in any qualification.

Opinion

In our opinion, the consolidated financial statements and the parent company financial statements give a true and fair view of the Group's and the parent company's financial position at 31 December 2012 and of the results of the Group's and the parent company's operations and cash flows for the financial year 1 January to 31 December 2012 in accordance with International Financial Reporting Standards (IFRS) as adopted by the EU and Danish disclosure requirements for listed companies.

Statement on the Directors' report

Pursuant to the Danish Financial Statements Act, we have read the Directors' report. We have not performed any further procedures in addition to the audit of the consolidated financial statements and the parent company financial statements. On this basis, it is our opinion that the information provided in the Directors' report is consistent with the consolidated financial statements and the parent company financial statements.

Copenhagen, 22 February 2013

KPMG

Statsautoriseret Revisionspartnerselskab

Jesper Ridder Olsen

State Authorised Public Accountant

PricewaterhouseCoopers

Statsautoriseret Revisionspartnerselskab

Gert Fisker Tomczyk

State Authorised Public Accountant

A.P. Møller - Maersk Group

Management duties

Board of Directors:

Michael Pram Rasmussen**Chairman (born 1955)**

Joined the board in 1999. Latest re-election in 2011.

Term of office will end in 2013.

Former CEO, Topdanmark A/S.

Other management duties, etc.:

Coloplast A/S (chairman); Topdanmark A/S (chairman) and one subsidiary; Semler Holding A/S (chairman) and one subsidiary; JPMorgan Chase International Council; Museumsfonden af 7. december 1966; Louisiana – Fonden.

Not considered independent.

Niels Jacobsen**Vice chairman (born 1957)**

Joined the board in 2007. Latest re-election in 2011.

Term of office will end in 2013.

CEO of William Demant Holding A/S.

Management duties in the William Demant Group: Chairman of 44 subsidiaries; William Demant Invest A/S (CEO); Össur hf. (chairman); HIMPP A/S (chairman); HIMSA A/S (chairman); HIMSA II A/S; Sennheiser Communications A/S.

Other management duties, etc.:

LEGO A/S (chairman); KIRKBI A/S (vice chairman); Thomas B. Thriges Fond (chairman).

Considered independent.

Ane Mærsk Mc-Kinney Uggla**Vice chairman (born 1948)**

Joined the board in 1991. Latest re-election in 2012.

Term of office will end in 2014.

Other management duties, etc.:

A.P. Møller og Hustru Chastine Mc-Kinney Møllers Fond til almene Formaal (chairman); Maersk Broker A/S (chairman); Maersk Broker K/S (chairman); Estemco A/S (chairman).

Not considered independent.

Sir John Bond
(born 1941)

Joined the board in 2008. Latest re-election in 2012. Term of office will end in 2014.

Former chairman of HSBC Holdings Plc.

Other management duties, etc.:

Xstrata plc (chairman); Shui On Land Limited; International Advisory Board of Mitsubishi Corporation; China Development Forum; International Business Leaders' Advisory Council to the Mayor of Shanghai; Kohlberg Kravis Roberts & Co. Asia Limited (chairman); Endowment Board of Qatar Foundation; Advisory Director, Northern Trust Corporation; International Advisory Council Tsinghua University School of Economics & Management; International Advisory Council Chinese Banking Regulatory Commission; International Advisory Council Central Bank of the U.A.E.

Considered independent.

Arne Karlsson
(born 1958)

Joined the board in 2010. Latest re-election in 2012. Term of office will end in 2014.

Former CEO, Ratos AB.

Other management duties, etc.:

Bonnier Holding (chairman) and one subsidiary; Ratos (chairman); SNS (Center for Business and Policy Studies) (chairman); Einar Mattsson; Ecolean; Swedish Securities Council.

Considered independent.

Jan Leschly
(born 1940)

Joined the board in 2000. Latest re-election in 2012. Term of office will end in 2014.

Chairman and managing partner of Care Capital LLC. Former CEO, SmithKline Pharmaceuticals.

Other management duties, etc.:

American Express Company; Vaxart Pharmaceuticals; Adjunct professor at Copenhagen Business School.

Not considered independent.

Leise Mærsk Mc-Kinney Møller
(born 1941)

Joined the board in 1993. Latest re-election in 2011. Term of office will end in 2013.

Other management duties, etc.:

A.P. Møller og Hustru Chastine Mc-Kinney Møllers Fond til almene Formaal; Bramsløkke Landbrug A/S (chairman); L. Møller Shipping ApS.

Not considered independent.

**Lars Pallesen
(born 1947)**

Joined the board in 2008. Latest re-election in 2012.
Term of office will end in 2014.

Former president, Technical University of Denmark (DTU).

Other management duties, etc.:

Mogens Balslevs Fond (chairman); Metricorr ApS (chairman); Frederiksberg Gymnasium (chairman); Technische Universität Münchens Institute for Advanced Study; Korean Advanced Institute of Science and Technology President's Advisory Council.

Considered independent.

**John Axel Poulsen
(born 1946)**

Joined the board in 2008. Latest re-election in 2012. Term of office will end in 2014.

Captain (employee).

No other management duties

Not considered independent.

**Erik Rasmussen
(born 1955)**

Joined the board in 2010. Latest re-election in 2012.
Term of office will end in 2014.

Lead mechanical engineer (employee).

No other management duties

Not considered independent.

**Robert Routs
(born 1946)**

Joined the board in 2010. Latest re-election in 2012.
Term of office will end in 2014.

Former Executive Director, Royal Dutch Shell plc.

Other management duties, etc.:

Aegon NV (chairman); KPN NV; DSM NV (chairman); ATCO Group; AECOM.

Considered independent.

**Jan Tøpholm
(born 1946)**

Joined the board in 2001. Latest re-election in 2011.
Term of office will end in 2013.

CEO, Widex A/S.

Other management duties, etc.:

Seven subsidiaries to Widex A/S; T & W Holding A/S and one subsidiary (chairman); Widex Holding A/S (chairman); AM Denmark A/S (chairman); GSA Invest ApS (chairman) and two subsidiaries.

Considered independent.

Executive Board:

Group CEO Nils S. Andersen**(born 1958)**

Member of Executive Board since 2007.

Other management duties, etc.:

F. Salling Holding A/S (chairman); F. Salling Invest A/S (chairman); Dansk Supermarked A/S (chairman); Industria De Diseño Textil S.A. (Inditex); Danske Banks Rådgivende Repræsentantskab; DI's Erhvervspolitiske Udvalg; European Round Table of Industrialists; EU-Russia Industrialists' Round Table.

Kim Fejfer**(born 1965)**

Member of Executive Board since 2011.

Other management duties, etc.:

Global Ports Investments PLC (vice chairman).

Claus V. Hemmingsen**(born 1962)**

Member of Executive Board since 2007.

Other management duties, etc.:

DFDS A/S (vice chairman); Egyptian Drilling Company; International Association of Drilling Contractors (IADC); Danmarks Rederiforening (vice chairman); Denmark Hong Kong Trade Association (chairman); Danish Chinese Business Forum; EU-Hong Kong Business Co-operation Committee.

Søren Skou**(born 1964)**

Member of Executive Board since 2007.

Other management duties, etc.:

S. Skou Invest ApS.

Jakob Thomsen**(born 1962)**

Member of Executive Board since 2009.

Other management duties, etc.:

Member of the Board of Dansk Arbejdsgiverforening.

Trond Westlie**(born 1961)**

Member of Executive Board since 2010.

Other management duties, etc.:

Dansk Supermarked A/S (vice chairman); F. Salling Holding A/S; Danske Bank A/S; Danmarks Skibskredit A/S; Subsea 7 Ltd.; Pepita AS; Shama A/S; Tønsberg Delikatesse AS.

Company overview

The A.P. Møller - Maersk Group comprises approximately 1,000 companies. Major companies of the A.P. Møller - Maersk Group are listed below. A more comprehensive list of companies is available on <http://investor.maersk.com/financials.cfm>

Subsidiaries

Company	Country of incorporation	Owned share
A.P. Møller Finance S.A.	Switzerland	100%
A.P. Møller Singapore Pte. Ltd.	Singapore	100%
Addicks & Kreye		
Container Service GmbH & Co. KG	Germany	51%
Anchor Storage Ltd.	Bermuda	51%
APM Terminals - Cargo Service A/S	Denmark	60%
APM Terminals Algeciras S.A.	Spain	100%
APM Terminals Apapa Ltd.	Nigeria	94%
APM Terminals B.V.	The Netherlands	100%
APM Terminals Bahrain B.S.C.	Bahrain	80%
APM Terminals Callao S.A.	Peru	80%
APM Terminals China Co. Ltd.	Hong Kong	100%
APM Terminals Gothenburg AB	Sweden	100%
APM Terminals India Private Limited	India	100%
APM Terminals Inland Services S.A.	Peru	100%
APM Terminals Liberia Ltd.	Liberia	100%
APM Terminals Management B.V.	The Netherlands	100%
APM Terminals Mobile LLC	USA	100%
APM Terminals North America B.V.	The Netherlands	100%
APM Terminals Pacific Ltd.	USA	100%
APM Terminals Rotterdam B.V.	The Netherlands	100%
APM Terminals Tangier S.A.	Morocco	90%
APM Terminals Virginia, Inc.	USA	100%
APM Terminals Yangshan Co. Ltd.	Hong Kong	100%
Aqaba Container Terminal Company Ltd.	Jordan	50%
Bermutine Transport Corporation Ltd.	Bermuda	100%
Bridge Terminal Transport Inc.	USA	100%
Brigantine International Holdings Ltd.	Hong Kong	100%
Brigantine Services Ltd.	Hong Kong	100%

