A.P. Møller - Mærsk A/S

FY 2019 investor and analyst presentation

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Webcast: investor.maersk.com

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Forward-looking statements

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

Comparative figures
Unless otherwise stated, all comparisons refer to y/y changes.

2018 numbers have been restated for Maersk Supply Service and IFRS 16 effects to ensure comparability to 2019 numbers.

Annual Report 2019 and Q4 2019

Key statements

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Key statements

Financial highlights for Q4

Continuous improvement in profitability and strong free cash flow

- **Revenue declined 5.5% to USD 9.7bn**, mainly due to front-loading to the US in Q4 2018 ahead of anticipated tariffs.
- **Profitability improved** with EBITDA of USD 1.5bn and an EBITDA margin increase of 0.9%-point to 15.1%.
- EBITDA margin of 15.5% in **Ocean** was stable due to continuing focus on capacity management and lower fuel cost.
- **Logistics & Services** delivered 14% increase in gross profit to USD 310m and EBITDA margin increased to 2.3%.
- **Gateway terminals'** EBITDA margin increased 7%-points to 31.9%.
- **Strong cash generation with operating cash flow** of USD 1.5bn, despite negative effects from build-up of fuel inventories and **free cash flow of USD 0.7bn** after capitalized lease payments.
- **Return on invested capital** improved slightly to 1.7% from 1.4%, including restructuring cost of USD 75m.
- **Full-year guidance for 2020 of EBITDA around USD 5.5bn** with a high cash conversion and reiterates disciplined capex guidance for 2020-21.

Revenue (USD)
9.7bn
(5.5% decline)

EBITDA (USD)
1.5bn
(1.0% increase)

CFFO* (USD)
1.5bn
(cash conversion 105%)

Free cash flow* (USD)
1.1bn
(USD 0.7bn after capitalised lease payments)

Return on invested capital
1.7%
(1.4%)

NIBD (USD)
11.7bn
(USD 12.1bn end of Q3 2019)

*Before capitalised lease payments

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Financial highlights for 2019

Improved earnings and profitability across all segments and with a strong free cash flow

- **Revenue decreased slightly** to USD 38.9bn.
- **EBITDA increased 14%** to USD 5.7bn and margin improved 2%-points to 14.7%, driven by higher margins in all segments.
- **Ocean** EBITDA improved by 15% with margin improved 2%-points to 15.3%, supported by capacity management and lower fuel cost.
- **Logistics & Services grew gross profit by 8.7%** to USD 1.2bn and EBITDA margin by 0.9%-points to 4.0%.
- **Gateway terminals** improved EBITDA by 17% and margins by 3.2%-points to 28%.
- **Strong operating cash flow of USD 5.9bn** with a cash conversion ratio of 104% and **free cash flow was USD 2.4bn** after capitalised lease payments and excluding sale of shares in Total S.A.
- **Proposing a dividend of DKK 150 per share for 2019,** of which DKK 75 is related to the proceeds from the sale of shares in Total S.A.
- **After completing the current share buy-back programme** the Board of Directors will evaluate the capital structure and outlook with the intention to distribute additional cash to shareholders.

Revenue (USD)
38.9bn
(0.9% decline)

EBITDA (USD)
5.7bn
(14% increase)

CFFO* (USD)
5.9bn
(cash conversion 104%)

Free cash flow* (USD)
6.8bn
(USD 5.0bn after capitalised lease payments)

Return on invested capital
3.1%
(FY 2018: 0.2%)

NIBD (USD)
11.7bn
(NIBD USD 14.9bn end of 2018)

*Before capitalised lease payments

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Strategic Transformation update

Progressing on the strategic transformation, CROIC improved significantly

- **New organisational structure** to support and accelerate the strategy execution.
- **Acquisition of Performance Team** will expand the logistic service offering in the US within warehousing & distribution and SCM.
- **Non-Ocean revenue increased 0.1%** as the strong growth in gateway terminals was offset by decline in freight forwarding in Logistics & Services due to front-loading of volumes in Q4 2018.
- **Gross profit for Logistics & Services grew by 8.7%,** positively impacted by growth in intermodal, warehousing & distribution and the acquisition of Vandegrift.
- **Hamburg Süd and Transport & Logistics contributing with accumulated synergies** of USD 1.2bn by end 2019 outperforming the target by USD 0.2bn.
- **Significant improvement in the cash return on invested capital** from 2.8% in 2018 to 9.3% in 2019 (10.4% in Q4 2019).

	Q4 2019	Q4 2018	FY 2019	FY 2018
Non-Ocean revenue growth	-7.7%	14.9%	**0.1%**	6.3%
Logistics & Services, gross profit growth	14.0%	4.1%	**8.7%**	7.9%
Annual synergies by end of 2019 of USD 1.0bn	USD 0.1bn	USD 0.2bn	**USD 1.2bn**	USD 0.7bn
Cash return on invested capital (CROIC)	10.4%	9.7%	**9.3%**	2.8%
Long-term metric				
Return on invested capital after tax (ROIC)	1.7%	1.4%	**3.1%**	0.2%

[1] Non-Ocean is defined as Logistics & Services, Terminal & Towage and Manufacturing & Others, but excludes Maersk Oil Trading and tramp activities.

Note: the growth is adjusted for the closure of the two factories in Maersk Container Industry (MCI).

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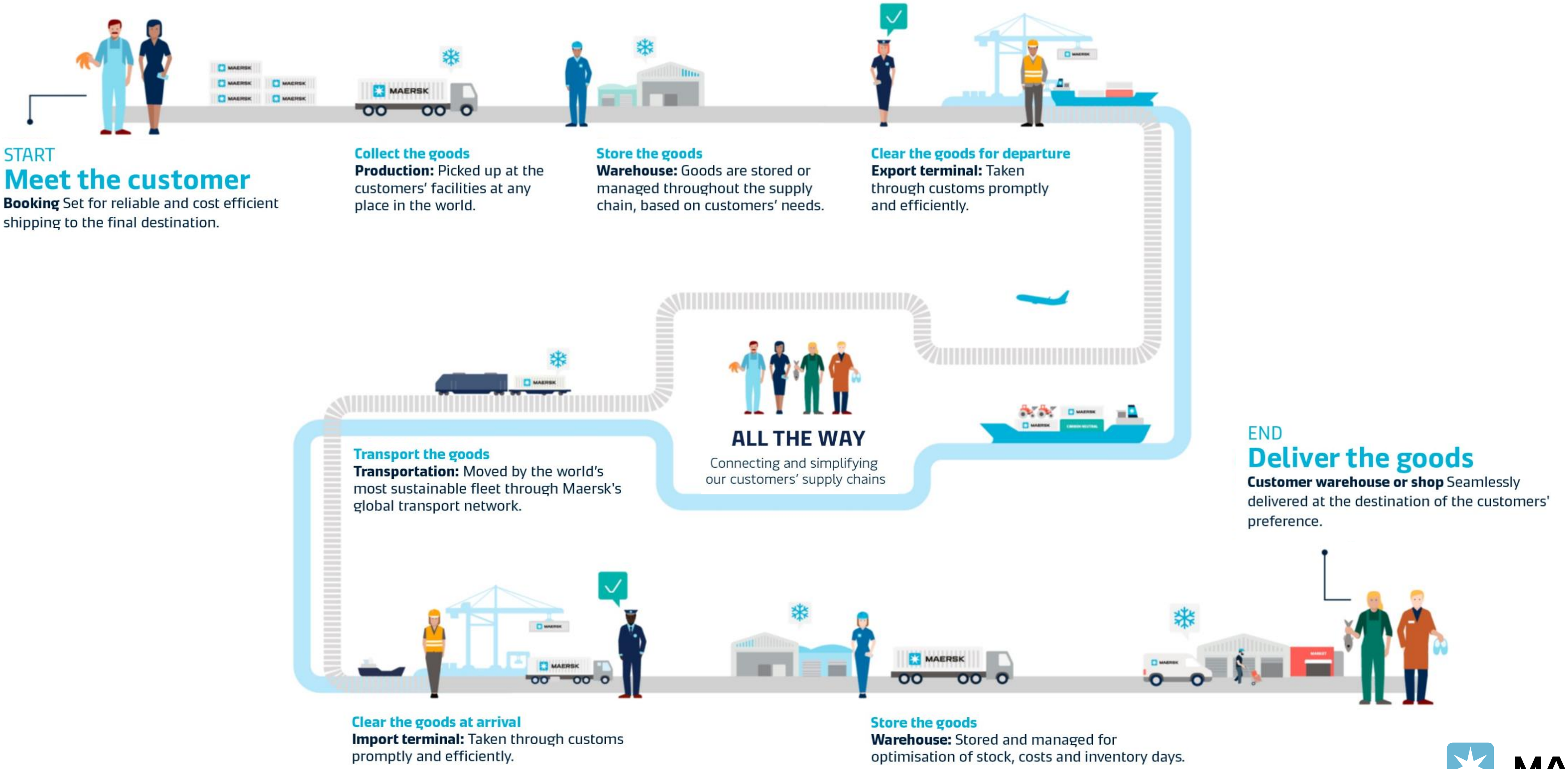
Integrated container logistic provider, with end-to-end services



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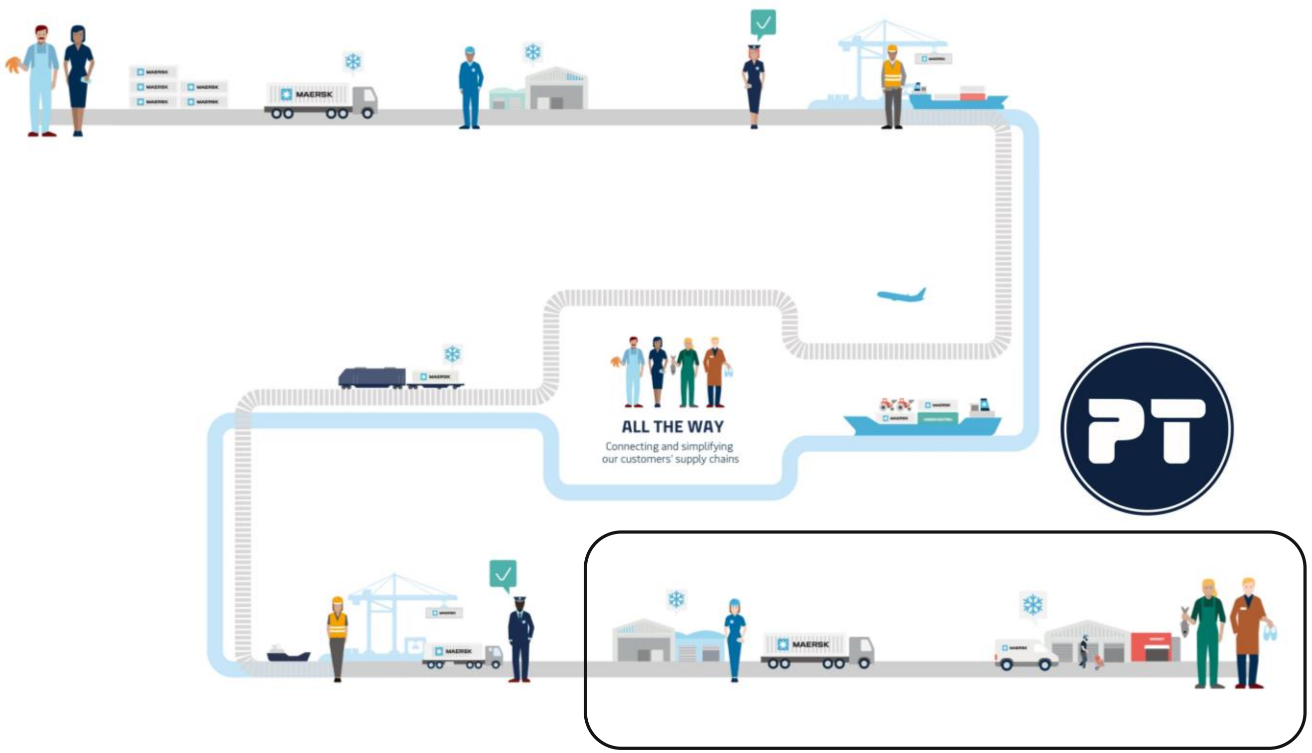
Acquisition of Performance Team

The acquisition of Performance Team is a strategic component towards becoming the global integrator

- Premium player within warehousing & distribution in the US with 24 warehousing sites and 800,000 square meters.
- Offering end-to-end supply chain solutions within warehousing fulfilment services, omni-channel and e-commerce, inland transportation and distribution services.
- The acquisition will create a strong operational and commercial platform to profitably grow our current warehousing & distribution activities.
- Performance Team has a track-record of
  - profitable growth of 17% (CAGR) for the last four years
  - revenue for 2019 of USD 525m
  - EBITDA of USD 90m (including IFRS 16 effects)
- Enterprise value of USD 545m including IFRS 16 lease liabilities of around USD 225m.

Adding to the portfolio of end-to-end services



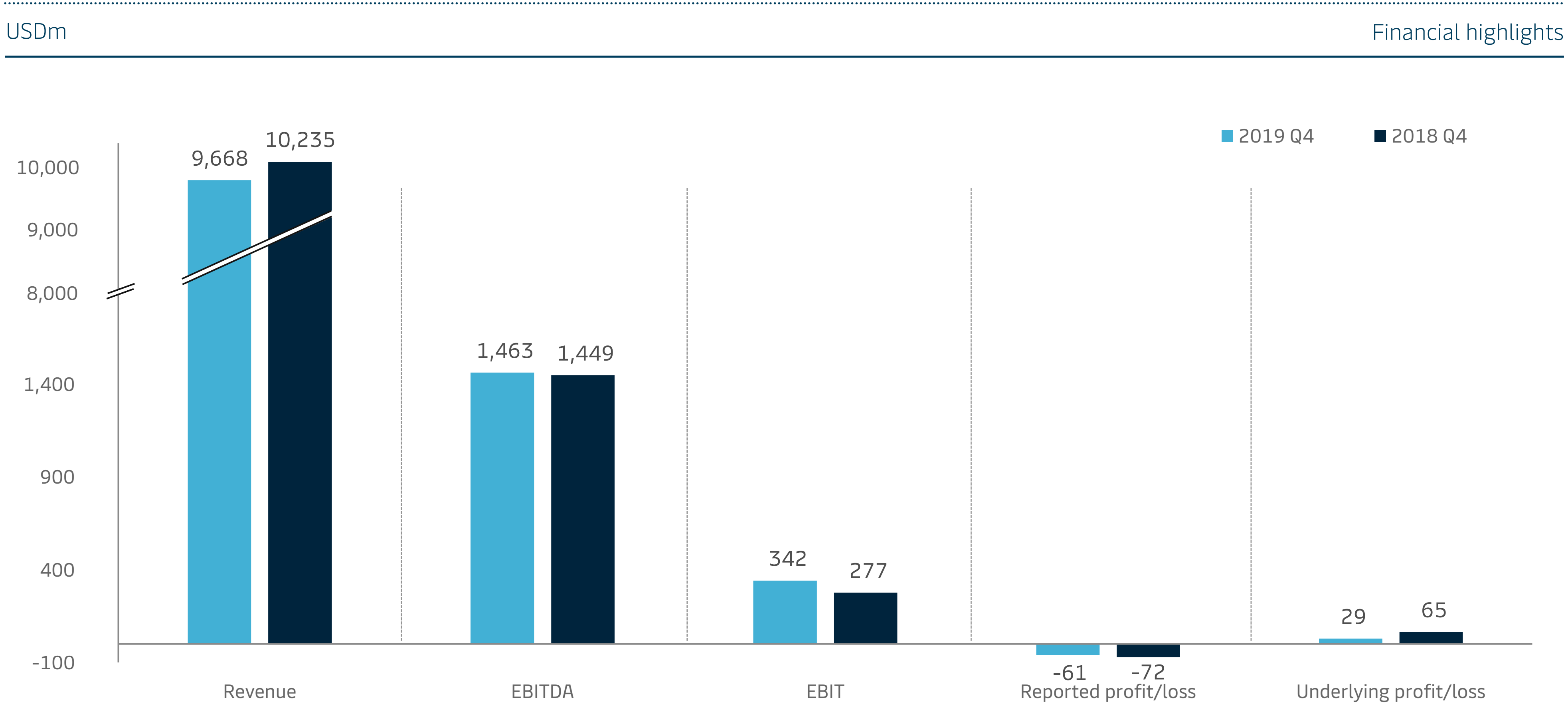
*Pre IFRS 16

Annual Report 2019

Financial highlights

Financial highlights Q4 2019

Improving operating margins



Continuous focus on improving profitability led to an improvement in EBITDA margin of around 1%-point to 15.1%, despite negatively impacted by restructuring cost of USD 75m.

EBIT and reported profit/loss for Q4 2019 was negatively impacted by impairments and write-downs of USD 79m related to Logistics & Services (Q4 2018 USD 191m).

*Underlying profit/loss is the profit/loss for the period adjusted for net gains/losses from sale of non-current assets, etc. and net impairments losses as well as transaction, restructuring and integration costs.

