

A.P. Møller - Mærsk A/S  
Annual Report 2004



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# ANNUAL REPORT 2004

## ***Forward-looking statements***

*This Annual Report contains forward-looking statements regarding expectations for 2005. Such statements are subject to risks and uncertainties as various factors, many of which are beyond A.P. Møller - Mærsk A/S' control, may cause actual development and results to differ materially from the expectations contained in the Annual Report.*

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*The Annual Report has been translated from Danish. The Danish text shall govern for all purposes and prevail in case of any discrepancy with the English version.*

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# A.P. Moller - Maersk Group

## Financial Highlights

*Amounts in DKK millions*

	<b>2004</b>	<b>2003</b>	<b>2002</b>	<b>2001</b>	<b>2000</b>
Net revenue	165,962	157,112	151,579	150,633	140,714
Result before depreciation and write-downs, etc.	41,406	38,855	34,988	33,439	33,547
Depreciation, amortisation and write-downs, etc.	15,896	17,764	15,621	14,994	13,059
Gains on sale of undertakings, ships, rigs, etc.	4,013	655	723	1,394	1,040
Associated companies – share of result before tax	618	568	504	364	453
Financial items, net	129	- 359	- 1,642	- 2,624	- 2,553
Result before special items	30,270	21,955	18,952	17,579	19,428
Value adjustment of financial assets	3,233	2,518	- 1,872	- 683	5,942
Exchange rate adjustment of loans, etc.	140	2,149	3,474	- 1,284	- 1,689
Result before tax	33,643	26,622	20,554	15,612	23,681
Result for the year	24,352	17,273	12,058	8,457	15,970
Result for the year before special items, after tax	20,999	12,967	10,456	10,424	11,835
Total assets	193,936	173,034	170,578	169,598	164,932
Equity	114,261	92,188	77,230	66,878	61,216
Cash flow from operating activities	29,207	26,299	24,820	26,635	20,312
Cash flow used for investing activities	18,388	16,603	18,133	20,236	19,587
Net investments in tangible fixed assets	19,387	15,605	16,425	17,124	18,979
Return on equity	23.6%	20.4%	16.7%	13.2%	29.8%
Equity ratio	58.9%	53.3%	45.3%	39.4%	37.1%
Result per share, DKK	5,918	4,198	2,930	2,078	3,923
Cash flow from operating activities per share, DKK	7,098	6,392	6,032	6,544	4,990
Share price (B-share), end year DKK	45,268	42,403	23,835	25,055	30,559
Total market capitalisation, end year	185,369	170,106	95,228	97,400	118,034
Dividend per share, DKK	450	300	200	150	150

*Goodwill related to acquisitions before 1 January 2002 has been written off against reserves in the year of acquisition. When calculating key figures "per share" the share capital resulting from the merger at 1 January 2003 has been applied for all years. In the calculation of result and cash flow per share and total market capitalisation, the Group's holding of own shares has been excluded.*

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# A.P. Moller - Maersk Group

## Directors' Report

A large number of loyal and new shareholders took part in making the first Annual General Meeting after the merger a special and festive day. On the centenary of A.P. Moller - Maersk's foundation on 16 April 1904, the general meeting was held in Svendborg where the Company was established. This made an occasion to pay tribute to Shipowner Mærsk Mc-Kinney Møller, who in December 2003 retired as Chairman and withdrew from the Board of Directors after 64 years of achievement.

On 28 August 2004 the large container vessel ALBERT MÆRSK moored alongside the quay at Langelinie, Copenhagen. From its arrival the newbuilding from the Lindø Yard attracted great attention and interest, and more than 35,000 people went on board during the eight open days. It was a particular pleasure for A.P. Moller - Maersk that 15,000 shareholders and guests accepted the invitation to a presentation of the vessel. The wait that occurred when so many people had to board the vessel was accepted with patience and good spirits.

Commercially, the year was also characterised by many fortunate circumstances. The markets developed well; better than expected. The maritime industry benefited from increased demand as a result of the growth in international trade, which more than compensated for the supply of new vessels. At the same time, demand for tonnage continued to increase.

One of the most essential forces behind the positive growth in sea transport was the development in China, driven among other things by global outsourcing. China's export of goods in containers by sea increased by almost 20%, which required a large im-



*The Annual General Meeting 2004 was held at Svendborg, where the Company was founded 100 years ago.*

port of raw materials not only for production, but also for investment in construction, infrastructure, energy supply, etc. Demand from the US continued at a high level and, regardless of the development of Europe's economy being weaker, imports from the East – including China – have increased considerably. China took initiatives to moderate the growth.

With regard to oil and gas, the agreement from 2003 with the Danish Government for an extension of the concession in the North Sea in return for an increased government share, could finally be confirmed by the parties after the last reservations had been withdrawn. The agreement, which extends A.P. Moller - Maersk's concession until 2042, took effect from 1 January 2004.

The decline in the USD exchange rate against the Danish krone continued and the average USD exchange rate in 2004 was 9% under 2003 compared with a decline of 16.5% the year before. The decline has a negative effect, as most of the Group's earnings are in USD.

A.P. Moller - Maersk contributed actively in the international work on securing the transport chain against terrorism. Rules for vessels and ports have already been adopted by the IMO (International Maritime Organization), among others, and implemented sensibly, without delaying or raising the cost of operations unreasonably. Containers are transported by ship, truck and train under the responsibility of different parties and are therefore difficult to secure effectively. The USA is the driving force behind this security work and has shown great readiness to listen to the experience and advice of the international container shipping companies. However, as there is no single body regulating international container shipping, the industry itself also makes great efforts to ensure uniform rules in the USA, Europe and the Far East to avoid unnecessary obstacles to international trade.

The EU Commission has long opposed the possibility for shipping companies to co-operate in the so-called conferences. Several attempts to have the shipping companies' agreements

declared contrary to the terms of the treaty and to impose fines on them have been rejected by the EU Court of Justice. The Commission now seeks the support of the Member States to abolish the special code of practice that came into force in 1986. In a constructive dialogue with the Commission, the industry has proposed a less far-reaching alternative, despite disagreement with the Commission's attitude, which seems to be characterised more by dogmatic legal deliberations than a specific need to change a well-working system. Fortunately, there appears to be an increasing appreciation of the attitude of the industry in the Member States most affected, including Denmark. Efficient and widely branched container traffic is a prerequisite for the globalisation and the outsourcing which is part of it. The EU should therefore avoid drastic measures. The USA, Japan, China and Canada, all significant economies dependent on efficient sea transport, have no such considerations.

With the Danish International Register of Shipping (DIS) and the special tonnage tax act, domestic conditions for the shipping trade are now closer to those of surrounding countries and contribute to Denmark being able not only to maintain her position as a significant shipping nation but also to develop it further. The framework, which the Government and a large majority of the Danish Parliament have supported, is rooted in guidelines from the EU Commission aiming to increase the competitiveness of the EU fleet in the world market. This framework was extended in 2004, and it is satisfying that the Commission in this respect maintains its outward-looking and liberal shipping policy.

Despite Danish opposition, among others, the EU Council of Ministers adopted a proposal to extend the tem-

porary subsidies to shipbuilding to orders placed before March 2005 and with delivery no later than three years thereafter. To ensure uniform conditions in Europe, the Government takes a positive attitude to the possibilities for implementing the system in Denmark. Politicians want the industry to contribute through co-financing, and it is gratifying that it has proved possible to find an overall solution based on modernisation and reorganisation of the Danish Ship Finance fund.

Discussions on corporate governance continued. The EU introduced several not very constructive initiatives, and in Denmark the "Nørby Committee" is taking another look at its previous recommendations in the light of the EU's initiatives. A.P. Moller - Maersk has been involved in the discussions, because accountability and readiness to act correctly are part of a way of life based on well-founded values and corporate culture, rather than of laws, rules and schedules which take no account of differences at company or national level. This includes the management model used in Denmark with a clear division between the tasks and responsibilities of the Board of Directors and the Management Board.

The massive earthquake and subsequent tsunamis in the Indian Ocean hit a number of countries, resulting in heavy human losses and destruction. Only a few of our employees were directly affected, but all of course were affected by the tragic circumstances. A.P. Moller - Maersk assisted centrally and locally in various ways in the affected areas.

On the whole, A.P. Moller - Maersk's units were spared major accidents in 2004.

With regard to safety, developments were constructive.

Operationally, A.P. Moller - Maersk works for protection and preservation of the marine environment. For example, optimisation of equipment and procedures contributes to reducing fuel consumption and emissions of CO<sub>2</sub>, SO<sub>2</sub> and NO<sub>x</sub> from vessels' engines. The Group is involved in more than 100 projects in this field with considerable tangible results. ISO 14001 "Environmental Management Systems" was obtained for A.P. Moller - Maersk's Danish fleet and for all the supply vessels. Certification of the remaining fleet continues and is expected to be finished during 2005. On A.P. Moller - Maersk's website "maersk.com" information can be obtained on current environmental initiatives.

Information technology is very important to all business areas and functions and great efforts are made to develop and improve systems. For instance, Maersk Sealand's advanced IT systems have contributed to more than half of all bookings made electronically. Administratively, a complete finance and accounting system will be developed and implemented over the next few years, which will provide a common platform for the offices in more than 125 countries.

Interest in working for A.P. Moller - Maersk's global organisation is still great and increasing, and more than 75,000 people applied for admission to the international trainee programme, Maersk International Shipping Education. 330 applicants from 75 different countries were employed.

Recruitment of cadets for the fleet was intensified and the intake has increased. When the basic maritime education was reorganised to a day school A.P. Moller - Maersk took over the maritime school Kogtved, to maintain the possibility of develop-





On 28 August 2004, the new container vessel ALBERT MÆRSK from the Odense Steel Shipyard moored alongside the quay at Langelinie in Copenhagen. During the week some 15,000 shareholders and a total of more than 35,000 people visited ALBERT MÆRSK.

ing the cadets in a maritime environment with boarding facilities.

The result for the year could not have been achieved without a considerable and energetic contribution from the Group's more than 60,000 employees. Everybody deserves appreciation for their efforts.

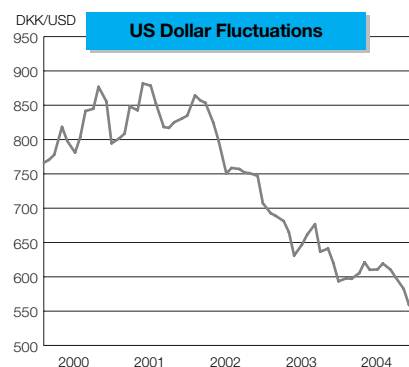
On 30 June 2004, Kjeld Fjeldgaard retired as a partner, and Thomas Thune Andersen was admitted as a partner as of 1 January 2005. The day-to-day management now comprises Jess Søderberg, Knud E. Stubkjær, Tommy Thomsen and Thomas Thune Andersen.



### Overall Result 2004

For the A.P. Møller - Maersk Group the net result for 2004 was DKK 24,352 million (2003: DKK 17,273 million).

Before special items, but after tax, the result was DKK 20,999 million (2003: DKK 12,967 million). This result, which includes gain on the sale of Mærsk Data of DKK 2.6 billion, is slightly higher than the expectations expressed in the interim report – primarily as a result of higher rates for the container services and higher oil prices.



The result for 2004 is – compared with 2003 – positively affected especially by:

- Increased volumes and rates for container services and higher rates for tankers
- Oil prices which in USD were 27% higher – in DKK 16% higher
- Gain on the sale of undertakings – primarily Mærsk Data – and of vessels and rigs etc., totalling DKK 4,013 million (2003: DKK 655 million)
- Lower write-downs on tangible fixed assets DKK 925 million (2003: DKK 2,354 million)

and affected negatively by:

- A USD exchange rate which was 9% lower on average compared with DKK
- Increased taxes and government share in oil activities

Special items – a total of DKK 3,353 million after tax (2003: DKK 4,306 million) – include as a material amount a valuation adjustment of the Group's portfolio of shares in Danske Bank (from price 139 to 168).



*Cadets with A.P. Moller - Maersk spend their first practical training period on board one of nine container vessels, fitted with training facilities where the officers are in charge of the training.*

For container activities, cargo volumes and freight rates increased. The result was considerably above that for 2003 despite the negative effect of the decline in the USD exchange rate.

For the large crude oil tankers, rates were considerably above those for 2003, and for product carriers and gas carriers somewhat above. The overall result for tanker activities, including gains on the sale of vessels, was considerably above that for 2003.

Maersk Contractors achieved almost full employment of its drilling rigs. The rates realised were below those for 2003, but new contracts were concluded at higher rates. The result was somewhat above that for 2003, as a result of gain on the sale of rigs.

The market for supply vessels continued to experience low rates, and the result was below that for 2003.

The A.P. Moller - Maersk Group's share of oil production – in Denmark and abroad – remained at a broadly unchanged level compared with 2003. Higher oil prices were offset by the loss on forward sales of oil, and increased taxes and government share. The result was at the same level as for 2003.

Retail activities in Dansk Supermarked achieved an increase in turnover, but a slightly lower operating result. The result for the year was affected positively by the sale of leasing activities to A.P. Møller - Mærsk A/S.

For the Yard Group and Maersk Air the results were very negative. The other industrial activities together, and Mærsk Data achieved a positive result above that for 2003.

#### **Investments**

The A.P. Moller - Maersk Group's

overall gross investments in 2004 amounted to DKK 25.1 billion (2003: DKK 20.8 billion).

In 2004 a decision was made concerning new major investments, which means that the total investment volume in years to come is expected to exceed the 2004 level considerably.

#### **Expectations for 2005**

For the container business, the first months of 2005 have been characterised by increasing volumes and stable rates. As the income is mainly denominated in USD and expenses are to a significant extent paid in other currencies, the declining USD exchange rate has a negative effect on the result. Furthermore, the costs of chartered tonnage and bunkers have increased. The container activities are thus expected to show an unchanged level of earnings measured in DKK.

For Tankers, Offshore and other shipping activities the overall result before gains on sale of ships and rigs in DKK is expected to approach the same level as that in 2004.

With oil prices and a USD exchange rate at the average level for the year to date, the result for oil and gas activities is expected to be slightly lower than that for 2004. This is due to lower USD exchange rate and increased maintenance and production costs to maintain the production level particularly in the Danish part of the North Sea. Furthermore, the costs have increased due to increased exploration activities.

For retail activities a result below that for 2004 is expected, and for the shipyards, industry and aviation together, a negative result.

Danske Bank is regarded as an associated company, with effect from

1 January 2005. This is estimated to have a positive effect of approximately DKK 800 million on the result after tax for 2005.

The annual report for the A.P. Møller - Mærsk Group for 2005 will be based on the International Financial Reporting Standards (IFRS)\* and is therefore not directly comparable with 2004.

If the 2004 result is adjusted for the estimated effect of IFRS, the result (before special items and gain on the sale of Mærsk Data, but after tax) will be in the order of DKK 20.5 billion.

At a USD exchange rate at the average level for the year to date, which is

6% lower than the average in 2004, the overall result before special items after tax for the A.P. Møller - Mærsk Group, is expected to be in the order of DKK 20 billion (2004: approximately DKK 20.5 billion).

Expectations for 2005 are affected negatively by the lower USD exchange rate, generally increasing costs and higher taxes. At exchange rates at the 2004 level, the expected result for 2005 would be somewhat higher than 2004 (approximately DKK 20.5 billion).

The overall revenue for the Group, which is also affected negatively by the lower USD exchange rate, is expected to be in the order of 5-10%

above that for 2004, which amounted to DKK 166 billion.

A number of factors may still affect activities and the result for 2005, not least developments in the world economy, freight rates, oil prices and exchange rates.

*\*see separate section under the Financial Report (page 27-29) and Accounting Policies (page 33-35).*



In the following pages 10 to 26 the business segments of the A.P. Møller - Mærsk Group are reviewed.