Company	Country of incorporation	Owned share
Broström Tankers Singapore Pte. Ltd.	Singapore	100%
Coman S.A.	Benin	100%
Container Operators S.A.	Chile	100%
Damco (UAE) FZE	United Arab Emirates	100%
Damco A/S	Denmark	100%
Damco Australia Pty. Ltd.	Australia	100%
Damco Belgium N.V.	Belgium	100%
Damco China Ltd.	China	100%
Damco Distribution Services Inc.	USA	100%
Damco France S.A.S.	France	100%
Damco India Pvt. Ltd.	India	100%
Damco International A/S	Denmark	100%
Damco Italy S.R.L.	Italy	100%
Damco Logistics Uganda Ltd.	Uganda	100%
Damco Sweden AB	Sweden	100%
Damco UK Ltd.	Great Britain	100%
Damco USA Inc.	USA	100%
Danbor Service A/S	Denmark	100%
Dansk Supermarked A/S	Denmark	68%
ERS Railways B.V.	The Netherlands	100%
ESVAGT A/S	Denmark	75%
F. Salling A/S	Denmark	38%
Farrell Lines Inc.	USA	100%
Gateway Terminals India Pvt. Ltd.	India	74%
Lilypond Container Depot Nigeria Ltd.	Nigeria	70%
Lindø Industripark A/S	Denmark	100%
Live Oak Company Ltd.	Bermuda	100%
Maersk A/S	Denmark	100%

Subsidiaries

Company	Country of incorporation	Owned share
Maersk Agency U.S.A. Inc.	USA	100%
Maersk Aviation Holding A/S	Denmark	100%
Maersk B.V.	The Netherlands	100%
Maersk Bangladesh Ltd.	Bangladesh	100%
Maersk (China) Shipping Company Ltd.	China	100%
Maersk Container Industry A/S	Denmark	100%
Maersk Container Industry Dongguan Ltd.	China	100%
Maersk Container Industry Qingdao Ltd.	China	100%
Maersk Contractors Venezuela S.A.	Venezuela	100%
Maersk Denizcilik A.S.	Turkey	100%
Maersk Drilling Deepwater A/S	Denmark	100%
Maersk Drilling Holdings Singapore Pte. Ltd.	Singapore	100%
Maersk Drilling International A/S	Denmark	100%
Maersk Drilling Norge AS	Norway	100%
Maersk Drilling USA Inc.	USA	100%
Maersk Egypt For Maritime Transport SAE	Egypt	100%
Maersk Energia Ltda.	Brazil	100%
Maersk Energy Marketing A/S	Denmark	100%
Maersk Energy UK Ltd.	Great Britain	100%
Maersk FPSOs A/S	Denmark	100%
Maersk FPSOs Australia A/S	Denmark	100%
Maersk Gabon S.A.	Gabon	100%
Maersk Global Service Centres (Chengdu) Ltd.	China	100%
Maersk Global Service Centres (India) Pvt. Ltd.	India	100%
Maersk Handy Gas Pte. Ltd.	Singapore	100%
Maersk Holding B.V.	The Netherlands	100%
Maersk Hong Kong Ltd.	Hong Kong	100%
Maersk Inc.	USA	100%
Maersk Inter Holding B.V.	The Netherlands	100%
Maersk Jupiter Drilling Corporation S.A.	Panama	100%
Maersk K.K.	Japan	100%
Maersk Line Agency Holding A/S	Denmark	100%
Maersk Line Ltd. (State of Delaware)	USA	100%
Maersk Line UK Ltd.	Great Britain	100%
Maersk Logistics Warehousing China Company Ltd.	Hong Kong	100%
Maersk Mauritania S.A.	Mauritania	60%
Maersk Oil America Inc.	USA	100%
Maersk Oil Brasil Ltda.	Brazil	100%
Maersk Oil GB Ltd.	Great Britain	100%
Maersk Oil Gulf of Mexico Four LLC	USA	100%
Maersk Oil North Sea UK Ltd.	Great Britain	100%
Maersk Oil Norway AS	Norway	100%

Company	Country of incorporation	Owned share
Maersk Oil Qatar A/S	Denmark	100%
Maersk Oil Three PL B.V.	The Netherlands	100%
Maersk Oil UK Ltd.	Great Britain	100%
Maersk Peregrino Pte. Ltd.	Singapore	100%
Maersk Petróleo Brasil Ltda.	Brazil	100%
Maersk Reacher Norge A/S	Denmark	100%
Maersk Shipping Hong Kong Ltd.	Hong Kong	100%
Maersk Spain S.L.U.	Spain	100%
Maersk Supply Service A/S	Denmark	100%
Maersk Supply Service Canada Ltd.	Canada	100%
Maersk Supply Service Holdings UK Ltd.	Great Britain	100%
Maersk Supply Service International A/S	Denmark	100%
Maersk Supply Service UK Ltd.	Great Britain	100%
Maersk Tankers A/S	Denmark	100%
Maersk Tankers Singapore Pte. Ltd.	Singapore	100%
Maersk Treasury Center (Asia) Pte. Ltd.	Singapore	100%
Maersk Tunisie S.A.	Tunisia	100%
Maersk Vietnam Ltd.	Vietnam	100%
MCC Transport Singapore Pte. Ltd.	Singapore	100%
Mercosul Line Navegacao E Logistica Ltda.	Brazil	100%
Mærsk Gallant Norge A/S	Denmark	100%
Mærsk Guardian Norge A/S	Denmark	100%
Mærsk Innovator Norge A/S	Denmark	100%
Mærsk Olie Algeriet A/S	Denmark	100%
Mærsk Olie og Gas A/S	Denmark	100%
Nedlloyd Container Line Ltd.	Great Britain	100%
New Times International Transport Service Co. Ltd.	China	100%
NTS International Transport Services Co. Ltd.	Hong Kong	100%
Odense Staalskibsværft A/S	Denmark	100%
Poti Sea Port Corporation	Georgia	80%
PT Damco Indonesia	Indonesia	100%
Rederiaktieselskabet Kuling	Denmark	100%
Rederiet A.P. Møller A/S	Denmark	100%
Safmarine (Pty)	South Africa	100%
Safmarine Container Lines N.V.	Belgium	100%
SATI Container Services Pty. Ltd.	South Africa	75%
Seago Line A/S	Denmark	100%
Sogester - Sociedade Gestora De Terminais S.A.	Angola	51%
Suez Canal Container Terminal SAE	Egypt	55%
SVITZER A/S	Denmark	100%
Terminal 4 S.A.	Argentina	100%
Universal Maritime Service Corporation	USA	100%
West Africa Container Terminal Nigeria Ltd.	Nigeria	100%

Associated companies

Company	Country of incorporation	Owned share
Arctic Base Supply A/S	Denmark	50%
Congo Terminal Holding S.A.S	France	30%
Congo Terminal S.A.	DR Congo	23%
Cosco Ports (Nansha) Ltd.	British Virgin Islands	34%
Danske Bank A/S	Denmark	20%
DFDS A/S	Denmark	31%
Eurogate Container Terminal Wilhelmshaven		
Beteiligungsgesellschaft mbH	Germany	30%
Guangzhou South China Oceangate Container Terminal Co. Ltd.	China	20%

Company	Country of incorporation	Owned share
Gujarat Pipavav Port Ltd.	India	43%
Høegh Autoliners Holdings AS	Norway	39%
Inttra Inc.	USA	23%
Medcenter Container Terminal SpA	Italy	33%
Meridian Port Services Ltd.	Ghana	35%
Salalah Port Services Company S.A.O.G.	Oman	30%
Societe d'Exploration du Terminal de Vridi	Ivory Coast	40%
South Asia Gateway Pvt. Ltd.	Sri Lanka	33%
Tianjin Port Alliance International Container Terminal Co. Ltd.	China	20%

Jointly controlled entities

Company	Country of incorporation	Owned share
Aither Maritime Ltd.	Great Britain	50%
APM Terminals Yangshan Co. Ltd.	Hong Kong	49%
Aurai Maritime Ltd.	Great Britain	50%
Brasil Terminal Portuario S.A.	Brazil	50%
Cai Mep International Terminal Co. Ltd.	Vietnam	49%
Dalian Port Container Terminal Co. Ltd.	China	20%
Douala International Terminal S.A.	Cameroon	40%
Egyptian Drilling Company SAE	Egypt	50%
Europe Terminal Brasil Participacoes S.A.	Brazil	50%
Getma Gabon S.A.	Gabon	34%
Global Ports Investments PLC	Cyprus	38%
Laem Chabang Container Terminal 1 Ltd.	Thailand	35%
LR2 Management K/S	Denmark	50%
Maersk Djibouti SARL	Djibouti	60%
North Sea Production Company Ltd.	Great Britain	50%

Company	Country of incorporation	Owned share
North Sea Terminal Bremerhaven		
Verwaltungsgesellschaft mbH	Germany	50%
Pelabuhan Tanjung Pelepas Sdn. Bhd.	Malaysia	30%
Professional Terminal Service Holdings Ltd.	Mauritius	41%
Qingdao New Qianwan Container Terminal Co. Ltd.	China	16%
Qingdao Qianwan		
Container Terminal Co. Ltd.	China	20%
Shanghai East Container Terminal Co. Ltd.	China	49%
Shanghai Tie Yang		
Multimodal Transportation Co. Ltd.	China	49%
Smart International Logistics Company Ltd.	China	49%
South Florida Container Terminal LLC	USA	49%
Terminal Porte Océane S.A.	France	50%
Xiamen Songyu Container Terminal Co. Ltd.	China	25%

Definitions

Technical terms, abbreviations and definitions of key figures and financial ratios

Appraisal well – Additional wells drilled after a discovery, to confirm the size of a hydrocarbon deposit

Backhaul – The return leg of the vessel trip

BAF – Bunker Adjustment Factor – Fuel surcharge to customers to compensate for fluctuations in bunker prices

Bid round – An occasion when a governmental body offers exploration acreage to oil companies

Blanked sailings – Cancelled sailings

boepd – Barrels of oil equivalent per day

Brent – Sweet light crude oil produced in the North Sea

Bulk vessel – A ship specially designed to transport unpackaged bulk cargo, such as grains, coal, ore and cement

Bunker fuel – Type of fuel oil used in ship engines

Cold lay-up – Vessel taken out of service for a longer period of time with no running motor