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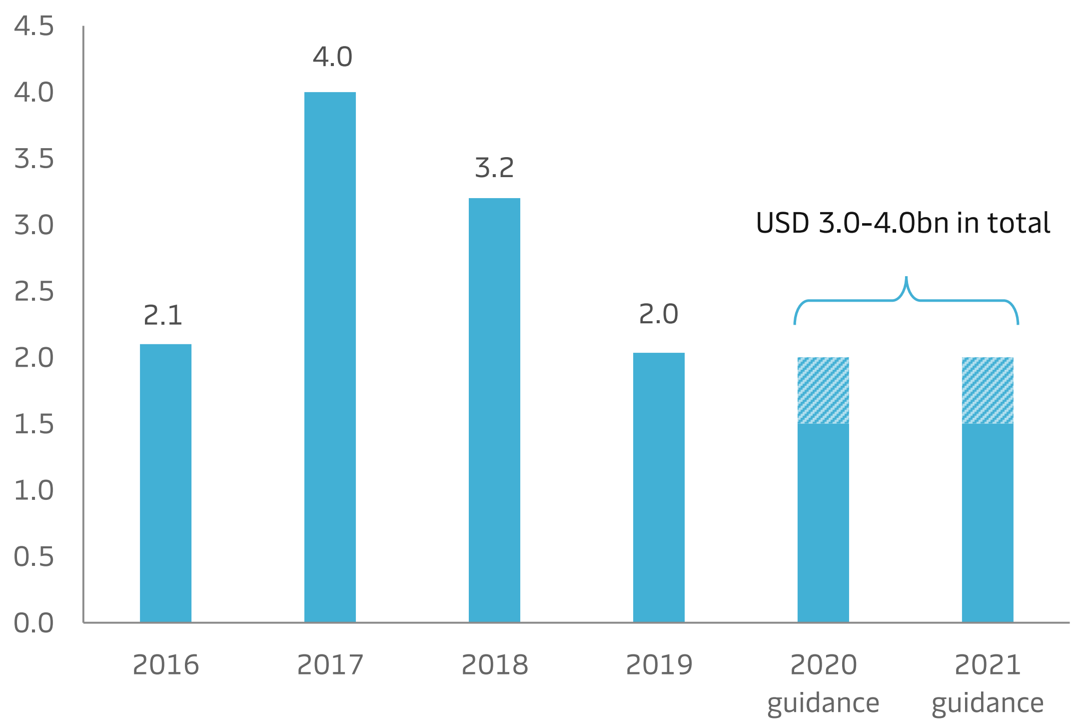
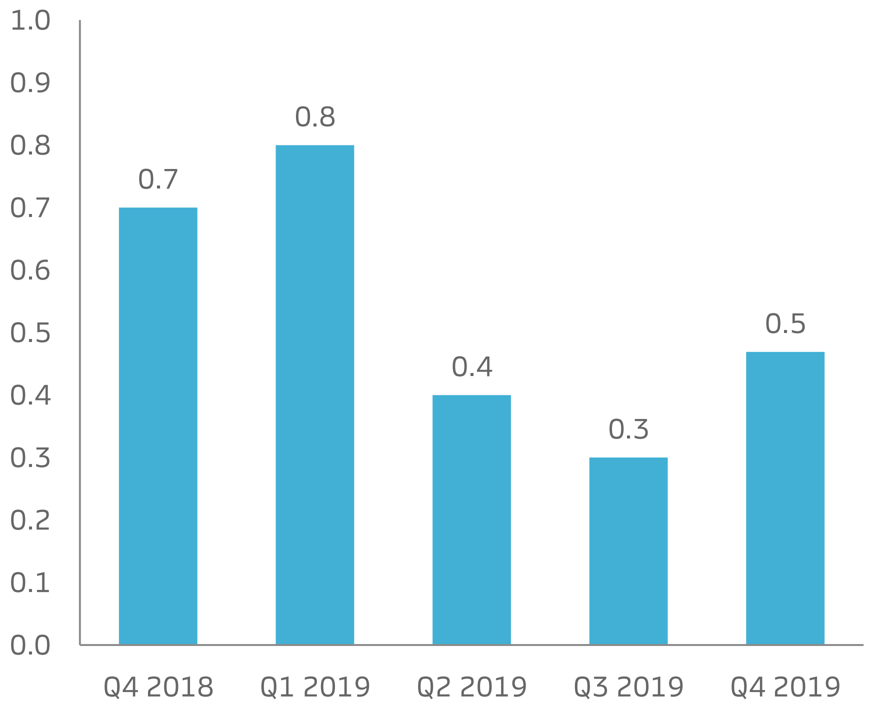
Continuous low organic CAPEX in the coming years

Capex excluding acquisitions and divestments, USDbn





CAPEX for 2019 was in the low end of the guidance or around USD 2.2bn, at USD 2.0bn.

For 2020 and 2021 the accumulated CAPEX guidance remains at USD 3.0-4.0bn.

Total contractual capex commitments of USD 1.7bn end 2019, down from USD 2.4bn end 2018, of which USD 0.6bn is timed for 2020.

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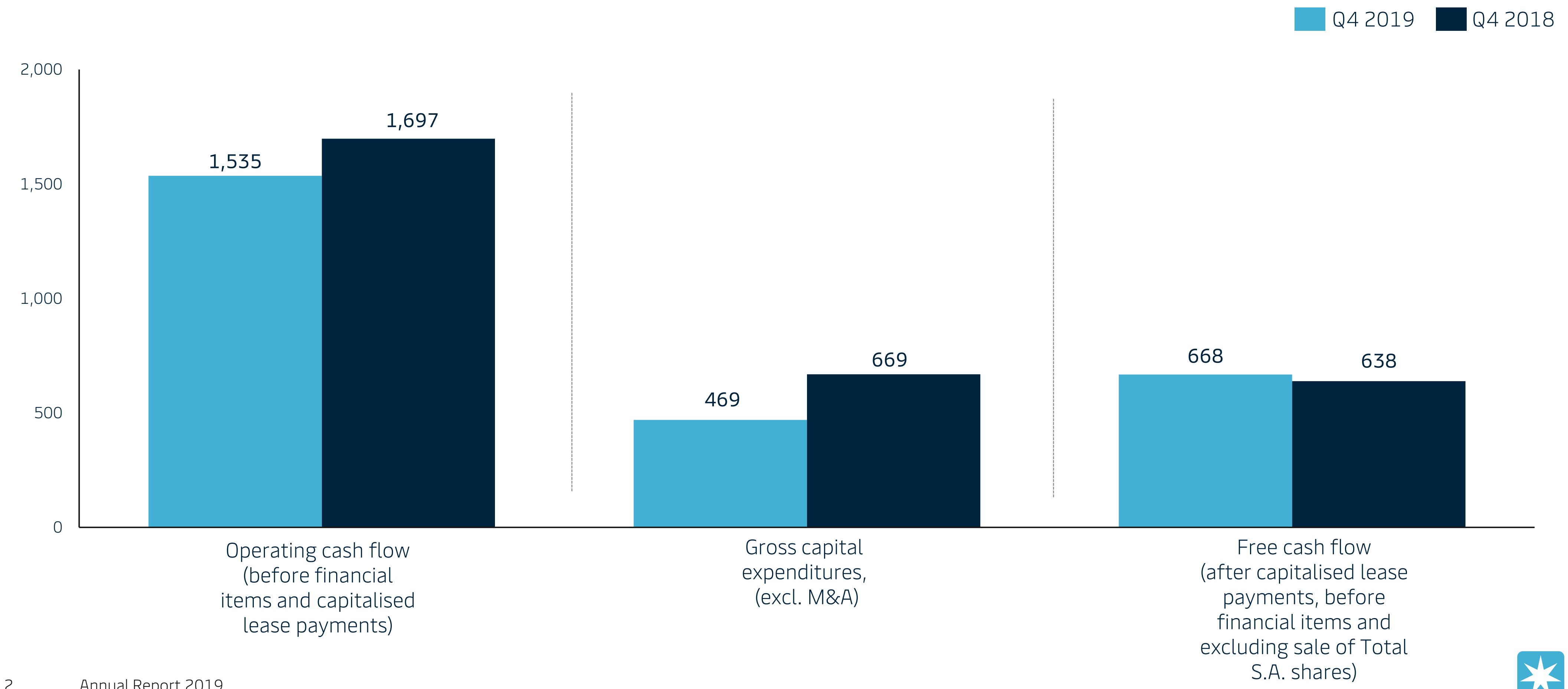
High cash conversion in Q4 2019

Development in cash flow, USDm

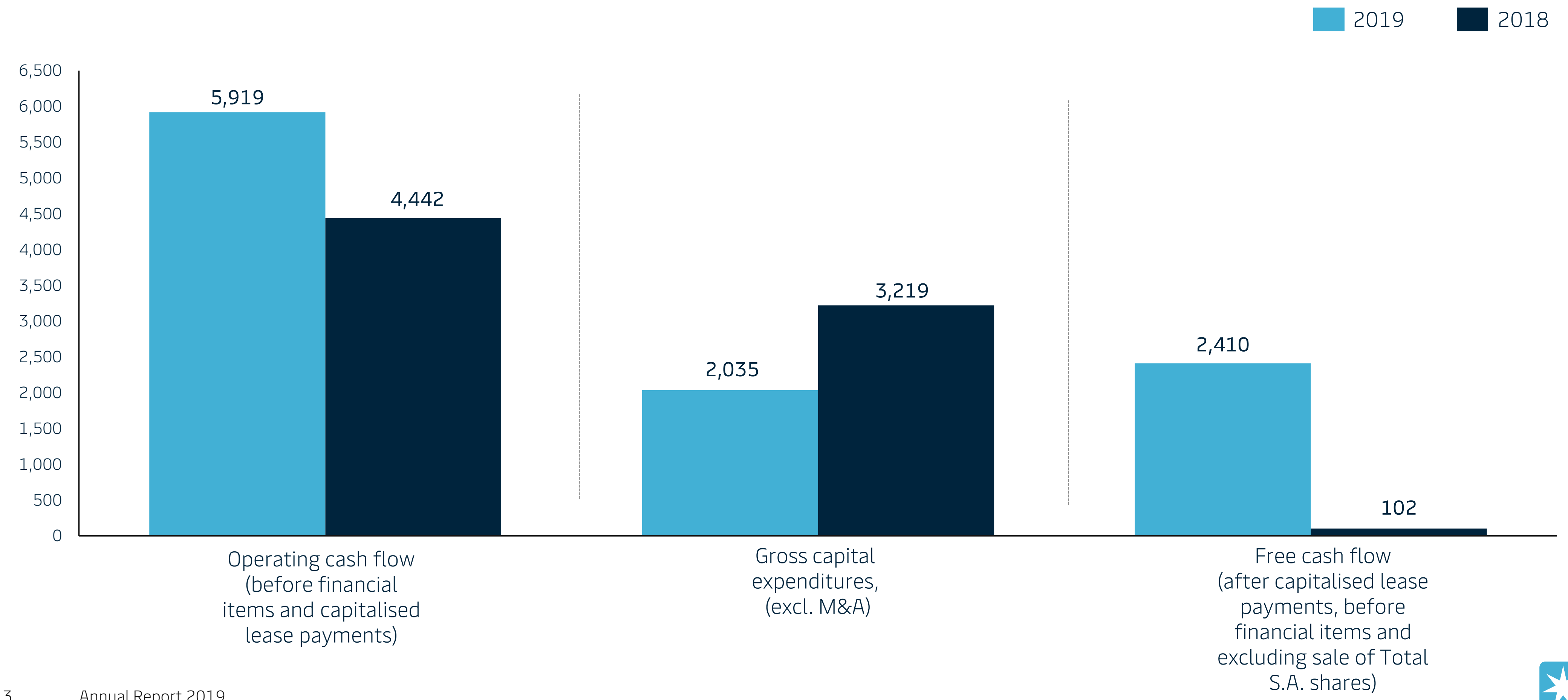


CFFO of USD 1.5bn reflecting a cash conversion of 105% was negatively impacted by the build-up of inventories of USD 300m ahead of IMO 2020.

Free cash flow was USD 668m, after capitalised lease payments of USD 432m (USD 312m).

High cash conversion in FY 2019

Development in cash flow, USDm

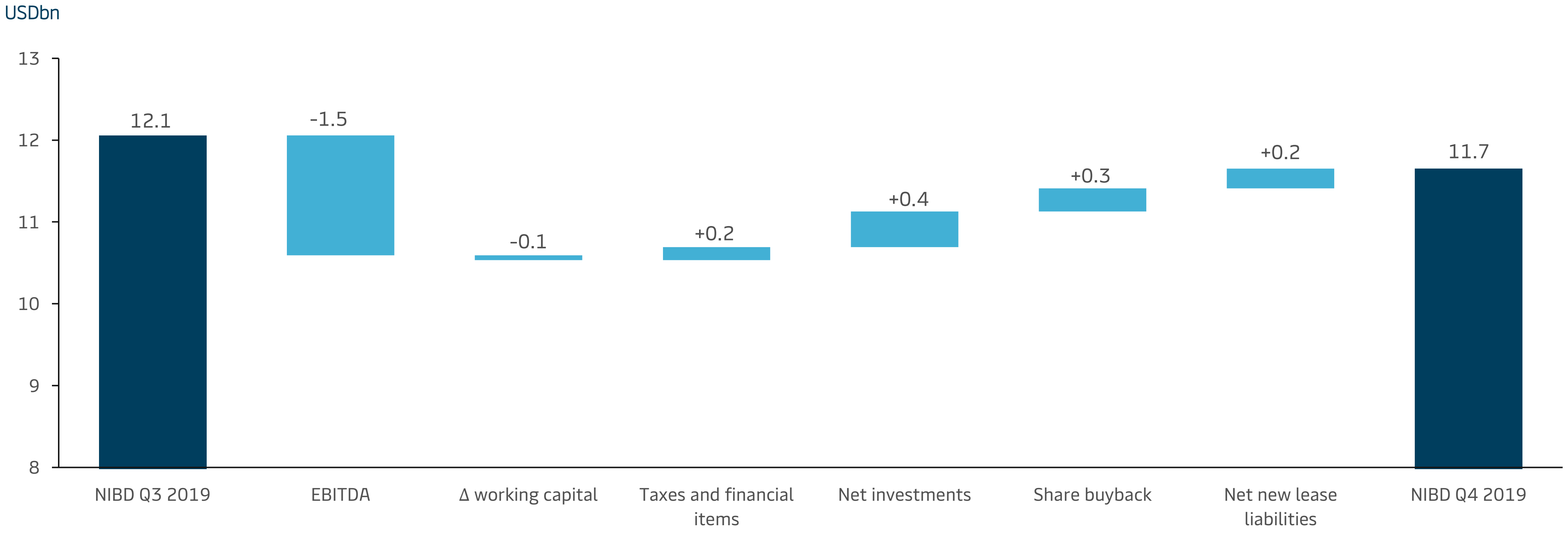


CFFO of USD 5.9bn reflecting a cash conversion of 104% for the full year, positively impacted by earnings and net working capital.

Free cash flow of USD 2.4bn after capitalised lease payments of USD 1.8bn (USD 1.6bn), compares to USD 102m in 2018.

Net interest bearing debt decreased further

Development in net interest-bearing debt



Net-interest bearing debt of USD 11.7bn includes lease liabilities of USD 8.6bn.

Liquidity reserve[1] of USD 10.5bn by end Q4 2019.

Investment grade credit rating of BBB (stable) from S&P and Baa3 (stable) from Moody's.

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

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Financial highlights

Consolidated financial information

Income statement (USDm)	Q4 2019	Q4 2018	FY 2019	FY 2018
Revenue	9,668	10,235	38,890	39,257
EBITDA	**1,463**	**1,449**	**5,712**	**4,998**
EBITDA margin	**15.1%**	**14.2%**	**14.7%**	**12.7%**
Depreciation, impairments etc.	1,160	1,168	4,287	4,756
Gain on sale of non-current assets, etc., net	1	76	71	166
Share of profit in joint ventures	4	0	93	116
Share of profit in associated companies	34	-80	136	-115
EBIT	**342**	**277**	**1,725**	**409**
EBIT margin	**3.5%**	**2.7%**	**4.4%**	**1.0%**
Financial costs, net	-212	-222	-758	-766
Profit/loss before tax	130	55	967	-357
Tax	191	127	458	398
Profit/loss – continuing operations	**-61**	**-72**	**509**	**-755**
Profit/loss – discontinued operations	0	116	-553	3,787
Profit/loss for the period	**-61**	**44**	**-44**	**3,032**

Key figures and financials (USDm)	Q4 2019	Q4 2018	FY 2019	FY 2018
Profit/loss continuing operations	-61	-72	509	-755
Gain/loss on sale of non-current assets etc., net	-1	-76	-71	-166
Impairment losses, net.	79	191	29	757
Transaction and integration cost	13	22	78	78
Tax on adjustments	-1	-	1	25
Underlying profit/loss – continuing operations	**29**	**65**	**546**	**-61**
Cash flow from operating activities	**1,535**	**1,697**	**5,919**	**4,442**
Gross capital expenditures	**469**	**669**	**2,035**	**3,219**
Net interest-bearing debt	**11,662**	**14,953**	**11,662**	**14,953**
Invested capital	40,535	49,255	40,535	49,255
Total Equity (APMM total)	28,837	33,205	28,837	33,205
Earnings per share (USD)	-4	-2	22	-37

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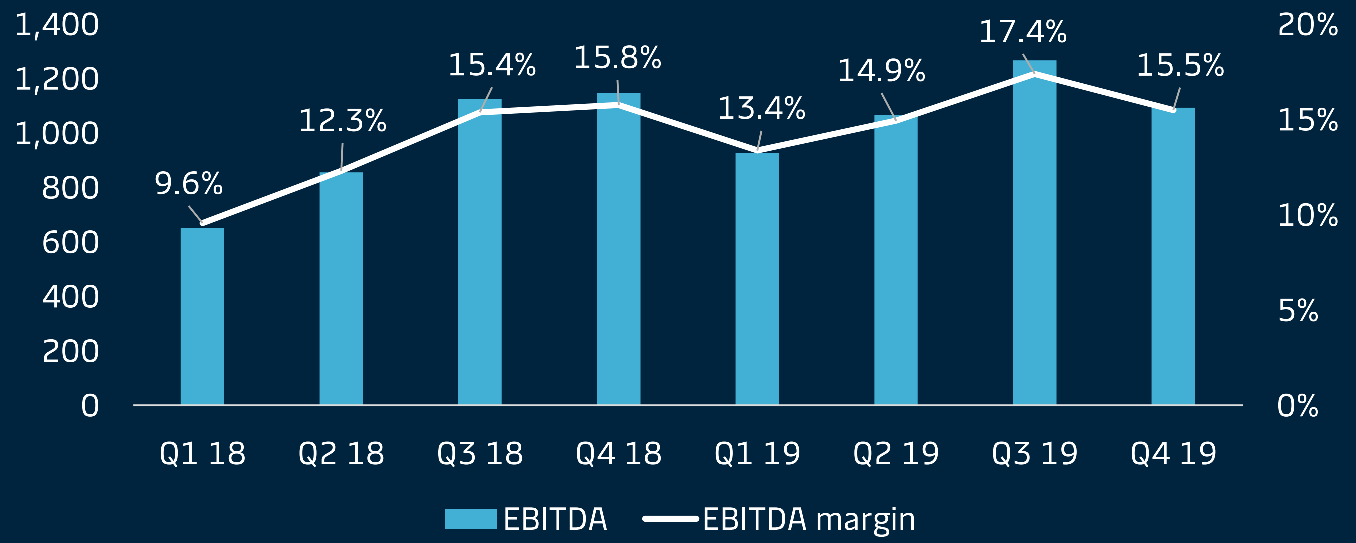
Highlights Q4 2019

Ocean

- Lower volumes due to weaker markets and initiatives taken to protect profitability, led to a 3.4% revenue decline.
- EBITDA declined 4.8% compared to an extraordinary strong Q4 2018. Margin of 15.5% held up well due to strong focus on capacity management and lower fuel cost.
- Total operating costs decreased by 4.1% compared to Q4 2018, but declining volumes led to increased unit cost.
- On a full year basis, EBITDA improved 15% to an EBITDA margin of 15.3%.
- Maersk Spot, introduced in Q2 2019, saw further adaption in the market, and at the end of Q4 Maersk Spot accounted for 24% of spot-volumes.