## Segment Information

DKK millions	Net revenue		Result	
	2004	2003	2004	2003
Container shipping and related activities	94,692	89,008*	8,397	3,862*
Tankers, Offshore and other shipping activities	15,894	15,615*	3,044	2,182*
Oil and Gas activities	20,109	19,159	6,576	6,490
Retail activity	23,352	22,106	1,288	998
Shipyards, other industrial companies, aviation, IT, etc.	19,087	20,125	1,716	24
Eliminations and unallocated items	- 7,172	- 8,901	3,331	3,717
	165,962	157,112	24,352	17,273
<i>*Certain activities, which in 2003 were allocated to Container Shipping and Related Activities, are allocated to Tankers, Offshore and other Shipping Activities in 2004. Figures for 2003 have been restated.</i>				
<i>Eliminations and unallocated items comprise eliminations of intra-group transactions as well as expenses, financial items and adjustment of provisions and write-downs in relation to structural initiatives, which are not allocated to business segments and include:</i>				
			2004	2003
Net eliminations and unallocated items, before special items			- 164	- 309
Value adjustment of financial assets			3,233	2,183
Exchange rate adjustment of loans, cash in banks, etc.			140	2,149
Unallocated tax, etc. and minority interests			122	- 306
Effect on result for the year			3,331	3,717



## Container Shipping and Related Activities

Highlights:		
<i>DKK millions</i>	<b>2004</b>	<b>2003</b>
Net revenue	94,692	89,008
Result before depreciation and write-downs	16,749	13,715
Depreciation, amortisation and write-downs	7,375	8,345
Gain on sale of ships, etc.	395	169
Result before financial items	9,769	5,539
Associated companies – share of result before tax	174	77
Financial items, net	- 442	- 695
Value adjustment of financial assets	-	335
Result before tax	9,501	5,256
Tax	1,030	1,287
Minority interests	- 74	- 107
Result for the year	8,397	3,862
Cash flow from operating activities	15,922	9,260
Cash flow used for investing activities	- 12,609	- 8,370
Fixed assets	56,572	53,303
Current assets	42,514	30,591
Total assets	99,086	83,894
Long-term debt and provisions	18,601	22,900
Short-term debt	31,449	21,406
Total debt and provisions	50,050	44,306

Demand for container capacity was high throughout the year, with good growth in the central container markets. This led to a shortage of tonnage. The combination of a high rate of utilisation of vessels and a shortage of tonnage resulted in higher freight rates, but also considerably higher expenses for chartered tonnage. Expectations for continued economic growth led to additional contracts for new container vessel tonnage for delivery over the next four years.

At the same time, the shipping companies experienced a general shortage of containers in many areas as well as considerable pressure on many port facilities and networks for inland transport.

The effect of the positive supply and demand relationship was thus

dampened by higher time charter rates, high fuel prices and a general pressure on costs. Measures are being taken continually to limit the effect of the increasing costs.

The increase in volume of 9% was limited by the available capacity. Depreciation, amortisation and write-downs amounted to DKK 7,375 million, DKK 970 million lower than in 2003. The reduction is due to the lower USD exchange rate and impairment write-downs of ship values in 2003. Tax, DKK 1,030 million, was lower than in 2003 primarily as a result of a reduction in deferred tax as a consequence of the merger with shipowning companies, previously owned by the Dansk Supermarked Group. **Maersk Sealand's** overall earnings in 2004 were, however,

considerably above the 2003 level, despite the negative effect of the decline in the USD exchange rate.

The services from Asia to North America showed, as expected, continued good growth, and the overall cargo volumes were well over the 2003 level. In the peak season the market was characterised by a scarcity of labour and terminal capacity on the US West Coast. This led to long waits and higher costs for the shipping lines as well as increased transit time for importers. Despite a generally high demand, the increase in rates was relatively moderate in this service compared with the burden of expenditure.

In the trade from Asia to Europe, strong market growth continued above the expected level. Maersk Sealand's cargo volumes increased further. Throughout the year there was high utilisation of the capacity offered, resulting in reasonable increases in freight rates.

Cargo volumes from Europe to North America only increased moderately compared with 2003, and freight rates were stable. Exports from the USA increased about 6%, however, without any noticeable effect on freight rates. The supply of capacity continued to exceed demand, although to a lesser extent than previously.

In the important reefer cargo segment, Maersk Sealand achieved reasonable increases in both rates and volumes world-wide.

During the year, Maersk Sealand was gratified to receive praise from customers. Maersk Sealand was appointed "Ocean Carrier of the Year" by the American supermarket chain Wal-Mart for the fifth successive year, and the American Target Corp. awarded the title "Consolidator of the Year" to Maersk Logistics.



Maersk Sealand opened several new routes and made a number of changes to the existing route network, to match changes in demand from customers.

In January, coverage of the West African market was strengthened along the northern part of the coast. In February, a direct route between South America and West Africa was introduced.

Also in February, a new service between the western Mediterranean and the Middle East was established, among other things to increase the weekly capacity through the Suez Canal.

In May, a new service from the Middle East to islands in the Indian Ocean was initiated, while the service between the Middle East and South America was strengthened.

The network of routes in and around Central America was changed in June, among other things, by establishing a new service and rationalising several existing services.

In connection with the initiation of two new routes from Asia to Europe and Asia to North America in July, the route networks to these two markets were optimised further, with more direct port calls and faster transit times, among others.

In the second half of the year the industry experienced large delays in the port terminals on the southern West Coast of the USA, especially Long Beach and Los Angeles, due to insufficient manpower. This also had a negative effect on the Pacific services during this period.

In 2004, Maersk Sealand took delivery of three newbuildings from the Odense Steel Shipyard. Furthermore, Maersk Sealand took delivery of 14 newbuildings on long-term contracts from other shipowners, including seven vessels of Panamax size, and a

Panamax vessel was sold and taken back on time charter. A number of newbuildings were contracted from yards in Denmark and abroad for delivery in the next three years. At the turn of the year, more than 300 vessels with a total cargo carrying capacity of more than 850,000 TEU were engaged in operations for Maersk Sealand.

During the year, more than 120,000 container units were acquired; including 19,000 reefer containers from Mærsk Container Industri's factories in Denmark and China.

The **Maersk Sealand Agencies** including trucking and depot activities, etc. achieved a satisfactory overall result, above that for 2003, mainly due to increased volumes and freight rates, partly counterbalanced by the negative development in the USD exchange rate.

**Maersk Logistics** delivers integrated logistics solutions to Maersk Sealand's major customers. Maersk Logistics' services were adjusted further to the increasing and more complex demands from customers for increased efficiency, flexibility and a secure supply chain, through increased integration of our service portfolio.

A new IT platform, Spective, was introduced on the market in 2004. This enables customers to gather all information in one system and manage the logistics chain in the best possible way from place of origin to store.

The market conditions in 2004 were good and volumes increased considerably. The result was better than the previous year.

**APM Terminals** operates container terminals and related activities in more than 35 ports. Total handled vol-

ume increased by 23% to 20.6 million TEU, measured in crane lifts, in proportion to APM Terminals' ownership share. External customers constitute an increasing part of the business.

The result for APM Terminals in 2003 was affected positively by value adjustment of certain financial assets. Disregarding the effect of this, the result for 2004 was better than that for 2003.

Expansion through establishment of new container terminals and further development of existing facilities continued. A new container terminal in Port Said was inaugurated, and APM Terminals was chosen to develop and operate new container terminals in Mumbai, Tangier and Zeebrugge, and to participate in the development and operation of new container terminals in Tema, Douala, Dalian and Xiamen. In the USA final authority approval was obtained for the construction of a new terminal in Portsmouth, Virginia.

In 2004, a number of initiatives were taken to improve safety at container terminals.

At the beginning of the year, APM Terminals International moved to new headquarters in The Hague, the Netherlands.

**Safmarine Container Lines N.V.** operates a global network of shipping and land-based activities, as well as IT services, primarily from southern Africa. Development in rates, volumes and other activity areas for Safmarine was positive, and both revenue and result were considerably above those for 2003.

In 2004, Safmarine took delivery of three 2,100 TEU container vessels from Volkswerft Stralsund and a 3,700 TEU container vessel from the Odense Steel Shipyard, Lindø.





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## Tankers, Offshore and other Shipping Activities

Highlights:		
<i>DKK millions</i>	<b>2004</b>	<b>2003</b>
Net revenue	15,894	15,615
Result before depreciation and write-downs	5,391	5,308
Depreciation, amortisation and write-downs	2,747	2,741
Gains on sale of ships, rigs, etc.	974	101
Result before financial items	3,618	2,668
Associated companies – share of result before tax	77	68
Financial items, net	- 412	- 412
Result before tax	3,283	2,324
Tax	231	153
Minority interests	- 8	11
Result for the year	3,044	2,182
Cash flow from operating activities	4,771	5,491
Cash flow used for investing activities	- 3,955	- 3,568
Fixed assets	29,874	30,268
Current assets	14,877	10,684
Total assets	44,751	40,952
Long-term debt and provisions	14,031	16,215
Short-term debt	7,211	7,976
Total debt and provisions	21,242	24,191

**Maersk Tankers** benefited from a generally strong market throughout the year. The overall result was considerably above that for 2003 despite the negative effect of the lower USD exchange rate. The strong result was due especially to a high level of activity for the large crude oil carriers and product tankers.

The result in 2004 for Maersk Tankers' large crude oil carriers, which operate through the pool Tankers International, was considerably above that for 2003 and very satisfactory. The market for large tankers was strong throughout the year, due to increased oil consumption in the USA and China. This growth is primarily covered from the Arabian Gulf, as production seems to have peaked in the North Sea and the Mexican Gulf.

The product carriers, which transport refined products, achieved a result, well above that for 2003. As a consequence of low stocks in both Europe and the USA, as well as longer transport distances, the demand for tankers increased. Doubled-hulled tankers, which A.P. Moller - Maersk operates, were particularly in demand.

The Handytankers Pool, operated by A.P. Moller - Maersk for vessels in the 27,000-38,000 dwt segment, extended its leading position to include control of 56 vessels compared with 47 at the beginning of the year. Similarly, the LR2 Pool consolidated its position in the market for large tankers over 70,000 dwt, with an extension of the fleet from 16 to 18 vessels. The LR2 Pool is operated by A.P. Moller - Maersk in co-operation with the shipping company Torm.







The market for gas carriers is recovering, with increasing demand and resulting increased earnings, especially in the fourth quarter. The result for 2004 was better than for 2003, although not satisfactory.

Skandigas/Maersk Norgas Gas Carriers Pool, operated by A.P. Moller - Maersk in co-operation with the Norwegian I.M. Skaugen, consolidated its position in the market and now operates 60 vessels in the semi-ref/ethylene segment from 8,000 to 20,000 m<sup>3</sup>.

Maersk Tankers took delivery of an additional six product tankers and one LNG (Liquefied Natural Gas) vessel. Immediately after delivery, the vessel was employed on a long-term contract and in 2004 achieved the expected result.

During the five-year period 2000-2004, A.P. Moller - Maersk took delivery of a total of 30 newbuildings and has more than 40 tankers and car carriers on order.

During the year, it was decided to enter into new segments. In the product tanker area activities were extended with the contracting of six 16,000 dwt vessels with ice class. Similarly, within the gas segment, four Very Large Gas Carriers (VLGC) of 82,000 m<sup>3</sup> were contracted. Finally, the involvement in LNG was extended considerably, with the contracting of four 153,000 m<sup>3</sup> LNG vessels in 2004 in addition to an LNG vessel of 138,000 m<sup>3</sup> contracted in 2003 for delivery in 2006.

In 2004, Maersk Tankers sold four crude oil tankers and a product tanker.

The demand for car carriers continued to rise as a result of a combination of increased Japanese and South Korean car export compared with a limited net addition of tonnage in the segment. A.P. Moller -

Maersk's car carriers are all employed on long-term contracts and achieved the expected result in 2004.

#### **Maersk Contractors**

High oil prices in 2004 resulted in increased drilling activities world-wide during the last six months of the year. This means that the rates for high-tech deep-water rigs and jack-up rigs in particular have recovered.

Maersk Contractors' rigs achieved full employment in 2004, apart from a few small rigs in Venezuela. New contracts were concluded at a somewhat higher rate level than previously, and the rig fleet is more or less employed for most of 2005.

In July A.P. Moller - Maersk took over MÆRSK INSPIRER, the last of two ultra harsh environment jack-up newbuildings. The drilling rig arrived at the British sector of the North Sea in January 2005 to commence employment.

MAERSK VIKING and MAERSK VALIANT, two standard jack-up rigs, having performed their contracts, were sold to American buyers.

The market for floating production units (FPSO) is expected to increase over the next couple of years. A.P. Moller - Maersk's units are employed on long-term contracts.

The overall result for Maersk Contractors before gains on sale of rigs was lower than in 2003, but higher when these gains are included.

For **Maersk Supply Service**, 2004 was characterised by a generally weak market in the North Sea due to low rig activity. Not until late in the year did it show progress with higher activity and rate level, partially owing to weather conditions. West Africa, Canada, the Far East/Australia and Brazil experienced stable activity, although rates were also under pressure in these areas.

The market for cable-laying vessels showed no improvement from its level in 2003.

The addition of new-built anchor-handling vessels was moderate, whereas the addition of platform supply vessels to the market was high.

The rate level was generally lower than in 2003, and the result for 2004 noticeably lower.

Maersk Supply Service took delivery of two large anchor-handling vessels from Volkswerft Stralsund and has two platform supply vessels in Brazil and two anchor-handling vessels in Chile on order for delivery in 2005 and 2006. An anchor-handling vessel was sold.

**Norfolkline B.V.'s** activities primarily include ferry services between the UK and the Continent, transport of containers and door-to-door transport in Europe.

The result was a little above that for 2003.

An additional RO/RO passenger ship was contracted to the Dover-Dunkirk route, which means that a total of three vessels will be delivered to that route during 2005 and 2006. Two RO/RO ships built in Germany in 2000 were bought at the end of 2004.

The **A/S Em. Z. Svitzer Group**, with activities mainly within towage and salvage operations, secured access to the growing Chinese market for towage with two terminal contracts.

During the year, the company received 17 newbuildings from yards in Spain, Lithuania, Singapore, China and Thailand. A total of 29 vessels are on order for delivery from 2005 to 2007.

The result was as expected and higher than in 2003.







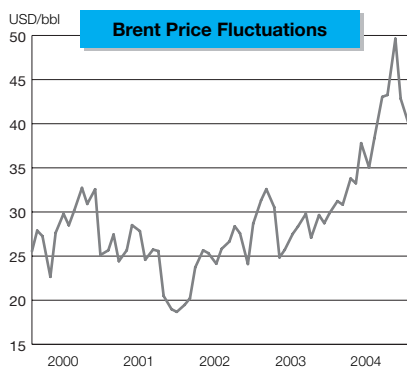
## Oil and Gas Activities

### Highlights:

*DKK millions*

	2004	2003
Net revenue	20,109	19,159
Result before depreciation and write-downs, etc.	18,107	17,144
Depreciation, amortisation and write-downs, etc.	3,751	3,644
Result before financial items	14,356	13,500
Financial items, net	69	55
Result before tax	14,425	13,555
Tax	7,849	7,065
Result for the year	6,576	6,490
Cash flow from operating activities	8,891	10,413
Cash flow used for investing activities	- 2,761	- 3,506
Fixed assets	11,275	11,593
Current assets	7,899	5,151
Total assets	19,174	16,744
Long-term debt and provisions	2,205	2,371
Short-term debt	3,935	3,508
Total debt and provisions	6,140	5,879

The result in 2004 for the Danish and international oil and gas activities was at the same level as in 2003 and affected primarily by higher oil prices, counterbalanced by a lower USD exchange rate, forward sale of oil, increased taxation in Denmark and an increased government share of the production in Qatar.



In 2004 **Mærsk Olie og Gas AS** produced about 112 million (2003: 110 million) barrels of crude oil as oper-

ator for Dansk Undergrunds Consortium (DUC) in the North Sea, where A.P. Møller - Maersk has a 39% interest. Overall gas sales amounted to 7.9 billion m<sup>3</sup> (2003: 6.4 billion). The average price of Brent crude oil, the marker price for DUC's oil, was about USD 38 per barrel (2003: USD 29) in 2004. The realised oil price in Danish kroner was only slightly above the price in 2003, as a result of the lower USD exchange rate and forward sale of oil.

During 2004, three drilling rigs completed a total of 15 wells, mainly production wells. Similar drilling activities are expected in 2005, primarily production wells on the Halfdan, Dan and Gorm Fields.

A new gas pipeline from Tyra West to the Dutch distribution system has been installed, and normal operations were initiated on 1 October after a running-in period. In that connection A.P. Møller - Mærsk A/S



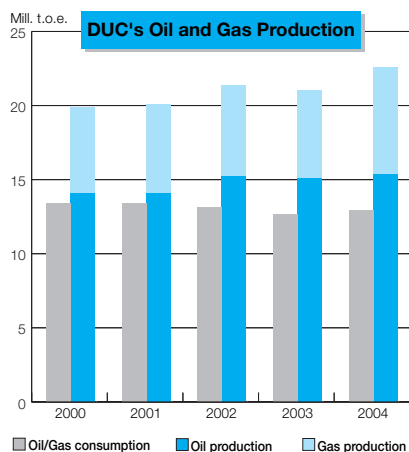






has commenced delivery of natural gas to Norsk Hydro with delivery in the Netherlands. The A.P. Moller - Maersk Group owns a 19.5% interest in the gas pipeline.

In 2004, DUC invested about DKK 2,600 million (2003: 4,500 million), mainly in further development of the Haldan, Dan and Tyra Fields. A.P. Moller - Maersk's share amounted to DKK 1,030 million (2003: DKK 1,650 million).



The graph shows DUC's production of crude oil and natural gas as well as total consumption in Denmark in tons of oil equivalents (t.o.e.).