Contract coverage – Percentage indicating the part of ship/rig days that are contracted for a specific period

Daily Maersk – Maersk Line product offering daily departures and guaranteed delivery times between main ports in Asia and Europe

Drillship – A vessel that has been fitted with drilling equipment, mainly used for deepwater drilling

DUC – Dansk Undergrunds Consortium – Operator of oil and gas fields in the Danish part of the North Sea

DWT – Dead Weight Tonnes

FFE – Forty Foot Equivalent – Forty foot container unit

FGSO – Floating Gas Storage and Offloading vessel

Floater – A mobile offshore drilling unit that floats and is not secured to the seabed (except for anchors)

FPSO – Floating Production Storage and Offloading vessel

Free float – Share of share capital that is readily available for trading

Handy-tanker – Smaller product tanker

Head haul – The main leg of the vessel trip

Hospitality book – Database containing register of gifts received by employees

Jack-up rig – A mobile platform resting on a number of supporting legs

JV – A joint venture company - a jointly owned company

Lay-up – Vessel taken out of service, typically due to excess capacity in the market

LNG – Liquefied Natural Gas

LPG – Liquefied Petroleum Gas

LTIF – Lost Time Injury Frequency - Number of lost time injuries including fatalities, but excluding fatalities categorised as a criminal act, per million exposure hours

Mature field – Oil producing field that has passed its peak production

Multi purpose – A vessel designed to carry both containerized and dry bulk cargoes

Net interest-bearing debt – Equals interest-bearing debt – cash and bank balances – other interest-bearing assets

Product tanker – Vessel transporting refined oil products

Proved reserves (1P) – Quantity of energy sources estimated with reasonable certainty, from the analysis of geologic and engineering data, to be recoverable from well established or known reservoirs with the existing equipment and under the existing operating conditions

Reefer – A refrigerated container

Ro/Ro – Roll On/Roll Off – A vessel that transports vehicles

ROIC – Return on invested capital

Semi-submersible – A floating platform moored on location by anchors to the seabed

Slow steaming – Reduction of vessel speed from 22-24 knots to 18 knots

Spot rate – Price quoted for immediate service

Super slow steaming – Reduction of vessel speed below 18 knots

TEU – Twenty Foot Equivalent Unit – Twenty foot container

Time Charter – Hire of a vessel for a specified period

Triple-E – Triple-E stands for Economy of scale, Energy efficiency and Environmentally improved

Uptime – A period of time when a unit is functioning and available for use

VLCC – Very Large Crude Carrier

VLGC – Very Large Gas Carrier

Whistleblower system – A whistleblower scheme for confidential notification of possible or suspected offences

Company announcements

2012

Date	Title
1 January	A.P. Møller - Mærsk A/S - CEO Nils S. Andersen absent for one month owing to illness
27 February 28 February	Group Annual Report 2011 for A. P. Møller - Mærsk A/S Completion of the sale of Maersk LNG A/S
7 March 9 March 15 March	Notice convening the Annual General Meeting of A.P. Møller - Mærsk A/S Settlement of Algerian tax claims A.P. Møller - Mærsk A/S places Norwegian kroner bonds
2 April 12 April 12 April 16 April	Approval of Settlement of Algerian tax claims Development of the Annual General Meeting on 12 April 2012 Articles of Association for A.P. Møller - Mærsk A/S Mærsk Mc-Kinney Møller has died
16 May	A.P. Møller - Mærsk A/S Interim Report 1st Quarter 2012
13 August 14 August 21 August	A.P. Møller - Mærsk A/S – Change of management Interim Report 2012 A.P. Møller - Mærsk A/S places Eurobonds
9 October 18 October	A.P. Møller - Mærsk A/S – Reserves and Resources numbers for Maersk Oil A.P. Møller - Mærsk A/S places Swedish kronor bonds
9 November 9 November	Interim Report 3rd Quarter 2012 A.P. Møller - Mærsk A/S – Financial Calendar 2013

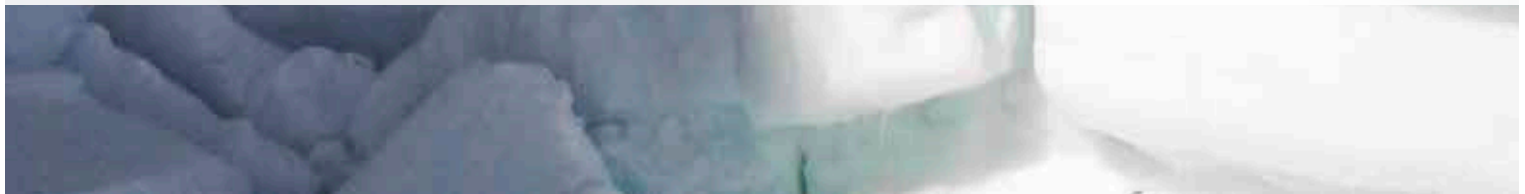
A.P. Møller - Mærsk A/S

Financial statements 2012



Maersk Line
Baltic Sea

A photo from the frozen over Baltic Sea, December 2012. Maersk Line is known for being exceptionally well at handling tough weather conditions and thereby ensures a reliable supply chain.



Financial highlights

Amounts in DKK million

	2012	2011	2010	2009	2008
Revenue	157,866	148,085	143,625	108,228	145,591
Profit before depreciation, amortisation and impairment losses, etc. (EBITDA)	20,299	20,398	32,213	1,969	23,251
Depreciation, amortisation and impairment losses	7,828	7,889	12,409	6,783	4,793
Gain/loss on sale of companies and non-current assets, etc., net	1,165	1,201	1,024	-1,346	2,573
Profit/loss before financial items (EBIT)	13,636	13,710	20,828	-6,160	21,031
Financial items, net	4,594	8,591	3,738	4,502	2,895
Profit/loss before tax	18,230	22,301	24,566	-1,658	23,926
Tax	9,795	11,824	11,026	7,919	14,234
Profit/loss for the year	8,435	10,477	13,540	-9,577	9,692
Total assets	278,457	262,833	229,447	192,399	201,806
Total equity	116,522	113,329	105,627	87,901	91,819
Cash flow from operating activities	17,130	17,359	26,864	6,204	17,035
Cash flow used for capital expenditure	-50,465	-17,565	-14,007	-16,468	-22,550
Investments in property, plant and equipment	15,117	16,441	12,999	11,612	22,853
Proposed dividend per share, DKK	1,200	1,000	1,000	325	650

Income statement

Amounts in DKK million

Note	2012	2011
Revenue	157,866	148,085
3 Operating costs	138,737	128,863
Other income	1,170	1,193
Other costs	-	17
Profit before depreciation, amortisation and impairment losses, etc.	20,299	20,398
7,8 Depreciation, amortisation and impairment losses	7,828	7,889
4 Gain on sale of companies and non-current assets, etc., net	1,165	1,201
Profit before financial items	13,636	13,710
5 Dividends	5,222	10,459
5 Financial income	7,372	5,427
5 Financial expenses	8,000	7,295
Profit before tax	18,230	22,301
6 Tax	9,795	11,824
Profit for the year	8,435	10,477
Appropriation:		
Proposed dividend	5,275	4,396
Retained earnings	3,160	6,081
	8,435	10,477
Proposed dividend per share, DKK	1,200	1,000

Statement of comprehensive income

Amounts in DKK million

Note	2012	2011
Profit for the year	8,435	10,477
Translation from functional currency to presentation currency	-1,922	2,794
Other equity investments:		
Fair value adjustment for the year	2	-8
Reclassified to income statement, gain on sale of companies and non-current assets, etc., net	4	-
Cash flow hedges:		
Value adjustment of hedges for the year	17	-51
13 Reclassified to income statement:		
- operating costs	326	-414
- financial expenses	700	686
13 Reclassified to cost of property, plant and equipment	6	-
6,11 Tax on other comprehensive income	-71	-449
Other comprehensive income for the year	-938	2,558
Total comprehensive income for the year	7,497	13,035

Balance sheet at 31 December

Amounts in DKK million

Note	2012	2011
7 Intangible assets	16	116
Ships, rigs, containers, etc.	62,868	63,961
Production facilities and equipment, etc.	6,844	7,962
Land and buildings	560	577
Construction work in progress and payment on account	7,166	4,443
8 Property, plant and equipment	77,438	76,943
9 Investments in subsidiaries	97,302	59,944
9 Investments in associated companies	21,453	20,367
Other equity investments	371	380
18 Interest bearing receivables from subsidiaries, etc.	30,467	57,281
13 Derivatives	1,159	811
10 Other receivables	1,706	1,548
Financial non-current assets	152,458	140,331
11 Deferred tax	671	508
Total non-current assets	230,583	217,898
12 Inventories	4,608	5,334
19 Trade receivables	18,334	17,538
Tax receivables	1,100	639
18 Interest bearing receivables from subsidiaries, etc.	15,942	9,492
13 Derivatives	587	604
10 Other receivables	591	541
Other receivables from subsidiaries, etc.	2,842	3,688
Prepayments	796	876
Receivables, etc.	40,192	33,378
Securities	1,255	1,246
Cash and bank balances	1,819	3,339
8 Assets held for sale	-	1,638
Total current assets	47,874	44,935
Total assets	278,457	262,833

Balance sheet at 31 December

Amounts in DKK million

Note	2012	2011
14 Share capital	4,396	4,396
Reserves	106,851	104,537
Proposed dividend for distribution	5,275	4,396
Total equity	116,522	113,329
16 Borrowings, non-current	56,388	52,105
16 Interest bearing debt to subsidiaries, etc.	3,000	4,557
17 Provisions	8,693	7,884
13 Derivatives	1,244	2,262
11 Deferred tax	921	-
Other non-current liabilities	10,858	10,146
Total non-current liabilities	70,246	66,808
16 Borrowings, current	6,403	5,406
16 Interest bearing debt to subsidiaries, etc.	51,883	40,699
17 Provisions	1,254	863
Trade payables	16,215	20,955
Tax payables	2,197	2,451
13 Derivatives	571	2,045
Other payables	2,070	2,073
Other payables to subsidiaries, etc.	8,266	6,875
Deferred income	2,830	71
Other current liabilities	33,403	35,333
Liabilities associated with assets held for sale	-	1,258
Total current liabilities	91,689	82,696
Total liabilities	161,935	149,504
Total equity and liabilities	278,457	262,833

