A.P. Møller - Mærsk A/S

Q3 2019 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.

Interim report Q3 2019

Key statements

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Key statements Q3 2019

Financial highlights for Q3

Earnings and free cash flow continued to improve, with improved EBITDA across all segments

- **Revenue** declined 0.9% to USD 10.1bn.
- **Profitability improved** with EBITDA increasing 14% to USD 1.7bn, reflecting a margin of 16.5%.
- **Ocean EBITDA margin improved to 17.4%** supported by capacity management and strong operational performance.
- **Logistics & Services improved EBITDA by 34%** with a margin of 5.8% driven by a gross profit increase of 13%.
- **Gateway terminals'** EBITDA margin improved to 31.7%, driven by volume growth of 9.2% (7.1% like-for-like), which led to higher utilisation.
- **Operating cash flow increased to USD 1.7bn** with a cash conversion ratio of 105% and **free cash flow* was USD 1.5bn**.
- **Return on invested capital improved** to 6.4% from -0.2% in Q3 2018.
- **As announced on 21 October APMM expects EBITDA in the range of USD 5.4-5.8bn** for full-year 2019.

Revenue (USD)
10.1bn
(-0.9%)

EBITDA (USD)
1.7bn
(+14%)

CFFO* (USD)
1.7bn
(cash conversion 105%)

Free cash flow* (USD)
1.5bn
(USD 1.0bn after capitalised lease payments)

Return on invested capital
6.4%

NIBD (USD)
12.1bn

*Before capitalised lease payments

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Key statements 9M 2019

Financial highlights for 9M 2019

Earnings and free cash flow continued to improve, with improved EBITDA across all segments

- **Revenue increased** by 0.7% to USD 29.2bn.
- **Profitability improved** with EBITDA increasing 20% to USD 4.2bn (USD 3.5bn), reflecting a margin of 14.5%.
- **Ocean EBITDA margin improved to 15.3%** supported by capacity management and lower costs.
- **Logistics & Services improved EBITDA by 23%** with a margin of 4.5% driven by a gross profit increase of 6.9%.
- **Gateway terminals' volume grew 7.1% (5.5% like-for like)** leading to higher utilisation and improved EBITDA margin of 27.5%.
- **Operating cash flow increased to USD 4.4bn** with a cash conversion ratio of 103% and **free cash flow* was USD 5.7bn**.
- **Return on invested capital improved** to 3.6% from -0.2% for the first nine months in 2018.
- **Distribution of USD 509m** to **shareholders** from the **share buy-back programme and USD 469m through ordinary dividend.**

Revenue (USD)
29.2bn
(0.7%)

EBITDA (USD)
4.2bn
(+20%)

CFFO* (USD)
4.4bn
(cash conversion 103%)

Free cash flow* (USD)
5.7bn
(USD 4.4bn after capitalised lease payments)

Return on invested capital
3.6%

NIBD (USD)
12.1bn

*Before capitalised lease payments

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Transformation update

Positive development across all transformation metrics

- **Non-Ocean revenue grew 3.7%** adjusted for the closure of production facilities in MCI, led by strong growth in gateway terminals and in core parts of Logistics & Services, partly offset by decline in freight forwarding.
- **Gross profit for Logistics & Services grew by 13.4%,** positively impacted by intermodal volumes and new warehousing facilities becoming operational by end 2018.
- **Hamburg Süd and Transport & Logistics contributing with synergies** of around USD 0.1bn in Q3 2019 with accumulated synergies of USD 1.1bn by the end of Q3.
- **Significant improvement in the cash return on invested capital** from 9.2% in Q3 2018 to 13.4% in Q3 2019 due to strong operating cash flow and improved working capital.

	Q3 2019	9M	FY 2018
Non-Ocean revenue growth	3.7%	3.0%	6.3%
Logistics & Services, gross profit growth	13.4%	7.0%	7.9%
Annual synergies by end of 2019 of USD 1.0bn	USD 1.1 bn	USD 1.1 bn	USD 0.7bn
Cash return on invested capital (CROIC)	13.4%	9.0%	2.8%
Long-term target			
Return on invested capital after tax (ROIC)	6.4%	3.6%	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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Q3 2019