A.P. Moller - Maersk's agreement of 29 September 2003 with the Danish Government, regarding an extension of the Sole Concession and amendment of the conditions with effect from 1 January 2004, was finally confirmed by the parties in 2004.

The result for the Oil and Gas Activity in the North Sea was DKK 4,589 million (2003: DKK 4,138 million).

On an international level, Maersk Oil participates in activities related to production in Qatar, Algeria and Kazakhstan, and activities related to exploration in the North Sea (Norway, Great Britain and Germany),

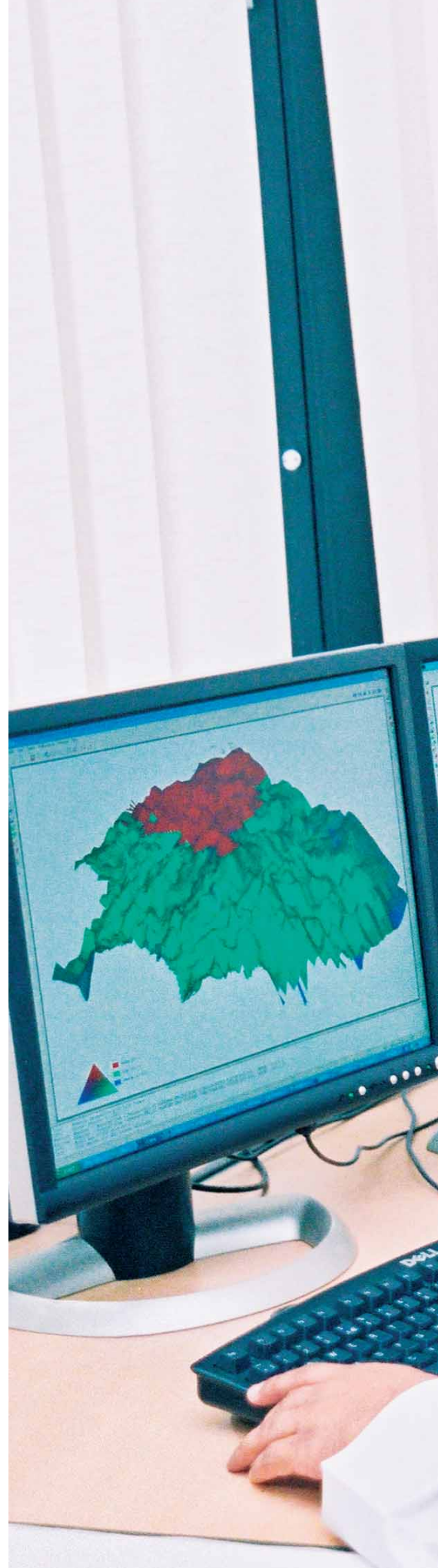
North Africa (Algeria and Morocco), Central Asia (Turkmenistan), the Middle East (Qatar and Oman) and South America (Brazil and Surinam). New agreements were concluded in 2004 regarding a minor extension of the licence area in Qatar and offshore exploration in Morocco, Surinam, Great Britain and Germany.

In Qatar, where Maersk Oil is operator and concessionaire, overall production of oil in 2004 was approximately 75 million barrels (2003: 70 million). Maersk Oil's share of production declined compared with 2003 due to a considerably increased government share. Oil production from three new locations on the Al Shaheen Field proceeds according to plan and all essential facilities are now operational. The storage vessel KNOCK NEVIS arrived at the Al Shaheen Field in August and is in operation.

In Algeria, Maersk Oil participates in a group operated by Anadarko in co-operation with the state-owned oil company Sonatrach. In 2004, total production reached approximately 104 million barrels (2003: 92 million). Maersk Oil's share of this was 10.8%. Further development of producing fields and satellite fields is proceeding.

In Kazakhstan, where Maersk Oil is operator with a 60% share in two licences, total oil production in 2004 amounted to approximately 3 million barrels (2003: 2 million).

The result for Maersk Oil's international activities in 2004 was DKK 1,987 million (2003: DKK 2,352 million). Compared with 2003 the result was affected negatively by the declining USD exchange rate and a higher government share in Qatar, partially offset by higher oil prices.







## Retail Activity

### Highlights:

<i>DKK millions</i>	<b>2004</b>	<b>2003</b>
Net revenue	23,352	22,106
Result before depreciation and write-downs	1,198	1,229
Depreciation, amortisation and write-downs	442	396
Result before financial items	756	833
Associated companies – share of result before tax	507	425
Financial items, net	439	214
Result before tax	1,702	1,472
Tax	398	450
Minority interests	- 16	- 24
Result for the year	1,288	998
Cash flow from operating activities	833	1,155
Cash flow used for investing activities	- 1,090	- 580
Fixed assets	6,735	7,941
Current assets	8,417	6,460
Total assets	15,152	14,401
Long-term debt and provisions	65	636
Short-term debt	7,523	5,262
Total debt and provisions	7,588	5,898

Figures for the Dansk Supermarked Group are included pro rata with a 50 percent share.

**Dansk Supermarked** consists primarily of Dansk Supermarked A/S, Bilka Lavprisvarehus A/S, Føtex A/S, Netto A/S, Netto England, Netto Germany, Netto Poland and Netto Sweden.

Associated companies comprise F. Salling A/S and Ejendomsaktieselskabet af 18 August 1958.

In 2004, the Dansk Supermarked Group experienced growth in turnover, but a slightly lower result before depreciation and write-downs and a lower result before financial items.

The growth in revenue relates to both Danish and foreign markets and is due to a continued increase in the number of stores as well as maintaining the existing market position through development and adjustment

of the product range. Developments in earnings are affected by the start-up costs of a Bilka department store in Fields in Ørestaden, Denmark and Netto Sweden, and increased depreciation relating to a new central warehouse for Netto Denmark.

In December 2004 an additional share of 25% was acquired in Netto, Germany bringing the total to 75%. The acquisition is conditional on EU approval.

The growth in the results of financial items and in the share of results in associated companies compared with last year is primarily due to gain on the sale of leasing activities.







*Rosti develops and manufactures components for electronics and IT equipment, domestic appliances, etc. as well as bottles and containers for the packaging industry.*

## Shipyards, other Industrial Companies, Aviation, IT, etc.

Highlights:		
<i>DKK millions</i>	<b>2004</b>	<b>2003</b>
Net revenue	19,087	20,125
Result before depreciation and write-downs	485	1,345
Depreciation, amortisation and write-downs	1,532	1,594
Gains on sale of undertakings, etc.	2,642	385
Result before financial items	1,595	136
Financial items, net	- 71	- 144
Result before tax	1,524	- 8
Tax	+ 202	+ 32
Minority interests	- 10	-
Result for the year	1,716	24
Cash flow from operating activities	- 849	995
Cash flow used for investing activities	2,659	- 522
Fixed assets	5,405	6,789
Current assets	8,742	9,653
Total assets	14,147	16,442
Long-term debt and provisions	4,154	5,798
Short-term debt	6,131	6,667
Total debt and provisions	10,285	12,465

The sale of Mærsk Data AS to IBM Danmark A/S was finalised in November 2004 with effect from 30 November 2004. Gain of DKK 2.6 billion on the sale are included in the result for 2004. The sales proceeds are included in cash flow used for investing activities.

**The Odense Staalskibsværft A/S Group's** result was negative and considerably below expectations. The development in productivity was not satisfactory. The result was affected negatively by provisions for loss on vessels for delivery in 2005 and later, the reasons being the lack of improvement in productivity and negative price development for materials – primarily steel.

During the year, the Lindø Yard built and delivered two 6,600 TEU and one 3,700 TEU container vessels

to A.P. Møller - Mærsk A/S. One 3,700 TEU container vessel was delivered to Safmarine Container Lines as well as the first of two flexible support vessels to the Danish Naval Material Command.

In 2004, the Yard concluded a contract for a number of PS-7500 container vessels to A.P. Møller - Mærsk A/S.

During the year, Volkswerft Stralsund built and delivered two anchor-handling vessels to A.P. Møller - Mærsk, three 2,100 TEU container vessels to Safmarine Container Lines and one 2,500 TEU container vessel to a German shipowner. In 2004, Volkswerft obtained orders for delivery of a number of container vessels.

With effect from 1 January 2004, the Yard sold its subsidiaries Mærsk







Container Industry, Tinglev and Qingdao as well as Rederiet Odense – Lindø to A.P. Møller - Mærsk A/S.

For 2005 the Yard Group expects a considerable loss.

**Mærsk Container Industri A/S** produces reefer containers for shipping and leasing companies. The factory in Tinglev achieved a negative result somewhat below that for 2003, to a considerable extent affected by the declining USD exchange rate. The operating result for the subsidiary in Qingdao, China, was positive and at the level of 2003.

A factory for production of dry cargo containers in China was acquired at the end of 2004. The factory is being made ready for start-up of production.

The **Roulunds Fabriker Group** is primarily engaged in production of rubber V-belts and hoses.

The result for 2004 was positive.

At the beginning of the year, the activities relating to production of conveyor belts and equipment for the combating of oil spills were sold, and by the end of the year the brake lining factory in Poland was also sold.

After several years with a negative result the **Rosti Group**, which produces plastic components and packaging, achieved a modest positive result in 2004. Restructuring in the UK and divestment of the flower pot division were implemented according to plan.

Sales to major global customers continue to increase, especially in China, Mexico and Poland.

**Dansk Industri Syndikat A/S** made progress in its operating result compared with 2003. In particular, the market for foundry equipment out-

side Europe experienced increased order intake during the year. The activities relating to production of equipment for industrial air cleaning were sold to A/S Dantherm Holding at a minor loss.

The **Maersk Air Group** introduced a new concept at the beginning of 2004, resulting in an increasing number of passengers on scheduled flights. However, the keen competition continued in 2004 with resulting low prices.

The overall result for the aviation activities was very negative and, as in 2003, considerably affected by write-downs on the aircraft values, due in part to the declining USD exchange rate and other non-recurring expenses.

The expectations for 2005 are considerably more positive.

The **Mærsk Data Group** is included until the time of sale on 30 November 2004. The result for this period was good and above that for the whole of 2003.

# A.P. Moller - Maersk Group

## Financial Report

*Amounts in DKK millions. (In parenthesis the corresponding figures for 2003).*

### Profit and Loss Account

Net result for the year was DKK 24,352 million (DKK 17,273 million).

The result for 2004 is affected positively by gain on the disposal of companies – primarily Mærsk Data – and on the sale of ships and rigs etc., total-

ling DKK 4,013 million (DKK 655 million).

This result is affected negatively by the development in the DKK/USD exchange rate, which was down from 596 at the beginning of the year to 547

at the end of the year. In 2004, the average exchange rate was 9% below that of 2003.

The following special items are included in the profit and loss account:

	2004	2003
Value adjustment of financial assets	3,233	2,518
Exchange rate adjustment on loans, cash in banks, etc.	140	2,149
Tax effect	- 20	- 361
Special items after tax	3,353	4,306

The value adjustment of financial assets is mainly due to an increase in the share price of Danske Bank from 139 to 168 in 2004.

The exchange rate adjustment on loans, cash in banks, etc. was modest.

The result for the year before special items, but after tax is as follows:

	2004	2003
Result for the year before special items	30,270	21,955
Tax hereof	- 9,164	- 8,869
Minority interests	- 107	- 119
Result before special items, after tax	20,999	12,967
Result before special items and before gain on sale of Mærsk Data, after tax	18,399	12,967

This result was, as already mentioned in the Directors' Report, slightly above the expectations stated in the Interim Report.

### Depreciation, amortisation and write-downs

Depreciation, amortisation and write-downs amount to DKK 15,896 million (DKK 17,764 million) which includes impairment write-downs on fixed assets of DKK 925 million (DKK 2,354 million). This includes write-down on the aircraft values – in part as a consequence of the lower USD exchange rate.

### Taxes

The companies in the A.P. Moller - Maersk Group are taxable under different systems dependent on residence and activity. For some of the Group's activities, special tax rules apply. As a general rule, the shipping activities are included in a tonnage-based or similar tax system, under which the computation of the taxable income includes an amount calculated on the basis of the fleet's tonnage. Furthermore, freight tax is paid in certain countries, calculated on the basis of the gross freight income in these countries.

In most countries, the Oil and Gas Activities are subject to a special hydrocarbon tax, which is often considerably higher than the normal corporation tax. Furthermore, the Danish Government receives 20% of the result before tax from the Danish part of the North Sea. This is treated as tax in the accounts. In other countries, the government receives a share of the oil production. These government shares are excluded from revenue.

In 2004, the total tax charge of the A.P. Moller - Maersk Group was

# A.P. Moller - Maersk Group

## Financial Report

*Amounts in DKK millions. (In parenthesis the corresponding figures for 2003).*

DKK 9.2 billion (DKK 9.2 billion). The total effective tax rate on the result before special items was approximately 30 against approximately 40 in 2003. The decline in the tax rate is primarily caused by the fact that the increase in earnings mainly relates to activities subject to tonnage-based taxation as well as tax-exempt gains on shares. Furthermore, there is a positive effect from a reduction of the deferred tax provision in connection with the merger with leasing companies formerly owned by the Dansk Supermarked Group.

### Balance Sheet

At 31 December 2004, total assets amounted to DKK 193,936 million (DKK 173,034 million).

Tangible and intangible fixed assets amounted to DKK 96,804 million (DKK 93,658 million). The total net addition amounted to DKK 21,326 million. Depreciation, amortisation and write-downs of DKK 15,886 million and exchange rate adjustment of net DKK 1,955 million were deducted.

Construction work in progress and payment on account for tangible fixed assets amount to DKK 11,273 million (DKK 5,833 million). The majority of this concerns prepayment on ships and rigs as well as ongoing newbuildings at own shipyards. At 31 December, the Group has capital commitments relating to ships, rigs, terminals, containers, etc. totalling DKK 30.8 billion (DKK 12.1 billion). Ships, etc. to be built at own shipyards, DKK 13.5 billion (DKK 5.9 billion), are not included in this amount.

Investment in associated companies amount to DKK 5,486 million (DKK 3,860 million). The increase is partly due to investment in the Medcenter

Container Terminal SpA in Italy and further investment in the Gujarat Pipavav Port Limited in India. The investment in the Medcenter Container Terminal SpA awaits EU approval.

Liquid funds and marketable securities, which are current assets, amounted to a total of DKK 39,408 million (DKK 29,482 million).

Interest-bearing debt (long and short-term) amounted to DKK 41,624 million (DKK 42,336 million).

The total equity was DKK 114,261 million (DKK 92,188 million) at 31 December 2004. The net increase includes the net result for the year of DKK 24,352 million, and is reduced by distributed dividend of DKK 1,319 million as well as exchange rate and other adjustments of DKK 960 million.

**Cash flow from operating** activities amounted to DKK 29,207 million (DKK 26,299 million), and net investments totalled DKK 18,388 million (DKK 16,603 million). The Group's total cash and cash equivalents increased by DKK 9,926 million to DKK 39,408 million.

### Legal disputes

The A.P. Moller - Maersk Group is party to two arbitration cases with Hyundai Heavy Industries Co. Ltd., Korea, one related to the building of two ultra harsh environment jack-up rigs and the other related to the building of accommodation and production platforms etc. for the Al Shaheen Field in Qatar. Hyundai Heavy Industries Co. Ltd. has raised significant claims for payment for extra work etc. The A.P. Moller - Maersk Group has raised counterclaims. Furthermore, the A.P. Moller - Maersk Group is party to other minor legal disputes.

The legal disputes are not expected to have any noticeable effect on the accounts.

### Related Parties

The A.P. Møller og Hustru Chastine Mc-Kinney Møllers Fond til almene Formaal, Copenhagen has the controlling interest.

Related parties also comprise the general management, members of the Board of Directors, close family members as well as undertakings owned by them. Trading and inter-company balances relate to ship chartering and brokering and are conducted at arm's length.

### Company Structure

To simplify the company structure, a number of vessel and container-owning companies have been sold from the Dansk Supermarked Group to A.P. Møller - Mærsk A/S in 2004. Similarly, Odense Staalskibsværft A/S has sold Mærsk Container Industri A/S and Rederiet Odense-Lindø A/S to A.P. Møller - Mærsk A/S. Furthermore, Maersk A/S has transferred Maersk Finance A/S to A.P. Møller - Mærsk A/S. Subsequently, with effect from 1 January 2004, A.P. Møller - Mærsk A/S and the companies taken over from the Dansk Supermarked Group, Rederiet Odense-Lindø A/S and Maersk Finance A/S have merged. Due to these structural changes, the unallocated tax and tax in the container shipping and related activities are positively affected by a reduction in deferred tax.

### Risks

The shipping activities are very sensitive to economic fluctuations. Freight rates and cargo volumes are sensitive to developments in international trade and the supply of tonnage.