Cash flow statement

Amounts in DKK million (in parenthesis the corresponding figures for 2011)

Note	2012	2011
Profit before financial items	13,636	13,710
7,8 Depreciation, amortisation and impairment losses	7,828	7,889
4 Gain on sale of companies and non-current assets, etc., net	-1,165	-1,201
20 Change in working capital	-1,896	717
20 Other non-cash items	1,381	-1,905
Cash from operating activities before financial items and tax	19,784	19,210
Financial income received	2,177	1,769
Financial expenses paid	-3,777	-3,524
Dividends received	8,396	11,520
Taxes paid	-9,450	-11,616
Cash flow from operating activities	17,130	17,359
20 Purchase of intangible assets and property, plant and equipment	-16,115	-15,162
Sale of intangible assets and property, plant and equipment	388	5,197
Acquisition of and capital increases in subsidiaries and activities	-34,859	-4,548
Sale of subsidiaries and activities	1,516	1
Purchase/sale of shares in associated companies etc.	-1,437	-4,391
20 Other financial investments	42	1,338
Cash flow used for capital expenditure	-50,465	-17,565
Purchase/sale of securities, trading portfolio	-9	2
Cash flow used for investing activities	-50,474	-17,563
Repayment of borrowings	-15,999	-1,114
Proceeds from borrowings	19,453	17,113
Dividends distributed	-4,366	-4,395
Movements in interest bearing loans to/from subsidiaries, etc., net	32,609	-23,422
Purchase/sale of own shares, net	18	-983
Cash flow from financing activities	31,715	-12,801
Net cash flow for the year	-1,629	-13,005
Cash and bank balances 1 January	3,339	15,845
Currency translation effect on cash and bank balances	109	499
Cash and bank balances 31 December	1,819	3,339

Cash and bank balances include DKK 332 million (DKK 56 million) that relates to cash and bank balances in countries with exchange control or other restrictions. These funds are not readily available for general use by the Company.

Statement of changes in equity

Amounts in DKK million

		Share capital	Reserve for hedges	Retained earnings	Proposed dividend for distri- bution	Total equity
	Equity 1 January 2012	4,396	-1,427	105,964	4,396	113,329
	Translation from functional currency to presentation currency	-	21	-1,943	-	-1,922
	Other equity investments:					
	Fair value adjustment for the year	-	-	2	-	2
	Reclassified to income statement, gains on sale of companies and non-current assets, etc., net	-	-	4	-	4
	Cash flow hedges:					
	Value adjustment of hedges for the year	-	17	-	-	17
	Reclassified to income statement, operating costs	-	326	-	-	326
	Reclassified to income statement, financial expenses	-	700	-	-	700
	Reclassified to cost of property, plant and equipment	-	6	-	-	6
6	Tax on other comprehensive income	-	-71	-	-	-71
	Other comprehensive income, net of tax	-	999	-1,937	-	-938
	Profit for the year	-	-	3,160	5,275	8,435
	Total comprehensive income for the year	-	999	1,223	5,275	7,497
	Dividends to shareholders	-	-	30	-4,396	-4,366
15	Value of granted and sold share options	-	-	44	-	44
14	Sale of own shares	-	-	18	-	18
	Total transactions with shareholders	-	-	92	-4,396	-4,304
	Equity 31 December 2012	4,396	-428	107,279	5,275	116,522

Statement of changes in equity

Amounts in DKK million

	Share capital	Reserve for hedges	Retained earnings	Proposed dividend for distribution	Total equity
Equity 1 January 2011	4,396	-1,207	98,042	4,396	105,627
Translation from functional currency to presentation currency	-	8	2,786	-	2,794
Other equity investments:					
Fair value adjustment for the year	-	-	-8	-	-8
Cash flow hedges:					
Value adjustment of hedges for the year	-	-51	-	-	-51
13 Reclassified to income statement, operating costs	-	-414	-	-	-414
13 Reclassified to income statement, financial expenses	-	686	-	-	686
6 Tax on other comprehensive income	-	-449	-	-	-449
Other comprehensive income, net of tax	-	-220	2,778	-	2,558
Profit for the year	-	-	6,081	4,396	10,477
Total comprehensive income for the year	-	-220	8,859	4,396	13,035
Dividends to shareholders	-	-	1	-4,396	-4,395
15 Value of granted and sold share options	-	-	45	-	45
14 Sale/purchase of own shares	-	-	-983	-	-983
Total transactions with shareholders	-	-	-937	-4,396	-5,333
Equity 31 December 2011	4,396	-1,427	105,964	4,396	113,329



Maersk Line
Accra
Ghana

Crew on board the Maersk Conakry, preparing for maiden voyage from Apapa terminal in Nigeria to Accra in Ghana. Maersk Conakry is the largest container vessel class ever to call West African ports and is part of the WAFMAX class (West Africa MAX). The vessel can carry 4,500 TEU. If all these containers were to be put on a train - it would need to be 28 km long.

Notes to the financial statements

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Notes to the financial statements

Amounts in DKK million

1 Accounting policies

The annual report for 2012 of A.P. Møller - Mærsk A/S has been prepared in accordance with the International Financial Reporting Standards (IFRS) as adopted by the EU and additional Danish disclosure requirements for annual reports of listed companies. In addition, the annual report has been prepared in compliance with IFRS issued by the International Accounting Standards Board (IASB).

The Company uses DKK as a presentation currency, while functional currency is USD.

The accounting policies of the Company are consistent with the accounting policies for the A.P. Møller - Maersk Group (note 1 in the Group's financial statement) with the following exceptions:

- Shares in subsidiaries and associated companies are measured at cost or a lower value in use
- Dividends from subsidiaries and associated companies are recognised as income at the time of declaration
- No segment information is disclosed
- Value of granted share options to employees in subsidiaries is expensed directly in the relevant subsidiary. At the time of the grant, the subsidiary settles the amount with A.P. Møller - Mærsk A/S and the counter posting made in equity. At the time of exercising, the proceeds are included in the Company's equity.

Amounts in DKK million

2 Significant accounting estimates and judgements

When preparing the annual report of the Company, management undertakes a number of accounting estimates and judgements to recognise, measure and classify the Company's assets and liabilities.

Estimates that are material to the Company's financial reporting are made on the basis of, inter alia, determination of the useful life and residual value of intangible assets and property, plant and equipment, determination of impairment of property, plant and equipment and financial non-current assets, recognition of deferred tax assets and recognition of provisions.

The accounting estimates and judgements are described in further detail in note 2 of the Group's financial statements.

Notes to the financial statements

Amounts in DKK million (in parenthesis the corresponding figures for 2011)

3 Operating costs

	2012	2011
Bunker costs	33,472	31,480
Exploration costs	114	32
Rent and lease costs	22,646	21,596
Integration and restructuring costs	159	28
Other	82,346	75,727
Total operating costs	138,737	128,863

The company has no employees of its own as all engaged are employed by Rederiet A.P. Møller - A/S.

Fees and remuneration to the Board of Directors and the Managing Director

The Board of Directors has received fees of DKK 19 million (DKK 17 million).

Remuneration of the Managing Director, Firmaet A.P. Møller, is expensed with DKK 77 million (DKK 73 million).

Contract of employment for the Managing Director contains terms customary in Danish listed companies, including termination notice and competition clauses. In connection with a possible takeover offer, neither management nor the Board of Directors will receive special remuneration.

Fees to the statutory auditors of A.P. Møller - Mærsk A/S	2012	2011
KPMG Statsautoriseret Revisionspartnerselskab		
Statutory audit	8	8
Other assurance services	0	0
Tax and VAT advisory services	1	1
Other services	2	2
Total fees	11	11
PricewaterhouseCoopers Statsautoriseret Revisionspartnerselskab		
Statutory audit	4	5
Other assurance services	0	0
Tax and VAT advisory services	1	2
Other services	4	8
Total fees	9	15

Amounts in DKK million (in parenthesis the corresponding figures for 2011)

4 Gain on sale of companies and non-current assets, etc., net

	2012	2011
Gains	1,839	1,495
Losses	674	294
Gain on sale of companies and non-current assets, etc., net	1,165	1,201

Sale of other equity investments results in a gain of DKK 4 million (DKK 0 million).

Notes to the financial statements

Amounts in DKK million (in parenthesis the corresponding figures for 2011)

5 Financial income and expenses

	2012	2011
Interest expenses on liabilities	2,885	2,299
Of which borrowing costs capitalised on assets ¹	208	102
Interest income on loans and receivables	2,207	1,635
Interest income on securities	6	55
Fair value adjustment transferred from equity hedge reserve (loss)	696	603
Fair value adjustment on issued bonds attributable to interest rate risk (loss) ²	349	211
Unwind of discount on provisions	194	175
Net interest expenses	1,703	1,496
Exchange rate gains on bank deposits, loans and working capital	126	2,325
Exchange rate losses on bank deposits, loans and working capital	1,422	341
Net foreign exchange gains/losses	-1,296	1,984
Fair value gains from derivatives ²	1,685	409
Fair value losses from derivatives	-	1,941
Fair value gains from securities	20	-
Fair value losses from securities	-	24
Net fair value gains/losses	1,705	-1,556
Dividends received from subsidiaries and associated companies	5,191	10,454
Dividends received from other securities	31	5
Total dividends income	5,222	10,459
Reversal of impairment losses, investments in and loans to subsidiaries and associated companies ³	3,328	1,003
Impairment losses, investments in and loans to subsidiaries and associated companies ⁴	2,662	1,803
Net finance income	4,594	8,591
Of which:		
Dividends	5,222	10,459
Financial income	7,372	5,427
Financial expenses	8,000	7,295

¹ The capitalisation rate used to determine the amount of borrowing costs eligible for capitalisation is 4.8% p.a. (5.2% p.a.).