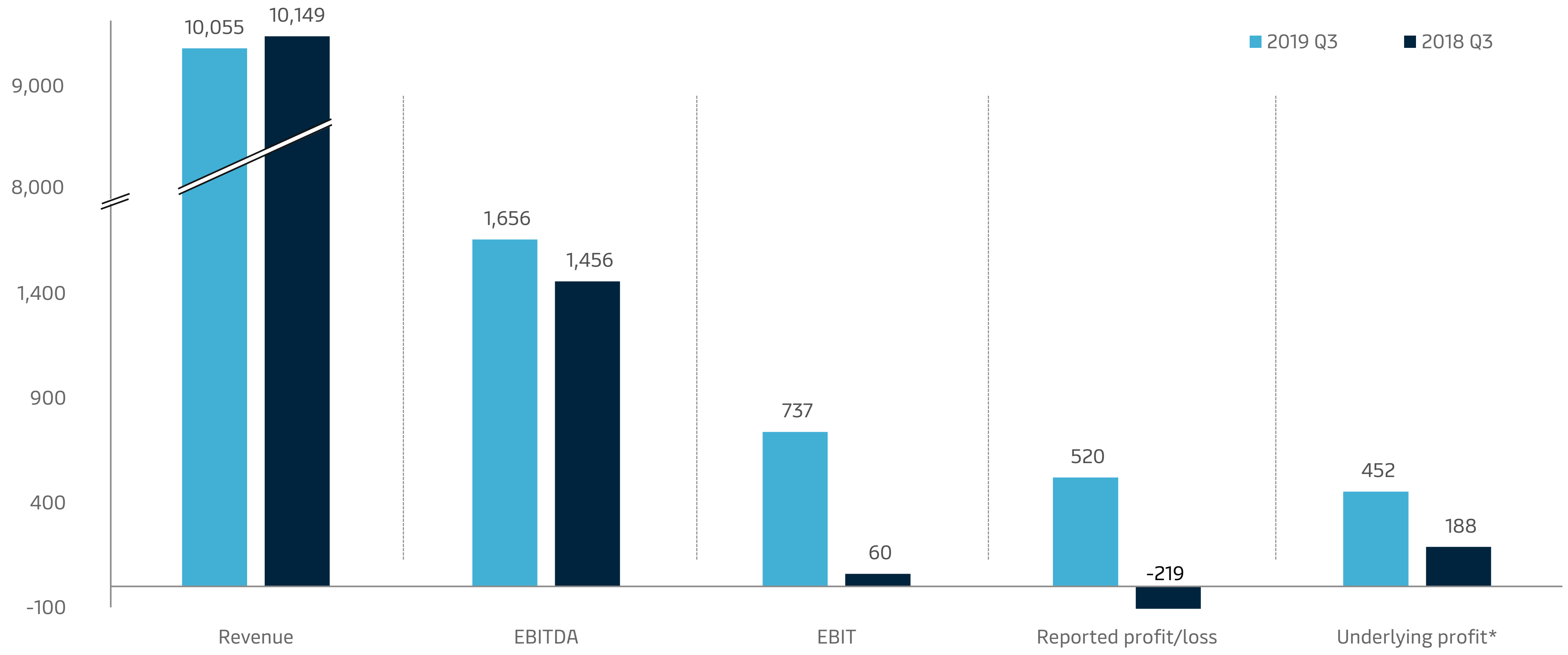
Financial highlights

Financial highlights Q3 2019

Improving earnings

USDm

Financial highlights



*Underlying profit/loss is equal to 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.

Continuous focus on improving profitability led to an improvement in EBITDA margin of 198bps to 16.5% and EBIT margin of 7.3%.

EBIT and reported profit/loss for Q3 18 was negatively impacted by impairments and write-downs of USD 345m in MSS and USD 100m the RoRo business.

A reversal of impairment was taken in Q3 2019 of USD 43m related to MCI.

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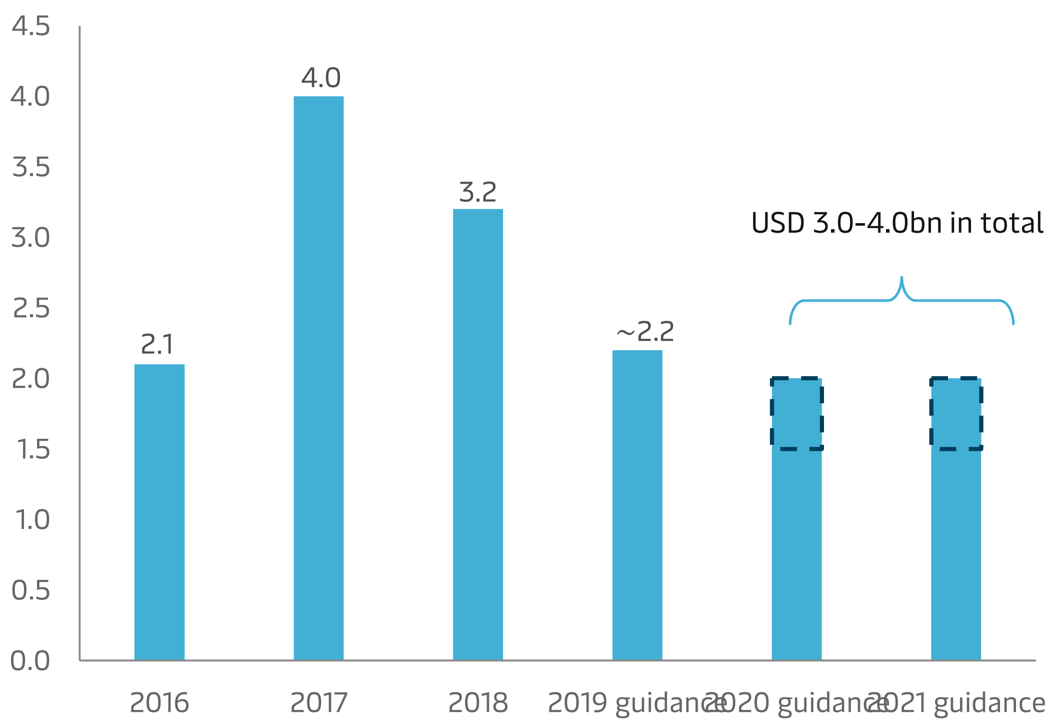
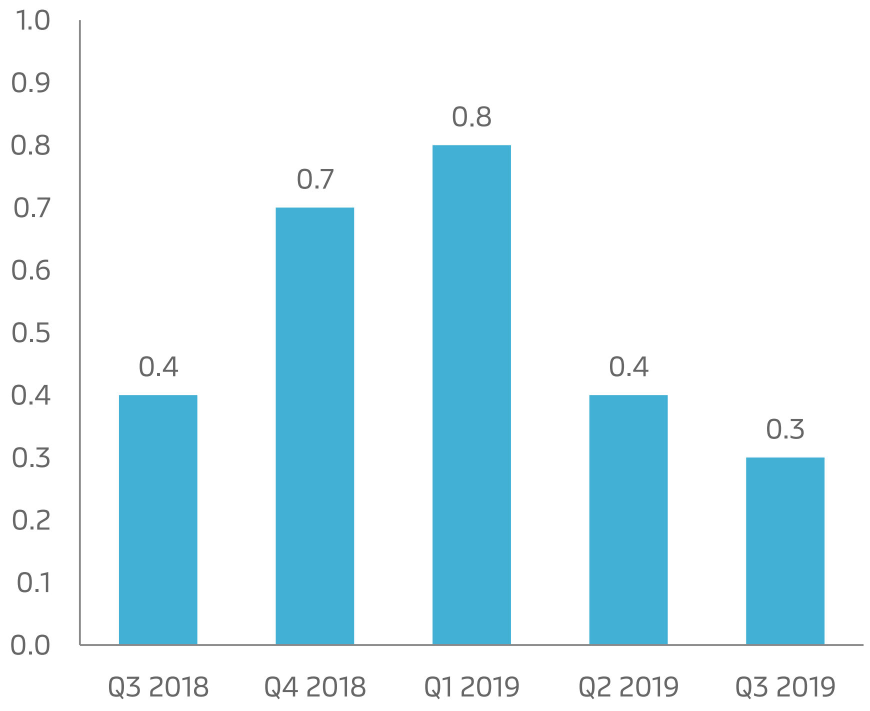
Strong commitment to capital discipline continues

Capex excluding acquisitions and divestments, USDbn





CAPEX guidance for 2019 is maintained at around USD 2.2bn.