# A.P. Moller - Maersk Group

## Financial Report

*Amounts in DKK millions. (In parenthesis the corresponding figures for 2003).*

The income of the shipping business is mainly denominated in USD and the expenses are in a wide range of currencies, including USD and USD-related currencies, DKK, EUR, JPY, GBP, etc. To limit the currency exposure, shipping activities are primarily financed by loans in USD, and forward purchases of the various currencies are made for partial hedging of the net cash flow for the coming 12-18 month period.

For more information on the financial risks, reference is made to the notes to the accounts on financial instruments.

The earnings of the Oil and Gas Activities are sensitive to the development in oil prices and the USD exchange rate. To limit the risks and fluctuations, part of the oil production is sold on forward contracts up to 12-18 months ahead. However, the earnings of shipping activities are sensitive to price fluctuations on bunker oil. To reduce this sensitivity, part of the bunker oil is purchased on forward contracts up to 12-18 months ahead. The price development on crude oil and on bunker oil is not always parallel. In certain situations – where the oil price is relatively high – the overall financial impact of an oil price increase may be negative for the A.P. Moller - Maersk Group. This is due to the fact that the Group's bunker oil consumption at high oil prices exceeds the Group's sale of crude oil, taking the increasing government shares and taxes into consideration. With effect from 1 January 2005, the Group seeks to a larger extent to coordinate monitoring of the total oil price risk by combining the sale and purchasing of oil and hedging in one organisation.

The A.P. Moller - Maersk Group has no particular concentration of cus-

tomers or suppliers and is not especially dependent on certain customers or suppliers.

### **Share based incentive schemes**

The A.P. Moller - Maersk Group does not use share based incentive schemes as part of management remuneration.

### **Financial effect of transition to IFRS**

As from 1 January 2005 the A.P. Moller - Maersk Group's annual report is to be prepared in accordance with IFRS. Comparative figures for 2004 will be restated to the new accounting policies. Reference is made to the accounting policies on page 33-35.

The result for 2004 before special items but after tax is DKK 21.0 billion. A preliminary estimate of the 2004 result, before special items, but after tax, based on IFRS, is in the order of DKK 23 billion. The principal differences are:

- Changed calculation of exchange rate adjustments of receivables and payables as a consequence of the transition to USD based reporting of the shipping activities and the Oil and Gas Activities. This entails an increased result before depreciation, amortisation and write-downs of DKK 0.2 billion
- Lower depreciation, primarily as a consequence of the transition to USD-based reporting of the shipping activities and the Oil and Gas Activities, DKK 1.3 billion
- Net increase of financial income as a consequence of the transition to USD based reporting including presentation of exchange rate adjustment of financial receivables and loans under financial items DKK 0.6 billion

At 1 January 2005, the A.P. Moller - Maersk Group's equity will be reduced by approximately DKK 12 billion, primarily due to the transition to USD-based reporting.

### **Accounting treatment of shares in Danske Bank in 2005**

With effect from 1 January 2005, Danske Bank is regarded an associated company.

Consequently, the book value of the shares in Danske Bank is in 2005 written down from market value to the share of the equity value including goodwill on purchase. This write-down of DKK 7 billion is taken direct to equity in the A.P. Moller - Maersk Group.

In future, share of result in Danske Bank will be included in the profit and loss account for the A.P. Moller - Maersk Group. The positive effect of this is estimated to be DKK 800 million in 2005.

### **Annual General Meeting and Dividend**

The Company's Annual General Meeting will be held in Copenhagen on 18 April 2005 at 10 a.m.

The Board of Directors proposes a dividend to the shareholders of DKK 450 per share of DKK 1,000 - a total of DKK 1,978 million (DKK 1,319 million).

### **Interim Report**

The Interim Report for the first half of 2005, which will be prepared under IFRS with regard to recognition and measurement, is expected to be published on 25 August 2005. Quarterly reports are not prepared, as it is not considered meaningful for the Group to publish figures relating to such a short period.

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# A.P. Møller - Maersk Group

## Directors' Statement

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The annual report for 2004 of A.P. Møller - Mærsk A/S has been prepared in accordance with the provisions of the Danish Financial Statements Act and the requirements of the Copenhagen Stock Exchange and gives in our opinion a true and fair view of the Group's and the Company's assets and liabilities, the financial position at 31 December 2004 and of the result of the Group's and the Company's activities and the Group's cash flow.

Copenhagen, 31 March 2005

Managing Owner:

*A.P. Møller*

Board of Directors:

*Michael Pram Rasmussen*  
*Chairman*

*Ane Mærsk Mc-Kinney Uggla*  
*Vice chairman*

*Poul J. Svanholm*  
*Vice chairman*

*Lars Kann-Rasmussen*

*Jan Leschly*

*Leise Mærsk Mc-Kinney Møller*

*Svend-Aage Nielsen*

*Jess Søderberg*

*Jan Tøpholm*

*Jens Erik Skovrider-Madsen*

*Henrik Lorensen Solmer*

# A.P. Møller - Maersk Group

## Auditors' report

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### **To the shareholders of A.P. Møller - Mærsk A/S**

We have audited the annual report of A.P. Møller - Mærsk A/S prepared by the Board of Directors and Managing Owner for the financial year 1 January - 31 December 2004 with the aim of expressing an opinion on the annual report based on our audit. The annual report is prepared in accordance with the Danish Financial Statements Act and Danish Accounting Standards.

### **Basis of Opinion**

We conducted our audit in accordance with Danish Auditing Standards and International Standards on Auditing. Those standards require that we plan and perform the audit to obtain reasonable assurance that the annual report is free of material misstatement. An audit includes examining, on a test basis, evidence supporting the accounts and disclosures in the annual report. An audit also includes assessing the accounting policies used and significant estimates made by the Board of Directors and Managing Owner as well as evaluating the overall annual report presentation. We believe that our audit provides a reasonable basis for our opinion.

Our audit has not resulted in any qualification.

### **Opinion**

In our opinion, the annual report gives a true and fair view of the Group's and the Company's assets, liabilities and financial position at 31 December 2004 and the result of the Group's and Company's activities and the Group's cash flow for the financial year 1 January - 31 December 2004 in accordance with the Danish Financial Statements Act and Danish Accounting Standards.

Copenhagen, 31 March 2005

**Søren Thorup Sørensen**  
State Authorised Public Accountant

KPMG C. Jespersen  
Statsautoriseret Revisionsinteressentskab

**Gert Fisker Tomczyk**  
State Authorised Public Accountant

Grothen & Perregaard  
Statsautoriseret Revisionsaktieselskab

# A.P. Møller - Maersk Group

## Accounting Policies

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The annual report for 2004 of A.P. Møller - Mærsk A/S has been prepared in accordance with the provisions of the Danish Financial Statements Act applicable to listed companies and the Copenhagen Stock Exchange financial reporting requirements for listed companies.

The accounting policies applied are unchanged from last year.

### **Consolidation**

The consolidated financial statements comprise the companies of which A.P. Møller - Mærsk A/S has control.

Intercompany income and expenses, shareholdings, balances and dividends and gains and losses on intercompany transactions are eliminated.

On acquisition of new companies, their assets and liabilities are measured at fair value at the date of acquisition. Restructuring costs in the acquired company are provided for.

Goodwill on acquisition is recognised as an intangible fixed asset and is amortised based on an individual assessment of the economic life. Goodwill on acquisition before 1 January 2002 was written off against equity in the year of acquisition.

Entities jointly controlled with one or more other undertakings are included in the consolidated financial statements using proportionate consolidation. Items related to part-owned ships are included pro rata.

**Associated companies** are recognised in the balance sheet at the Group's share of the equity value

and in the profit and loss account at the Group's share of the net results.

Goodwill on acquisition of associated companies is recognised as part of the equity value and is amortised based on an individual assessment of the economic life. Goodwill on acquisition before 1 January 2002 was written off against equity in the year of acquisition.

### **Currency translation**

Transactions in other currencies than DKK are translated into DKK at the exchange rate prevailing at the date of the transaction. Monetary items in foreign currencies not settled at year end are translated into DKK at the exchange rate at year end.

Exchange rate gains and losses relating to net revenue, operating costs, etc. are included in these items. Other realised and unrealised exchange rate gains and losses are included in the profit and loss account as special items.

Financial statements in other currencies than DKK are translated into DKK at average exchange rates for the income and expense items and at the year-end rate for the assets and liabilities. Exchange rate differences arising from this translation are taken directly to equity.

Derivatives are measured at fair value and included in other receivables (positive fair value) or other payables (negative fair value).

Changes in the value of derivatives used to hedge the value of recognised assets or liabilities are recognised in the profit and loss account to-

gether with the changes in the value of the hedged assets and liabilities.

Changes in the value of derivatives used to hedge future transactions are recognised directly under equity until the hedged transactions are realised, at which time value changes are included in the hedged transactions.

### **Profit and Loss Account**

**Net revenue** comprises invoiced sales. Uncompleted voyages in the shipping activities are recognised with the share related to the financial year. Earnings for ships which are engaged in pool co-operations are recognised in the net revenue on a time charter basis.

Net revenue regarding Oil and Gas Activities is calculated as the Group's share of the value of the oil and gas production in the ventures in which the Group participates.

**Tax on the profit/loss for the year** includes the amount estimated to be paid for the year, adjusted for the change in deferred tax.

The tax amount includes the special taxes relating to exploitation and production of hydrocarbons (royalties, oil pipeline taxes and the like) and a 20% share of the profits to the Danish State.

### **The Balance Sheet**

**Intangible assets** are valued at cost less accumulated amortisation, which is provided over the expected economic life, normally 3-10 years.

Impairment write-downs are made when deemed necessary.

# A.P. Moller - Maersk Group

## Accounting Policies

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**Tangible fixed assets** are valued at cost less accumulated depreciation.

Depreciation is based on the estimated economic lives of new assets, normally as follows:

Ships and rigs, etc.	15-20 years
Containers, etc.	8-12 years
Aircraft	15-20 years
Buildings	10-50 years
Technical plant and machines	5-15 years
Other equipment, etc.	3-7 years
Oil and gas production facilities, etc.	up to 15 years
Exploration expenses regarding the Oil and Gas Activities	up to 5 years

Impairment write-downs are made when deemed necessary.

Dry-docking costs are recognised in the balance sheet when incurred, and charged over the period until the next dry-docking.

The cost of assets produced by the Group includes direct and indirect expenses.

Assets held under finance leases are treated in the same way as other tangible fixed assets.

**Securities and investments** are recognised at market value for listed securities and at estimated fair value for other securities. Changes in the fair value of shares etc. which are fixed assets are recognised in the profit and loss account as a special item. Other changes in fair value are recognised under financial income or expenses.

**Inventories and stocks on ships** are measured at cost, primarily according to the FIFO method. Write-down is made to any lower value and for obsolescence. The cost of

finished goods and work in progress includes direct and indirect production costs.

**Receivables** are normally measured at nominal value. Write-down is made for anticipated losses.

**Equity**  
Dividend for distribution is included as part of the equity. Own shares are deducted directly from equity and are recognised without value.

**Deferred taxes**  
Provision for deferred tax is made on differences between the accounting value and tax base of assets and liabilities. Deferred tax assets are recognised at the value at which they are expected to be realised.

**Other provisions** include pension obligations, abandonment of oil fields, expected restructuring costs etc. Provisions are recognised based on specific estimates. Pension obligations are recognised based on actuarial calculation. Actuarial gains and losses are recognised over a short period. Provision is made for anticipated losses on contracts including capital commitments.

**Financial liabilities** are initially measured at the proceeds received. Any premium or discount is amortised over the life of the liabilities. Capitalised liabilities in respect of finance leases are included as liabilities in the balance sheet.

**The cash flow statement** shows the Group's cash flows for the year divided into cash flows from operating activities, cash flows used for investing activities and cash flows from financing activities.

Cash and cash equivalents comprise cash and bank deposits as well as bonds and other marketable securities.

### Segment information

Key figures from the consolidated financial statements shown in the Directors' report are divided into the following business areas:

- Container shipping and related activities
- Tankers, Offshore and other shipping activities
- Oil and Gas Activities
- Retail activity
- Shipyards, other industrial companies, aviation, IT, etc.

Eliminations and unallocated items comprise elimination of intercompany transactions and expenses, adjustment of provisions, write-downs and financial income and expenses which cannot be allocated to business segments.

For companies that are included in more than one segment, interest and interest-bearing assets and liabilities are allocated according to the book value of the segment assets.

### Key Figures

Return on equity is the profit for the year divided by the average equity.

Equity ratio is equity divided by total equity and liabilities.

When calculating key figures "per share" the share capital resulting from the merger at 1 January 2003 has been applied for all years. In the calculation of result, cash flow per share and market capitalisation, the Group's holding of own shares has been excluded.

# A.P. Moller - Maersk Group

## Accounting Policies

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### **Changes in the Accounting Policies in 2005**

As from 1 January 2005 the A.P. Moller - Maersk Group will prepare consolidated accounts in accordance with the International Financial Reporting Standards (IFRS).

In the annual report for 2005, figures for 2004 will be restated to the changed accounting policies. However, figures relating to financial instruments including assets and liabilities regulated by IAS 39 will, in accordance with IFRS, not be restated.

The transition to IFRS will primarily affect the following areas:

### **Currency Translation**

Previously – as a general rule – the local currency has been applied as the reporting currency. According to IFRS, each operating unit must determine a functional currency, which may differ from the local currency. In future, the functional currency must be the measurement currency. For the Group's shipping activities and Oil and Gas Activities, the functional currency will be USD.

This will imply that:

- The exchange rate adjustment, which now mainly concerns debt and receivables, cash in banks, etc. in USD, will be reduced. The exchange rate adjustment, which has previously been classified as a special item in the profit and loss account, will in the future be included in financial income and expenses.
- The book value of fixed assets will be based on USD, which will affect both the value of the fixed assets and the size of the depreciation.

The presentation currency in the annual report will remain DKK.

**Shares** which are fixed assets but not associated companies or subsidiaries.

Previously, such shares have been measured at fair value and changes in the fair value have been included in the profit and loss account as a special item. As from 1 January 2005, changes in fair value will be included directly under equity.

**Oil and Gas Activity** – abandonment expenses.

Previously, the expected abandonment expenses have been charged to the profit and loss account over the expected economic lives of the fields. According to IFRS, the expected expenses must be included in the cost of the asset and depreciated over the expected economic lives of the fields.

### **Goodwill**

Previously, goodwill on acquisition has been recognised as an asset and amortised over the expected economic life – usually 5-10 years. From 1 January 2005, goodwill will not be amortised systematically but will be subject to periodic impairment tests.

### **Discontinuing operations**

The results of discontinuing operations, consisting of operating result and gain or losses on disposals should according to IFRS be presented separately in the profit and loss account.