² Derivatives in fair value hedging amounting to DKK 394 million (DKK 211 million) have been recognised in fair value gains from derivatives.

³ Reversal of impairment losses is mainly for A.P. Møller Finance S.A. and Maersk FPSO A/S.

⁴ Impairment losses to lower value in use primarily relate to investment in Maersk Tankers A/S (Maersk FPSO A/S).

For an analysis of gains and losses from derivatives reference is made to note 13.

Notes to the financial statements

Amounts in DKK million

6 Tax

	2012	2011
Tax recognised in the income statement	9,795	11,824
Of which regarding Danish and foreign tonnage tax, freight tax, etc.	-324	-375
Total	9,471	11,449
Of which:		
Current tax	8,659	10,691
Current and deferred tax arise as follows:		
Profit before tax	18,230	22,301
Income subject to Danish and foreign tonnage taxation, etc.	3,034	10,396
Profit before tax, adjusted	21,264	32,697
Calculated 25% tax	5,316	8,174
Additional tax in the oil segment in excess of 25%	6,156	7,345
Gains related to shares, dividends, etc.	-1,684	-3,628
Adjustment to previous years' taxes	-866	340
Deferred tax assets, not previously recognised	-61	-200
Other permanent differences, net	610	-582
Total	9,471	11,449
Tax recognised in equity		
Cash flow hedges	71	449
Tax recognised in other comprehensive income, net	71	449
Of which:		
Current tax	71	-
Deferred tax	-	449

Notes to the financial statements

Amounts in DKK million (in parenthesis the corresponding figures for 2011)

7 Intangible assets

	IT software	Other rights	Total
Cost			
1 January 2011	1,237	260	1,497
Addition	31	-	31
Disposal	-	98	98
Exchange rate adjustment	33	-	33
31 December 2011	1,301	162	1,463
Disposal	47	163	210
Exchange rate adjustment	-20	1	-19
31 December 2012	1,234	-	1,234
Amortisation and impairment losses			
1 January 2011	981	260	1,241
Amortisation	168	-	168
Disposal	-	98	98
Exchange rate adjustment	36	-	36
31 December 2011	1,185	162	1,347
Amortisation	69	-	69
Disposal	17	163	180
Exchange rate adjustment	-19	1	-18
31 December 2012	1,218	-	1,218
Carrying amount:			
31 December 2011	116¹	-	116
31 December 2012	16¹	-	16

¹ Of which DKK 0 million (DKK 49 million) is related to ongoing development of software.

Notes to the financial statements

Amounts in DKK million

8 Property, plant and equipment

	Ships, rigs, containers, etc.	Production facilities and equipment etc.	Land and buildings	Construc- tion work in progress and payment on account	Total
Cost					
1 January 2011	100,749	35,354	843	2,460	139,406
Addition	9,055	895	85	6,406	16,441
Disposal	6,084	1	-	1,410	7,495
Transfer	1,454	1,747	-	-3,201	-
Exchange rate adjustment	2,698	1,026	26	188	3,938
31 December 2011	107,872	39,021	954	4,443	152,290
Addition	10,138	3	34	4,942	15,117
Disposal	9,305	6,955	4	163	16,427
Transfer	1,242	681	-	-1,923	-
Transfer from assets held for sale	2,138	-	-	-	2,138
Exchange rate adjustment	-1,724	-378	-15	-133	-2,250
31 December 2012	110,361	32,372	969	7,166	150,868
Depreciation and impairment losses					
1 January 2011	40,732	28,456	324	-	69,512
Depreciation	5,635	1,716	38	-	7,389
Impairment losses	220	-	-	-	220
Disposal	3,788	1	-	-	3,789
Exchange rate adjustment	1,112	888	15	-	2,015
31 December 2011	43,911	31,059	377	-	75,347
Depreciation	6,465	1,598	42	-	8,105
Impairment losses	220	-	-	-	220
Reversal of impairment losses	566	-	-	-	566
Disposal	2,228	6,847	4	-	9,079
Transfer from assets held for sale	473	-	-	-	473
Exchange rate adjustment	-782	-282	-6	-	-1,070
31 December 2012	47,493	25,528	409	-	73,430
Carrying amount:					
31 December 2011	63,961	7,962	577	4,443	76,943
31 December 2012	62,868	6,844	560	7,166	77,438
Of which carrying amount of finance leased assets					
31 December 2011	1,477	-	-	-	1,477
31 December 2012	2,200	-	-	-	2,200

Disposal for the year is mainly related to transfer to a subsidiary.

Impairment losses for the year of DKK 220 million relate to two container vessels written down to estimated fair value.

Impairment losses of DKK 220 million in 2011 related to tankers vessels that were written down to estimated value in use. Discount rates of 10% p.a. after tax are used in the value in use calculations.

Notes to the financial statements

Amounts in DKK million (in parenthesis the corresponding figures for 2011)

8 Property, plant and equipment – continued

Finance lease

As part of the Company's activities, customary leasing agreements are entered into, especially with regard to the chartering of vessels and leasing of containers and other equipment. In some cases, the leasing agreements comprise purchase options for the Company and options for extension of the lease term.

In the financial statements, assets held under finance leases are recognised in the same way as owned assets.

Operating leases

Property, plant and equipment include assets that are leased out as part of the Group's activities. The future lease income is DKK 4.2 billion (DKK 0.6 billion) whereof DKK 0.9 billion (DKK 0.4 billion) is payable within one year, DKK 2.8 billion (DKK 0.2 billion) between one and five years and DKK 0.5 billion (DKK 0.0 billion) in more than five years.

Pledges

Ships, containers, etc. with a carrying amount of DKK 15.9 billion (DKK 15.1 billion) have been pledged as security for loans of DKK 9.6 billion (DKK 9.7 billion).

Assets held for sale

At the end of 2012 the Company does not have assets held for sales, since the assets held for sale in 2011; four container vessels, which were expected to be sold, and three container vessels, have been transferred to property, plant and equipment. Impairment losses of DKK 566 million have been reversed at time of transfer.

Notes to the financial statements

Amounts in DKK million (in parenthesis the corresponding figures for 2011)

9 Investments in subsidiaries and associated companies

	Invest- ments in subsidi- aries	Invest- ments in associated companies
Cost		
1 January 2011	67,311	17,962
Addition	4,726	4,393
Transfer	1	-1
Exchange rate adjustment	1,931	744
31 December 2011	73,969	23,098
Addition	42,223	1,431
Disposal	3,785	-
Transfer	4	-4
Exchange rate adjustment	-2,009	-381
31 December 2012	110,402	24,144
Impairment losses		
1 January 2011	11,650	2,656
Impairment losses ¹	2,961	13
Reversal of impairment losses	1,003	-
Exchange rate adjustment	417	62
31 December 2011	14,025	2,731
Impairment losses ¹	2,662	-
Reversal of impairment losses	3,328	-
Disposal	65	-
Exchange rate adjustment	-194	-40
31 December 2012	13,100	2,691
Carrying amount:		
31 December 2011	59,944	20,367
31 December 2012	97,302	21,453

¹ Impairment losses are based on calculated value in use applying a discount rate of 8-10% p.a. (8-10% p.a.) after tax.

Reference is made to pages 146-148 for a list of all significant subsidiaries and associated companies.

Amounts in DKK million

10 Other receivables

Other receivables comprise outlays and deposits, VAT receivables and other items to be reimbursed.

The Company does not have any particular credit risks regarding other receivables. Reference is made to note 19 for a description of currency and interest rate risks.

Notes to the financial statements

Amounts in DKK million (in parenthesis the corresponding figures for 2011)

11 Deferred tax

Recognised deferred tax assets and liabilities are attributable to the following:

	Assets		Liabilities		Net liabilities	
	2012	2011	2012	2011	2012	2011
Property, plant and equipment	-	-	918	731	918	731
Inventories	-	-	122	-	122	-
Receivables, etc.	-	-	-	52	-	52
Provisions, etc.	136	234	-	-	-136	-234
Liabilities, etc.	-	-	176	-	176	-
Tax loss carry forwards	844	1,071	-	-	-844	-1,071
Other	-	-	14	14	14	14
Total	980	1,305	1,230	797	250	-508
Offsets	-309	-797	-309	-797	-	-
Total	671	508	921	-	250	-508

Change in deferred tax, net during the year:	2012	2011
1 January	-508	-1,762
Recognised in the income statement	812	758
Recognised in equity	-	449
Transfer	-45	-
Exchange rate adjustments	-9	47
31 December	250	-508

Unrecognised deferred tax assets

Deferred tax assets of DKK 1.0 billion (DKK 1.2 billion) relating to mainly provisions have not been recognised.

No tax value is recognised as it is not considered likely that the deferred tax assets can be realised in the foreseeable future.

There are no significant unrecognised tax liabilities on investments in subsidiaries, associated companies and jointly controlled entities.

Notes to the financial statements

Amounts in DKK million

12 Inventories

	2012	2011
Raw materials and consumables	401	502
Bunker	4,207	4,832
Total	4,608	5,334
No significant write-downs or reversals have been recognised on inventories.		

Amounts in DKK million (in parenthesis the corresponding figures for 2011)

13 Derivatives

Foreign exchange forwards and option contracts are used to hedge the currency risk related to recognised and unrecognised transactions. Interest rate swaps are used to hedge interest rate exposure on borrowings. Derivatives are entered into to hedge crude oil prices and bunker prices.

	2012	2011
Non-current receivables	1,159	811
Current receivables	587	604
Non-current liabilities	1,244	2,262
Current liabilities	571	2,045
Liabilities, net	69	2,892

The fair value of derivatives held at the balance sheet date can be allocated by type as follows:

	Fair value	Recognised in income statement	Recognised in equity	Fair value	Recognised in income statement	Recognised in equity
	2012	2012	2012	2011	2011	2011
Currency derivatives ¹	-112	-284	172	-2,421	-1,839	-582
Interest rate derivatives ¹	43	596	-553	-467	378	-845
Price hedge derivatives ²	-	-	-	-4	-4	-
Total	-69	312	-381	-2,892	-1,465	-1,427

¹ Of which DKK 857 million (DKK 32 million) is related to fair value hedges.