Development in EBITDA and EBITDA margin (%)



	Q4 2019 (USDm)	Q4 2018 (USDm)	FY 2019 (USDm)	FY 2018 (USDm)
Revenue	7,034	7,283	28,418	28,366
EBITDA	1,093	1,148	4,356	3,782
EBITDA margin	15.5%	15.8%	15.3%	13.3%
Gross capital expenditures	180	332	1,172	2,279

Strong focus on margins led to stable freight rates

- Average freight rates decreased by 0.4% (adjusted for FX the average freight rates increased by 0.1%), driven by lower freight rates in intra-regional trades, partly offset by higher contract rates on Asia-Europe.
- Adjusted for bunker price the average freight rates increased 3.3%.
- Total volumes decreased by 1.8%, where headhaul volumes decreased 1.9% and backhaul volumes declined 1.5%.
- The East-West volume decrease was led by North America trades due to high comparable in Q4 2018 related to the frontloading, while Europe was led by general lower demand.
- The North-South volume decrease was driven by weakness on all trades, except Africa, with the weak Latin American demand continuing into Q4.
- Intra-regional volume growth was led by intra-Asia growth of 15%.

Average loaded freight rates (USD/FFE)	Q4 2019	Q4 2018	Change	Change %	FY 2019	FY 2018
East-West	1,969	1,937	32	1.7	1,885	1,860
North-South	2,180	2,096	84	4.0	2,117	2,078
Intra-regional	1,469	1,512	-43	-2.8	1,462	1,478
Total	**1,905**	**1,913**	**-8**	**-0.4**	**1,883**	**1,879**

Loaded volumes ('000 FFE)	Q4 2019	Q4 2018	Change	Change %	FY 2019	FY 2018
East-West	984	1,044	-60	-5.7	4,100	4,186
North-South	1,575	1,616	-41	-2.5	6,362	6,450
Intra-regional	735	693	42	6.1	2,834	2,670
Total	**3,294**	**3,353**	**-59**	**-1.8**	**13,296**	**13,306**

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Ocean - highlights Q4 2019

Total operating cost decreased 4.1%

- Total operating costs decreased 4.1% to USD 5.9bn (USD 6.2bn), adjusted for FX total cost decreased by 3.4%.
- Total cost was positively impacted by lower network costs and lower bunker cost, including continued improvements in the bunker efficiency, partly offset by higher container related costs.
- Total bunker cost decreased 17% as the average bunker price declined 15% and the bunker consumption declined 2.6% due to efficiency initiatives, focus on capacity management and higher reliability.
- The unit cost at fixed bunker increased slightly by 0.4% due to declining volumes. Adjusting for FX unit cost increased by 1.1%.
- For FY 2019 unit cost at fixed bunker decreased by 1.7%, at the high end of our of target to reduce unit cost by 1-2% per year.

Unit cost at fixed bunker increased by 0.4% to 1,774 USD/FFE (1,767 USD/FFE)

Total unit cost was 1,938 USD/FFE (1,992 USD/FFE)

Bunker efficiency improved by 3.0%

Utilisation worsened compared to Q4 2018

Bunker cost decreased by 17% to USD 1.1bn (USD 1.3bn)

SG&A and other operational costs decreased by 0.8%

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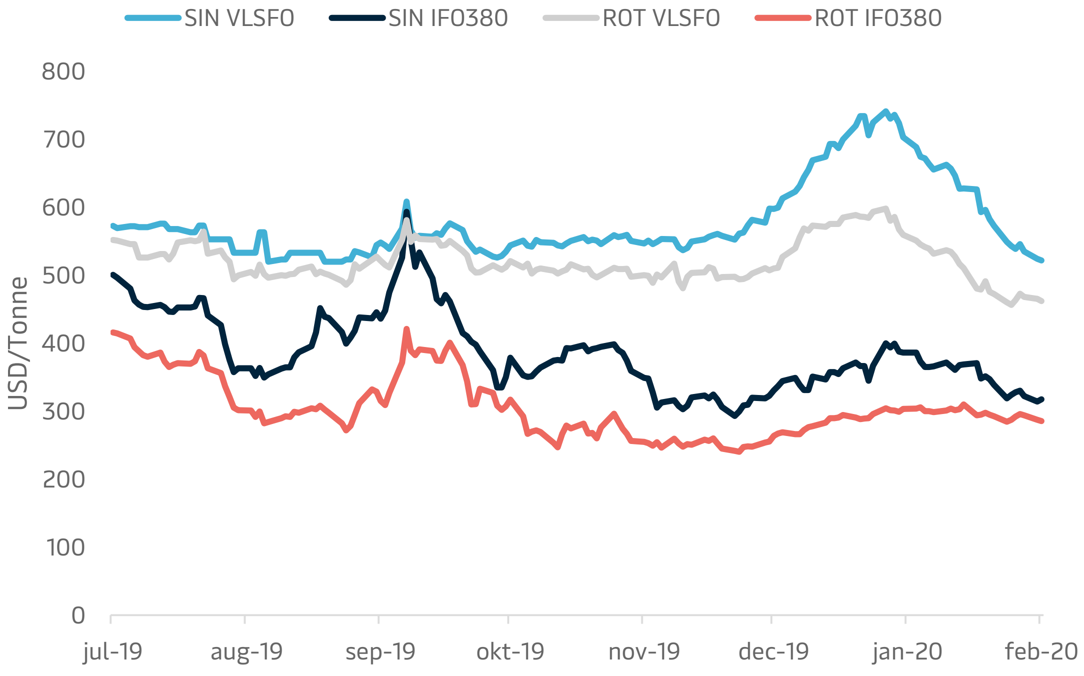
Status on IMO 2020

Maersk positioning

- We fully support and comply with the regulations and the operational switch to low sulphur fuel in December was successful.
- Our fleet fully complies with the sulphur cap, with the vast majority of vessels using low sulphur fuels. Scrubber technology is one element of our sulphur cap strategy and the number of vessels with scrubbers installed is currently limited.
- Efforts to ensure availability and quality of the low sulphur fuels has paid off as we have not had any quality or availability issues.
- However, we have witnessed fuel prices strengthening well beyond the movements seen in the underlying crude price.
- Monthly review on BAF's and EFF's has led to announced tariff increases of 50-200 USD per FFE effective 1 March due to the increased fuel costs.
- Continued strong focus on fuel efficiency to reduce consumption and the environmental impact.

Development in bunker fuel prices



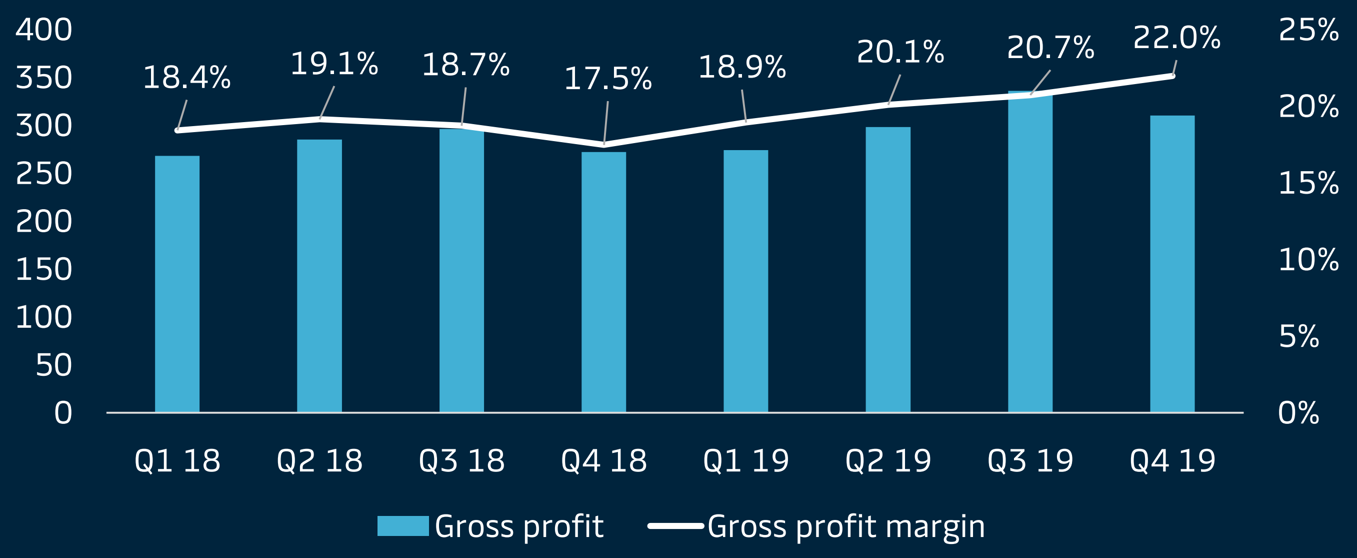
Source: Bloomberg & Ship and Bunker

Highlights Q4 2019

Logistics & Services

- Revenue declined 9.4%, impacted by extraordinary volumes in Q4 2018 due to front-loadings ahead of expected tariffs between China and US in most products.
- Gross profit increased by 14% and with a positive trend in margin throughout the year, positively impacted by intermodal, warehousing & distribution and acquisition of Vandegrift.
- EBITDA of USD 32m increased by 33% and margin improved slightly to 2.3% (1.5%). Baseline for 2018 was negatively affected by high maintenance cost in Star Air.
- Announcement of the acquisition of Performance Team.

Development in gross profit and gross profit margin (%)



	Q4 2019 (USDm)	Q4 2018 (USDm)	FY 2019 (USDm)	FY 2018 (USDm)
Revenue	1,411	1,557	5,965	6,082
Gross profit	310	272	1,218	1,121
EBITDA	32	24	238	191
EBITDA margin	2.3%	1.5%	4.0%	3.1%
Gross capital expenditures	66	16	128	47

Improved gross profit, EBIT conversion impacted by one-offs

- The gross profit margin improved by 4.5%-points to 22.0%, mainly due to improved margins in intermodal, given the conscious decision to reduce presence in less profitable regions, and improvements in warehousing & distribution and custom house brokerage.
- The improvement in gross profit was offset by negative one-offs related to restructuring costs and impairments.
- Volumes and gross profit in SCM declined slightly, mainly due to frontloading in Q4 2018.
- Damco Freight Forwarding realised lower volumes within air and sea freight forwarding impacted by general weaker demand compared to the strong quarterly development last year.

Gross profit improved by 14% to USD 310m (USD 272m)

EBIT conversion ratio was negative 22% (-5.1%)

Volumes in SCM decreased by 1.3%

Air and sea freight forwarding volumes declined 12% and 18%, respectively

SG&A and other cost increased to USD 278m (USD 248m)

Direct cost declined to USD 1,101m (USD 1,285m)

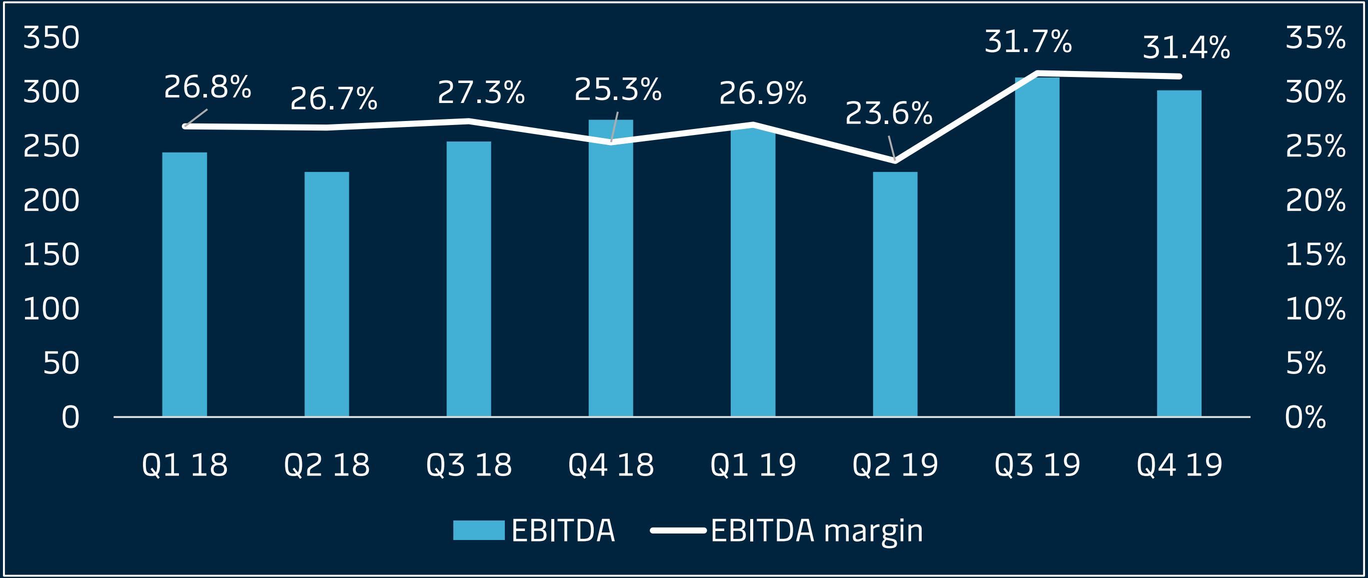
EBIT conversion ratio = EBIT / Gross profit

Highlights Q4 2019

Terminals & Towage

- Revenue declined by 11%, while EBITDA increased by 9.9% with a margin of 31.4%.
- Gateway terminals reported revenue of USD 787m (USD 921m), while towage reported revenue of USD 178m (USD 166m).
- EBITDA in gateway terminals increased 11% to USD 251m and the EBITDA-margin increased by 7.3%-points to 31.9%.
- Lower construction revenue (IFRIC12) of USD 99m compared to Q4 2018 contributed to higher margins.
- EBITDA in towage increased 8.5% to USD 51m, mainly due to higher activity.
- Vado, Italy opened in December 2019, with Abidjan, Ivory Coast being the only remaining green field terminal under construction.

Development in EBITDA and EBITDA margin (%)



	Q4 2019 (USDm)	Q4 2018 (USDm)	FY 2019 (USDm)	FY 2018 (USDm)
Revenue	960	1,082	3,894	3,772
EBITDA	301	274	1,107	998
EBITDA margin	31.4%	25.3%	28.4%	26.5%
Gross capital expenditures	219	242	530	556

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Terminals & Towage - highlights Q4 2019

Margin improvements at lower volumes

- Gateway terminals volumes declined 4.7% (declined 1.7% like-for-like), mainly due to extraordinary high volumes in Q4 2018 related to frontloading of transpacific volumes prior to tariffs being imposed.
- Volumes from external customers grew by 1.1% (2.3% like-for-like), while volumes from Ocean decreased 14% (declined 8.8% like-for-like) due to general lower volumes in the North American terminals and divestment of Izmir and Kobe.
- Utilisation decreased 2%-points due to lower volumes.
- Revenue per move was mainly driven by exit from Izmir.
- Cost per move was driven by lower concession costs in Los Angeles and the additional cost in Q4 2018 due to congestion.
- In Towage the Harbour towage activities driven by increased activity in the Americas and the Asia, Middle East & Africa region.

Like-for-like throughput declined 1.7% (+2.3% from external customers and -8.8% from Ocean)

Utilisation declined by 2.0%-points 78% (80%)

Revenue per move increased by 0.7% to USD 265 (USD 263), adj. for FX it increased by 0.8%

Cost per move decreased by 5.4% USD 207 (USD 219), adj. for FX it decreased by 3.7%

Harbour towage activities grew by 2.9%

Terminal towage annualised EBITDA per tug increased 15%

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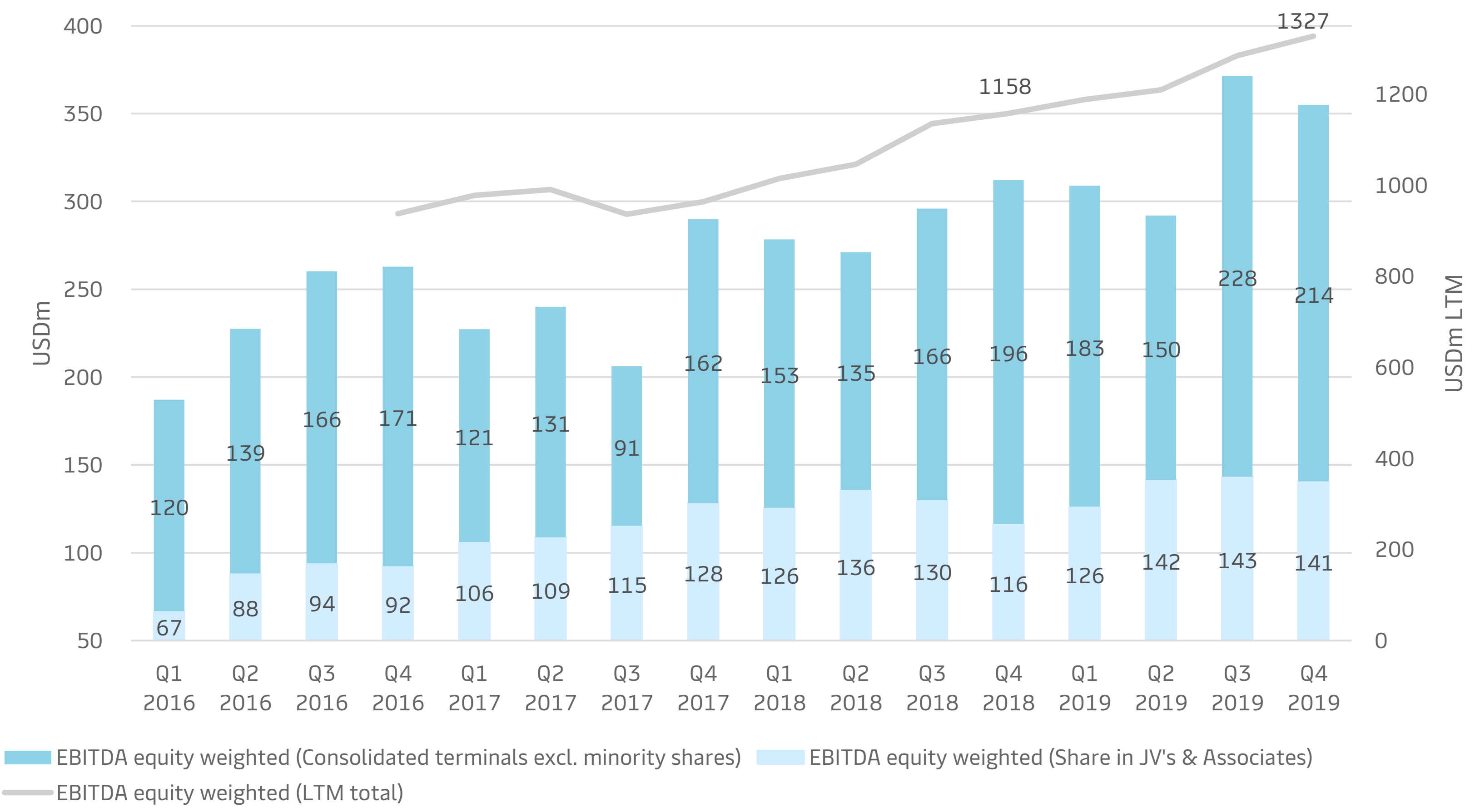
Terminals & Towage - highlights Q4 2019

Strong earnings and cash contribution from JV's and Associates.