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# A.P. Moller - Maersk Group

## Profit and Loss Account for 2004

*All amounts in DKK millions*

*Note*

	<u>2004</u>	<u>2003</u>
1 Net revenue	165,962	157,112
Other operating income	1,227	1,627
2 External expenses	102,609	96,981
3 Staff expenses	<u>23,174</u>	<u>22,903</u>
<b>Result before depreciation and write-downs, etc.</b>	<b>41,406</b>	<b>38,855</b>
4 Depreciation, amortisation and write-downs, etc.	15,896	17,764
Gains on sale of undertakings, ships, rigs, etc.	<u>4,013</u>	<u>655</u>
<b>Result before financial items</b>	<b>29,523</b>	<b>21,746</b>
9 Associated companies - share of result before tax	618	568
Financial income	2,182	2,185
5 Financial expenses	<u>2,053</u>	<u>2,544</u>
<b>Result before special items</b>	<b>30,270</b>	<b>21,955</b>
9 Value adjustment of financial assets	3,233	2,518
Exchange rate adjustment of loans, cash in banks, etc.	<u>140</u>	<u>2,149</u>
<b>Result before tax</b>	<b>33,643</b>	<b>26,622</b>
6 Tax on result for the year	<u>9,184</u>	<u>9,230</u>
<b>Result for the year</b>	<b>24,459</b>	<b>17,392</b>
14 Minority interests	<u>- 107</u>	<u>- 119</u>
<b>A.P. Moller - Maersk Group's share of the result for the year</b>	<b><u>24,352</u></b>	<b><u>17,273</u></b>

# A.P. Moller - Maersk Group

## Assets at 31 December 2004

*All amounts in DKK millions*

<i>Note</i>	<u><b>2004</b></u>	<u><b>2003</b></u>
<b>7 Intangible fixed assets</b>	<u><b>1,202</b></u>	<u><b>1,065</b></u>
Ships, rigs, containers, aircraft, etc.	62,903	64,946
Production facilities and equipment, etc.	14,739	14,731
Land and buildings	6,687	7,083
Construction work in progress and payment on account for tangible fixed assets	<u>11,273</u>	<u>5,833</u>
<b>8 Tangible fixed assets</b>	<u><b>95,602</b></u>	<u><b>92,593</b></u>
Investment in associated companies	5,486	3,860
Securities and investments	19,889	15,470
Receivables	<u>1,513</u>	<u>1,279</u>
<b>9 Financial fixed assets</b>	<u><b>26,888</b></u>	<u><b>20,609</b></u>
<b>Total fixed assets</b>	<u><b>123,692</b></u>	<u><b>114,267</b></u>
<b>10 Stocks and inventories</b>	<u><b>4,126</b></u>	<u><b>3,928</b></u>
Trade receivables	16,613	15,607
Other receivables	7,806	6,555
<b>11 Deferred tax asset</b>	782	662
Prepaid expenses	<u>1,509</u>	<u>2,533</u>
<b>12 Receivables</b>	<u><b>26,710</b></u>	<u><b>25,357</b></u>
Securities	22,630	13,934
Cash	<u>16,778</u>	<u>15,548</u>
<b>Total current assets</b>	<u><b>70,244</b></u>	<u><b>58,767</b></u>
<b>TOTAL ASSETS</b>	<u><b>193,936</b></u>	<u><b>173,034</b></u>



# A.P. Moller - Maersk Group

## Liabilities at 31 December 2004

*All amounts in DKK millions*

<i>Note</i>	<u><b>2004</b></u>	<u><b>2003</b></u>
13 Share capital	4,396	4,396
Other reserves	107,887	86,473
Dividend for distribution	<u>1,978</u>	<u>1,319</u>
<b>Equity</b>	<u><b>114,261</b></u>	<u><b>92,188</b></u>
14 <b>Minority interests</b>	<u><b>490</b></u>	<u><b>532</b></u>
11 Deferred tax	2,059	2,691
15 Other provisions	<u>4,618</u>	<u>4,574</u>
<b>Provisions</b>	<u><b>6,677</b></u>	<u><b>7,265</b></u>
Banks and other credit institutions	27,494	33,607
Debt to associated companies	<u>0</u>	<u>457</u>
16 <b>Long-term debt</b>	<u><b>27,494</b></u>	<u><b>34,064</b></u>
16 Short-term portion of long-term debt	6,365	6,970
Banks and other credit institutions	5,343	761
Debt to associated companies	2,422	541
Trade payables	20,278	17,272
Company tax	2,160	2,392
Other debt	6,716	8,130
Deferred income	<u>1,730</u>	<u>2,919</u>
<b>Short-term debt</b>	<u><b>45,014</b></u>	<u><b>38,985</b></u>
<b>Total debt</b>	<u><b>72,508</b></u>	<u><b>73,049</b></u>
 <b>TOTAL LIABILITIES</b>	 <u><b>193,936</b></u>	 <u><b>173,034</b></u>
17 Other financial obligations and mortgages		
18 Financial instruments		

# A.P. Moller - Maersk Group

## Equity Statement

*All amounts in DKK millions*

	Share capital	Other reserves	Dividend for distribution	Total
<b>Equity at 1 January 2003</b>	<b>4,396</b>	<b>71,955</b>	<b>879</b>	<b>77,230</b>
Dividend distributed regarding prior year	-	-	- 879	- 879
Result for the year	-	15,954	1,319	17,273
Exchange rate adjustment regarding translation of companies in foreign currencies *	-	- 2,305	-	- 2,305
Value adjustment of hedging instruments after tax	-	807	-	807
Dividend and cash merger consideration regarding own shares	-	103	-	103
Other	-	- 41	-	- 41
<b>Equity at 31 December 2003</b>	<b>4,396</b>	<b>86,473</b>	<b>1,319</b>	<b>92,188</b>
Dividend distributed regarding prior year	-	-	- 1,319	- 1,319
Result for the year	-	22,374	1,978	24,352
Exchange rate adjustment regarding translation of companies in foreign currencies *	-	- 1,447	-	- 1,447
Value adjustment of hedging instruments after tax	-	384	-	384
Dividend regarding own shares	-	84	-	84
Other	-	19	-	19
<b>Equity at 31 December 2004</b>	<b>4,396</b>	<b>107,887</b>	<b>1,978</b>	<b>114,261</b>

*\*) For the period 1998-2004, the equity of the A.P. Moller - Maersk Group has in total been reduced by DKK 3.8b regarding exchange rate adjustments of foreign companies.*

# A.P. Moller - Maersk Group

## Cash Flow Statement for 2004

*All amounts in DKK millions*

<i>Note</i>	<b>2004</b>	<b>2003</b>
Result before financial items	29,523	21,746
Depreciation, amortisation and write-downs, etc.	15,896	17,764
Gain on sale of undertakings, ships, rigs, etc.	- 4,013	- 655
Other adjustments	- 129	- 1,572
19 Change in working capital	- 647	- 1,278
Financial income	1,984	1,971
Financial expenses	- 2,789	- 2,379
Taxes paid	- 10,618	- 9,298
<b>Cash flow from operating activities</b>	<b>29,207</b>	<b>26,299</b>
Purchase of intangible and tangible fixed assets	- 22,716	- 19,934
Disposal of intangible and tangible fixed assets	3,351	3,716
20 Purchase of companies and activities	- 404	- 65
21 Sale of companies and activities	3,379	497
Purchase/sale of securities, net	- 1,095	- 571
Purchase/sale of associated companies, etc., net	- 903	- 246
<b>Cash flow used for investing activities</b>	<b>- 18,388</b>	<b>- 16,603</b>
Repayment of loans	- 11,130	- 10,325
Proceeds from loans, etc.	12,194	8,416
Dividend distributed and cash merger consideration	- 1,235	- 1,489
Dividend distributed to minority interests	- 162	- 205
Other	38	168
<b>Cash flow from financing activities</b>	<b>- 295</b>	<b>- 3,435</b>
<b>Net cash flow for the year</b>	<b>10,524</b>	<b>6,261</b>
Cash and cash equivalents at 1 January	29,482	23,706
Exchange rate adjustments, etc.	- 598	- 485
<b>Cash and cash equivalents at 31 December</b>	<b>39,408</b>	<b>29,482</b>
Comprising:		
Shares	2,292	1,758
Bonds *)	20,338	12,176
Cash	16,778	15,548
	<b>39,408</b>	<b>29,482</b>

\*) Bonds include those maturing after more than three months

# A.P. Moller - Maersk Group

## Notes to the annual accounts 2004

*All amounts in DKK millions (In parenthesis the corresponding figures for 2003).*

### 1 Net revenue

Segment information is set out in the Directors' Report.

Below is set out the geographical distribution of the Group's net revenue which for the shipping activities are based on the receiving country.

	<u>2004</u>	<u>2003</u>
Europe	81,840	76,619
North and South America	37,533	37,294
Asia	18,835	17,614
Others	<u>27,754</u>	<u>25,585</u>
	<u>165,962</u>	<u>157,112</u>

### 2 External expenses

		<u>2004</u>	<u>2003</u>
Fees to the statutory auditors of A. P. Møller - Mærsk A/S			
G. Fisker Tomczyk:	Fee for auditing	10.6	10.4
	Fee for services other than auditing	15.7	9.0
S. Thorup Sørensen:	Fee for auditing	15.2	16.3
	Fee for services other than auditing	14.1	14.1

External expenses include fees, etc. to the managing owner, Firmaet A.P. Møller, and other fees to partners DKK 67.1m (DKK 64.0m).

The A.P. Moller - Maersk Group do not use share based incentive schemes.

### 3 Staff expenses

	<u>2004</u>	<u>2003</u>
Directors' fees	11	12
Salaries and wages	20,386	20,569
Pension contributions	993	787
Other social security costs	<u>1,784</u>	<u>1,535</u>
	<u>23,174</u>	<u>22,903</u>
Average number of employees excluding jointly controlled companies	<u>62,300</u>	<u>63,161</u>

Furthermore staff expenses of DKK 1,143m are included in the additions during the year to intangible and tangible fixed assets.

### 4 Depreciation, amortisation and write-downs, etc.

	<u>2004</u>	<u>2003</u>
Intangible fixed assets	364	233
Ships, rigs, containers, aircraft, etc.	9,595	11,119
Production facilities and equipment, etc.	5,315	5,779
Land and buildings	612	623
Others	<u>10</u>	<u>10</u>
	<u>15,896</u>	<u>17,764</u>

# A.P. Moller - Maersk Group

## Notes to the annual accounts 2004

All amounts in DKK millions (In parenthesis the corresponding figures for 2003).

<b>5 Financial expenses</b>	<b>2004</b>	<b>2003</b>
Interest paid to associated companies	54	61

<b>6 Tax on result for the year</b>	<b>2004</b>	<b>2003</b>
Current tax including hydrocarbon tax and tonnage taxes	10,282	8,994
Adjustment of deferred tax, etc.	- 1,129	71
Tax in associated companies	31	165
Total tax	9,184	9,230

Tax for the year can be reconciled as follows:

Result before tax	33,778	26,622
Income subject to Danish and foreign tonnage taxation, etc.	- 6,869	- 5,228
Associated companies – share of result before tax	- 618	- 568
	26,291	20,826

Calculated tax at 30%	7,887	6,248
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Adjustments for:

Additional/less tax in foreign companies, net	42	91
Additional tax in oil segments	3,725	3,076
Freight and tonnage taxes, etc.	569	341
Tax in associated companies	31	165
Gains and dividend related to shares	- 1,850	- 889
Adjustments to previous years' taxes	- 53	- 41
Tax losses not capitalised, net	30	117
Other permanent differences	- 1,197	122
Total tax	9,184	9,230

<b>7 Intangible fixed assets</b>	<b>Goodwill</b>	<b>IT software*)</b>	<b>Rights</b>	<b>Total</b>
Cost:				
At 1 January 2004	479	505	487	1,471
Exchange rate adjustment	- 2	- 2	- 11	- 15
Additions during the year	249	349	103	701
Disposals during the year	- 327	- 51	- 91	- 469
Transferred	- 3	-	- 14	- 17
At 31 December 2004	396	801	474	1,671

Amortisation and write-downs:

At 1 January 2004	118	113	175	406
Exchange rate adjustment	- 2	- 2	- 1	- 5
Amortisation for the year	118	86	45	249
Write-downs for the year	115	-	-	115
Disposals during the year	- 248	- 20	- 36	- 304
Transferred	- 1	-	9	8
At 31 December 2004	100	177	192	469
Book value at 31 December 2004	296	624	282	1,202

\*) DKK 437m (DKK 250m) of this relating to ongoing development of IT software.

# A.P. Moller - Maersk Group

## Notes to the annual accounts 2004

All amounts in DKK millions (In parenthesis the corresponding figures for 2003).

Note 7 continued

		The year's acquisitions at cost	Total goodwill for the year
Information about goodwill etc. related to acquisitions for the period 1999-2001:			
	1999	7,541	7,369
	2000	2,295	2,018
	2001	2,214	1,539

The cost comprises the net purchase price paid for the acquired companies.

Goodwill related to acquisitions of companies before 1 January 2002 has been written off against reserves in the year of acquisition.

### 8 Tangible fixed assets

	Ships, rigs, containers, aircraft, etc.	Production facilities and equipment, etc.	Land and buildings	Construction work in progress and payment on account for tangible fixed assets
Cost:				
At 1 January 2004	121,584	54,616	12,342	5,843
Exchange rate adjustment	- 2,089	- 398	- 74	- 401
Additions during the year	6,481	3,755	911	11,488
Disposals during the year	- 7,123	- 1,741	- 529	- 3
Transferred	3,841	1,972	- 492	- 5,469
At 31 December 2004	122,694	58,204	12,158	11,458
Depreciation and write -downs:				
At 1 January 2004	56,638	39,885	5,259	10
Exchange rate adjustment	- 795	- 197	- 25	-
Depreciation for the year	9,048	5,097	567	-
Write-downs for the year	547	218	45	-
Disposals during the year	- 5,842	- 1,353	- 356	-
Transferred	195	- 185	- 19	175
At 31 December 2004	59,791	43,465	5,471	185
Book value at 31 December 2004	62,903	14,739	6,687	11,273
Hereof financial leased assets	2,557	31	24	-

The official tax valuation regarding Danish properties at a book value of DKK 2,975m (DKK 3,011m) amounts to DKK 5,382m (DKK 5,242m).

At the end of 2004, the A.P. Moller - Maersk Group has capital commitments relating to ships, rigs, containers, terminals, etc. on order amounting to DKK 30.8b (DKK 12.1b).

Ownership of production facilities etc. relating to oil production in Qatar and in Algeria at a book value of DKK 6.3b (DKK 7.6b) is being transferred to State-owned oil companies according to agreement. The consortia have the right of use during the concession period.

# A.P. Moller - Maersk Group

## Notes to the annual accounts 2004

*All amounts in DKK millions (In parenthesis the corresponding figures for 2003).*

### 9 Financial fixed assets

	Investments in associated companies	Securities and investments	Receivables
Cost:			
At 1 January 2004	2,394	5,852	1,279
Exchange rate adjustment	- 53	- 28	- 83
Additions during the year	1,191	1,347	493
Disposals during the year	- 92	- 3	- 127
Transferred	128	- 140	- 49
At 31 December 2004	<u>3,568</u>	<u>7,028</u>	<u>1,513</u>
Value adjustments:			
At 1 January 2004	1,466	9,618	-
Exchange rate adjustment	- 30	10	-
Dividend distributed	- 113	-	-
Result for the year before tax	618	-	-
Tax	- 31	-	-
Value adjustment for the year, net	-	3,233	-
Disposals during the year	- 30	-	-
Transferred	38	-	-
At 31 December 2004	<u>1,918</u>	<u>12,861</u>	<u>-</u>
Book value at 31 December 2004	<u>5,486</u>	<u>19,889</u>	<u>1,513</u>

Receivables include receivables from associated companies of DKK 221m (DKK 325m).

### 10 Stocks and inventories

	<u>2004</u>	<u>2003</u>
Raw materials and consumables	1,196	1,109
Work in progress	200	258
Finished goods and trading stock/inventory	<u>2,014</u>	<u>1,887</u>
	3,410	3,254
Bunkers	<u>716</u>	<u>674</u>
	<u>4,126</u>	<u>3,928</u>

# A.P. Moller - Maersk Group

## Notes to the annual accounts 2004

*All amounts in DKK millions (In parenthesis the corresponding figures for 2003).*

### 11 Deferred tax

	<u>2004</u>	<u>2003</u>
Deferred tax at 1 January	2,029	1,770
Exchange rate adjustment, etc.	11	32
Change in deferred tax for the year	- 785	71
Deferred tax relating to equity postings	- 158	18
Other	180	138
Deferred tax at 31 December	<u>1,277</u>	<u>2,029</u>

The amount can be specified as follows:

Deferred tax asset	782	662
Deferred tax (provision)	<u>2,059</u>	<u>2,691</u>
	<u>1,277</u>	<u>2,029</u>

Deferred tax relates to:

Intangible fixed assets	- 177	426
Tangible fixed assets	2,109	1,268
Financial fixed assets	57	652
Hedge instruments	202	284
Current assets	51	76
Provisions	- 456	- 227
Debt	- 356	- 98
Other	<u>- 153</u>	<u>- 352</u>
	<u>1,277</u>	<u>2,029</u>

In relation to the special hydrocarbon tax, there are at 31 December 2004 field losses carried forward and unused tax allowances of a tax value of about DKK 4.5b (DKK 5.5b) in total. No tax value is recognised in the accounts since there is significant uncertainty as to whether they can be utilised.

Other non recognised tax assets are estimated at DKK 948m (DKK 838m).

### 12 Receivables

Receivables include commercial current account with Company's management of DKK 16m (DKK 13m).

	<u>2004</u>	<u>2003</u>
Receivables due after 1 year:		
Trade receivables	6	64
Other receivables	<u>174</u>	<u>42</u>
	<u>180</u>	<u>106</u>



# A.P. Moller - Maersk Group

## Notes to the annual accounts 2004

All amounts in DKK millions (In parenthesis the corresponding figures for 2003).

### 13 Share capital

	No of shares of DKK 1,000	Nominal value	% of share capital
Own shares (B-shares)	280,959	281	6.4%

### 14 Minority interests

	2004	2003
At 1 January	532	773
Exchange rate adjustment	- 17	- 15
Adjustment, acquisition/sale of undertakings	30	- 163
Dividend distributed	- 162	- 205
Share of result for the year	107	119
Other	-	23
At 31 December	490	532

### 15 Other provisions

	Abandonment	Pensions	Other	Total
At 1 January 2004	2,190	694	1,690	4,574
Exchange rate adjustment	-	- 18	- 37	- 55
Transferred	14	- 5	18	27
Used during the year	-	- 274	- 482	- 756
Reversed during the year	-	- 5	- 410	- 415
Provisions for the year	10	343	890	1,243
At 31 December 2004	2,214	735	1,669	4,618
Short-term portion	-	70	654	724
Long-term portion	2,214	665	1,015	3,894
	2,214	735	1,669	4,618

Provisions for abandonment comprise net present value of estimated costs for abandonment of oil fields.