² Price hedge derivatives comprise oil price and raw material hedges.

Notes to the financial statements

Amounts in DKK million

13 Derivatives – continued

The fair value recognised in equity relates to derivatives designated as effective hedging of future cash flows. The gains/losses are mainly expected to affect the income statement in the same periods as the cash flows are expected to occur. The expected timing of the effect on the income statement is as follows:

	Currency derivatives	Interest rate deriva- tives	Total	Currency derivatives	Interest rate deriva- tives	Total
	2012	2012	2012	2011	2011	2011
Within one year	172	-261	-89	-582	-543	-1,125
Between one and five years	-	-247	-247	-	-333	-333
After five years	-	-45	-45	-	31	31
Total	172	-553	-381	-582	-845	-1,427

The gains/losses, including realised transactions, are recognised as follows:

	2012	2011
Hedging foreign exchange risk on operating costs	-326	414
Hedging interest rate risk	-696	-603
Hedging foreign exchange risk on the cost of property, plant and equipment	-6	-
Total effective hedging	-1,028	-189
Ineffectiveness recognised in financial expenses	-4	-83
Total reclassified from equity reserve for hedges	-1,032	-272
Derivatives accounted for as held for trading:		
Currency derivatives recognised directly in financial income/expenses	1,161	-1,891
Interest rate derivatives recognised directly in financial income/expenses	528	442
Hedging of oil and freight prices recognised directly in other income/costs	-	-8
Net gains/losses recognised directly in the income statement	1,689	-1,457
Total	657	-1,729

Currency derivatives hedge future revenue, operating costs and investments and are recognised on an ongoing basis in the income statement and the cost of property, plant and equipment respectively.

Interest rate derivatives swap floating to fixed rates on borrowings and are recognised in the income statement concurrently with the hedged interest expenses. Interest rate derivatives are also used to swap fixed rates to floating rates.

Furthermore, the Company enters into derivatives to hedge economic risks that are not accounted for as hedging. These derivatives are accounted for as held for trading.

For information about currencies, maturities, etc. reference is made to note 19.

Notes to the financial statements

Amounts in DKK million

14 Share capital

The share capital on 31 December 2012 comprises:

A shares DKK 2,197.8 million divided into 2,197,607 shares of DKK 1,000 and 386 shares of DKK 500

B shares DKK 2,197.8 million divided into 2,197,678 shares of DKK 1,000 and 244 shares of DKK 500

All shares are fully issued and paid up.

One A share of DKK 1,000 holds two votes. B shares have no voting rights.

Shareholder disclosure subject to section 104 in the Danish Financial Statements Act:

	Share capital	Votes
A.P. Møller og Hustru Chastine Mc-Kinney Møllers Fond til almene Formaal, Copenhagen; Denmark	41.22%	50.60%
A.P. Møller og Hustru Chastine Mc-Kinney Møllers Familiefond, Copenhagen; Denmark	9.65%	13.53%
The estate after Mærsk Mc-Kinney Møller, Copenhagen; Denmark	3.73%	6.50%
Den A.P. Møllerske Støttefond, Copenhagen; Denmark	2.94%	5.86%

Note 16 in the financial statements of the Group includes rules for changing the share capital, and information regarding the authorization of the Board of Directors to acquire own shares as well as the total number of own shares held by the Group.

	No. of shares of DKK 1,000		Nominal value		% of share capital	
Own shares (B shares)	2012	2011	2012	2011	2012	2011
1 January	29,729	1,805	30	2	0.68%	0.04%
Addition	0	29,279	0	29	0.00%	0.67%
Disposal	659	1,355	1	1	0.02%	0.03%
31 December	29,070	29,729	29	30	0.66%	0.68%

Additions in 2011 are related to the purchase of own shares from subsidiaries. Disposals of shares are related to the share option programme.

Notes to the financial statements

Amounts in DKK million (in parenthesis the corresponding figures for 2011)

15 Share-based payment

The Group has established a share option programme for partners in Firmaet A.P. Møller and other employees. Each share option granted is a call option to buy an existing B share of nominal DKK 1,000 in A.P. Møller - Mærsk A/S.

The fair value of share options granted to 123 (126) employees was DKK 39 million (DKK 36 million) at the time of such grant. Total value of granted share options is recognised in the income statement at DKK 17 million (DKK 15 million). In addition to this, three (four) partners in Firmaet A.P. Møller bought share options corresponding to a fair value of DKK 7 million (DKK 9 million).

The share options are granted at an exercise price corresponding to 110% of the average of the market price on the first five trading days following the release of A.P. Møller - Mærsk A/S' annual report. Exercise of the share options is contingent on the option holder still being permanently employed at the time of exercise. The share options can be exercised when at least two years and no more than five years have passed from the time of granting and can only be exercised within the trading periods as stated in the internal rules for trading of A.P. Møller - Mærsk A/S' securities in force at any time. Special conditions apply regarding illness, death and resignation as well as changes in the Company's capital structure, etc.

The share options can only be settled in shares. A portion of the Company's holding of own shares is reserved for settlement of granted options.

Outstanding share options	Partners in Firmaet A.P. Møller ¹	Employees ¹	Total	Average exercise price	Total fair value ¹
	No.	No.	No.	DKK	DKK mio.
1 January 2011	3,824	10,466	14,290	39,363	
Granted	-	3,161	3,161	57,959	36
Sold	775	-	775	57,959	9
Exercised	140	1,215	1,355	27,237	
Forfeited	-	299	299	42,438	
Outstanding 31 December 2011	4,459	12,113	16,572	44,716	
Exercisable 31 December 2011	2,919	6,121	9,040	38,053	
Granted	-	4,356	4,356	49,843	39
Sold	792	-	792	49,843	7
Exercised	-	659	659	27,237	
Forfeited	-	472	472	52,351	
Outstanding 31 December 2012	5,251	15,338	20,589	46,382	
Exercisable 31 December 2012	3,684	8,076	11,760	41,183	

¹ At the time of grant

The weighted average share price at the dates of exercise of share was DKK 43,124 (DKK 48,778).

The average remaining contractual life off outstanding share options as per 31 December 2012 is 2.3 years (2.7 years) and the exercise price is in the range from DKK 27,237 to DKK 57,959 (DKK 27,237 to DKK 57,959).

The fair value per option granted in 2012 is calculated at DKK 8,839 (DKK 11,275) based on Black & Scholes' options pricing model.

Notes to the financial statements

Amounts in DKK million

15 Share-based payment – continued

The following principal assumptions are used in the valuation:

	2012	2011
Share price, five days average, DKK	45,312	52,690
Exercise price, DKK	49,843	57,959
Expected volatility (based on historical volatility)	31.3%	31.1%
Expected term	4.0 years	4.0 years
Expected dividend per share, DKK	1,000	1,000
Risk free interest rate (based on the five years swap interest curve)	1.6%	3.2%

Amounts in DKK million

16 Borrowings

	2012	2011
Bank and other credit institutions	34,342	42,116
Finance lease liabilities	2,599	1,489
Issued bonds	25,850	13,906
Subsidiaries, etc.	54,883	45,256
Total	117,674	102,767
Of which:		
Classified as non-current	59,388	56,662
Classified as current	58,286	46,105

For information about currencies, interest rates and maturity reference is made to note 19.

Notes to the financial statements

Amounts in DKK million

16 Borrowings – continued

Finance lease liabilities	Minimum lease payments	Interest	Carrying amount	Minimum lease payments	Interest	Carrying amount
	2012	2012	2012	2011	2011	2011
Within one year	234	32	202	195	46	149
Between one and five years	1,539	97	1,442	816	185	631
After five years	988	33	955	721	12	709
Total	2,761	162	2,599	1,732	243	1,489

The finance lease agreements are described in note 8.

Amounts in DKK million (in parenthesis the corresponding figures for 2011)

17 Provisions

	Abandonment	Restructuring	Legal disputes, etc.	Other	Total
1 January 2012	4,811	11	2,118	1,807	8,747
Provision made	-	151	808	1,675	2,634
Amount used	85	72	-	318	475
Amount reversed	108	3	391	486	988
Unwind of discount	194	-	-	-	194
Transfer	-	1	-	-1	-
Exchange rate adjustment	-73	-1	-42	-49	-165
31 December 2012	4,739	87	2,493	2,628	9,947
Of which:					
Classified as non-current	4,739	17	1,966	1,971	8,693
Classified as current	-	70	527	657	1,254

Non-current provisions for abandonment of DKK 4.6 billion (4.8 billion) is expected realised after more than five years.

Provisions for abandonment comprise estimated expenses for abandonment of oil and gas fields at discounted value. Restructuring includes provisions for decided and publicly announced restructurings.

Legal disputes, etc. include tax and duty disputes among other things.

Other includes provisions for guarantees, onerous contracts, and risk under certain self-insurance programmes. The provisions are subject to considerable uncertainty, cf. note 2.

Reversals of provisions primarily relate to legal disputes, tax and duty disputes and contractual disagreements, which are recognised in the income statement under operating costs and tax.

Notes to the financial statements

Amounts in DKK million (in parenthesis the corresponding figures for 2011)

18 Financial instruments by category

Financial assets measured at amortised costs:	Carrying amount	
	2012	2011
Interest bearing receivables from subsidiaries, etc.	46,409	66,773
Finance lease receivables	77	-
Other interest-bearing receivables and deposits	20	-
Total interest-bearing receivables	46,506	66,773
Trade receivables	18,334	17,538
Other receivables (non-interest-bearing)	2,200	2,089
Other receivables from subsidiaries, etc.	2,842	3,688
Cash and bank balances	1,819	3,339
Total loans and receivables	71,701	93,427

Fair value of the non-current receivables is not materially different than the carrying amount.