- The equity weighted EBITDA, which is APM Terminal's equity weighted share of EBITDA on terminal ownership percentages of all entities, (subsidiaries/consolidated, JV's and Associates, excl. Hubs), increased 14% to USD 355 in Q4 2019.
- In the last twelve months the JV's and Associates have generated USD 552m to the Equity weigted EBITDA of USD 1,327m.
- The cash contribution through dividends from JV's and Associates in the last twelve monts has been USD 187m, or 34% of the EBITDA with a pay-out ratio of 99% of the net result.

Equity weighted EBITDA for APM Terminals



Note: 2016-2017 IFRS16 adjustment is a high level estimate for comparability use only. The estimate does not take into account differences in internal discount rate nor remaining length of concessions, but simply extrapolates numbers back from 2018. The 2016-2017 adjustment is not audited and no full restatement of figures to adjust for IFRS16 has been conducted prior to 2018.

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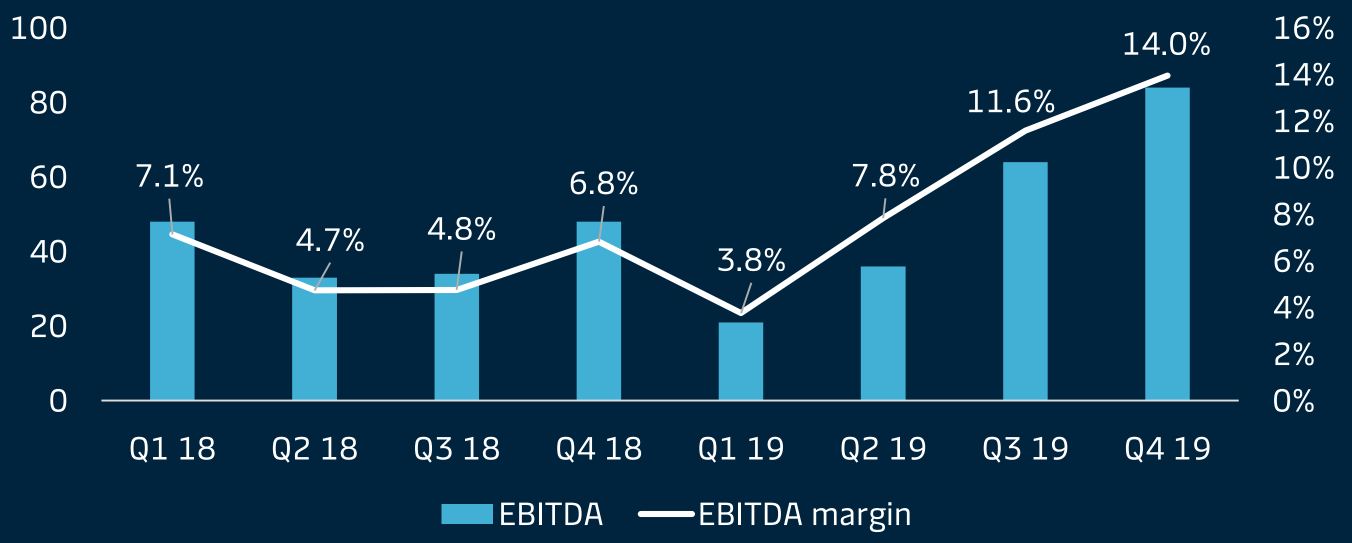
Manufacturing & Others

- Revenue in Maersk Container Industry decreased to USD 164m (USD 215m), impacted by lower revenue in the reefer business and closure of factories.
- EBITDA in Maersk Container Industry of USD 15m (USD 9m) reflects the margins of the continuing reefer business and SG&A savings.
- Maersk Supply Service improved EBITDA to USD 14m, due to higher rates and better utilisation, and achieved a revenue backlog that was 6.5% higher than in 2018.

Development in EBITDA and EBITDA margin (%)



	Q4 2019 (USDm)	Q4 2018 (USDm)	FY 2019 (USDm)	FY 2018 (USDm)
Revenue	602	703	2,172	2,787
EBITDA	84	48	205	163
EBITDA margin	14.0%	6.8%	9.4%	5.8%
Gross capital expenditures	10	85	204	358

2020

Full-year guidance

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Guidance for 2020

A.P. Moller - Maersk expects earnings before interest, tax, depreciation and amortisation (EBITDA) of around USD 5.5bn, before restructuring and integration costs.

The organic volume growth in Ocean is expected to be in line with or slightly lower than the average estimated market growth of 1-3% for 2020.

The accumulated guidance on gross capital expenditures excl. acquisitions (CAPEX) for 2020-2021 is still expected to be USD 3.0-4.0bn. A high cash conversion (cash flow from operations compared to EBITDA) is expected for both years.

The outlook and guidance for 2020 is subject to significant uncertainties and impacted by the current outbreak of the Coronavirus in China, which has significantly lowered visibility on what to expect in 2020. As factories in China are closed for longer than usual in connection with the Chinese New Year and as a result of the Coronavirus, we expect a weak start to the year.

The guidance for 2020 is also subject to uncertainties related to the implementation of IMO 2020 and the impact on bunker fuel prices and freight rates combined with the weaker macroeconomic conditions and other external factors.

Sensitivity guidance

A.P. Moller - Maersk's guidance for 2020 depends on several factors. Based on the expected earnings level and all else being equal, the sensitivities for 2020 for four key assumptions are listed in the table below:

Factors	Change	Effect on EBITDA (Rest of year)
Container freight rate	+ / - 100 USD/FFE	+ / - USD 1.3bn
Container freight volume	+ / - 100,000 FFE	+ / - USD 0.1bn
Bunker price (net of expected BAF coverage)	+ / - 100 USD/tonne	- / + USD 0.4bn
Rate of exchange (net of hedges)	+ / - 10% change in USD	+ / - USD 0.2bn

Appendix

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Financial highlights Q4 2019

USD million	Revenue		EBITDA		CAPEX	
	Q4 2019	Q4 2018	Q4 2019	Q4 2018	Q4 2019	Q4 2018
Ocean	7,034	7,283	1,093	1,148	180	332
Logistics & Services	1,411	1,557	32	24	66	16
Terminals & Towage	960	1,082	301	274	219	242
Manufacturing & Others	602	703	84	48	10	85
Unallocated activities and eliminations, etc.	-339	-390	-47	-45	-6	-6
A. P. Moller - Maersk Consolidated – continuing operations	**9,668**	**10,235**	**1,463**	**1,449**	**469**	**669**

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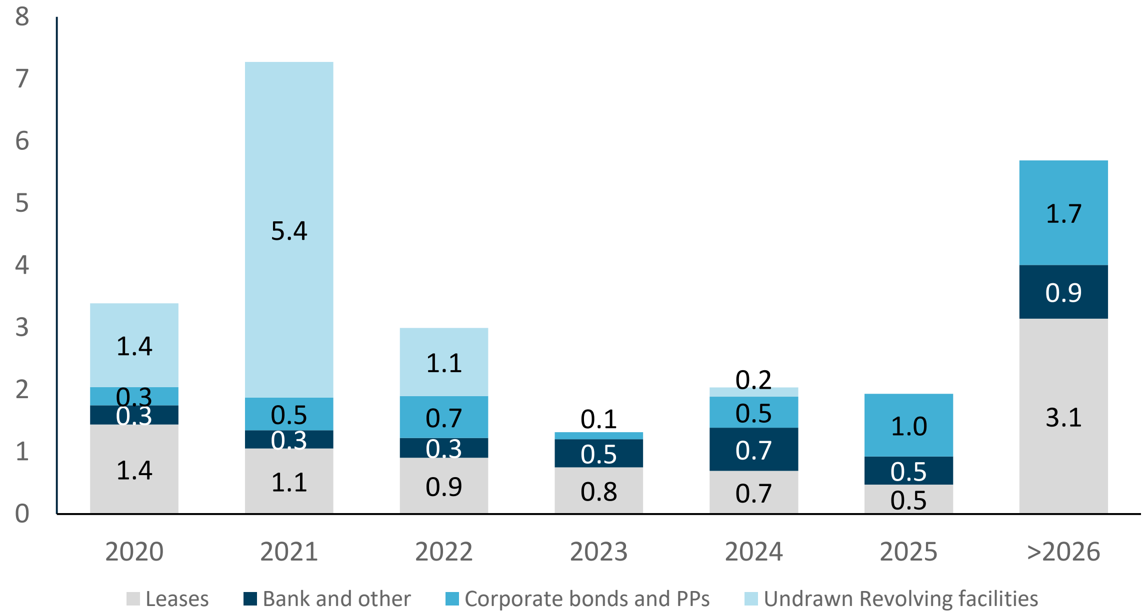
Smooth repayment profile with liquidity reserve of USD 10.5bn

Debt maturity profile at the end of Q4 2019

USDbn



Funding

- BBB / Baa3 credit ratings from S&P and Moody's respectively
- Liquidity reserve of USD 10.5bn as of end Q4 2019[1]
- Average debt maturity about five years[2]
- Corporate bond programme 29% of our gross debt (USD 4.8bn)
- Amortisation of debt in coming 5 years is on average USD 1.8bn per year (incl. leases)

1) Defined as cash and securities and undrawn committed facilities longer than 12 months less restricted cash and securities.
2) Excluding the impact of leases

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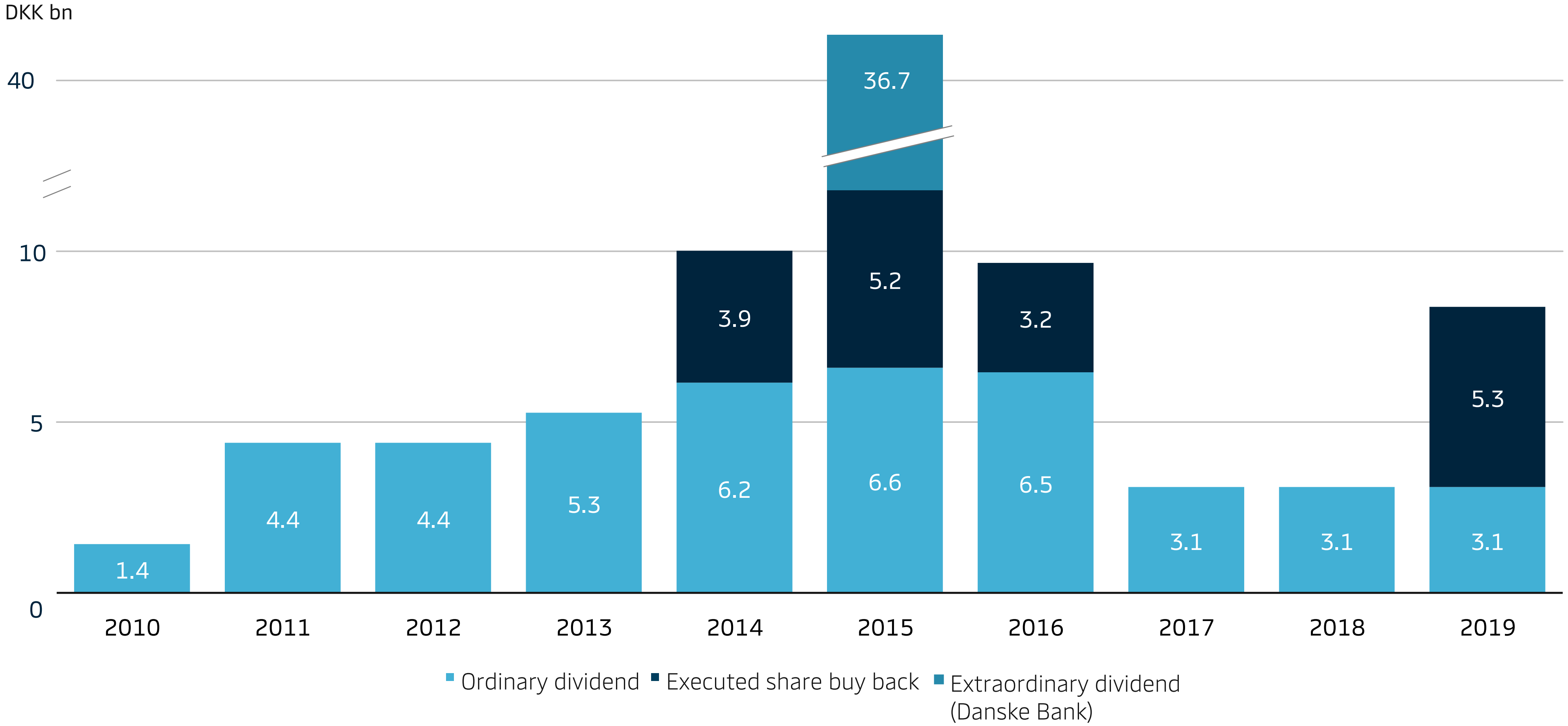
Earnings distribution to shareholders



Note: Dividend and share buy back in the paid year. In the announced first phase of a share buy-back program running from 4 June 2019 up to 1 November 2019, the Company will buy-back A and B shares for an amount of up to DKK 3.3bn

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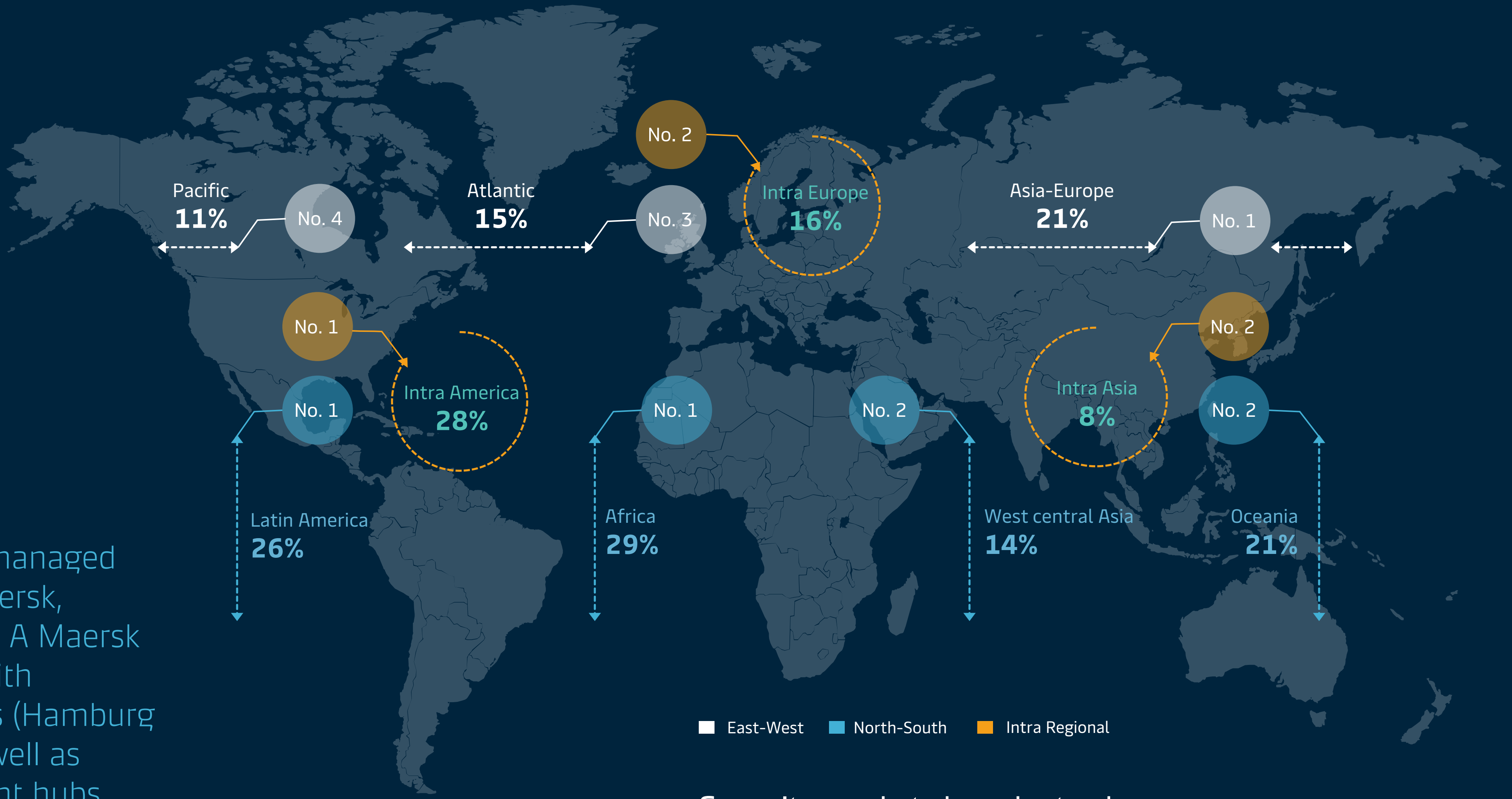
Ocean



Capacity market share by trade

Ocean activities are managed under the brands Maersk, Safmarine, Sealand – A Maersk Company together with Hamburg Süd brands (Hamburg Süd and Aliança) as well as strategic transhipment hubs under the APM Terminals brand.

Source: Alphaliner (Dec-end 2019) and Maersk.
Note: Adjusted for actual capacity share from Vessel Sharing Agreements on the East-West trades.