Unrecognised part of the pension obligations amounts to DKK 275m (DKK 285m) which will be recognised over a short period according to the accounting policies applied.

"Other" includes provisions relating to ongoing restructuring, guarantees and anticipated losses on contracts, etc.

# A.P. Moller - Maersk Group

## Notes to the annual accounts 2004

*All amounts in DKK millions (In parenthesis the corresponding figures for 2003).*

<b>16 Long-term debt</b>	<b>2004</b>	<b>2003</b>
Banks and other credit institutions	24,550	26,906
Finance lease	2,944	7,158
	27,494	34,064
Short-term portion of long-term debt	6,365	6,970
Total	33,859	41,034

Due as follows:

Within 1 year	6,365	6,970
Between 1 and 5 years	15,112	20,920
After 5 years	12,382	13,144
	33,859	41,034

### **17 Other financial obligations and mortgages**

Bank loans and other debt to credit institutions etc. are secured on ships, etc. and containers in the amount of DKK 19,241m (DKK 20,056m). The book value of the ships, etc. and containers provided as security is DKK 26,086m (DKK 27,201m).

Guarantees amount to DKK 216m (DKK 407m).

The necessary facility of USD 239m (USD 239m) has been established in order to meet the requirements for trading on the USA under the American Oil Pollution Act of 1990 (Certificate of Financial Responsibility).

When exploring or producing oil in foreign countries, each subsidiary is generally liable for contractual obligations jointly with the other consortium associates.

Tax may crystallise if the company leaves the tonnage tax regimes.

Due to collective agreements, some companies in the A.P. Moller - Maersk Group participate together with other enterprises in defined benefit and health insurance schemes for current and retired employees (multi-employer plans). In 2004, the Group's contribution is estimated to approximately DKK 265m (DKK 265m). Underfunding in some of the schemes can necessitate increased contributions in the future.

As part of the Group's activities, customary agreements are concluded regarding charter and operating lease of ships, containers, and port facilities, etc.

The future charter and operational lease payments are:

	<b>2004</b>	<b>2003</b>
Within 1 year	11,489	9,591
Between 1 and 5 years	25,447	17,301
After 5 years	31,227	12,881
	68,163	39,773

# A.P. Moller - Maersk Group

## Notes to the annual accounts 2004

All amounts in DKK millions (In parenthesis the corresponding figures for 2003).

### 18 Financial instruments

	Book value		Net yield		Average duration - years	
	2004	2003	2004	2003	2004	2003
<b>Bonds</b>						
DKK	13,359	10,637	3.3 %	5.0 %	1.7	4.1
EUR	6,243	1,132	2.4 %	2.9 %	1.3	0.1
USD	420	208	3.0 %	1.5 %	0.0	0.1
Other currencies	316	199	4.5 %	4.1 %	0.0	0.2

	2004	2003
<b>Shares</b>		
Listed shares	21,415	16,094
Non listed shares	766	1,134

	2004	2003
<b>Cash</b>		
USD	6,890	5,087
EUR	4,410	2,337
DKK	1,591	5,981
Other currencies	3,887	2,143
	16,778	15,548

### Loans and finance lease obligations

	2004				2003			
	Interest span				Interest span			
	0-3 %	3-6 %	6 %-	Total	0-3 %	3-6 %	6 %-	Total
USD	13,984	8,562	6,180	28,726	14,697	1,440	8,590	24,727
EUR	1,455	408	40	1,903	1,993	702	21	2,716
DKK	4,587	3,596	374	8,557	9,836	2,736	883	13,455
Other currencies	1,246	972	220	2,438	441	812	185	1,438
	21,272	13,538	6,814	41,624	26,967	5,690	9,679	42,336
Of which bearing fixed interest, including interest swaps				28,121				23,278
Of which bearing floating interest, including interest swaps				13,503				19,058

### Interest rate swaps

	Market value	
	2004	2003
USD	- 437	- 594
EUR	- 38	- 17
DKK	- 34	171
Other currencies	- 9	70
	- 518	- 370
Of which recognised	- 9	166
Closed swaps for future recognition	- 48	-
For future recognition	- 557	- 536

Interest rate swaps are used for hedging the interest exposure on loans.

The market value which will be recognised in future periods relates to the conversion of floating interest to fixed interest on loans and is expected to be recognised within 8 years.

# A.P. Moller - Maersk Group

## Notes to the annual accounts 2004

All amounts in DKK millions (In parenthesis the corresponding figures for 2003).

Note 18 continued

### Currency forward and option contracts

	Principal Bought/sold (-), net		Market value	
	2004	2003	2004	2003
USD	- 5,915	- 10,852	1,969	2,263
EUR	- 3,072	4,897	2	92
Other currencies	1,394	- 747	- 11	- 689
			1,960	1,666
Of which recognised			23	153
For future recognition			1,937	1,513

The market value for future recognition relates to hedging of expected revenue and expenses within the coming 12-18 month.

### Exchange rate adjustments

The result for the year includes exchange rate adjustments of a total of DKK 202m (DKK 2,079m) as net income.

### Other currency distribution

Receivables from sales are primarily settled in USD, while debt to suppliers is settled in a variety of currencies, primarily USD and EUR.

### Other hedges

	Principal Bought/sold (-), net		Market value	
	2004	2003	2004	2003
Oil price hedges	- 2,278	- 3,214	- 609	- 47
Freight hedges	- 120	- 145	- 14	- 21
Raw material hedges	129	-	20	-
			- 603	- 68
Of which recognised			- 92	-
For future recognition			- 695	- 68

### Credit risks

The A.P. Moller - Maersk Group has no concentration of credit risks.

### 19 Change in working capital

	2004	2003
Stocks and inventories	- 92	190
Trade receivables	- 467	437
Other receivables and prepaid expenses, etc.	- 275	179
Trade payables and other debt, etc.	187	- 2,084
	- 647	- 1,278

# A.P. Moller - Maersk Group

## Notes to the annual accounts 2004

*All amounts in DKK millions (In parenthesis the corresponding figures for 2003).*

<b>20 Purchase of companies and activities</b>	<b>2004</b>	<b>2003</b>
Fixed assets	- 357	- 89
Receivables and inventories	- 168	- 36
Provisions	21	12
Minority interests	- 16	-
Long-term debt	214	75
Short-term debt	119	24
Acquired net assets	- 187	- 14
Goodwill	- 267	- 50
Integration and acquisition expenses	-	- 1
Purchase price including expenses	- 454	- 65
Cash in acquired companies	50	-
Cash flow from acquisition of companies and activities	- 404	- 65
<b>21 Sale of companies and activities</b>	<b>2004</b>	<b>2003</b>
Fixed assets	476	1,484
Receivables and inventories	1,755	845
Provisions	- 35	- 95
Minority interests	- 22	- 15
Long-term debt	- 215	- 1,263
Short-term debt	- 545	- 486
Net assets sold	1,414	470
Gain on sale	2,654	68
Transaction expenses	- 46	- 28
Sales price including expenses	4,022	510
Cash in sold companies and activities	- 643	- 13
Cash flow from sale of companies	3,379	497



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# A.P. Møller - Mærsk A/S

## Financial Highlights

*Amounts in DKK millions*

	<b>2004</b>	<b>2003</b>	<b>2002</b>	<b>2001</b>	<b>2000</b>
Net revenue	85,751	81,116	81,160	89,079	84,309
Result before depreciation and write-downs, etc.	21,188	18,240	16,338	17,255	16,868
Depreciation, amortisation and write-downs, etc.	7,294	7,658	7,629	7,830	7,498
Gain on sale of undertakings, ships, rigs, etc., net	3,072	495	342	173	102
Group and associated companies – share of result before tax	11,795	10,462	10,053	8,336	11,942
Financial items, net	726	398	- 456	- 870	- 999
Result before special items	29,487	21,937	18,648	17,064	20,415
Value adjustment of financial assets	3,115	2,305	- 1,326	- 506	4,643
Exchange rate adjustment of loans, cash in banks, etc.	868	2,156	3,089	- 1,121	- 1,608
Result before tax	33,470	26,398	20,411	15,437	23,450
Result for the year	24,352	17,273	12,058	8,457	15,970
 Total assets	 168,634	 137,994	 126,262	 119,823	 115,115
Equity	114,261	92,188	77,230	66,878	61,216
Net investments in tangible fixed assets	9,880	7,190	7,793	10,418	10,515
 Dividend per share, DKK	 450	 300	 200	 150	 150

*Goodwill related to acquisitions before 1 January 2002 has been written off against reserves in the year of acquisition.*

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# A.P. Møller - Mærsk A/S

## Profit and Loss Account for 2004

*All amounts in DKK millions*

<i>Note</i>	<b>2004</b>	<b>2003</b>
1 Net revenue	85,751	81,116
2 External expenses	<u>64,563</u>	<u>62,876</u>
<b>Result before depreciation and write-downs, etc.</b>	<b>21,188</b>	<b>18,240</b>
3 Depreciation, amortisation and write-downs, etc.	7,294	7,658
Gains on sale of undertakings, ships, rigs, etc., net	<u>3,072</u>	<u>495</u>
<b>Result before financial items</b>	<b>16,966</b>	<b>11,077</b>
Group companies – share of result before tax	10,181	8,983
Associated companies – share of result before tax	1,614	1,479
4 Financial income	1,885	1,524
5 Financial expenses	<u>1,159</u>	<u>1,126</u>
<b>Result before special items</b>	<b>29,487</b>	<b>21,937</b>
10 Value adjustment of financial assets	3,115	2,305
Exchange rate adjustment of loans, cash in banks, etc.	<u>868</u>	<u>2,156</u>
<b>Result before tax</b>	<b>33,470</b>	<b>26,398</b>
6 Tax on result for the year	<u>9,118</u>	<u>9,125</u>
<b>Result for the year</b>	<b><u>24,352</u></b>	<b><u>17,273</u></b>
<b>Appropriation:</b>		
Dividend	1,978	1,319
Net revaluation according to the equity method	7,380	5,657
Retained earnings	<u>14,994</u>	<u>10,297</u>
	<b><u>24,352</u></b>	<b><u>17,273</u></b>
Dividend per share, DKK	<b><u>450</u></b>	<b><u>300</u></b>

# A.P. Møller - Mærsk A/S

## Assets at 31 December 2004

*All amounts in DKK millions*

<i>Note</i>	<u><b>2004</b></u>	<u><b>2003</b></u>
<b>7 Intangible fixed assets</b>	<u><b>658</b></u>	<u><b>380</b></u>
Ships, rigs, containers, etc.	42,652	40,600
Production facilities and equipment, etc.	3,500	3,461
Land and buildings	117	135
Construction work in progress and payment on account for tangible fixed assets	<u>6,130</u>	<u>3,560</u>
<b>8 Tangible fixed assets</b>	<u><b>52,399</b></u>	<u><b>47,756</b></u>
9 Investment in group companies	40,382	29,822
9 Investment in associated companies	8,347	8,520
10 Securities and investments	19,683	13,063
10 Receivables from group companies	495	247
10 Receivables from associated companies	209	315
10 Other receivables	<u>726</u>	<u>465</u>
<b>Financial fixed assets</b>	<u><b>69,842</b></u>	<u><b>52,432</b></u>
<b>Total fixed assets</b>	<u><b>122,899</b></u>	<u><b>100,568</b></u>
 <b>Stocks and inventories</b>	 <u><b>935</b></u>	 <u><b>829</b></u>
Trade receivables	8,607	8,847
11 Receivables from group companies	8,646	9,628
Receivables from associated companies	100	68
Other receivables	2,348	1,545
Prepaid expenses	<u>705</u>	<u>902</u>
<b>Receivables</b>	<u><b>20,406</b></u>	<u><b>20,990</b></u>
Securities	16,052	9,738
Cash	<u>8,342</u>	<u>5,869</u>
<b>Total current assets</b>	<u><b>45,735</b></u>	<u><b>37,426</b></u>
<b>TOTAL ASSETS</b>	<u><b>168,634</b></u>	<u><b>137,994</b></u>

# A.P. Møller - Mærsk A/S

## Liabilities at 31 December 2004

*All amounts in DKK millions*

<i>Note</i>	<b><u>2004</u></b>	<b><u>2003</u></b>
12 Share capital	4,396	4,396
Net revaluation according to the equity method	31,957	29,881
Retained earnings	75,930	56,592
Dividend for distribution	1,978	1,319
<b>Equity</b>	<b><u>114,261</u></b>	<b><u>92,188</u></b>
13 Deferred tax	931	947
14 Other provisions	2,959	2,545
<b>Provisions</b>	<b><u>3,890</u></b>	<b><u>3,492</u></b>
Banks and other credit institutions	15,814	18,110
Debt to group companies	150	227
Debt to associated companies	-	3,906
<b>15 Long-term debt</b>	<b><u>15,964</u></b>	<b><u>22,243</u></b>
15 Short-term portion of long-term debt	1,782	1,996
Banks and other credit institutions	3,847	383
Debt to group companies	15,530	3,620
Debt to associated companies	1	373
Trade payables	8,923	8,938
Company tax	1,346	1,860
Other debt	2,237	1,638
Deferred income	853	1,263
<b>Short-term debt</b>	<b><u>34,519</u></b>	<b><u>20,071</u></b>
<b>Total debt</b>	<b><u>50,483</u></b>	<b><u>42,314</u></b>
 <b>TOTAL LIABILITIES</b>	 <b><u>168,634</u></b>	 <b><u>137,994</u></b>
16 Other financial obligations and mortgages		
17 Financial instruments		

# A.P. Møller - Mærsk A/S

## Equity Statement

*All amounts in DKK millions*

	Share capital	Net revaluation according to the equity method	Retained earnings	Dividend for distribution	Total
<b>Equity at 1 January 2003</b>	<b>4,396</b>	<b>27,118</b>	<b>44,837</b>	<b>879</b>	<b>77,230</b>
Dividend distributed regarding prior year	-	-	-	- 879	- 879
Result for the year	-	5,657	10,297	1,319	17,273
Dividends from subsidiaries and associated companies and other transfers, net	-	- 313	313	-	-
Exchange rate adjustment, etc. regarding non Danish companies	-	- 2,305	-	-	- 2,305
Value adjustment of hedging instruments after tax	-	-	167	-	167
Own shares sold to subsidiary	-	- 978	978	-	-
Other equity movements in group companies, etc.	-	702	-	-	702
<b>Equity at 31 December 2003</b>	<b>4,396</b>	<b>29,881</b>	<b>56,592</b>	<b>1,319</b>	<b>92,188</b>
Adjustments relating to merger	-	225	- 225	-	-
Dividend distributed regarding prior year	-	-	-	- 1,319	- 1,319
Result for the year	-	7,380	14,994	1,978	24,352
Dividends from subsidiaries and associated companies and other transfers, net	-	- 4,096	4,096	-	-
Exchange rate adjustment, etc. regarding non-Danish Companies	-	- 1,447	-	-	- 1,447
Value adjustment of hedging instruments after tax	-	- 89	473	-	384
Other equity movements in group companies, etc.	-	103	-	-	103
<b>Equity at 31 December 2004</b>	<b>4,396</b>	<b>31,957</b>	<b>75,930</b>	<b>1,978</b>	<b>114,261</b>

# A.P. Møller - Mærsk A/S

## Notes to the annual accounts 2004

*All amounts in DKK millions (In parenthesis the corresponding figures for 2003).*

### 1 Net revenue

Below is set out the geographical distribution of the Company's net revenue which for the shipping activities are based on the receiving country.

	<b>2004</b>	<b>2003</b>
Europe	32,853	30,107
North and South America	26,159	25,699
Asia	11,757	11,572
Others	14,982	13,738
	<u>85,751</u>	<u>81,116</u>

### 2 External expenses

This item includes a fee to the managing owner, Firmaet A.P. Møller, and other fees to partners of DKK 56.3m (DKK 53.0m).

Directors' fees are DKK 10m (DKK 11m).

The Company has no employees of its own as personel are employed by Rederiet A.P. Møller A/S.