Financial liabilities measured at amortised costs:	Carrying amount	Fair value	Carrying amount	Fair value
	2012	2012	2011	2011
Bank and other credit institutions	34,342	35,887	42,116	44,206
Finance lease liabilities	2,599	2,594	1,489	1,527
Issued bonds	25,850	26,857	13,906	14,278
Interest bearing loans from subsidiaries	54,883	54,883	45,256	45,256
Borrowings	117,674	120,221	102,767	105,267
Trade payables	16,215		20,955	
Other financial liabilities	2,070		2,073	
Other payables to subsidiaries and associated companies	8,266		6,875	
Total financial liabilities	144,225		132,670	

Fair value of issued bonds is based on observable market prices. Fair value of other liabilities is calculated on the basis of discounted interest and instalments.

Notes to the financial statements

Amounts in DKK million (in parenthesis the corresponding figures for 2011)

18 Financial instruments by category – continued

Fair value measurement of financial instruments

Financial instruments carried at fair value can be divided into three levels:

Level 1 – Quoted prices (unadjusted) in active markets for identical assets or liabilities;

Level 2 – Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices);

Level 3 – Inputs for the asset or liability that are not based on observable market data.

	Carrying amount	Quoted prices	Other observable inputs	Level Other measurement methods
2012				
Non-listed shares	371	-	-	371
Total other equity investments (available for sale)	371	-	-	371
Bonds	1,251	1,251	-	-
Non-listed shares	4	-	-	4
Total securities (held for trading)	1,255	1,251	-	4
Derivatives	1,746	-	1,746	-
Total financial assets	3,372	1,251	1,746	375
Derivatives	1,815	-	1,815	-
Total financial liabilities	1,815	-	1,815	-
2011				
Non-listed shares	380	-	-	380
Total other equity investments (available for sale)	380	-	-	380
Bonds	1,242	1,242	-	-
Non-listed shares	4	-	-	4
Total securities (held for trading)	1,246	1,242	-	4
Derivatives	1,415	-	1,415	-
Total financial assets	3,041	1,242	1,415	384
Derivative financial instruments	4,307	-	4,307	-
Total financial liabilities	4,307	-	4,307	-

Derivatives designated as cash flow hedges (hedging instruments) are equal to a net liability of DKK 381 million (DKK 1,427 million).

Notes to the financial statements

Amounts in DKK million (in parenthesis the corresponding figures for 2011)

18 Financial instruments by category – continued

Movement during the year in level 3	Non-listed shares		Total
	Available for sale	Held for trading	
Carrying amount 1 January 2011	380	6	386
Disposal	-	2	2
Gains/losses recognised in other comprehensive income	-8	-	-8
Exchange rate adjustment	8	-	8
Carrying amount 31 December 2011	380	4	384
Disposal	6	-	6
Gains/losses recognised in other comprehensive income	2	-	2
Exchange rate adjustment	-5	-	-5
Carrying amount 31 December 2012	371	4	375

Fair value of level 3 assets and liabilities are primarily based on the present value of expected future cash flows. A reasonably possible change in the discount rate is not estimated to affect the Company's profit or equity significantly.

Amounts in DKK million (in parenthesis the corresponding figures for 2011)

19 Financial risks

The Company's activities expose it to a variety of financial risks: market risks, i.e. currency risk and interest rate risk, credit risk and liquidity risk. The Company's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise the potential adverse effects on the Company's financial performance. The Company uses derivative financial instruments to hedge certain risk exposures.

Risk management is carried out by a central finance department under policies approved by the Board of Directors. The finance department identifies, evaluates and hedges financial risks in close co-operation with the Company's Business Units.

Market risk

Market risk is the risk that changes in market prices, such as foreign exchange rates and interest rates, will affect the Company's profit or the value of its holdings of financial instruments. Below sensitivity analyses relates to the position of financial instruments at 31 December 2012.

The sensitivity analyses for currency risk and interest rate risk have been prepared on the basis that the amount of net debt, the ratio of fixed to floating interest rates of the debt and the proportion of financial instruments in foreign currencies remain unchanged from hedge designations in place at 31 December 2012. Furthermore, it is assumed that the exchange rate and interest rate sensitivities have a symmetric impact, i.e. an increase in rates results in the same absolute movement as a decrease in rates.

The sensitivity analyses show the effect on profit or loss and equity of a reasonably possible change in exchange rates and interest rates.

Notes to the financial statements

Amounts in DKK million (in parenthesis the corresponding figures for 2011)

19 Financial risks – continued

Currency risk

The Company's currency risk arises due to income from shipping and oil-related activities are denominated mainly in USD, while the related expenses are incurred in both USD and a wide range of other currencies such as DKK, EUR, CNY and GBP. Overall the Company has net income in USD and net expenses in most other currencies. As the net income is in USD, this is also the primary financing currency.

The main purpose of hedging the Company's currency risk is to hedge the USD value of the Company's net cash flow and reduce fluctuations in the Company's profit. The Company uses various financial derivatives, including forwards, option contracts and cross-currency swaps, to hedge these risks. The key aspects of the currency hedging policy are as follows:

- Net cash flows in other significant currencies than USD are hedged using a layered model with a 12-months horizon;
- Significant capital commitments in other currencies than USD are hedged;
- Most non-USD debt is hedged, however, depending on asset-liability match and the currency of the generated cash flow.

An increase in the USD exchange rate of 10% against all other significant currencies to which the Company is exposed, is estimated to have a negative impact on the Company's profit before tax by DKK 0.3 billion (DKK 0.4 billion) and the Company's equity, excluding tax, negatively by DKK 1.1 billion (DKK 1.3 billion). The sensitivities are based only on the impact of financial instruments that are outstanding at the balance sheet date, cf. notes 13 and 18, and are thus not an expression of the Company's total currency risk.

Currency position of net interest-bearing debt	Cash and bank balances	Other interest-bearing assets ¹	Borrowings ²	Net interest-bearing debt	Cash and bank balances	Other interest-bearing assets ¹	Borrowings ²	Net interest-bearing debt
	2012	2012	2012	2012	2011	2011	2011	2011
USD	1,493	42,979	77,695	33,223	1,238	63,853	68,807	3,716
EUR	47	1,096	17,591	16,448	608	685	11,037	9,744
DKK	-	143	7,970	7,827	1,062	1,330	11,959	9,567
Other currencies	279	3,539	14,418	10,600	431	2,147	10,964	8,386
Total	1,819	47,757	117,674	68,098	3,339	68,015	102,767	31,413

¹ Other interest-bearing assets consist of bonds and interest-bearing receivables (cf. note 18).

² Borrowings consists of issued bonds, bank and other credit institutions, and borrowings from subsidiaries.

Interest rate swaps entered into for the purpose of hedging interest rate risks on loans are mainly in USD. Fair values can be found in note 13.

Notes to the financial statements

Amounts in DKK million (in parenthesis the corresponding figures for 2011)

19 Financial risks – continued

Foreign exchange forwards and option contracts for hedging currency risks	Fair value	
	2012	2011
EUR	-538	-1,237
DKK	169	-782
CNY	1	0
GBP	-1	-53
NOK	236	-129
Other currencies	21	-220
Total	-112	-2,421

Interest rate risk

The Company has most of its debt denominated in USD, but part of the debt (e.g. issued bonds) is in other currencies such as DKK, EUR and NOK. Some loans are at fixed interest rates, while others are at floating interest rates.

The Company strives to maintain a combination of fixed and floating interest rates on its net debt, reflecting expectations and risks. The hedging of the interest rate risk is governed by a duration range and is primarily obtained through the use of interest rate swaps.

A general increase in interest rates by one percentage point is estimated, all other things being equal, to affect profit before tax negatively by DKK 430 million (positively by DKK 29 million). The effect on equity, excluding tax effect, of an increase in interest rates as mentioned above is estimated to be negatively by DKK 39 million (positively by DKK 195 million).

This analysis assumes that all other variables, in particular foreign currency rates, remain constant.

Borrowings by interest rate levels inclusive of interest rate swaps	Carrying amount	Next interest rate fixing		
		0-1 years	1-5 years	5- years
2012				
0-3%	84,239	77,048	4,366	2,825
3-6%	32,720	16,685	8,887	7,148
6%-	715	571	144	-
Total	117,674	94,304	13,397	9,973
Of which:				
Bearing fixed interest	36,193			
Bearing floating interest	81,481			
2011				
0-3%	73,299	68,982	1,253	3,064
3-6%	28,716	5,145	19,230	4,341
6%-	752	248	504	-
Total	102,767	74,375	20,987	7,405
Of which:				
Bearing fixed interest	49,125			
Bearing floating interest	53,642			

Notes to the financial statements

Amounts in DKK million (in parenthesis the corresponding figures for 2011)

19 Financial risks – continued

Credit risk

The Company has substantial exposure to financial and commercial counterparties but has no particular concentration of customer or suppliers. To minimise the credit risk, financial vetting is undertaken for all major customers and financial institutions, adequate security is required for commercial counterparties and credit limits are set for financial institutions and key commercial counterparties.

Maturity analysis of trade receivables	2012	2011
Receivables not due	14,600	14,092
Less than 90 days overdue	3,044	3,003
More than 90 days overdue	1,315	974
Receivables, gross	18,959	18,069
Provision for bad debt	625	531
Carrying amount	18,334	17,538
Change in provision for bad debt		
1 January	531	1,480
Provisions made	292	145
Amount used	135	302
Disposal	52	-
Amount reversed	-	760
Exchange rate adjustment	-11	-32
31 December	625	531

Notes to the financial statements

Amounts in DKK million (in parenthesis the corresponding figures for 2011)

19 Financial risks – continued

Liquidity risk

It is of great importance for the Company to maintain a financial reserve to cover the Company's obligations and investment opportunities and to provide the capital necessary to offset changes in the Company's liquidity due to changes in the cash flow from operating activities.

The flexibility of the financial reserve is subject to ongoing prioritisation and optimisation, among other things, by focusing on release of capital and following up on the development in working capital.