For 2020 and 2021 the accumulated CAPEX is expected to be USD 3.0-4.0bn.

Total contractual capex commitments of USD 1.9bn end Q3 2019, down from USD 2.3bn in Q3 2018, of which USD 0.4bn is timed for 2020.

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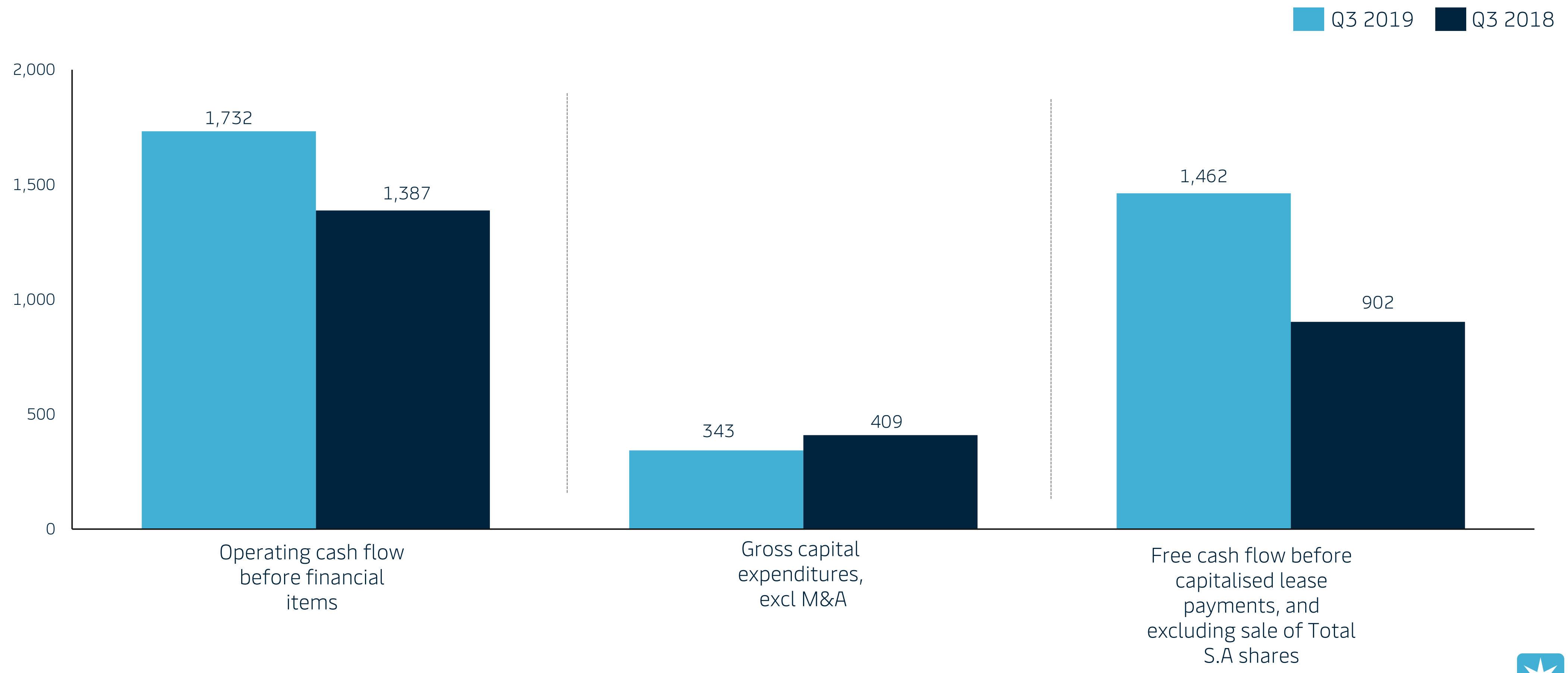
Financial highlights Q3 2019

High cash conversion in Q3 2019

Development in cash flow, USDm



CFFO of USD 1.7bn was driven by an increase in EBITDA and improved net working capital of USD 127m leading to a cash conversion of 105%.

Free cash flow of USD 1.5bn reflects the strong cash conversion and lower capex.

Free cash flow was USD 1.0bn after capitalised lease payments.