Fees to the statutory auditors of A.P. Møller - Mærsk A/S		<b>2004</b>	<b>2003</b>
G. Fisker Tomczyk:	Fee for auditing	5.7	5.2
	Fee for services other than auditing	8.1	4.9
S. Thorup Sørensen:	Fee for auditing	5.7	5.2
	Fee for services other than auditing	5.8	4.6

### 3 Depreciation, amortisation and write-downs, etc.

	<b>2004</b>	<b>2003</b>
Intangible fixed assets	87	77
Ships, rigs, containers, etc.	6,208	6,206
Production facilities and equipment, etc.	971	1,358
Land and buildings	18	17
Others	10	-
	<u>7,294</u>	<u>7,658</u>

### 4 Financial income

	<b>2004</b>	<b>2003</b>
Interest, cash and securities, etc.	554	573
Interest income from group companies	244	201
Value adjustment of current asset securities	186	171
Dividends	901	579
	<u>1,885</u>	<u>1,524</u>



# A.P. Møller - Mærsk A/S

## Notes to the annual accounts 2004

*All amounts in DKK millions (In parenthesis the corresponding figures for 2003).*

<b>5 Financial expenses</b>	<b>2004</b>	<b>2003</b>
Interest, banks and other credit institutions, etc.	1,069	894
Interest to group companies	90	20
Interest to associated companies	-	212
	<u>1,159</u>	<u>1,126</u>

<b>6 Tax on result for the year</b>	<b>2004</b>	<b>2003</b>
Current tax including hydrocarbon taxes and tonnage taxes	5,403	4,135
Adjustment of deferred tax, etc.	- 714	185
Adjustment of tax relating to previous years	14	-
Total tax for the year	<u>4,703</u>	<u>4,320</u>
Tax in group companies and associated companies	<u>4,415</u>	<u>4,805</u>
Total tax	<u>9,118</u>	<u>9,125</u>

Tax on result for the year is explained in note 6 to the annual accounts for the Group.

<b>7 Intangible fixed assets</b>	<u>Goodwil</u>	<u>IT software *)</u>	<u>Total</u>
Cost:			
At 1 January 2004	98	397	495
Additions during the year	-	365	365
At 31 December 2004	<u>98</u>	<u>762</u>	<u>860</u>
Amortisation and write-downs:			
At 1 January 2004	28	87	115
Amortisation for the year	19	68	87
At 31 December 2004	<u>47</u>	<u>155</u>	<u>202</u>
Book value at 31 December 2004	<u>51</u>	<u>607</u>	<u>658</u>

\*) DKK 432m (DKK 250m) of this relating to ongoing development of IT software.

# A.P. Møller - Mærsk A/S

## Notes to the annual accounts 2004

All amounts in DKK millions (In parenthesis the corresponding figures for 2003).

### 8 Tangible fixed assets

Cost:	Ships, rigs, containers, etc.	Production facilities and equipment, etc.	Land and buildings	Construction work in progress and payment on account for tangible fixed assets
At 1 January 2004	79,741	26,047	282	3,560
Additions at merger	3,856	-	-	-
Addition during the year	4,490	12	-	8,759
Disposals during the year	- 3,147	- 13	-	- 3,243
Transferred	1,764	997	-	- 2,761
At 31 December 2004	<u>86,704</u>	<u>27,043</u>	<u>282</u>	<u>6,315</u>
Depreciation and write-downs:				
At 1 January 2004	39,141	22,586	147	-
Addition at merger	1,235	-	-	-
Transferred from other provisions	-	-	-	185
Disposals during the year	- 2,532	- 14	-	-
Depreciation and write-downs for the year	6,208	971	18	-
At 31 December 2004	<u>44,052</u>	<u>23,543</u>	<u>165</u>	<u>185</u>
Book value at 31 December 2004	<u>42,652</u>	<u>3,500</u>	<u>117</u>	<u>6,130</u>
Hereof financial leased assets	<u>737</u>	<u>-</u>	<u>-</u>	<u>-</u>

The official tax valuation regarding Danish properties at a book value of DKK 117m (DKK 135m) amounts to DKK 468m (DKK 447m). At the end of 2004, the Company has capital commitments relating to ships, rigs and containers, etc. on order amounting to DKK 29.3b (DKK 14.3b).

### 9 Investment in group companies and associated companies

Cost:	Investment in group companies	Investment in associated companies
At 1 January 2004	6,409	1,882
Additions during the year	7,249	773
Disposals during the year	- 143	-
At 31 December 2004	<u>13,515</u>	<u>2,655</u>
Value adjustments:		
At 1 January 2004	23,413	6,638
Adjustments relating to merger	225	-
Transfer	51	- 51
Exchange rate adjustment and other equity movements	- 1,437	4
Dividend distributed and other transfers, net	- 945	- 2,234
Result for the year after tax	6,045	1,335
Write-downs of receivables and provision	432	-
Disposals during the year	- 917	-
At 31 December 2004	<u>26,867</u>	<u>5,692</u>
Book value at 31 December 2004	<u>40,382</u>	<u>8,347</u>

Group companies and associated companies are listed on pages 71-75.

# A.P. Møller - Mærsk A/S

## Notes to the annual accounts 2004

*All amounts in DKK millions (In parenthesis the corresponding figures for 2003).*

### 10 Securities, investments and receivables

	Securities and investments	Receivables from group companies	Receivables from associated companies	Other receivables
Cost:				
At 1 January 2004	4,975	247	354	465
Addition at merger	104	710	-	-
Additions during the year	3,396	286	-	344
Disposals during the year	-	- 710	- 84	- 58
Exchange rate adjustment	-	- 38	- 22	- 25
At 31 December 2004	<u>8,475</u>	<u>495</u>	<u>248</u>	<u>726</u>
Value adjustments:				
At 1 January 2004	8,088	-	- 39	-
Addition at merger	5	-	-	-
Value adjustment for the year	<u>3,115</u>	<u>-</u>	<u>-</u>	<u>-</u>
At 31 December 2004	<u>11,208</u>	<u>-</u>	<u>- 39</u>	<u>-</u>
Book value at 31 December 2004	<u>19,683</u>	<u>495</u>	<u>209</u>	<u>726</u>

### 11 Receivables from group companies

Of which DKK 1,136m falls due after one year.

### 12 Share capital

The share capital at 31 December 2004 comprises:

A shares DKK 2,197,800,000 divided into 2,197,508 shares of DKK 1,000 each and 584 shares of DKK 500 each.

B shares DKK 2,197,800,000 divided into 2,197,472 shares of DKK 1,000 each and 656 shares of DKK 500 each.

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

Own shares (B shares):	No of shares of DKK 1,000	Nominal value	% of share capital
The addition during 2004, equals the number of shares at 31 December	<u>28,283</u>	<u>28</u>	<u>0.6%</u>

Shareholders according to the Danish Companies Act section 28a are:

	Share capital	Votes
A.P. Møller og Hustru Chastine Mc-Kinney Møllers Fond til almene Formaal, Copenhagen, Denmark	40.7%	49.8%
A.P. Møller og Hustru Chastine Mc-Kinney Møllers Familiefond, Copenhagen, Denmark	10.7%	13.9%
Mærsk Mc-Kinney Møller, Copenhagen, Denmark	3.6%	6.4%
Den A.P. Møllerske Støttefond, Copenhagen, Denmark	2.9%	5.9%
Companies within the A.P. Møller - Maersk Group (own shares)	6.4%	0%

# A.P. Møller - Mærsk A/S

## Notes to the annual accounts 2004

*All amounts in DKK millions (In parenthesis the corresponding figures for 2003).*

<b>13 Deferred tax</b>	<b>2004</b>	<b>2003</b>
Deferred tax at 1 January	947	831
Addition at merger	707	-
Adjustment for the year (profit and loss account)	- 714	185
Adjustment for the year (equity)	- 9	- 69
Deferred tax at 31 December	<u>931</u>	<u>947</u>

Deferred tax relates to:

Tangible fixed assets	1,288	1,309
Other	- 357	- 362
	<u>931</u>	<u>947</u>

In relation to the special hydrocarbon tax, there are at 31 December 2004 field losses carried forward and unused tax allowances of a tax value of about DKK 4.5b (DKK 5.5b) in total. No tax value is recognised in the accounts since there is significant uncertainty as to whether they can be utilised.

Other non recognised tax assets are estimated at DKK 660m (DKK 657m).

<b>14 Other provisions</b>	<b>Abandonment</b>	<b>Other</b>	<b>Total</b>
At 1 January 2004	2,190	355	2,545
Transferred to construction work in progress	-	- 185	- 185
Provisions for the year	10	589	599
At 31 December 2004	<u>2,200</u>	<u>759</u>	<u>2,959</u>
Long-term portion	<u>2,200</u>	<u>759</u>	<u>2,959</u>

Provisions for abandonment comprise the net present value of estimated costs for abandonment of oil fields.

“Other” includes provisions relating on going restructuring, guaranties and anticipated losses on contracts, etc.

# A.P. Møller - Mærsk A/S

## Notes to the annual accounts 2004

*All amounts in DKK millions (In parenthesis the corresponding figures for 2003).*

### 15 Long-term debt

	<b>2004</b>	<b>2003</b>
Banks and other credit institutions	15,583	17,355
Finance lease	231	755
Debt to group companies and associated companies	150	4,133
	<u>15,964</u>	<u>22,243</u>
Short-term portion of long-term debt	1,782	1,996
Debt to group companies and associated companies	19	395
Total	<u>17,765</u>	<u>24,634</u>

Due as follows:

	<b>2004</b>	<b>2003</b>
Within 1 year	1,801	2,391
Between 1 and 5 years	7,628	12,961
After 5 years	8,336	9,282
	<u>17,765</u>	<u>24,634</u>

### 16 Other financial obligations and mortgages

Bank loans and debt to other credit institutions etc. are secured on ships, etc. and containers in the amount of DKK 11,837m (DKK 11,342m). The book value of ships, etc. and containers provided as security is DKK 17,143m (DKK 15,704m).

Guarantees, primarily in relation to other companies in the A.P. Møller - Maersk Group amount to DKK 1,321m (DKK 1,515m).

The necessary facility of USD 239m (USD 239m) has been established in order to meet the requirements for trading on the USA under the American Oil Pollution Act of 1990 (Certificate of Financial Responsibility).

Tax may crystallise if the Company leaves the tonnage tax regime.

In connection with sale of vessels, the Company has issued put options of DKK 2,101m (DKK 1,417m) to other companies in the A.P. Møller - Maersk Group. Provisions are made to the extent that the option price exceeds the fair value.

As part of the Company's activities, customary agreements are concluded regarding charter and operating lease of ships, containers and port facilities, etc.

The future charter and operational lease payments are:

	<b>2004</b>	<b>2003</b>
Within 1 year	12,373	10,731
Between 1 and 5 years	24,314	17,987
After 5 years	7,737	1,802
	<u>44,424</u>	<u>30,520</u>



# A.P. Møller - Mærsk A/S

## Notes to the annual accounts 2004

All amounts in DKK millions (In parenthesis the corresponding figures for 2003).

### 17 Financial instruments

	Book value		Net yield		Average duration – years			
<b>Bonds</b>	<b>2004</b>	<b>2003</b>	<b>2004</b>	<b>2003</b>	<b>2004</b>	<b>2003</b>		
DKK	8,606	7,984	3.3 %	5.6%	2.6	4.7		
EUR	5,351	-	2.4%	-	1.5	-		
<b>Shares</b>	<b>2004</b>	<b>2003</b>						
Listed shares	21,061	13,981						
Non-listed shares	717	836						
<b>Cash</b>	<b>2004</b>	<b>2003</b>						
USD	3,963	2,472						
EUR	3,196	625						
DKK	155	2,513						
Other currencies	1,028	259						
	<u>8,342</u>	<u>5,869</u>						
<b>Loans and finance lease obligations</b>	<b>2004</b>				<b>2003</b>			
	Interest span				Interest span			
	0-3 %	3-6 %	6 %-	Total	0-3 %	3-6 %	6 %-	Total
USD	22,232	3,809	4,491	30,532	9,428	32	5,104	14,564
DKK	771	341	329	1,441	7,332	1,938	1,091	10,361
Other currencies	1,462	91	-	1,553	-	92	-	92
	<u>24,465</u>	<u>4,241</u>	<u>4,820</u>	<u>33,526</u>	<u>16,760</u>	<u>2,062</u>	<u>6,195</u>	<u>25,017</u>
Of which bearing fixed interest, including interest swaps				<u>30,222</u>				<u>13,342</u>
Of which bearing floating interest, including interest swaps				3,304				11,675

### Interest rate swaps

	Market value	
	2004	2003
USD	- 419	- 597
DKK	- 27	108
Other currencies	- 9	70
	<u>- 455</u>	<u>- 419</u>
Of which recognised	-	198
Closed swaps for future recognition	- 48	-
For future recognition	<u>- 503</u>	<u>- 617</u>

Interest rate swaps are primarily used for hedging the interest exposure on loans.

The market value which will be recognised in future periods relates to the conversion of floating interest to fixed interest loans and is expected to be recognised within 8 years.

# A.P. Møller - Mærsk A/S

## Notes to the annual accounts 2004

All amounts in DKK millions (In parenthesis the corresponding figures for 2003).

Note 17 continued

### Currency forward and option contracts

	Principal Bought/sold (-), net		Market value	
	2004	2003	2004	2003
USD	- 959	- 4,301	1,155	372
EUR	- 3,107	4,817	4	-
Other currencies	1,080	23	- 12	51
			1,147	423
Of which recognised			- 28	119
For future recognition			1,175	304

The market value for future recognition relates to hedging of expected revenue and expenses within the coming 12-18 months.

### Currency adjustments

The result for the year includes exchange rate adjustment of a total of DKK 976m (DKK 2,584m) as net income.

### Other currency distribution

Receivables from sale are primarily settled in USD, while debt to suppliers is settled in a variety of currencies primarily USD and EUR.

### Other hedges

	Principal Bought/sold (-), net		Market value	
	2004	2003	2004	2003
Oil price hedges	- 1,953	- 2,773	- 568	- 41
Freight hedges	- 120	- 145	- 14	- 21
For future recognition			- 582	- 62

### Credit risks

The Company has no concentration of credit risks.

# A.P. Møller - Mærsk A/S

## Management duties in other Danish Limited Companies:

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*The following information is given pursuant to the Danish Companies Accounts Act, section 107, subsection 1:*

**Michael Pram Rasmussen, Managing Director:**

Topdanmark A/S and 16 subsidiaries; William Demant Holding A/S and one subsidiary.

**Poul J. Svanholm, Director:**

Ejendomsselskabet Sankt Annæ Plads A/S and one subsidiary.

**Ane Mærsk Mc-Kinney Uggle, Fil. kand.:**

Maersk Broker A/S.

**Lars Kann-Rasmussen, Director:**

VKR Holding A/S and 4 subsidiaries; LEGO Holding A/S; LEGO A/S.

**Jan Leschly, CEO:**

No management duties in other Danish companies.

**Mrs Leise Mærsk Mc-Kinney Møller:**

Rederiet A.P. Møller A/S.

**Svend-Aage Nielsen, Managing Director:**

Nielsen & Nielsen Holding A/S and 4 subsidiaries; PFA Holding A/S and one subsidiary; Marius Pedersen/Onyx Holding A/S and one subsidiary; Marius Pedersen A/S; MP Ejendomsaktieselskab, Ferritslev; Thrige Holding A/S and 3 subsidiaries; FIH Erhvervsbank A/S; Terma A/S.

**Jess Søderberg, Partner and CEO:**

Rederiet A.P. Møller A/S; Maersk Broker A/S; Estemco A/S; F. Salling A/S; Dansk Supermarked A/S and 4 subsidiaries; Ejendomsaktieselskabet af 18. august 1958.

**Jan Tøpholm, Managing Director:**

T&W Holding A/S; Widex A/S; PV17 A/S; Sewes A/S; Jalichan A/S; A-huset Holding A/S; A-huset Invest A/S; Weibel Scientific A/S; A.M. Denmark A/S.

**Jens Erik Skovrider-Madsen, Captain:**

Rederiet A.P. Møller A/S.

**Henrik Lorensen Solmer, Captain:**

Rederiet A.P. Møller A/S.

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**Mærsk Mc-Kinney Møller, Partner:**

Rederiet A.P. Møller A/S; Estemco A/S; Maersk Broker A/S; Aktieselskabet Klema; Bramsløkke Landbrug A/S.

**Thomas Thune Andersen, Partner:**

No management duties in other Danish Limited Companies outside the A.P. Møller - Maersk Group.

**Knud E. Stubkjær, Partner:**

No management duties in other Danish Limited Companies outside the A.P. Møller - Maersk Group.

**Tommy Thomsen, Partner:**

No management duties in other Danish Limited Companies outside the A.P. Møller - Maersk Group.

Companies with no commercial activity are excluded from the list.

# A.P. Moller - Maersk Group

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The A.P. Moller - Maersk Group comprises A.P. Møller - Mærsk A/S and subsidiaries.