Maturities of liabilities and commitments	Carrying amount	Cash flows including interest			Total
		0-1 year	1-5 years	5- years	
2012					
Bank and other credit institutions	34,342	6,257	20,783	10,925	37,965
Finance lease liabilities	2,599	234	1,539	988	2,761
Issued bonds	25,850	980	20,243	9,124	30,347
Interest bearing loans from subsidiaries, etc.	54,883	52,146	1,042	2,115	55,303
Trade payables	16,215	16,215	-	-	16,215
Other payables	2,070	2,070	-	-	2,070
Other payables to subsidiaries, etc.	8,266	8,266	-	-	8,266
Derivatives	1,815	571	1,115	129	1,815
Total recognised in balance sheet	146,040	86,739	44,722	23,281	154,742
Operating lease commitments		18,792	38,124	5,455	62,371
Capital commitments		13,355	16,880	-	30,235
Total		118,886	99,726	28,736	247,348
2011					
Bank and other credit institutions	42,116	5,906	32,150	7,942	45,998
Finance lease liabilities	1,489	195	816	721	1,732
Issued bonds	13,906	660	12,082	3,880	16,622
Interest bearing loans from subsidiaries, etc.	45,256	41,011	2,689	2,220	45,920
Trade payables	20,955	20,955	-	-	20,955
Other payables	2,073	2,073	-	-	2,073
Other payables to subsidiaries, etc.	6,875	6,875	-	-	6,875
Derivatives	4,307	2,045	1,705	557	4,307
Total recognised in balance sheet	136,977	79,720	49,442	15,320	144,482
Operating lease commitments		20,744	47,348	11,575	79,667
Capital commitments		4,919	29,241	-	34,160
Total		105,383	126,031	26,895	258,309

Notes to the financial statements

Amounts in DKK million

20 Cash flow specifications

	2012	2011
Change in working capital		
Inventories	409	-1,567
Trade receivables	229	-1,510
Other receivables and prepayments	149	667
Other receivables from subsidiaries, etc.	4	38
Trade payables and other payables, etc.	-2,506	3,282
Other debt to subsidiaries, etc.	-42	-4
Exchange rate adjustment of working capital	-139	-189
Total	-1,896	717
Purchase of intangible assets and property, plant and equipment		
Addition	-15,117	-16,472
Of which borrowing costs capitalised on assets	208	102
Change in payables to suppliers regarding purchase of assets	-1,098	750
Change in provision for abandonment	-108	458
Total	-16,115	-15,162
Other financial investments		
Sale of non-current assets available-for-sale	6	-
Loan repayments received	36	1,755
Loans granted	-	-417
Total	42	1,338
Other non-cash items related primarily to adjustment of provision for bad debt for trade receivables, and provisions.		

Notes to the financial statements

Amounts in DKK million (in parenthesis the corresponding figures for 2011)

21 Commitments

Operating lease commitments

As part of the Company's activities, customary agreements are entered into regarding charter and operating leases of ships, containers, port facilities, etc.

The future charter and operating lease payments for continuing operations are:

	2012	2011
Within one year	18,792	20,744
Between one and two years	15,800	17,124
Between two and three years	11,208	13,852
Between three and four years	7,028	10,374
Between four and five years	4,088	5,998
After five years	5,455	11,575
Total	62,371	79,667
Net present value ¹	53,504	66,572

¹ The net present value has been calculated using a discount rate of 6% p.a. (6% p.a.).

About 40% of the time charter payments within shipping activities are estimated to relate to operating costs for the assets.

Total operating lease costs incurred and contingent payments related to volume, etc., are stated in note 3.

Capital commitments

At the end of 2012, capital commitments relating to ships, rigs, terminals, etc. on order amount to DKK 30.2 billion (DKK 34.2 billion).

The decrease in capital commitments is related to contractual payments during the year, combined with limited new commitments in 2012.

The commitments primarily relate to 20 container vessels (Triple-E) at a total contract price of DKK 21.5 billion (USD 3.8 billion) as well as contracts for four drillships at a total contract price of DKK 12.7 billion (USD 2.2 billion).

Notes to the financial statements

Amounts in DKK million (in parenthesis the corresponding figures for 2011)

22 Contingent liabilities

Guarantees amount to DKK 16.7 billion (DKK 18.2 billion). DKK 15.8 billion (DKK 18.1 billion) relates to subsidiaries. Guarantees are not expected to be realised, but they can mature within one year.

Except for customary agreements within the Company's activities, no material agreements have been entered into that will take effect, change or expire upon changes of the control over the Company.

The necessary facility of DKK 2,150 milion (DKK 2,183 million) corresponding to USD 380 milion (USD 380 million) has been established in order to meet the requirements for trading in the USA under the American Oil Pollution Act of 1990 (Certificate of Financial Responsibility).

The container trades have entered into certain agreements with terminals, etc. containing volume commitments including an additional payment in case minimum volumes are not met.

The Company is involved in a number of legal disputes. The Company is also involved in tax disputes in certain countries. Some of these involve significant amounts and are subject to considerable uncertainty.

Tax may crystallise if the Company leaves the tonnage tax regime and on repatriation of dividends.

Notes to the financial statements

Amounts in DKK million (in parenthesis the corresponding figures for 2011)

23 Related parties

	Subsidiaries		Associated companies		Jointly controlled entities		Management ¹	
	2012	2011	2012	2011	2012	2011	2012	2011
Revenue	15,072	13,374	-	-	146	147	-	-
Operating costs	62,345	68,135	1,089	1,303	3,195	3,182	70 ²	86 ²
Remuneration to management	-	-	-	-	-	-	96	90
Other income	1,096	1,022	1	-	51	-	11	11
Dividends ³	5,055	10,356	68	38	68	60	-	-
Financial income	2,176	2,336	424	362	-	13	-	-
Financial expenses	648	530	5	560	-	-	0	-
Interest bearing receivables, non-current	30,467	55,687	-	-	-	496	-	-
Derivatives, non-current	175	336	87	185	-	-	-	-
Trade receivables	4,976	7,483	-	10	173	176	-	-
Tax receivables	523	639	-	-	-	-	-	-
Interest bearing receivables, current	15,942	9,492	-	-	-	-	-	-
Derivatives, current	110	300	83	87	-	-	-	-
Other receivables, current	2,751	3,506	49	46	42	136	-	-
Prepayments	-	1	-	-	-	-	-	-
Cash and bank balances	-	-	816	1,048	-	-	-	-
Interest bearing debt, non-current	3,000	4,557	-	-	-	-	-	-
Derivatives, non-current	-	-	521	874	-	-	-	-
Interest bearing debt, current	51,883	40,124	-	575	-	-	22	23
Trade payables	5,622	8,266	94	56	331	296	12	8
Tax payable	616	565	-	-	-	-	-	-
Derivatives, current	145	127	-	394	-	-	-	-
Other payables, current	8,227	6,833	39	42	-	-	-	-
Investment in companies, property, plant and equipment	3,645	3,452	-	-	-	-	18	-
Sale of companies property, plant and equipment	-	2,872	-	-	-	-	-	-
Capital increases	42,233	4,421	1,431	4,390	-	-	-	-
Purchase of own shares, net	-	966	-	-	-	-	-	-

¹ The Board of Directors and the Management Board in A.P. Møller og Hustru Chastine Mc-Kinney Møllers Fond til almene Formaal and their close relatives (including undertakings under their significant influence). Trade receivables include customary business related accounts in connection with shipping activities.

² Includes commission to Maersk Broker K/S from chartering, purchase and sale of ships with DKK 70 million (DKK 79 million) as well as time charter hire to part owners.

³ Excluding dividend from own shares.

Notes to the financial statements

Amounts in DKK million (in parenthesis the corresponding figures for 2011)

23 Related parties – continued

The A.P. Møller og Hustru Chastine Mc-Kinney Møllers Fond til almene Formaal, Copenhagen, Denmark has control over the A.P. Møller – Mærsk. Related parties also include the companies in which the Group exercises significant influence. In addition, related parties comprise the Executive Board, Firmaet A.P. Møller, members of the Board of Directors, as well as their close family members and companies significantly influenced by them.

One (four) partner in Firmaet A.P. Møller participates in one (three) shipping partnerships, operated as part of the A.P. Møller - Maersk fleet. A.P. Møller - Mærsk A/S owns at least 50% (50%) of the vessel and holds the ultimate control. The vessel is operated directly in the market and all transactions between related parties and the Group are subject to arm's length conditions.

During the year DKK 1 million (DKK 1 million) has been expensed regarding office rent to the A.P. Møller og Hustru Chastine Mc-Kinney Møllers Fond til almene Formaal.

In relation to Danske Bank's arrangement of payment transactions, sale and purchase of securities, etc. only the related costs are included in the above.

Three (four) members of the Managing Director bought 792 (775) share options in total corresponding to a fair value of DKK 7 million (DKK 9 million). Further information is provided in note 15.

Dividends distributed are not included.

24 New financial reporting requirements

Changes in accounting policies

Changes in accounting policies are described in note 31 of the Group. The accounting policies and changes to standards (IAS and IFRS) and interpretations (IFRIC) are consistent with those applied to the Group.

Changes in coming years

Changes in standards and interpretations and amendments in coming years are stated in note 31 of the Group. The mentioned changes to accounting policy of the Group, do not or only limited impact the accounting policy of the Company.

Colophon

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Ane Mærsk Mc-Kinney Uggla, Vice chairman

Sir John Bond

Arne Karlsson

Jan Leschly

Leise Mærsk Mc-Kinney Møller

Lars Pallesen

John Axel Poulsen

Erik Rasmussen

Rob Routs

Jan Tøpholm

Audit Committee:

Jan Tøpholm, Chairman

Lars Pallesen

Leise Mærsk Mc-Kinney Møller

Remuneration Committee:

Michael Pram Rasmussen, Chairman

Niels Jacobsen

Ane Mærsk Mc-Kinney Uggla

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Claus V. Hemmingsen

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