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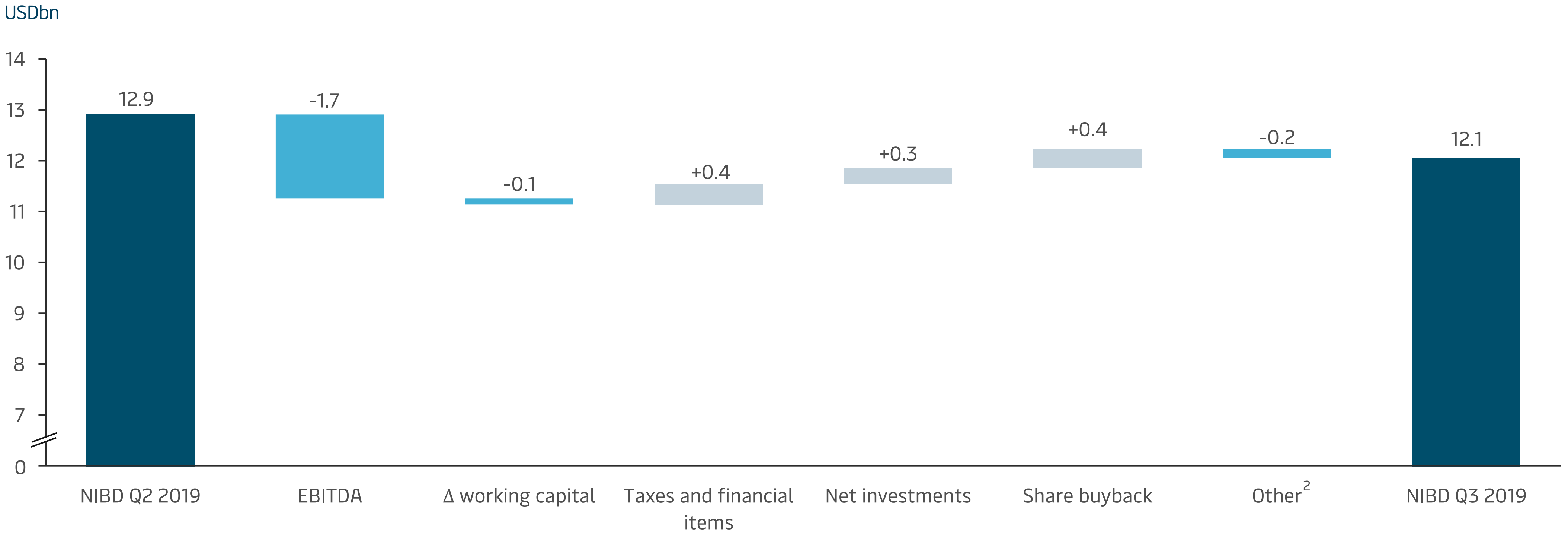
Net interest bearing debt decreased further

Development in net interest-bearing debt



Liquidity reserve[1] of USD 11.3bn by end Q3 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.
2) Other includes currency impacts, change in provisions and other

Financial highlights Q3 2019

Consolidated financial information

Income statement (USDm)	Q3 2019	Q3 2018	FY 2018
Revenue	10,055	10,149	39,257
EBITDA	**1,656**	**1,456**	**4,998**
EBITDA margin	**16.5%**	**14.3%**	**12.7%**
Depreciation, impairments etc.	1,021	1,402	4,756
Gain on sale of non-current assets, etc., net	36	44	166
Share of profit in joint ventures	31	40	116
Share of profit in associated companies	35	-78	-115
EBIT	**737**	**60**	**409**
EBIT margin	**7.3%**	**0.6%**	**1.0%**
Financial costs, net	-148	-170	-766
Profit/loss before tax	589	-110	-357
Tax	69	109	398
Profit/loss – continuing operations	**520**	**-219**	**-755**
Profit/loss – discontinued operations	0	569	3,787
Profit/loss for the period	**520**	**350**	**3,032**

Key figures and financials (USDm)	Q3 2019	Q3 2018	FY 2018
Profit/loss continuing operations	520	-219	-755
Gain/loss on sale of non-current assets etc., net	-36	-44	-166
Impairment losses, net.	-42	443	757
Transaction and integration cost	10	7	78
Tax on adjustments	-	1	25
Underlying profit/loss – continuing operations	**452**	**188**	**-61**
Cash flow from operating activities	**1,732**	**1,387**	**4,442**
Gross capital expenditures	**343**	**409**	**3,219**
Net interest-bearing debt (APMM total)	**12,056**	**18,718**	**14,953**
Invested capital	40,938	52,591	49,255
Total Equity (APMM total)	28,879	33,959	33,205
Earnings per share (USD)	24	-12	-37

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Consolidated financial information

Income statement (USDm)	9 months 2019	9 months 2018	FY 2018
Revenue	29,222	29,022	39,257
EBITDA	**4,249**	**3,549**	**4,998**
EBITDA margin	**14.5%**	**12.2%**	**12.7%**
Depreciation, impairments etc.	3,127	3,588	4,756
Gain on sale of non-current assets, etc., net	70	90	166
Share of profit in joint ventures	89	116	116
Share of profit in associated companies	102	-35	-115
EBIT	**1,383**	**132**	**409**
EBIT margin	**4.7%**	**0.5%**	**1.0%**
Financial costs, net	-546	-544	-766
Profit/loss before tax	837	-412	-357
Tax	267	271	398
Profit/loss – continuing operations	**570**	**-683**	**-755**
Profit/loss – discontinued operations	-553	3,671	3,787
Profit/loss for the period	**17**	**2,988**	**3,032**

Key figures and financials (USDm)	9 months 2019	9 months 2018	FY 2018
Profit/loss continuing operations	570	-683	-755
Gain/loss on sale of non-current assets etc., net	-70	-90	-166
Impairment losses, net.	-50	566	757
Transaction and integration cost	65	56	78
Tax on adjustments	2	25	25
Underlying profit/loss – continuing operations	**517**	**-126**	**-61**
Cash flow from operating activities	**4,384**	**2,745**	**4,442**
Gross capital expenditures	**1,566**	**2,550**	**3,219**
Net interest-bearing debt (APMM total)	**12,056**	**18,718**	**14,953**
Invested capital	40,938	52,591	49,255
Total Equity (APMM total)	28,879	33,959	33,205
Earnings per share (USD)	26	-35	-37