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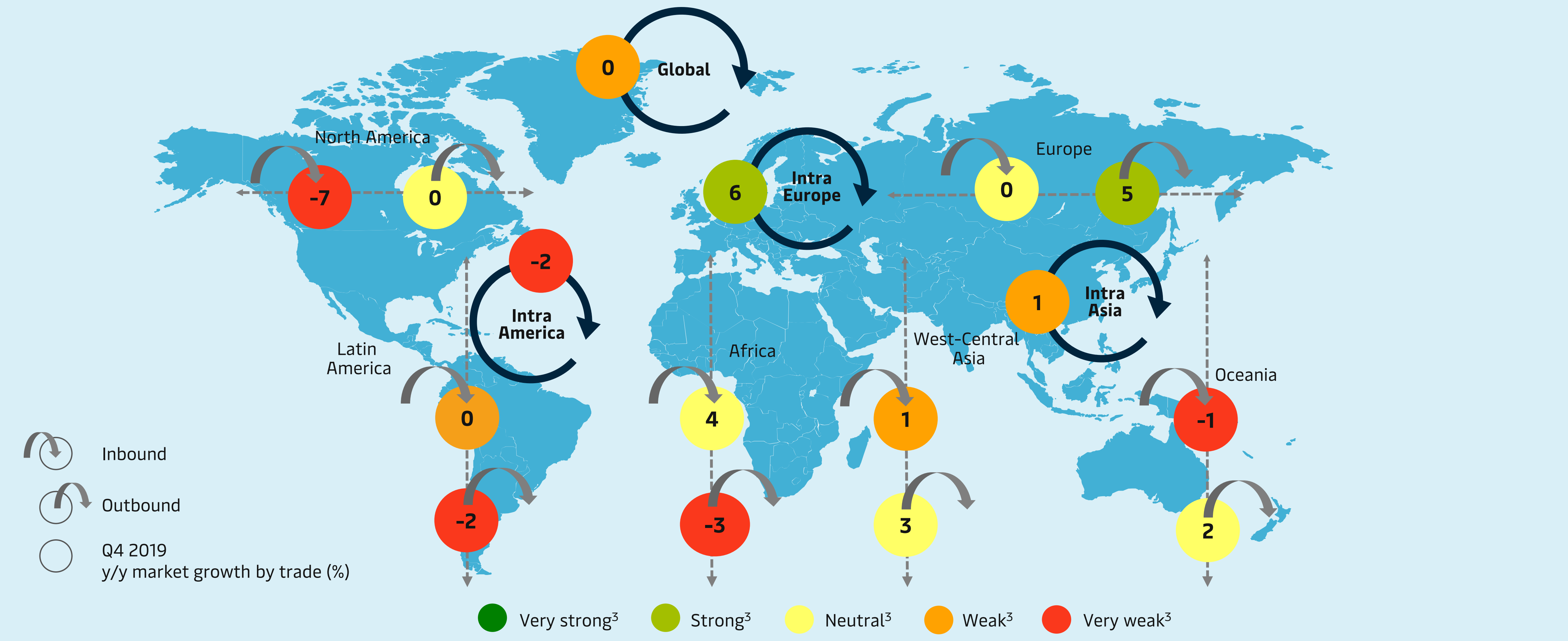
Global container trade saw zero growth in Q4 2019



Source: Internal market volume estimations as of January 2019.
Note: 1. Actuals available until November 2019; 2. Figures reported refer to the last available 3-month moving average of market growth; 3. Colours embed information on the current dynamics relative to the 2012-17 average; 4. West-Central Asia is defined as import and export to and from Middle East and India.

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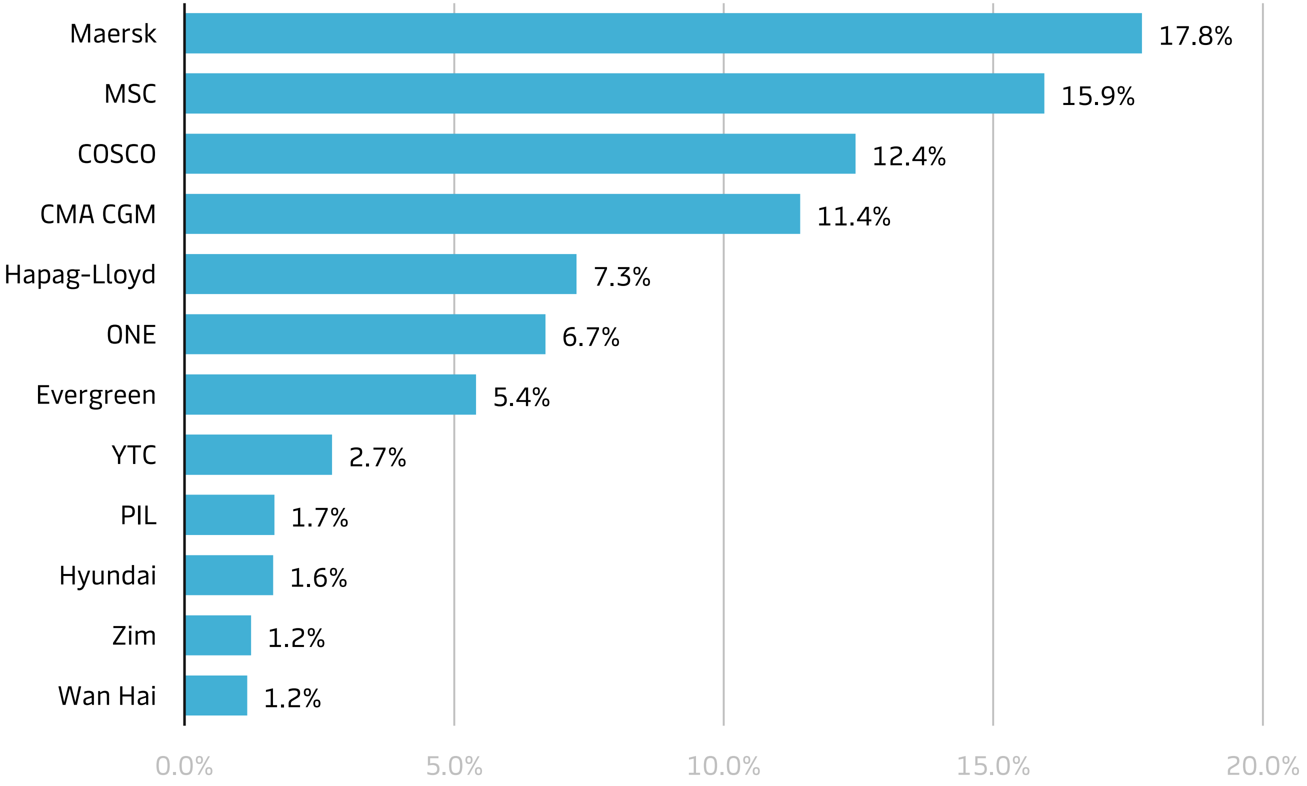
The industry is moving towards more consolidation

Capacity market share

In %



2M

MAERSK
MSC

Ocean Alliance

OOCL
CMA CGM
EVERGREEN
COSCO

The Alliance

Hapag-Lloyd
YANG MING
ONE
OCEAN NETWORK EXPRESS

Note: As at end-December 2019.
Source: Alphaliner.

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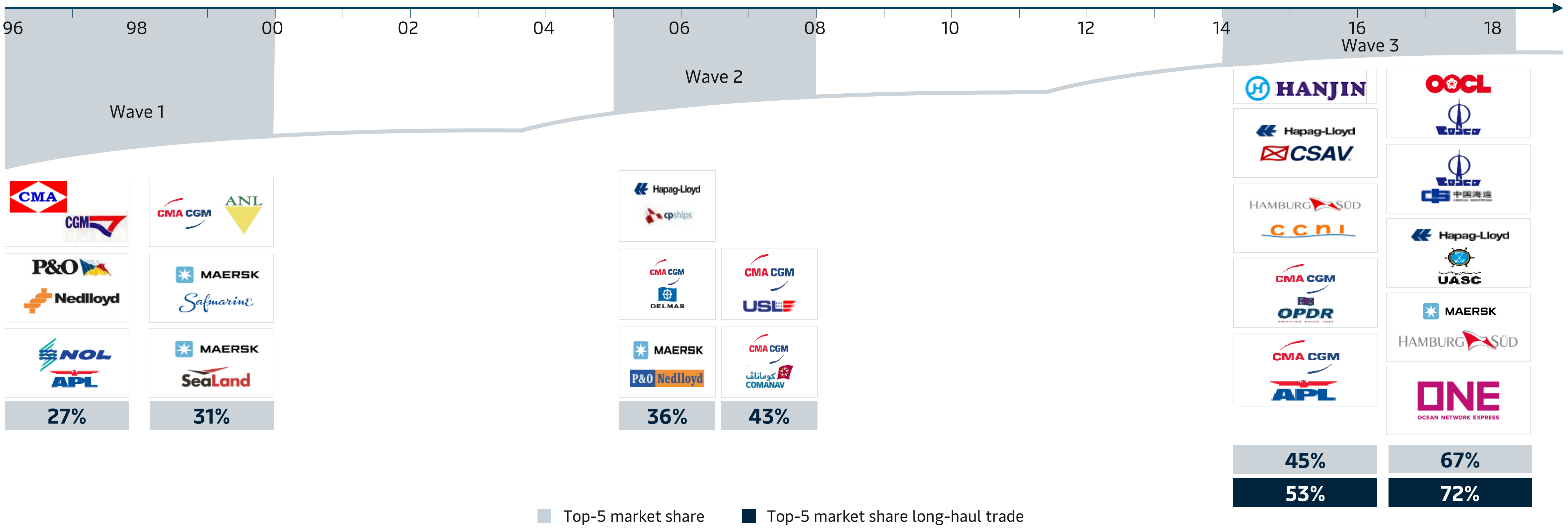
The liner industry is consolidating and top 5 share is growing

Consolidation wave is rolling again – 8 top 20 players disappeared in the last 4 years

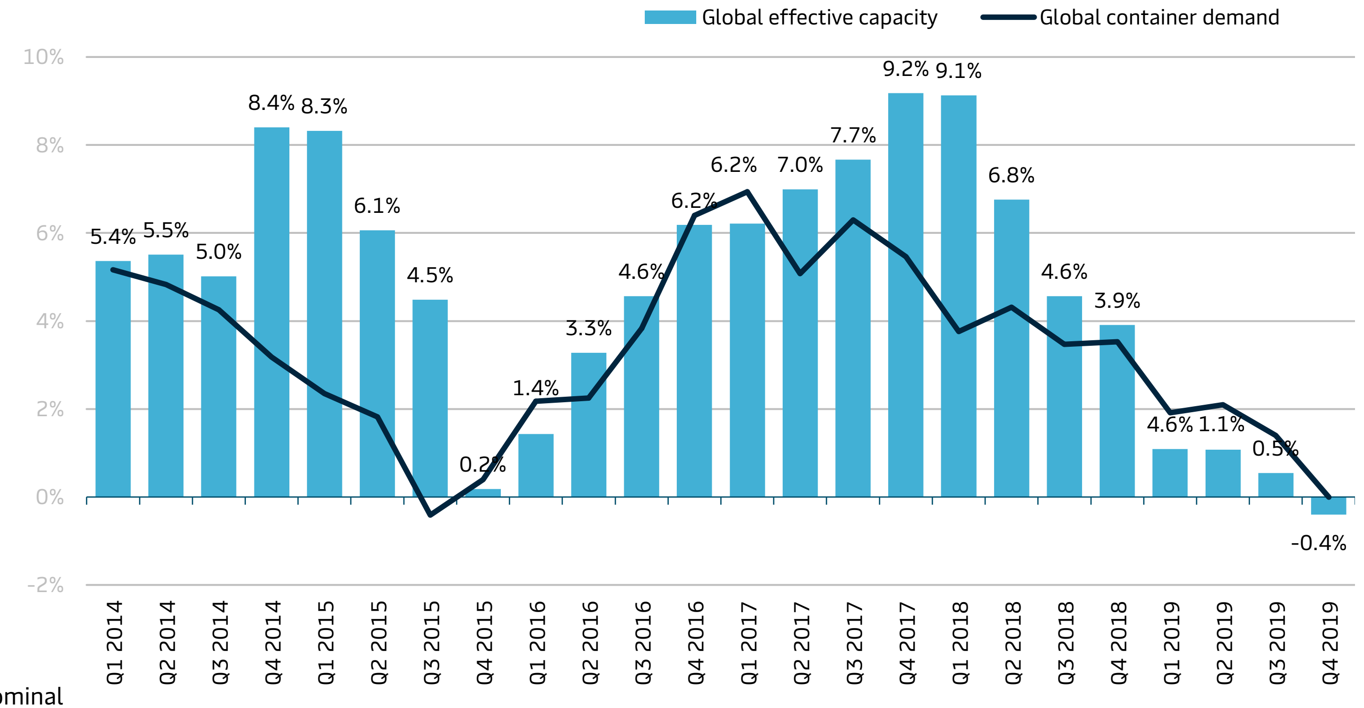


Note: Long haul trades defined as non-intra-regional trades.
Source: Alphaliner.

Industry nominal supply growth stable in Q4 2019

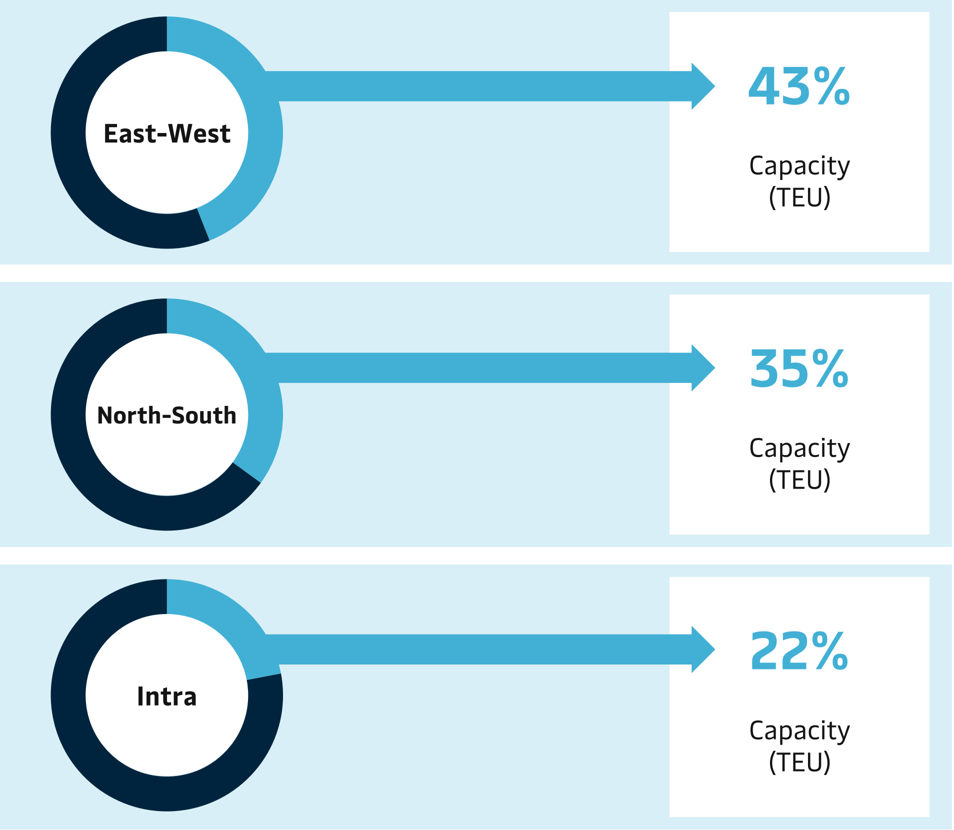
Global effective supply[1] and demand growth[2]

Growth y/y, (%)



Nominal capacity[3] growth (%)	5.5	5.2	5.4	6.4	7.3	7.9	8.7	8.7	7.4	5.6	3.3	1.5	0.8	1.4	2.9	4.1	5.9	6.6	6.0	5.8	4.6	3.7	3.9	4.1

Industry capacity (TEU)



Note: **1.** Effective capacity incorporates changes to idling, vessel speed, average length of trade and container network; **2.** Q4 2019 is Maersk internal estimates where actual data is not available yet;
3. Global nominal capacity is deliveries minus scrapping's;
Source: Alphaliner, Maersk.