The A.P. Moller - Maersk Group operates within the following main areas:

- **Container shipping and related activities** comprising global container services, agency activity, logistics activity and terminal activity, etc.
- **Tankers, Offshore and other shipping activities** comprising tanker shipping with Crude Carriers, Product Carriers and Gas Carriers; Car Carriers; Supply vessel activities with anchor-handling vessels-, platform supply- and cablelaying vessels; drilling activities primarily with “jack-up” drilling rigs, operation of floating production units, etc., towing and salvage activities, etc. and door-to-door transport and ferry services between UK and the Continent.
- **Oil and Gas Activities** comprising oil and gas production and exploration activity in the Danish sector of the North Sea, in Qatar, in Algeria, in Kazakhstan and with exploration activity in Oman, Brazil, the North Sea (Norway, UK, Germany), Turkmenistan and Surinam.
- **Retail activity** comprising supermarkets and hypermarkets in Denmark and convenience stores in Denmark, Germany, UK, Poland and Sweden.
- **Shipyards, other industrial companies, aviation, etc.** Comprising shipyards in Denmark, Germany and Baltic States, industrial companies with production of refrigerated containers, foundry machines, rubber products - primarily for the car industry - and plastic articles and aviation within scheduled flights and charter service.

The A.P. Moller - Maersk Group comprises approximately 900 companies. All the major companies and activities are included on the following pages so that all countries, in which the A.P. Moller - Maersk Group have presence and activities are represented are included.

# A.P. Moller - Maersk Group

## Company overview

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### Group companies

Company	Country of incorporation	Owned share	Company	Country of incorporation	Owned share
A.P. Moller Finance S.A.	Switzerland	100%	Dania Trucking A/S	Århus, Denmark	100%
A.P. Moller Singapore Pte. Ltd.	Singapore	100%	Dansk Industri Syndikat A/S	Herlev, Denmark	100%
A.P.M. Holding Australia Pty. Ltd.	Australia	100%	DSL Star Express Inc.	USA	100%
Aktieselskabet Em. Z. Svitzer	Copenhagen, Denmark	100%	Esvagt A/S	Esbjerg, Denmark	75%
Aktieselskabet Roulunds Fabriker	Odense, Denmark	100%	Gateway Terminals India Pvt. Ltd.	India	74%
Anchor Transport Corporation	Panama	100%	Guangdong Orient Trucking Ltd.	China	100%
APM Pipelines A/S	Copenhagen, Denmark	100%	Hudd Distribution Canada Inc.	Canada	100%
APM Saigon Shipping Company Limited	Vietnam	75%	Hudd Distribution Services Inc.	USA	100%
APM Terminals Dalian Company Limited	Hong Kong	100%	K/S Membrane I	Copenhagen, Denmark	75%
APM Terminals International B.V.	The Netherlands	100%	K/S Membrane II	Copenhagen, Denmark	75%
APM Terminals (Jamaica) Ltd.	Jamaica	100%	Live Oak Company Limited	Bermuda	100%
APM Jordan LLC.	Jordan	100%	Loksa Shipyard Ltd.	Estonia	100%
APM Terminals Pacific Ltd.	USA	100%	Maersk (Angola) Lda.	Angola	100%
APM Terminals Romania SRL	Romania	100%	Maersk (China) Shipping Company Limited	China	100%
APM Terminals Rotterdam B.V.	The Netherlands	100%	Maersk (Jordan) W.L.L.	Jordan	50%
APM Terminals Shanghai Co. Ltd.	Hong Kong	100%	Maersk (Malawi) Limited	Malawi	100%
APM Terminals Virginia, Inc.	USA	100%	Maersk A/S	Copenhagen, Denmark	100%
APM Terminals Xiamen Company Ltd.	Hong Kong	100%	Maersk Administrative Center Ltd.	The Philippines	100%
APM Terminals Zeebrugge N.V.	Belgium	100%	Maersk Adria D.O.O.	Slovenia	100%
Balti ES Ltd.	Estonia	100%	Maersk Agency S.r.o.	The Czech Republic	100%
Bermutine Transport Corporation Limited	Bermuda	100%	Maersk Air A/S	Dragør, Denmark	100%
Bolt Transport Corporation	Liberia	100%	Maersk Aircraft A/S	Dragør, Denmark	100%
Bridge Terminal Transport Canada Inc	Canada	100%	Maersk Algeria SPA	Algeria	100%
Bridge Terminal Transport, Inc.	USA	100%	Maersk Americas SSC, S.A.	Costa Rica	100%
Brigantine Services Limited	Hong Kong	100%	Maersk Argentina S.A.	Argentina	100%
Constar Holding Co. Ltd.	Taiwan	100%	Maersk Australia Pty. Ltd.	Australia	100%
Danbor Service AS	Esbjerg, Denmark	100%	Maersk Bahamas Ltd.	Bahama	100%
			Maersk Bangladesh Limited	Bangladesh	100%



# A.P. Moller - Maersk Group

## Company overview

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### Group companies

Company	Country of incorporation	Owned share	Company	Country of incorporation	Owned share
Maersk Benelux B.V.	The Netherlands	100%	Maersk Finland OY	Finland	100%
Maersk Benin SA	Benin	100%	Maersk France S.A.	France	100%
Maersk Brasil (Brasmar) LTDA	Brazil	100%	Maersk Gambia Limited	Gambia	100%
Maersk Bulgaria Limited EOOD	Bulgaria	100%	Maersk Georgia LLC	Georgia	100%
Maersk Burundi S.A.	Burundi	100%	Maersk Ghana Limited	Ghana	100%
Maersk Cameroun S.A.	Cameroon	100%	Maersk Guatemala S.A.	Guatemala	100%
Maersk Canada Inc.	Canada	100%	Maersk Guinee S.A.	Guinea	100%
Maersk Chile S.A.	Chile	100%	Maersk Gulf Ltd.	Bermuda	100%
Maersk CJSC	Kazakhstan	100%	Maersk Hellas Epe	Greece	100%
Maersk Colombia S.A.	Columbia	100%	Maersk Honduras S.A.	Honduras	100%
Maersk Congo RDC	The Democratic Republic of Congo	100%	Maersk Hong Kong Limited	Hong Kong	100%
Maersk Congo S.A.	The Congo	100%	Maersk Hungary KFT	Hungary	100%
Maersk Container Industri Qingdao Ltd.	China	100%	Maersk Inc.	USA	100%
Maersk Contractors New Foundland Limited	Canada	100%	Maersk India Pvt. Limited	India	100%
Maersk Contractors Norge AS	Norway	100%	Maersk Information Processing (Guangdong) Ltd.	China	100%
Maersk Costa Rica S.A.	Costa Rica	100%	Maersk Infotech Services (India) Private Limited	India	100%
Maersk Côte d'Ivoire SA	Ivory Coast	100%	Maersk Italia SPA	Italy	100%
Maersk Croatia D.O.O.	Croatia	100%	Maersk Jupiter Drilling Corporation S.A.	Panama	100%
Maersk Cyprus Ltd.	Cyprus	100%	Maersk K.K.	Japan	100%
Maersk de Nicaragua S.A.	Nicaragua	100%	Maersk Kenya Ltd.	Kenya	100%
Maersk del Ecuador C.A.	Ecuador	100%	Maersk Korea Limited	South Korea	100%
Maersk Denizcilik A.S.	Turkey	60%	Maersk Latvija SIA	Latvia	100%
Maersk Deutschland GmbH	Germany	100%	Maersk Lebanon S.A.R.L.	Libanon	51%
Maersk Dominicana S.A.	Dominican Republic	100%	Maersk Liberia Limited	Liberia	100%
Maersk Eastern Europe ApS	Copenhagen, Denmark	100%	Maersk Line, Limited	Panama	100%
Maersk Eesti AS	Estonia	100%	Maersk Logistics (China) Company Limited	China	100%
Maersk Egypt for Maritime Transport (S.A.E.)	Egypt	100%	Maersk Logistics Benelux B.V.	The Netherlands	100%
Maersk El Salvador S.A. de C.V.	El Salvador	100%	Maersk Logistics Danmark A/S	Århus, Denmark	100%
Maersk Equipment Service Company, Inc.	USA	100%	Maersk Logistics Deutschland GmbH	Germany	100%
Maersk Espana S.A.	Spain	100%	Maersk Logistics Hong Kong Ltd.	Hong Kong	100%
			Maersk Logistics International A/S	Copenhagen, Denmark	100%

# A.P. Moller - Maersk Group

## Company overview

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### Group companies

Company	Country of incorporation	Owned share	Company	Country of incorporation	Owned share
Maersk Logistics Nicaragua, S.A.	Nicaragua	100%		Denmark	100%
Maersk Logistics Sverige AB	Sweden	100%	Maersk Shipping Services & Co. LLC.	Oman	65%
Maersk Logistics Tanzania Ltd.	Tanzania	100%	Maersk Sierra Leone	Sierra Leone	100%
Maersk Logistics UK Limited	United Kingdom	100%	Maersk Singapore Pte. Ltd.	Singapore	100%
Maersk Logistics USA Inc.	USA	100%	Maersk South Africa (Pty) Ltd.	South Africa	100%
Maersk Madagascar SA	Madagascar	100%	Maersk South America Ltd.	Bermuda	100%
Maersk Malaysia Sdn. Bhd.	Malaysia	70%	Maersk Sverige AB	Sweden	100%
Maersk Mali S.A.	Mali	100%	Maersk Switzerland Ltd.	Switzerland	100%
Maersk Maritime S.A.S.	France	100%	Maersk Taiwan Ltd.	Taiwan	100%
Maersk Maroc S.A.	Marocco	100%	Maersk Togo S.A.	Togo	100%
Maersk Mauritanie SA	Mauritania	60%	Maersk Training Centre A/S	Svendborg, Denmark	100%
Maersk (Mauritius) Limited	Mauritius	100%	Maersk Trinidad Ltd.	Trinidad Tobago	100%
Maersk Mexico S.A. de C.V.	Mexico	100%	Maersk Trucking (China) Co. Ltd.	Hong Kong	100%
Maersk Mozambique LDA	Mosambique	100%	Maersk Uganda Ltd.	Uganda	100%
Maersk Namibia (Pty) Ltd.	Namibia	100%	Maersk Ukraine Ltd.	Ukraine	100%
Maersk Nepal Private Ltd.	Nepal	95%	Maersk Uruguay S.A.	Uruguay	100%
Maersk New Zealand Limited	New Zealand	100%	Maersk Zanzibar Ltd.	Zanzibar	100%
Maersk Niger S.A.	Niger	100%	Maersk Österreich GmbH	Austria	100%
Maersk Nigeria Limited	Nigeria	70%	Maersk-Filipinas Inc.	The Philippines	100%
Maersk Norge AS	Norway	100%	MCC Transport Limited	United Kingdom	100%
Maersk Oil Kazakhstan GmbH	Germany	100%	MCC Transport Singapore Pte. Ltd.	Singapore	100%
Maersk Oil Oman B.V.	The Netherlands	100%	Midwest Intermodal Services, Inc.	USA	100%
Maersk Oil Qatar AS	Copenhagen, Denmark	100%	Mærsk Container Industri A/S	Tinglev, Denmark	100%
Maersk Oil (UK) Limited	United Kingdom	100%	Mærsk Data Defence	Sønderborg, Denmark	100%
Maersk Pakistan (Pvt) Ltd.	Pakistan	100%	Mærsk Olie og Gas AS	Copenhagen, Denmark	100%
Maersk Panama S.A.	Panama	100%	Mærsk Olie, Algeriet AS	Copenhagen, Denmark	100%
Maersk Peru S.A.	Peru	100%	Norfolkline B.V.	The Netherlands	100%
Maersk Polska Sp. Zo.O.	Poland	100%			
Maersk Portugal Lda.	Portugal	100%			
Maersk Puerto Rico Inc.	Puerto Rico	100%			
Maersk Qatar Maritime Services W.L.L.	Qatar	100%			
Maersk Romania SRL	Rumania	100%			
Maersk Rwanda Limited	Rwanda	100%			
Maersk Ship Design A/S	Odense,				

# A.P. Moller - Maersk Group

## Company overview

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### Group companies

Company	Country of incorporation	Owned share
Odense Staalskibsværft A/S	Odense, Denmark	100%
O'Neill & Whitaker, Inc.	USA	100%
P.T. Maersk Indonesia	Indonesia	100%
Pentalver Transport Limited	United Kingdom	100%
PT Maersk Logistics Indonesia	Indonesia	100%
Rederiet A.P. Møller A/S	Copenhagen, Denmark	95%
Rosti A/S	Farum, Denmark	100%
Röda Bolaget AB	Sweden	100%
Safmarine (Proprietary) Limited	South Africa	100%
Safmarine Container Lines N.V.	Belgium	100%
Salamis Group Limited	United Kingdom	100%
Shipbuilding Yard Baltija	Lithuania	99%
Star Air A/S	Dragør, Denmark	100%
Suez Canal Container Terminal	Egypt	60%
The Maersk Company (Ireland) Limited	Ireland	100%
The Maersk Company Canada Ltd.	Canada	100%
The Maersk Company Limited	United Kingdom	100%
Thor Jørgensen A/S	Århus, Denmark	100%
Transporte Marítimo Maersk Venezuela S.A.	Venezuela	100%
Trans-Siberian Express Service OOO	Russia	100%
UAB Maersk Lietuva	Lithuania	100%
Universal Maritime Service Corporation	USA	100%
Volkswerft Stralsund GmbH	Germany	100%
Wijsmuller Groep Holding B.V.	The Netherlands	100%
ZAO Maersk	Russia	100%

### Associated companies

Company	Country of incorporation	Owned share
Bangkok Marine Company Limited	Thailand	49%
Egyptian Drilling Company	Egypt	50%
Ejendomsaktieselskabet af 18. august 1958	Århus, Denmark	33%
F. Salling A/S	Århus, Denmark	38%
Getma Gabon S.A.	Gabon	34%
Gujarat Pipavav Port Limited	India	34%
Handytankers K/S	Copenhagen, Denmark	33%
Intra Inc.	USA	38%
Laem Chabang Container Terminal 1 Ltd.	Thailand	35%
LR2 Management A/S	Copenhagen, Denmark	50%
Maersk Kanoo (UAE) LLC	The United Arab Emirates	49%
Maersk Kanoo Bahrain W.L.L.	Bahrain	49%
Maersk Kuwait Co. W.L.L.	Kuwait	49%
Maersk Lanka (Pvt.) Ltd.	Sri Lanka	40%
Maersk Product Tankers A/S	Copenhagen, Denmark	50%
Maersk Tunesie S.A.	Tunesia	50%
Pelabuhan Tanjung Pelepas Sdn. Bhd.	Malaysia	30%
PremiTech A/S	Ballerup, Denmark	31%
Qasim International Container Terminal Pakistan Limited	Pakistan	20%
Qingdao Qianwan Container Terminal Co. Ltd.	China	20%
Salalah Port Services Co.	Oman	30%
Scalepoint Technologies Ltd.	United Kingdom	31%
Shanghai Tie Yang Multimodal Transportation Co. Ltd.	China	49%
Siam Shoreside Services Ltd.	Thailand	49%

# A.P. Moller - Maersk Group

## Company overview

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### Associated companies

Company	Country of incorporation	Owned share
Smart Logistics Company Ltd.	Hong Kong	49%
Tankers International L.L.C.	Marshall Islands	41%
West Africa Container Terminal Nigeria Ltd.	Nigeria	25%

### Jointly controlled entities

Company	Country of incorporation	Owned share
Bilka Lavprisvarehus A/S	Århus, Denmark	50%
Dansk Supermarked A/S	Århus, Denmark	50%
Egyptian International Container Terminal SA	Switzerland	50%
ERS Railways B.V.	The Netherlands	50%
European Rail Shuttle B.V.	The Netherlands	50%
Føtex A/S	Århus, Denmark	50%
Maersk Senegal SA	Senegal	50%
Netto A/S	Århus, Denmark	50%
North Sea Production Co. Ltd.	United Kingdom	50%
North Sea Terminal Bremerhaven GmbH & Co.	Germany	50%

*Some companies are excluded according to section 72 subsection 4 in the Danish Financial Statements Act.*

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A.P. Møller - Mærsk A/S

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*Managing Owner:*

**A·P·MØLLER**

Esplanaden 50

DK-1098 Copenhagen K

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*Board of Directors:*

Michael Pram Rasmussen  
CHAIRMAN

Poul J. Svanholm  
VICE-CHAIRMAN

Ane Mærsk Mc-Kinney Uggla  
VICE-CHAIRMAN

Lars Kann-Rasmussen

Jan Leschly

Leise Mærsk Mc-Kinney Møller

Svend-Aage Nielsen

Jess Søderberg

Jan Tøpholm

Jens Erik Skovrider-Madsen

Henrik Lorensen Solmer

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*Audit Committee:*

Lars Kann-Rasmussen  
CHAIRMAN

Svend-Aage Nielsen

Poul J. Svanholm

Jan Tøpholm

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*Remuneration Committee:*

Michael Pram Rasmussen  
CHAIRMAN

Poul J. Svanholm

Ane Mærsk Mc-Kinney Uggla

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*Auditors:*

Søren Thorup Sørensen  
STATE AUTHOR. PUBLIC ACCOUNTANT

Gert Fisker Tomczyk  
STATE AUTHOR. PUBLIC ACCOUNTANT





**MAERSK**