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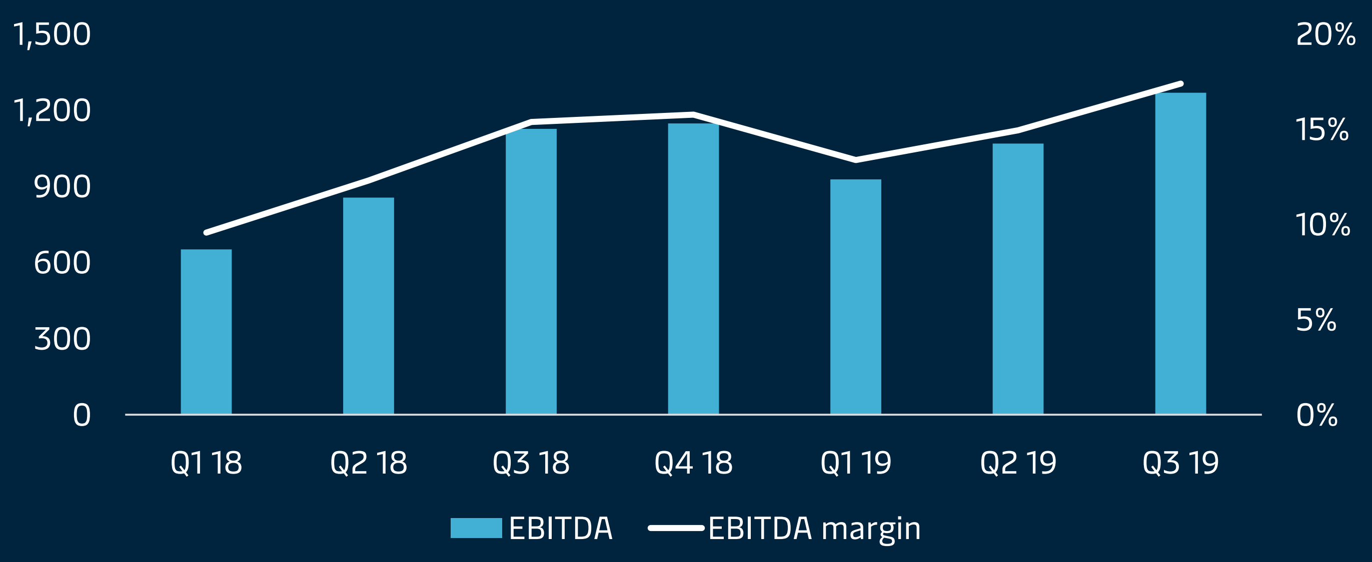
Highlights Q3 2019

Ocean

Development in EBITDA and EBITDA margin (%)



	Q3 2019 (USDm)	Q3 2018 (USDm)	FY 2018 (USDm)
Revenue	7,305	7,321	28,366
EBITDA	1,268	1,126	3,782
EBITDA margin	17.4%	15.4%	13.3%
Gross capital expenditures	209	324	2,279

- Supported by the positive cost performance, EBITDA increased 13% reflecting a margin improvement of 198bps.
- Total operating costs decreased by 2.8% compared to Q3 2018, leading to a reduction in unit cost at fixed bunker of 3.0%.
- Maersk Spot, introduced in Q2 2019, saw further adaptation in the market, and at the end of Q3 Maersk Spot accounted for 12% of spot-volumes.

Improved profitability at lower freight rates

- Average freight rates decreased 3.6%, driven by lower freight rates across all trades, apart from North America, and impacted by mix effect from higher growth on intra-trades and back-haul volumes.
- Adjusted for FX impacts the average freight rates decreased by 3.0% or 59 USD/FFE.
- Total volumes increased by 2.1%, mainly driven by 4.3% increase in backhaul volumes, while headhaul volumes increased 1.2%. Global volume growth was around 1.5%.
- The East-West volume decrease was led by North America trades due to trade restrictions, while Europe was on par.
- The North-South volume increase was driven by higher import volumes to Africa, while the negative demand in Latin America continued.

Average loaded freight rates (USD/FFE)	Q3 2019	Q3 2018	Change	Change %	FY 2018
East-West	1,850	1,923	-73	-3.8	1,860
North-South	2,085	2,133	-48	-2.2	2,078
Intra-regional	1,418	1,480	-62	-4.1	1,478
Total	**1,859**	**1,929**	**-70**	**-3.6**	**1,879**

Loaded volumes ('000 FFE)	Q3 2019	Q3 2018	Change	Change %	FY 2018
East-West	1,047	1,079	-32	-3.0	4,186
North-South	1,632	1,595	37	2.3	6,450
Intra-regional	726	660	66	10.0	2,670
Total	**3,405**	**3,334**	**71**	**2.1**	**13,306**

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Total operating cost decreased and unit cost improved 3.0%

- Total operating costs decreased to USD 6.0bn (USD 6.2bn) or 2.8%, which adjusted for FX is a decrease of 2.1%.
- The unit cost at fixed bunker improved by 3.0%. Adjusting for FX the improvement was 2.3%.
- Total cost was positively impacted by lower container handling costs, lower network costs from higher utilisation and lower bunker cost, including continued improvements in the bunker efficiency.
- Total bunker cost decreased 15% as the average bunker price declined 12% and the bunker consumption declined 3.8% due to efficiency initiatives, focus on capacity management and higher reliability.
- Bunker consumption improved to 39.5 g/TEU*NM (42.7g/TEU*NM).

Unit cost at fixed bunker improved by 3.0% to USD 1,747/FFE (USD 1,801/FFE)

Total unit cost was USD 1,910/FFE (2,022 USD/FFE)

Bunker efficiency improved by 7.3%

Utilisation improved compared to Q3 2018

Bunker cost decreased by 15.2% to USD 1.1bn (USD 1.3bn)

SG&A and other operational costs increased by 0.4%

*Measured in gms Fuel / Total TEU x Nm. Total TEU is actual number of full + empties carried on the Ocean network. Nm =nautical miles.

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Well prepared for IMO 2020

Maersk positioning by January 2020

- Maersk fully supports and will fully comply with the new regulations.
- The majority of our vessels will comply with the sulphur cap by using low sulphur fuels.
- Scrubber technology is one element of our 2020 sulphur cap fuel sourcing strategy.
- A joint initiative with Vopak in Rotterdam and other agents globally will supplement and ensure sufficient availability and quality of the new low sulphur fuel for timely switch-over on all our vessels and to continue uninterrupted service delivery to our customers.
- New BAF introduced to contracts with effect from January 2019, with low sulphur fuel applied on BAF as of January 2020 following quarterly adjustment cycle.
- Environment Fuel Fee (EFF) on spot volumes and short-term contracts from December 2019.
- Continued strong focus on fuel efficiency to reduce consumption and the environmental impact.