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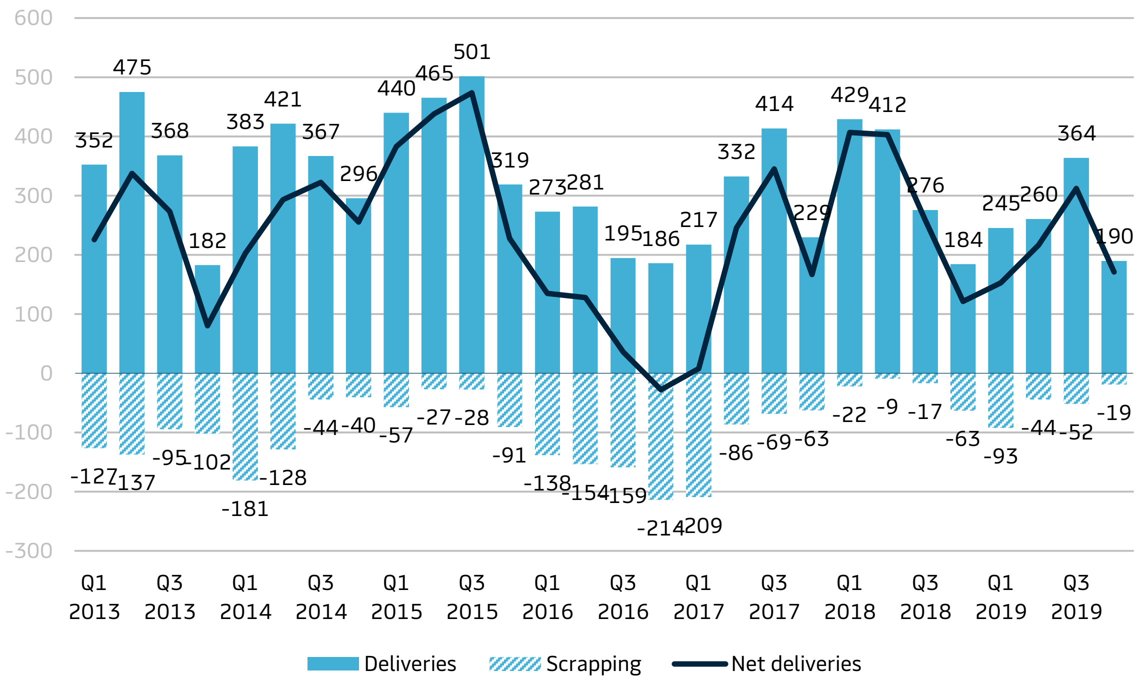
Low net delivery along with stable idling balanced effective capacity in Q4 2019

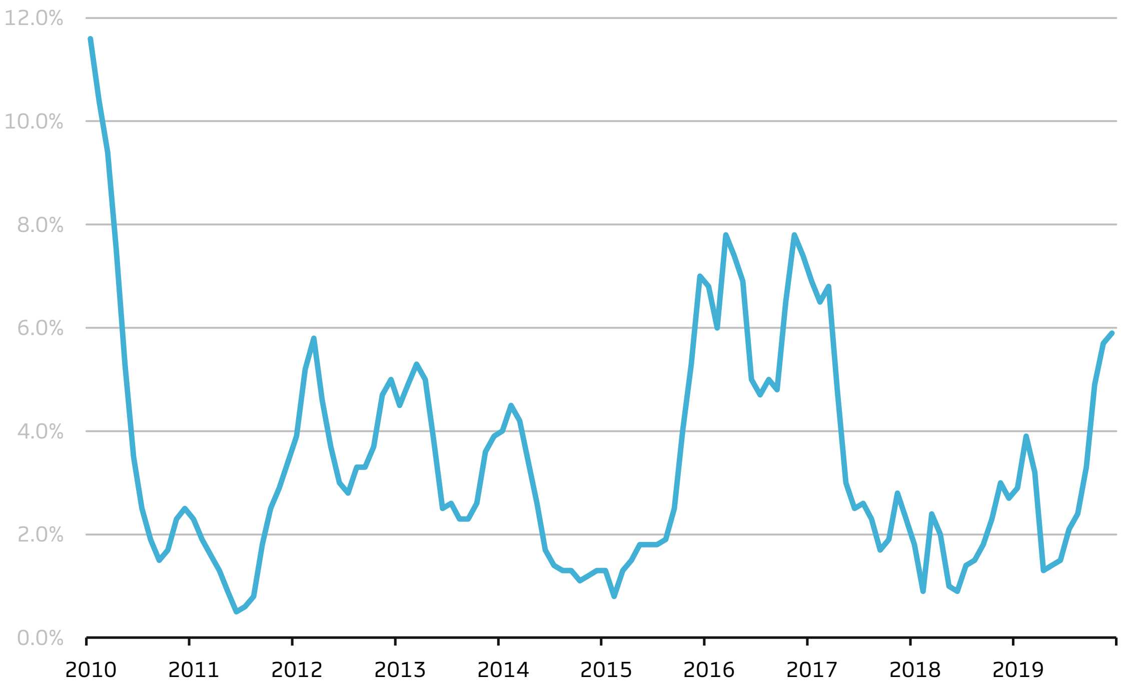
Net deliveries

TEU '000



Idling

Idle TEU as % of cellular fleet



Note: As at Dec-end 2019.
Source: Alphaliner.

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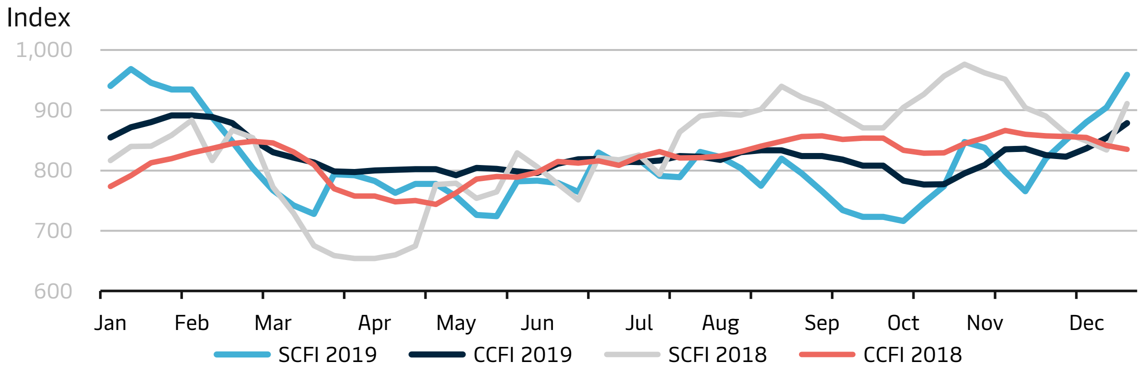
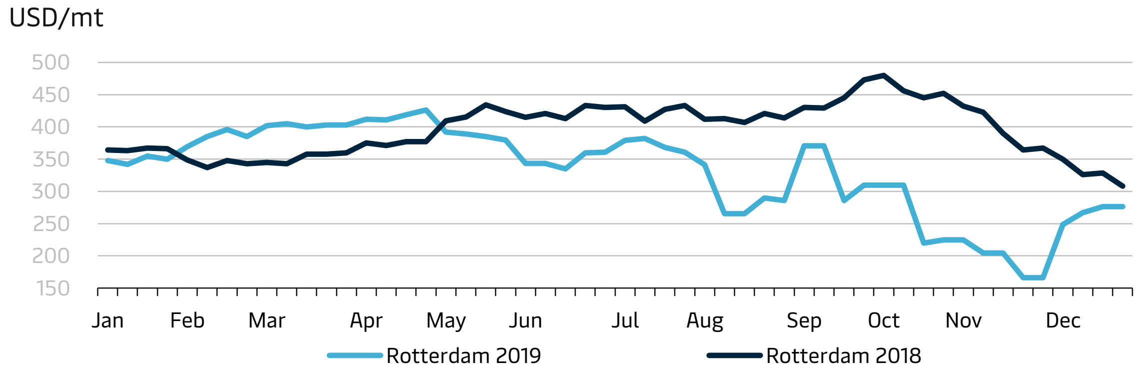
External factors continue to be volatile...

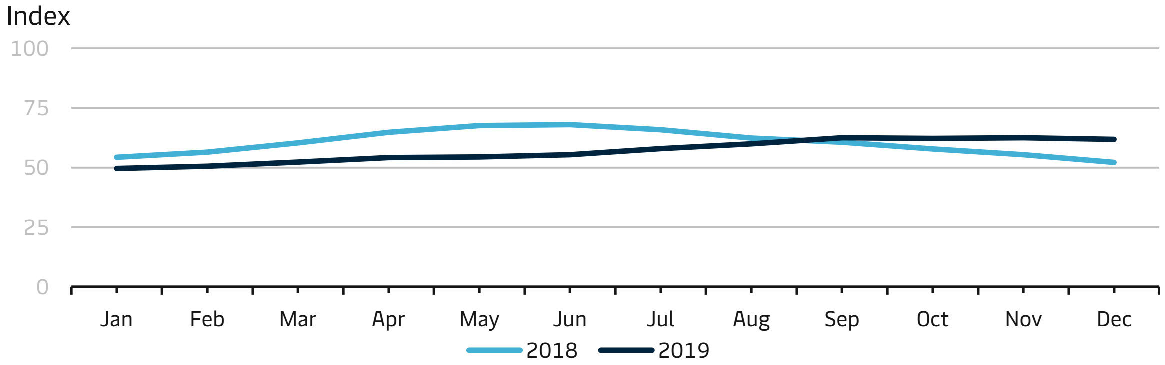
SCFI and CCFI index



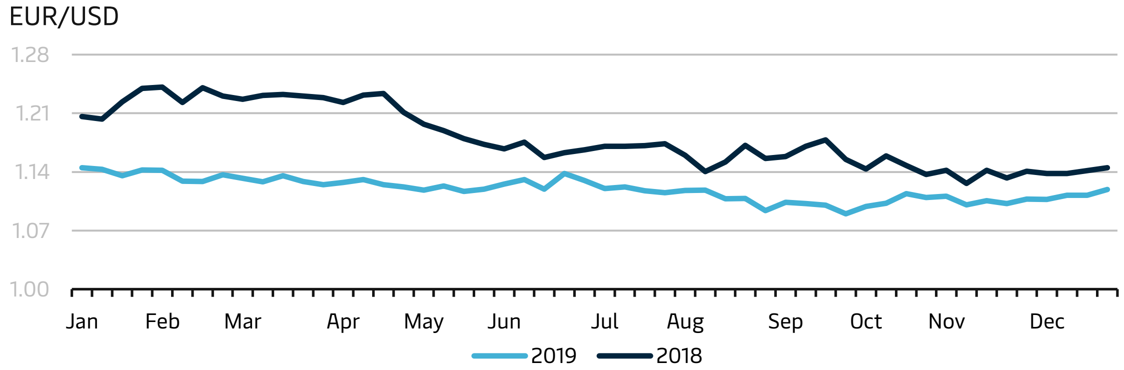
Bunker price



Time charter rates[1]



USD-EUR exchange rates

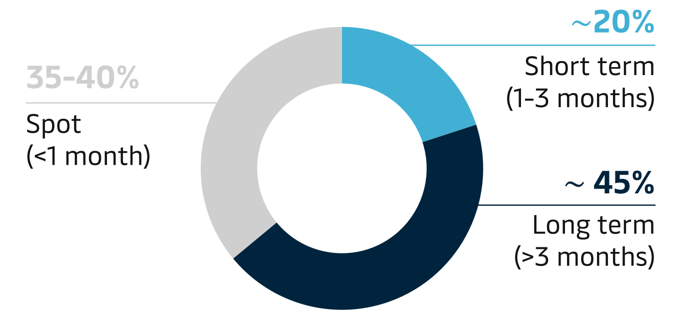


Note: 1. Containership Time charter Rate Index, 1993 = 100.
Source: Clarkson Research, Shanghai Shipping Exchange

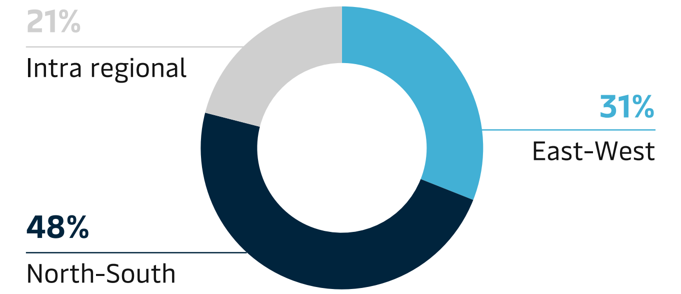
… however the volatility is lowered through contract coverage including bunker adjustment factors

Volume split, 2019

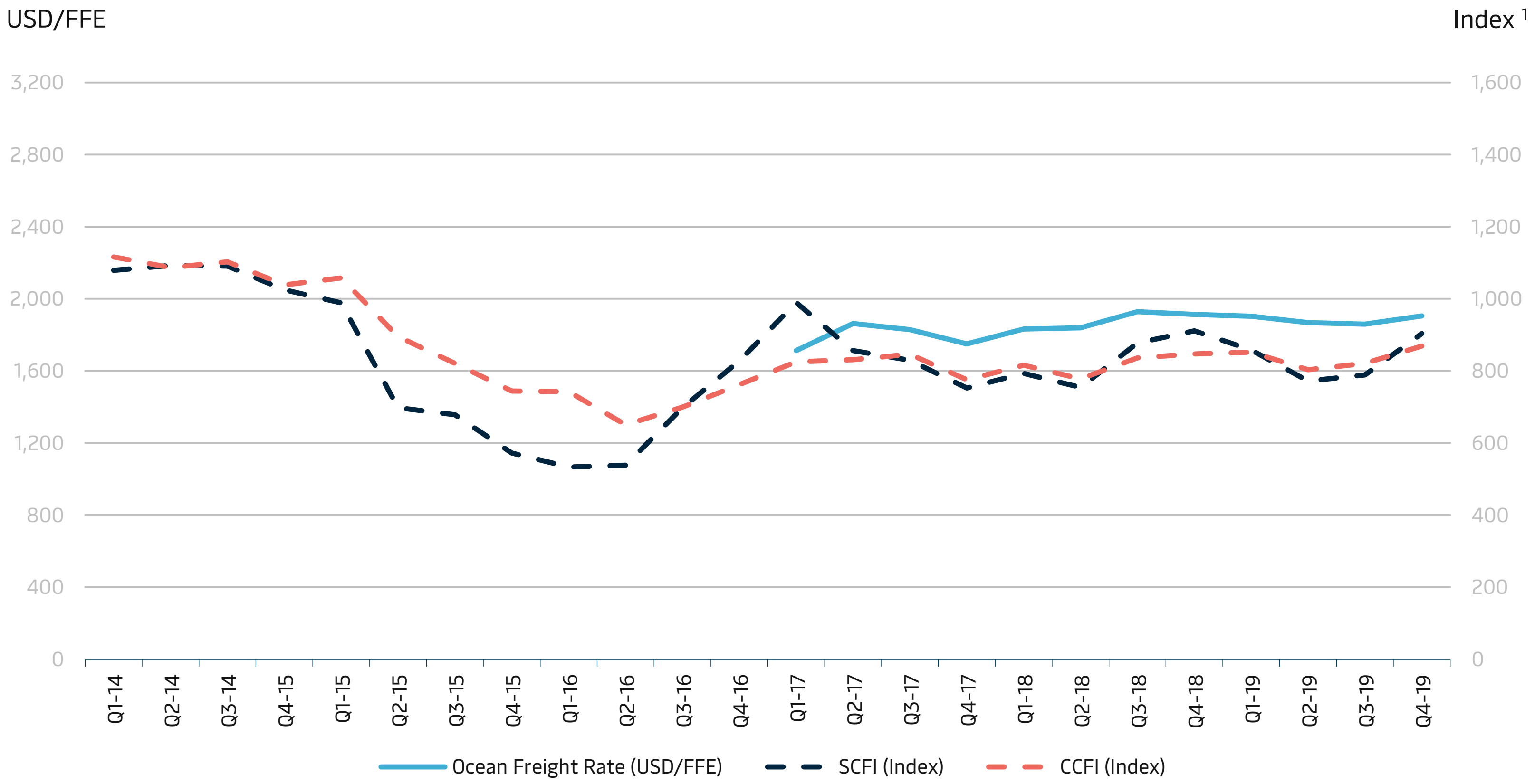
By contract type



By trade



Average freight rate



Note: 1. Oct 2009 = 1000 for SCFI, January 1998 = 1000 for CCFI.
Source: Maersk, Shanghai Shipping Exchange

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Freight rates decreased by 0.4% with volumes down by 1.8%

- Total volumes decreased by 1.8% driven by East-West and North-South trades impacted by a high baseline in 2018 in US from front loadings and lower demand across Europe and most North-South trades
- Total backhaul volumes decreased by 1.5%, while headhaul decreased by 1.9%.
- The average freight rate decreased by 0.4% or 8 USD/FFE, which was impacted negatively by the developments in foreign exchange rates. Adjusted for this, the average rate increased 0.1%.

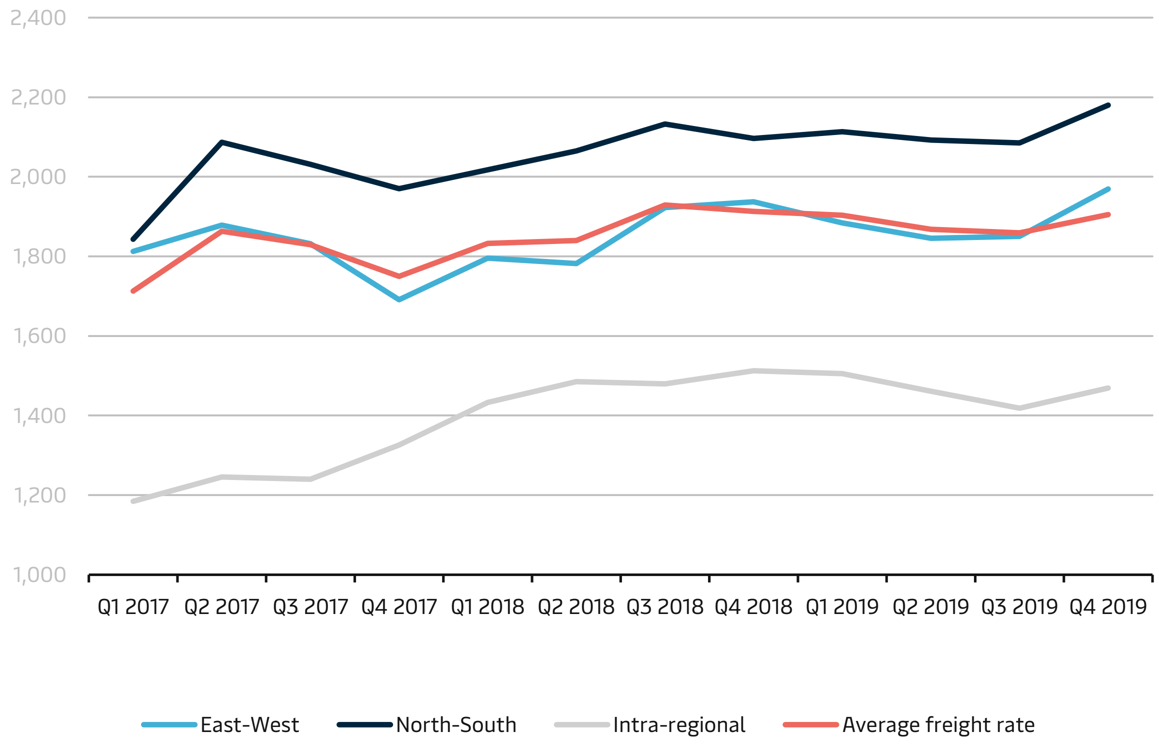
Loaded volumes ('000 FFE)	Q4 2019	Q4 2018	Change	Change %	FY 2019
East-West	984	1,044	-60	-5.7%	4,100
North-South	1,575	1,616	-41	-2.5%	6,362
Intra-regional	735	693	42	6.1%	2,834
Total	**3,294**	**3,353**	**-59**	**-1.8%**	**13,296**

Average freight rates (USD/FFE)	Q4 2019	Q4 2018	Change	Change %	FY 2019
East-West	1,969	1,937	32	1.7%	1,885
North-South	2,180	2,096	84	4.0%	2,117
Intra-regional	1,469	1,512	-43	-2.8%	1,462
Total	**1,905**	**1,913**	**-8**	**-0.4%**	**1,883**

Ocean average freight rate down 0.4% compared to Q4 2018

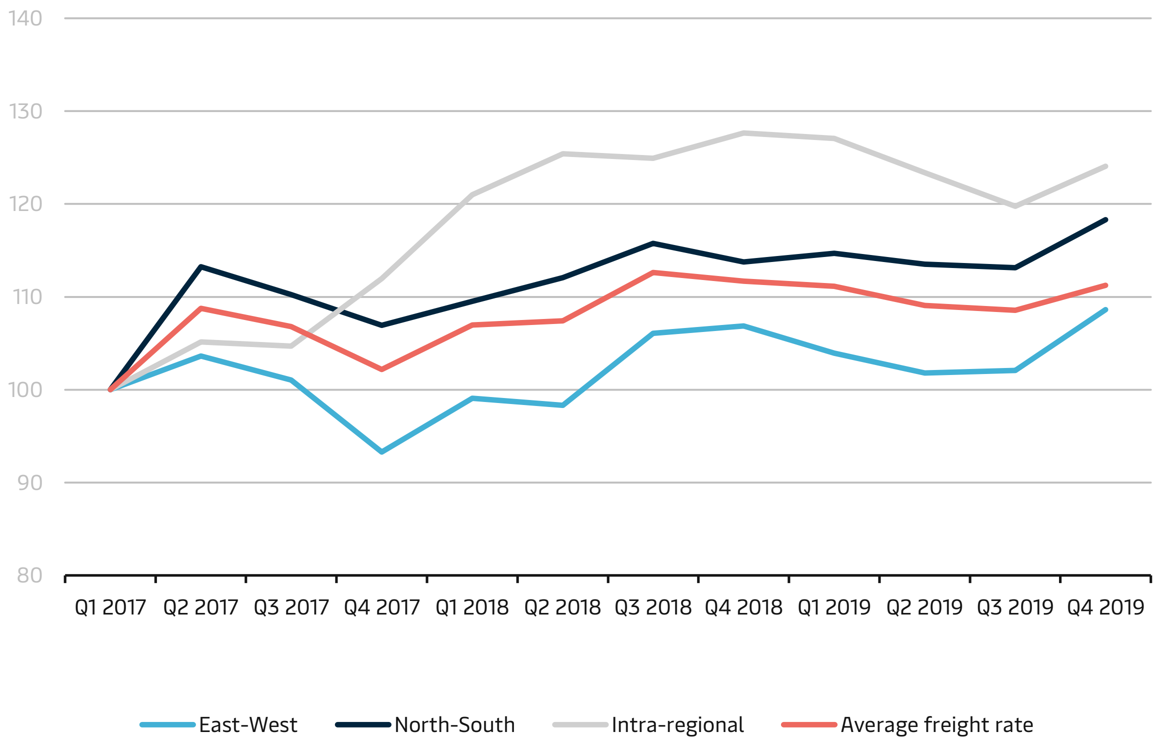
Freight rates

USD/FFE



Freight rates

Q1 2017 = 100



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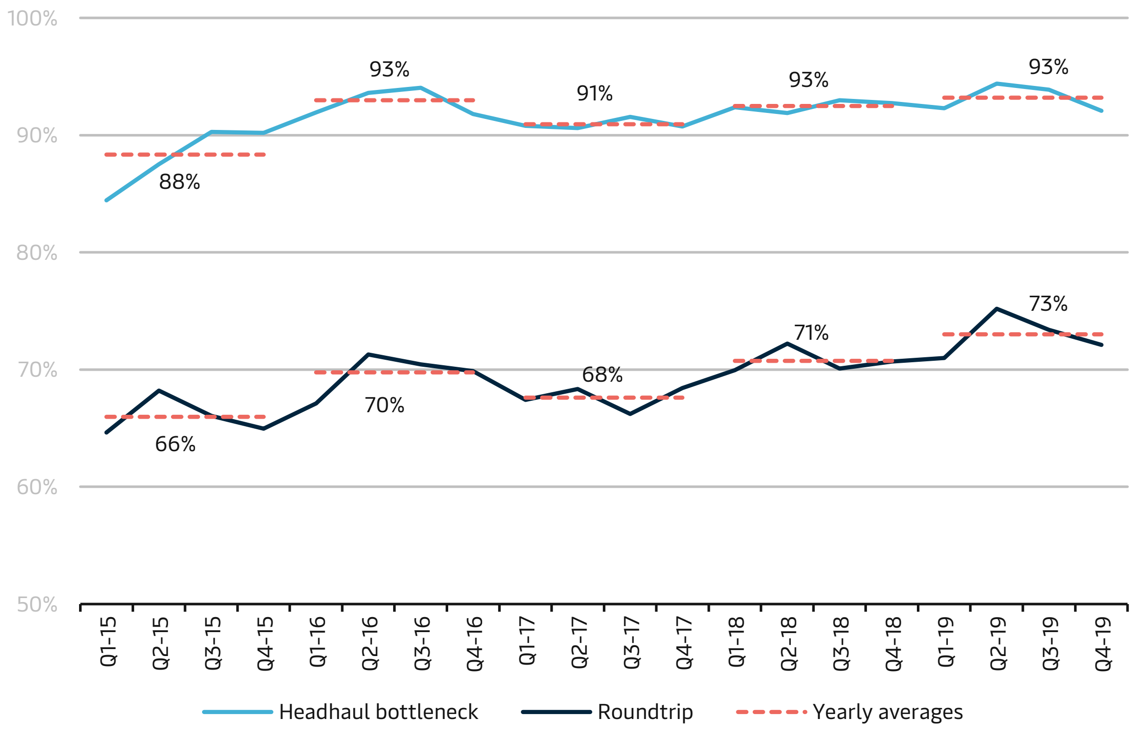
Q4 2019 vessel utilisation decreased slightly compared to Q4 2018 and Q3 2019 with stable container turn

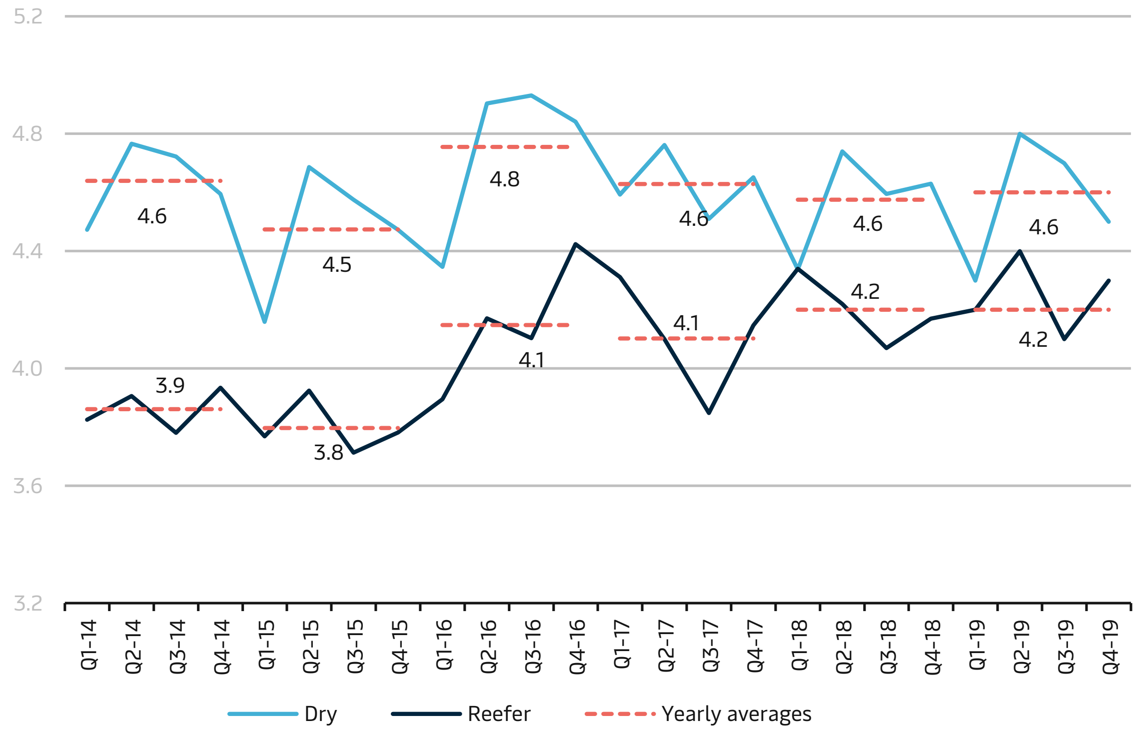
Vessel utilisation

In %



Container turn

Ratio



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

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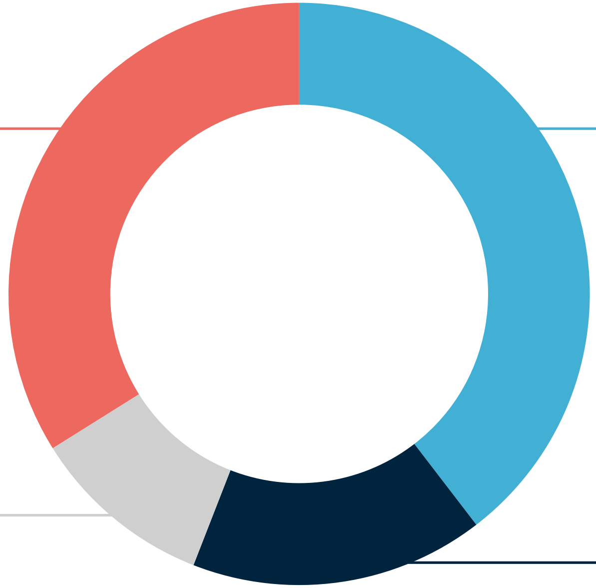
Container handling and network costs represent the majority of our unit cost base

Unit cost base, 2019

1,953 USD/FFE

2019 unit base

Unit cost base, 2019



29%
Network costs excluding bunker

39%
Container handling costs

13%
SG&A and other costs

19%
Bunker costs

Note: **Unit cost base:** EBIT costs including VSA income, Hub income and income related to vessel relets. Adjusted for restructuring costs, result from associated companies and gains/losses. **Container handling costs:** Includes costs related to terminal operation (excluding hubs and transhipment); empty costs; container leasing, deprecation of owned and capitalised leased containers, and repair costs; Hamburg Süd Inland and feedering. **Network costs excluding bunker:** Includes hub cost, transhipment costs and hub depreciation incl. depreciations for capitalised leases; vessel costs related to port and canal fees (Suez and Panama), running costs and crewing of owned vessels, depreciation of owned vessels, depreciation of capitalised leased vessels, time charter of operating leased vessels, cost of slot (capacity) purchases and vessel sharing agreements (VSA) with partners. **Bunker costs:** Includes costs related to fuel consumption and fuel prices. **SG&A and Other costs:** Includes costs related to own and third party agents in countries, liner operation centres, vessel owning companies, onshore crew and ship management, service centres and headquarters; administration cost types such as staff, office, travel, training, consultancy, IT, legal and audit, depreciations for other capitalised leases (e.g. leased offices) etc.; Other costs covering bad debt, cargo claims, currency cash flow hedge, indirect tax, non-operational provisions and amortization of intangible assets.

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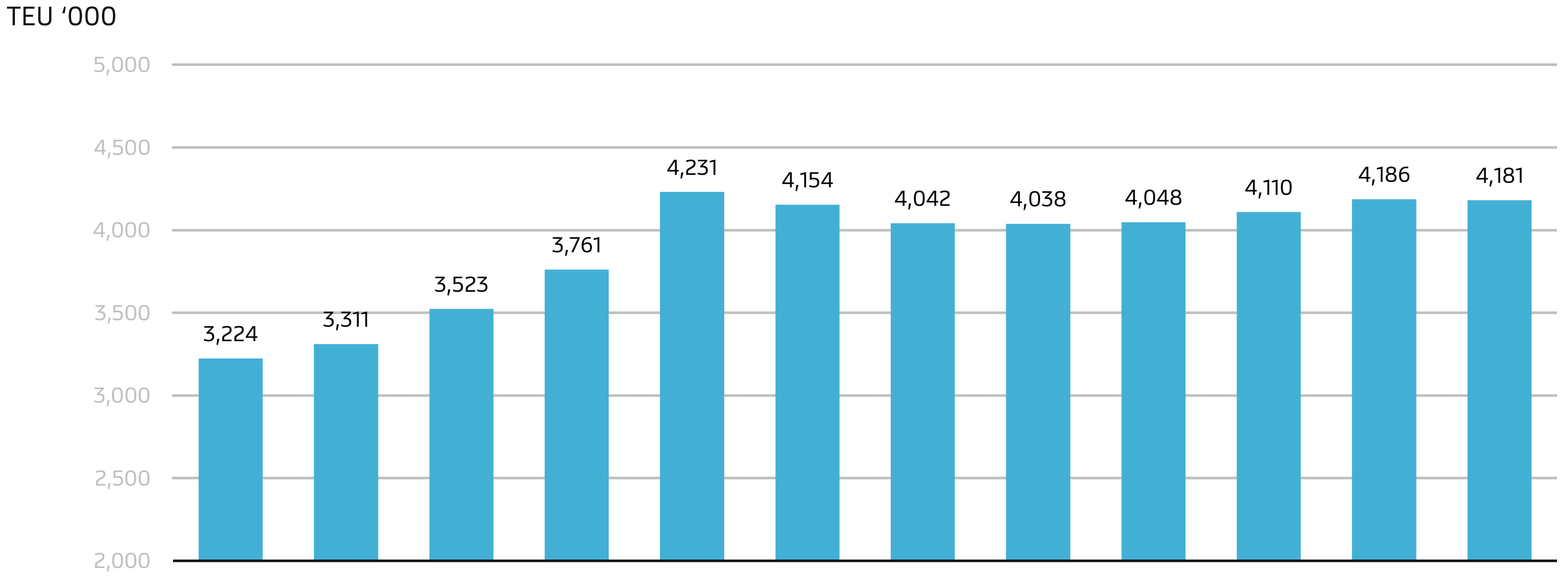
We continue to strengthen the capacity management

Development in average nominal capacity and number of vessels



	Q1 2017	Q2 2017	Q3 2017	Q4 2017	Q1 2018	Q2 2018	Q3 2018	Q4 2018	Q1 2019	Q2 2019	Q3 2019	Q4 2019
# of vessels, end of period	639	646	668	781	776	742	723	710	713	716	703	708
# of owned vessels	284	282	285	339	298	298	298	303	305	307	307	307
# of chartered vessels	355	364	383	442	478	444	425	407	408	409	396	401

Ocean average nominal vessel capacity

- Ocean segment aims to continuously adjust capacity to match demand and optimise utilisation
- Average nominal vessel capacity in Q4 2019 increased by 3.5% y/y and decreased by 0.1% q/q to 4,181k TEU

Prior to the implementation of IFRS 16, only operating leased vessels were included in the chartered container vessel section while finance leased vessels were presented together with owned to match the classification on the balance sheet. With IFRS 16, all leased vessels are generally recognised as a right-of-use asset on the balance sheet. All leased vessels are included in the table within the chartered container vessel section from Q1 2018 onwards.

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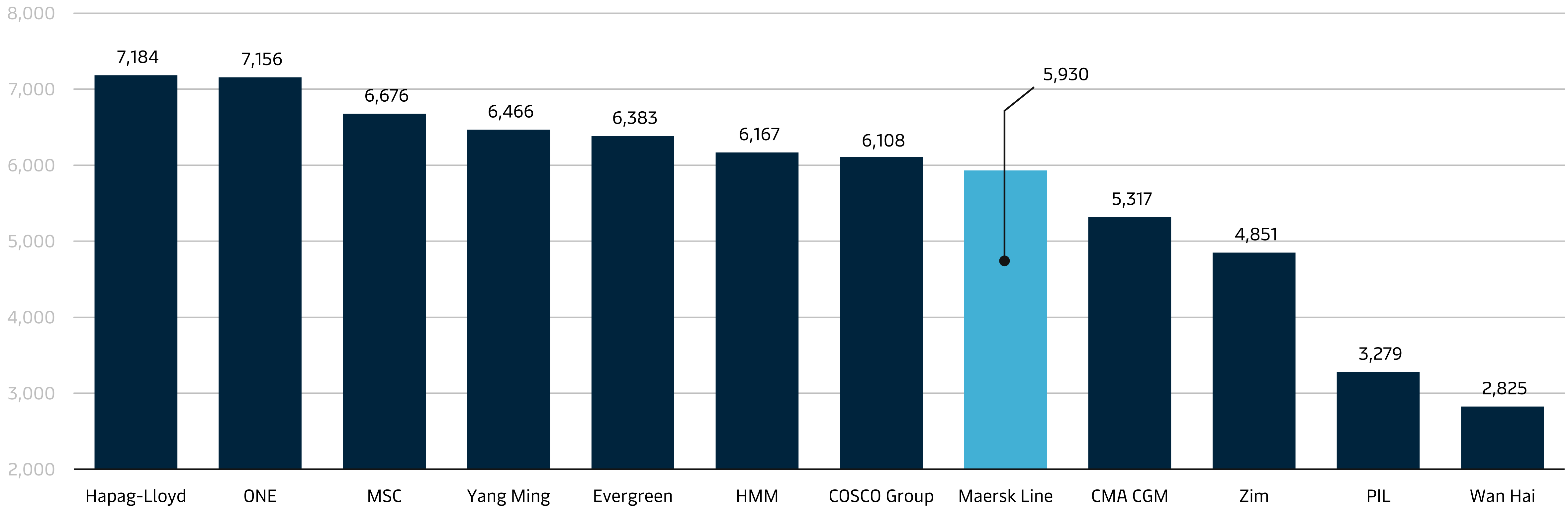
Industry average vessel size