The bunker cost could increase by more than USD 2.0bn

(USD/mt)*	October 2019
0.1 Gasoil	597
HSFO 3.5%	354
Proxy 0.5**	547
Spread FO Proxy 0.5% - FO 3.5%	193

*The average price for October 2019 and the average from Rotterdam, Singapore and Panama

**proxy 0.5% is calculated by the 0.1 gasoil minus 50 dollar

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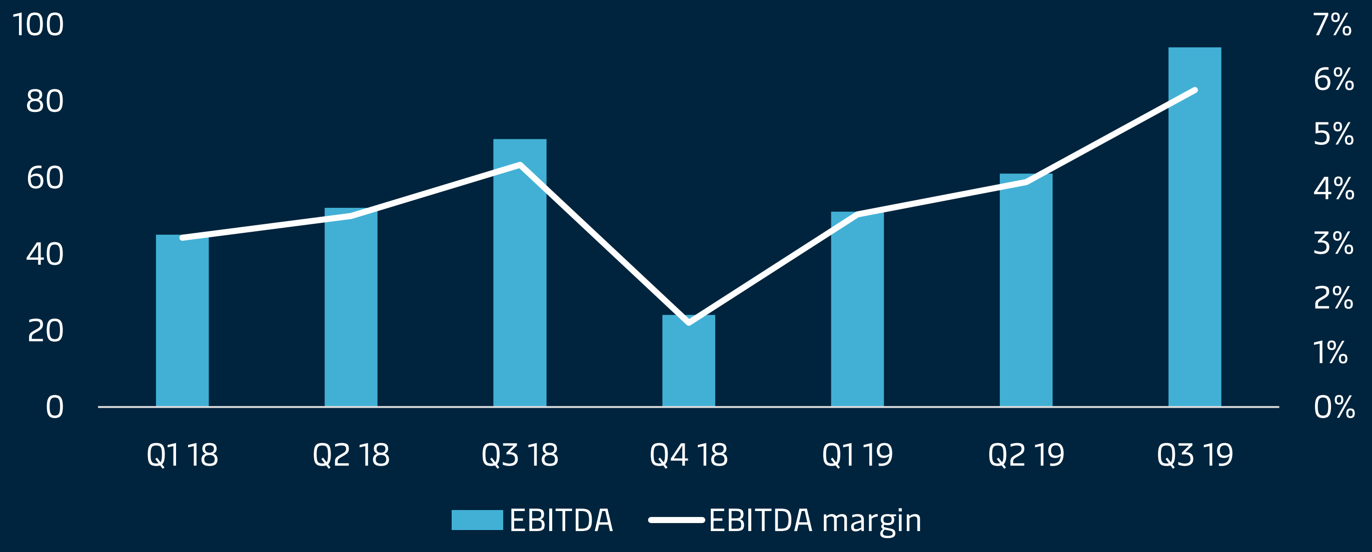
Highlights Q3 2019

Logistics & Services

- Revenue grew 2.6%, positively impacted by increasing revenue in intermodal and warehousing and distribution.
- Gross profit increased by 13%, positively impacted by higher intermodal volumes and warehousing.
- EBITDA of USD 94m increased by 34% and margin improved to 5.8% (4.4%).
- In the first nine months, EBITDA improved 23% from USD 167m to USD 206m.

Development in EBITDA and EBITDA margin (%)



	Q3 2019 (USDm)	Q3 2018 (USDm)	FY 2018 (USDm)
Revenue	1,622	1,581	6,082
Gross profit	336	296	1,121
EBITDA	94	70	191
EBITDA margin	5.8%	4.4%	3.1%
Gross capital expenditures	24	11	47

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Improved gross profit and EBIT conversion ratio

- The improvement in gross profit lead to an increase in the EBIT conversion ratio of 250bps to 17.5% (15.0%), despite higher depreciation of new warehouse facilities.
- SCM gross profit increased slightly, but revenue was negatively impacted by a few US retailers lowering their volumes as a consequence of trade tensions.
- Intermodal and warehousing and distribution revenue increased supported by higher volumes, which contributed positively to the higher gross profit.
- Volumes in air and sea freight forwarding were negatively impacted by general weaker demand and year-over-year effects from strategic initiatives taken earlier in the year to exit some countries.

Gross profit improved by 14% to USD 336m (USD 296m)

EBIT conversion ratio improved to 17.5% (15.0%)

Volumes in SCM decreased by 0.3%

Air freight volumes was flat, while **sea freight decreased by 12.2%**

SG&A and other cost increased to USD 242m (USD 226m)

Direct cost was flat at USD 1,286m (USD 1,285m)

EBIT conversion ratio = EBIT / Gross profit

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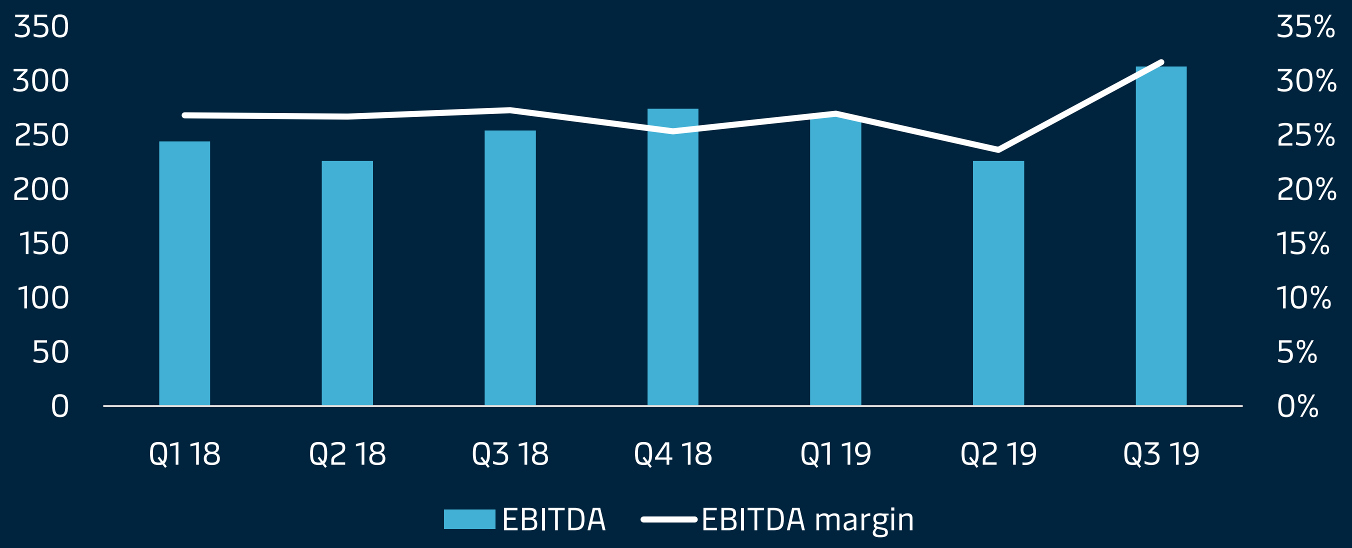
Highlights Q3 2019