Average vessel size

TEU '000



Note: As Dec-end 2019
Source: Alphaliner

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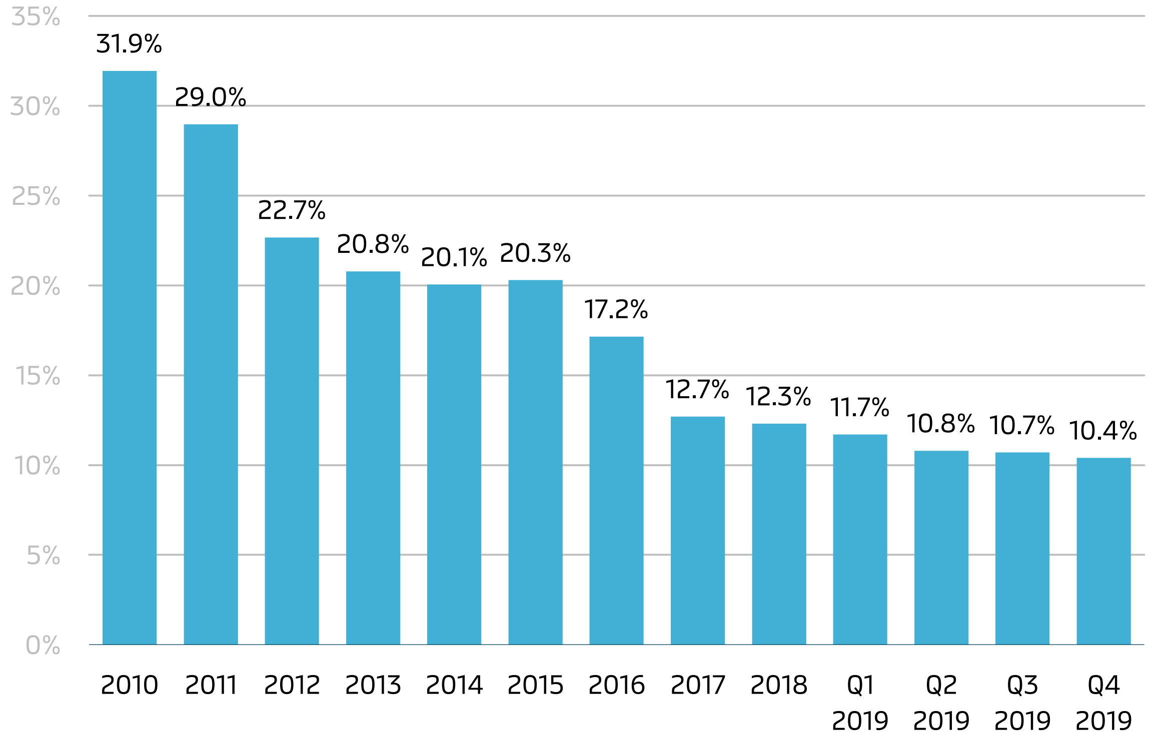
Industry orderbook at a low level, including the new orders in Q4 2019

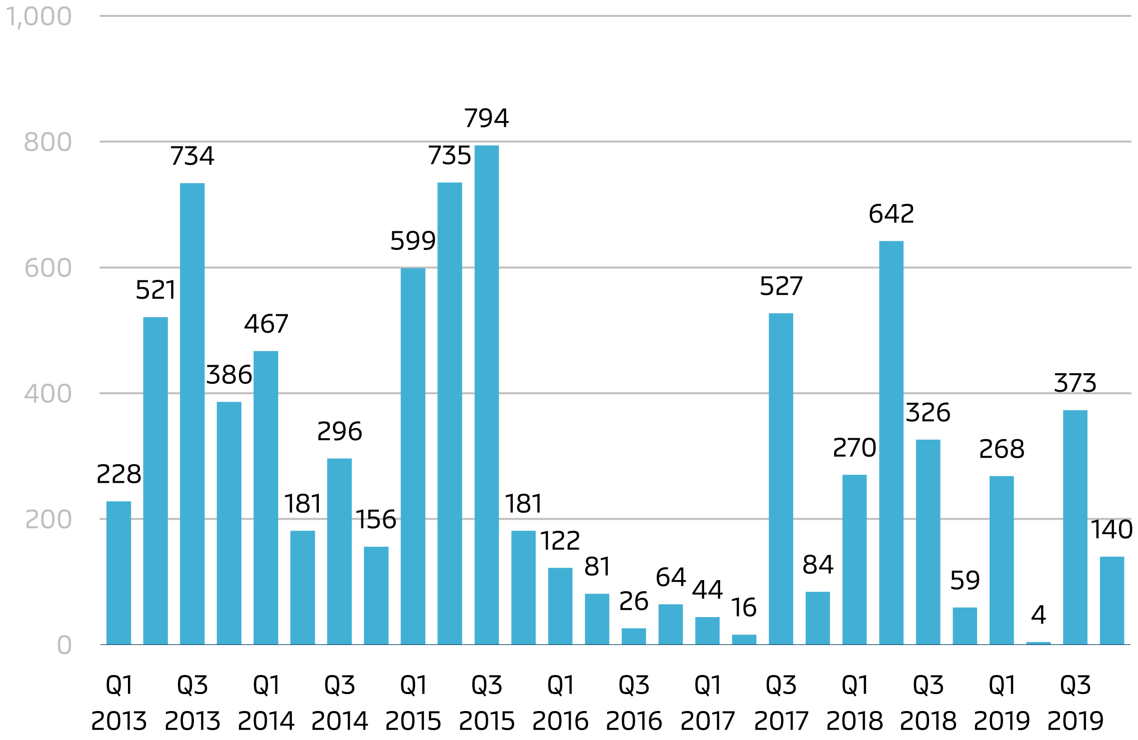
Industry orderbook

Orderbook as % of current fleet



New orders

TEU '000



Note: As at Dec-end 2019.
Source: Alphaliner.

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Terminals & Towage

Gateway terminals, including landside activities being port activities where the customers are mainly the carriers, and towage services under the Svitzer brand.

Portfolio Overview

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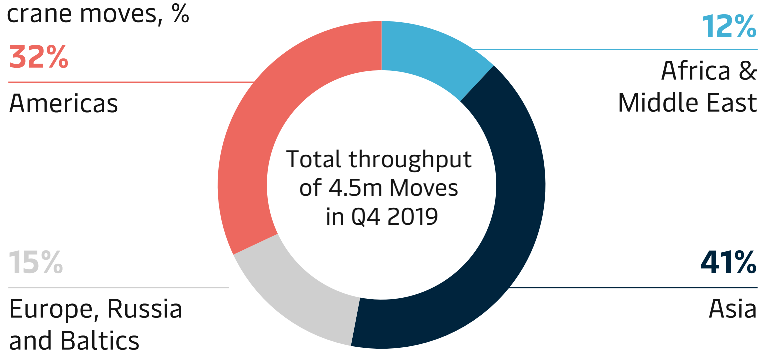
Diversified gateway terminal portfolio

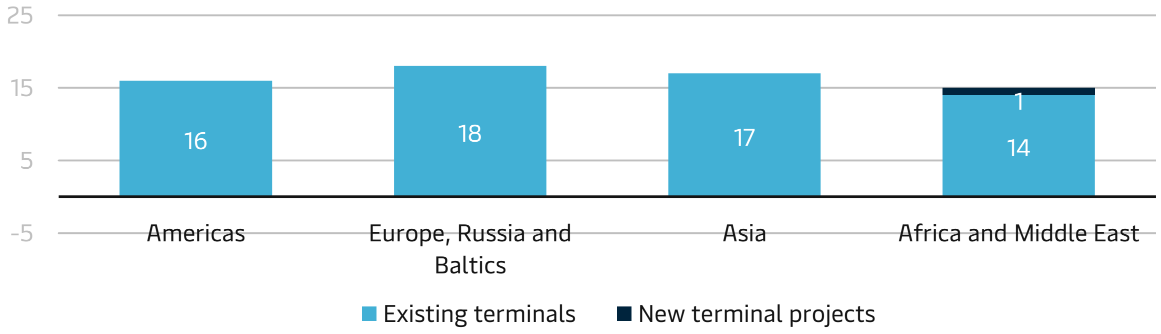
Container throughput by geographical region

Equity weighted crane moves, %



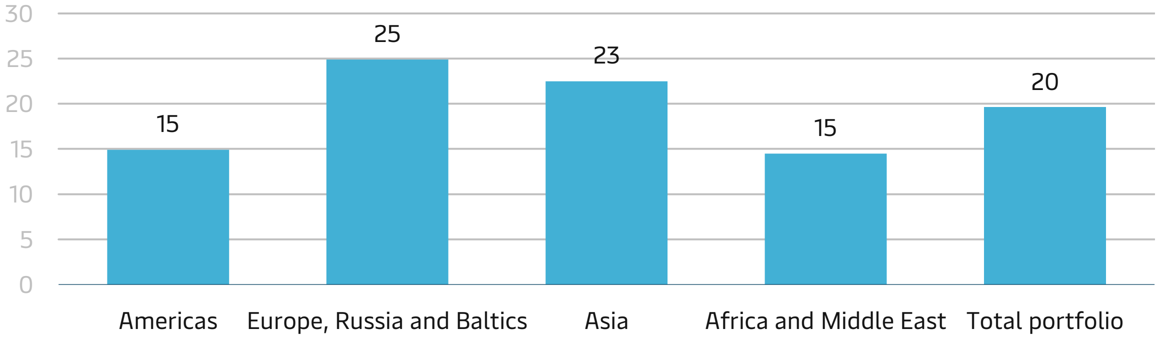
Geographical split of terminals

Number of terminals



Average remaining concession length in years

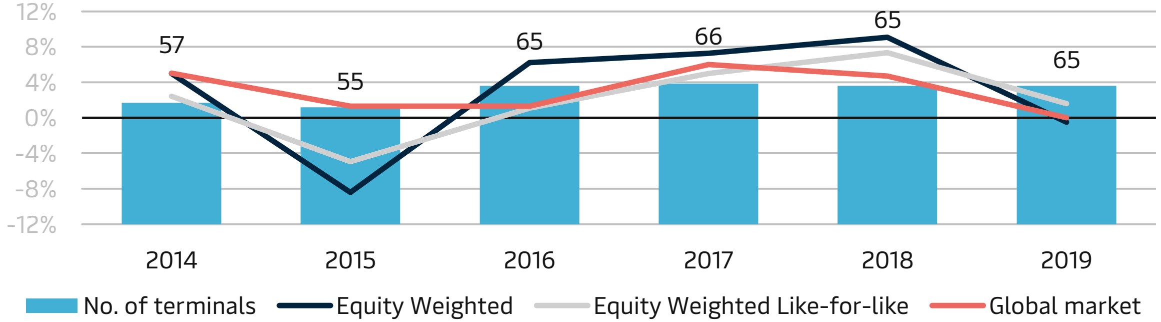
Years



Note: Average concession lengths as of Q4 2019, arithmetic mean.

Port Volume growth development

In %



Note: Like for like volumes exclude divestments and acquisitions.

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Gateway terminals – Project progress

Project	Opening	Details	Investment
Abidjan, Ivory Coast	2021	• The new terminal will be our second terminal in Abidjan, Ivory Coast, which is one of the busiest container ports in West Africa • New facility will be able to accommodate vessels of up to 14,000 TEU in size	USD 0.5bn

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

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Active portfolio management – gateway terminals

Acquisitions and secured Projects

Year	Acquisitions and secured Projects	Divestments / stop operation
2010	Cotonou, Santos	Kaoshiung, Dunkirk, Oakland, Yantian
2011	Monrovia, Moin, Callao, Poti	
2012	Lazaro Cardenas, Gothenburg, Talin, Kotka / Helsinki, Vostochny, St. Petersburg	Dailan
2013	Abidjan, Ust Luga, St. Petersburg 2, Izmir	Oslo
2014	Namibe	Le Havre, Virginia
2015	Qingdao, Vado reefer, Cartagena, Tema	Charleston, Houston, Jacksonville, Gioia Tauro
2016	Grup Marítim TCB: Quetzal, Yucatan, Buenaventura, Paranagua, Valencia, Gijon, Castellon, Barcelona	
2017	Itapoa	Tacoma, Zeebrugge, Dalian
2018	TB - Congo	Paranagua, Izmir
2019		Kobe, Veos

Divestments / stop operation

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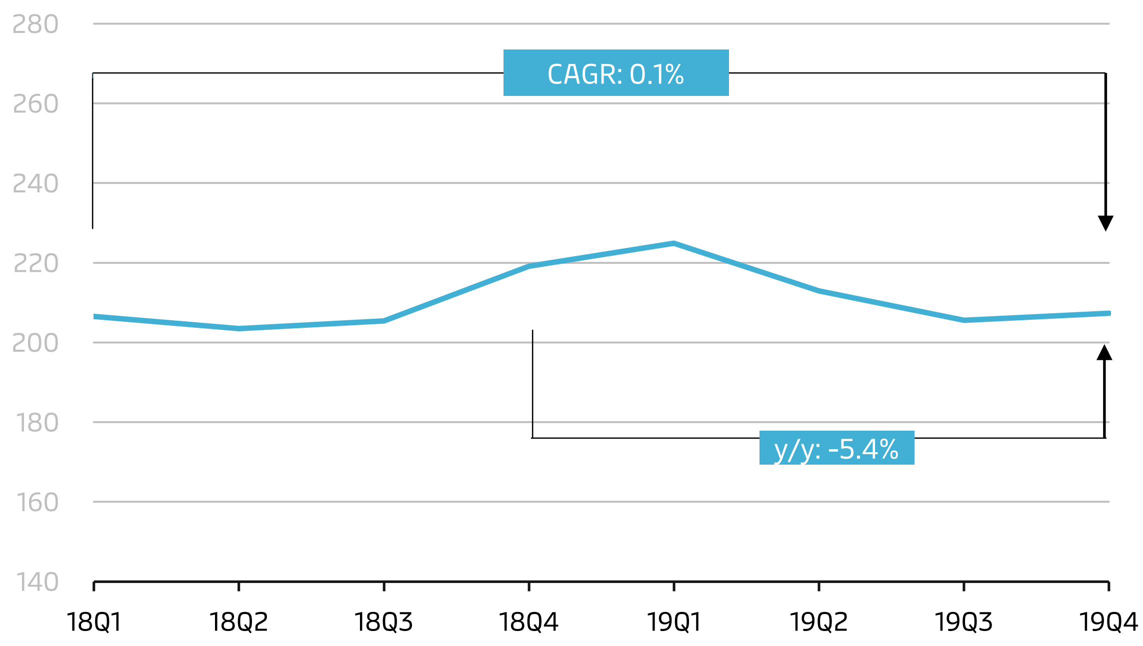
Focusing on lower cost and higher efficiency

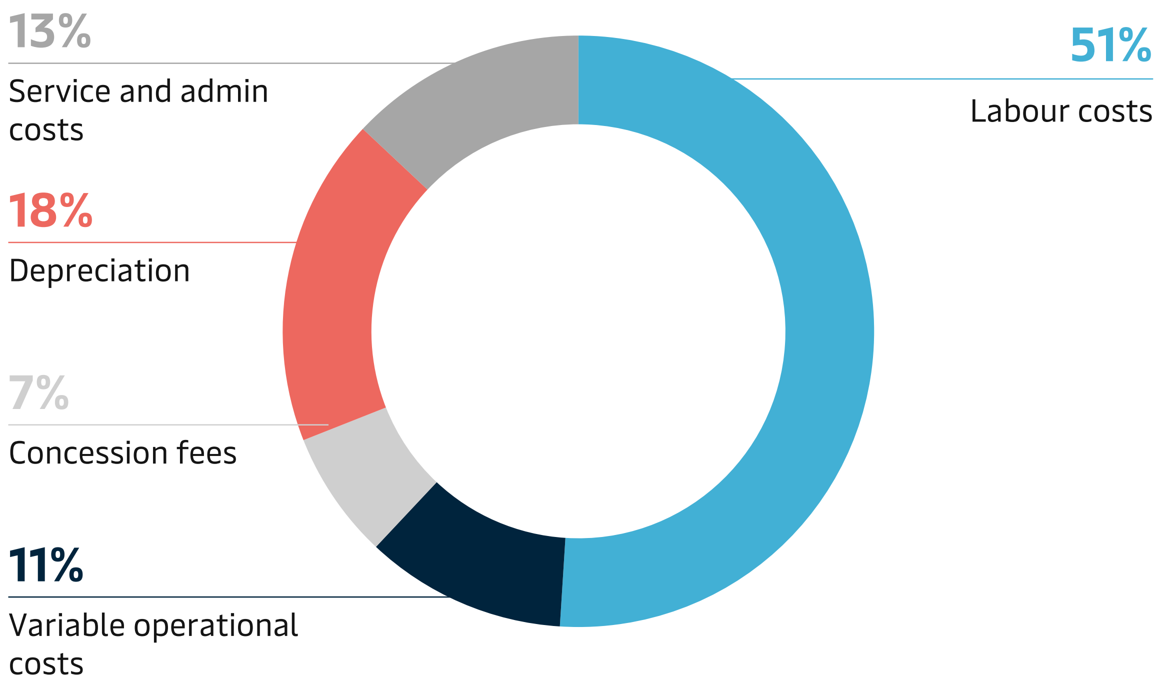
Gateway terminal cost per move, Fin.Con [1]

USD/move



Gateway terminal cost break down [2]

Q4 2019



1. Gateway terminal Cost per move for all operating terminals on financial consolidated basis; terminals under implementation are excluded.
2. Cost breakdown for all gateway terminals on financial consolidated basis.

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Gateway terminals operating businesses of 31.9% EBITDA margin

Q4 2019	Consolidated businesses	JV & Associates	Operating businesses	Implementations	Total
Throughput (Moves m, equity weighted)	2.6	2.0	4.5	0.0	4.5
Throughput (Moves m, financially consolidated)	3.0	-	3.0	0.0	3.0
Revenue (USD m)	787	-	787	0.0	787
EBITDA (USD m)	251	-	251	0	251
EBITDA margin (%)	31.9	-	31.9	NA	31.9

Note: Gateway terminals Implementations include terminals currently under construction (Abidjan (TC2), Ivory coast)

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Consolidated gateway terminals

	Q4 2019	Q4 2018	Change
Throughput (Moves m, equity weighted)	2.6	2.7	-5.3%
Throughput (Moves m, financially consolidated)	3.0	3.1	-4.7%
Revenue (USD m)	787	825	-4.6%
EBITDA (USD m)	251	232	8.4%
EBITDA margin (%)	31.9	28.1	3.8pp

Note: Consolidated businesses includes gateway terminals that are financially consolidated.

Gateway terminals - JV and Associates

	Q4 2019	Q4 2018	Change
Throughput (Moves m, equity weighted)	2.0	1.9	6.4%

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Gateway terminals under implementation

	Q4 2019	Q4 2018	Change
Throughput (Moves m, equity weighted)	0.0	0.0	NA
Throughput (Moves m, financially consolidated)	0.0	0.0	NA
Revenue (USD m)	0.0	96[1]	-100%
EBITDA (USD m)	0.0	-5	-100%
EBITDA margin (%)	NA	-5.3	NA

Note: Implementations include terminals currently under construction (Abidjan (TC2), Ivory coast). Q4 2018 Implementations include Vado, Italy; Moin, Costa Rica; Abidjan (TC2), Ivory coast.
Note 1: USD 86m related to IFRIC 12 construction revenue.

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Thank You

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