Terminals & Towage

- Revenue grew by 5.8%, while EBITDA increased by 23%.
- Gateway terminals reported revenue of USD 821m (USD 768m), while towage reported revenue of USD 172m (USD 171m).
- EBITDA in gateway terminals increased 33% to USD 261m and the EBITDA-margin increased by 6.3 percentage points to 31.8%.
- EBITDA in towage declined 10% to USD 52m, mainly impacted by higher operating and SG&A cost as well as FX.

Development in EBITDA and EBITDA margin (%)



	Q3 2019 (USDm)	Q3 2018 (USDm)	FY 2018 (USDm)
Revenue	986	932	3,772
EBITDA	313	254	998
EBITDA margin	31.7%	27.3%	26.5%
Gross capital expenditures	105	97	556

Gateway terminals continue to grow ahead of the market

- Gateway terminals volumes grew 9.2% (like-for-like 7.1%).
- Utilisation improved due to higher volumes including ramp-up of Moin and capacity reductions in Los Angeles.
- Revenue per move was driven by higher volumes in North America, Apapa, Nigeria and ramp-up in Moin, partly offset by lower storage revenue in West Africa.
- Cost per move was driven by higher volumes in higher cost locations, which was partly offset by cost savings across several terminals.
- Harbour towage activities was positively impacted by activities in the Americas and the Asia, Middle East & Africa regions.

Like-for-like throughput grew 7.1% (6.9% from external customers and 7.6% from Ocean)

Utilisation grew by 10.7%-points 84% (74%)

Revenue per move increased by 2.8% to USD 261 (USD 254), adj. for FX it decreased 0.5%

Cost per move increased by 0.5% USD 206 (USD 205), adj. for FX it decreased 3.1%

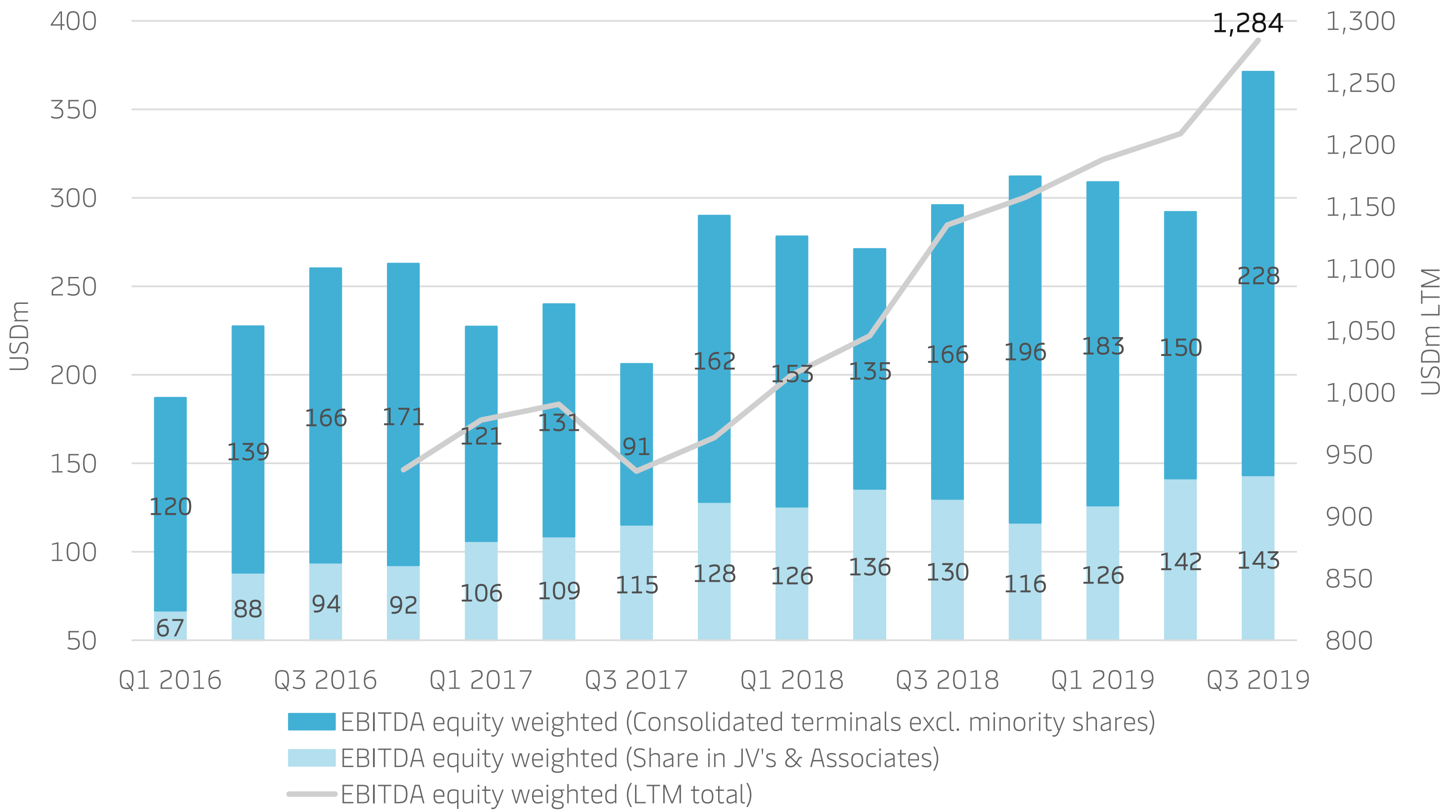
Harbour towage activities grew by 4%

Terminal towage annualised EBITDA per tug declined

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), was up 26% to USD 371 in Q3 2019.
- In the last twelve months the JV's and Associates have generated USD 527m to the Equity weigted EBITDA of USD 1,284m.
- The cash contribution through dividends from JV's and Associates in the last twelve monts has been USD 178m, or 34% of the EBITDA with a pay-out ratio of 110% 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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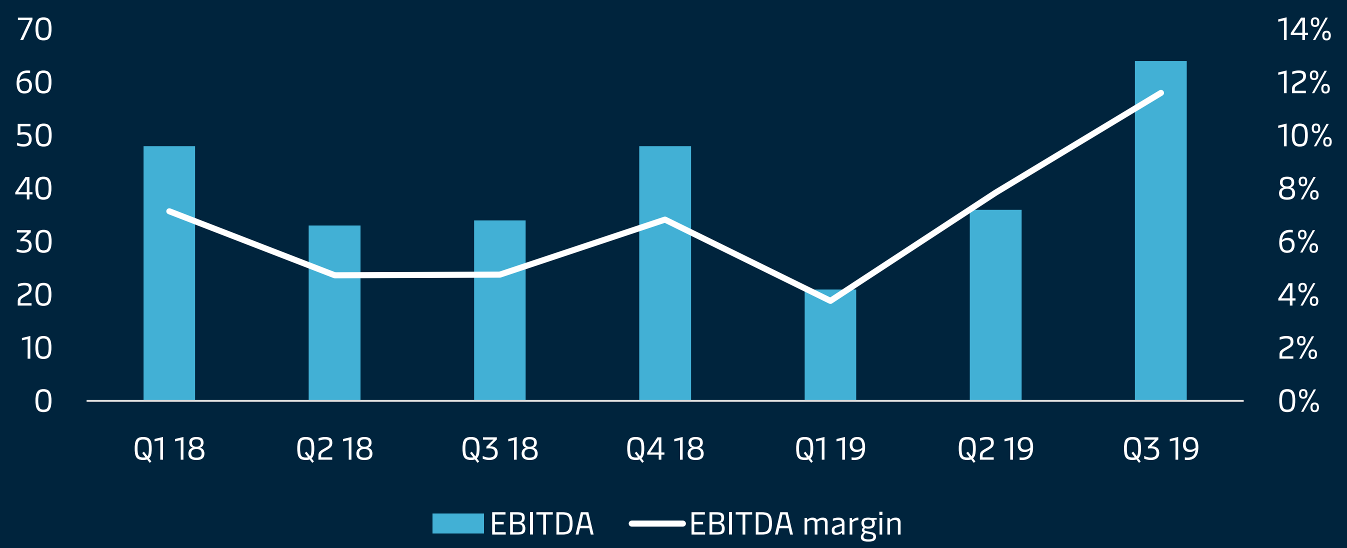
Highlights Q3 2019

Manufacturing & Others

- Revenue in Maersk Container Industry decreased to USD 150m (USD 226m), impacted by the exit from the dry business and lower revenue in the reefer business.
- EBITDA in Maersk Container Industry of USD 13m (USD 5m) reflects the margins of the continuing reefer business.

Development in EBITDA and EBITDA margin (%)



	Q3 2019 (USDm)	Q3 2018 (USDm)	FY 2018 (USDm)
Revenue	553	715	2,787
EBITDA	64	34	163
EBITDA margin	11.6%	4.8%	5.8%
Gross capital expenditures	7	11	358

2019

Full-year guidance

Guidance for 2019 and CAPEX expectations for 2020/21

(Based on IFRS 16)

As announced on 21 October 2019 ,A.P. Moller - Maersk expects earnings before interest, taxes, depreciation and amortisation (EBITDA) in the range of USD 5.4-5.8bn from previously around USD 5.0bn.

The organic volume growth in Ocean is expected to in line with or slightly lower than the average market growth, which is expected to be in the range of 1-2% for 2019, compared to previously an expected market growth of 1-3%.

Guidance on gross capital expenditures (CAPEX) is maintained of around USD 2.2bn (FY 2018 USD 3.2bn) and a high cash conversion (cash flow from operations compared to EBITDA).

Accumulated CAPEX for 2020-2021 is expected to be USD 3.0-4.0bn.

Guidance continues to be subject to uncertainties due to the weaker macroeconomic conditions and other external factors impacting container freight rates, bunker prices and foreign exchange rates.

Sensitivity guidance

A.P. Moller - Maersk's guidance for 2019 depends on several factors. Based on the expected earnings level and all else being equal, the sensitivities for the rest of 2019 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 0.3bn
Container freight volume	+ / - 100,000 FFE	+ / - USD 0.1bn
Bunker price (net of expected BAF coverage)	+ / - 100 USD/tonne	- / + USD 0.1bn
Rate of exchange (net of hedges)	+ / - 10% change in USD	+ / - USD 0.0bn

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Appendix

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Financial highlights Q3 2019

	Revenue		EBITDA		CAPEX	
USD million	**Q3 2019**	**Q3 2018**	**Q3 2019**	**Q3 2018**	**Q3 2019**	**Q3 2018**
Ocean	7,305	7,321	1,268	1,126	209	324
Logistics & Services	1,622	1,581	94	70	24	11
Terminals & Towage	986	932	313	254	105	97
Manufacturing & Others	553	715	64	34	7	11
Unallocated activities and eliminations, etc.	-411	-400	-83	-28	-2	-34
A. P. Moller - Maersk Consolidated – continuing operations	**10,055**	**10,149**	**1,656**	**1,456**	**343**	**409**

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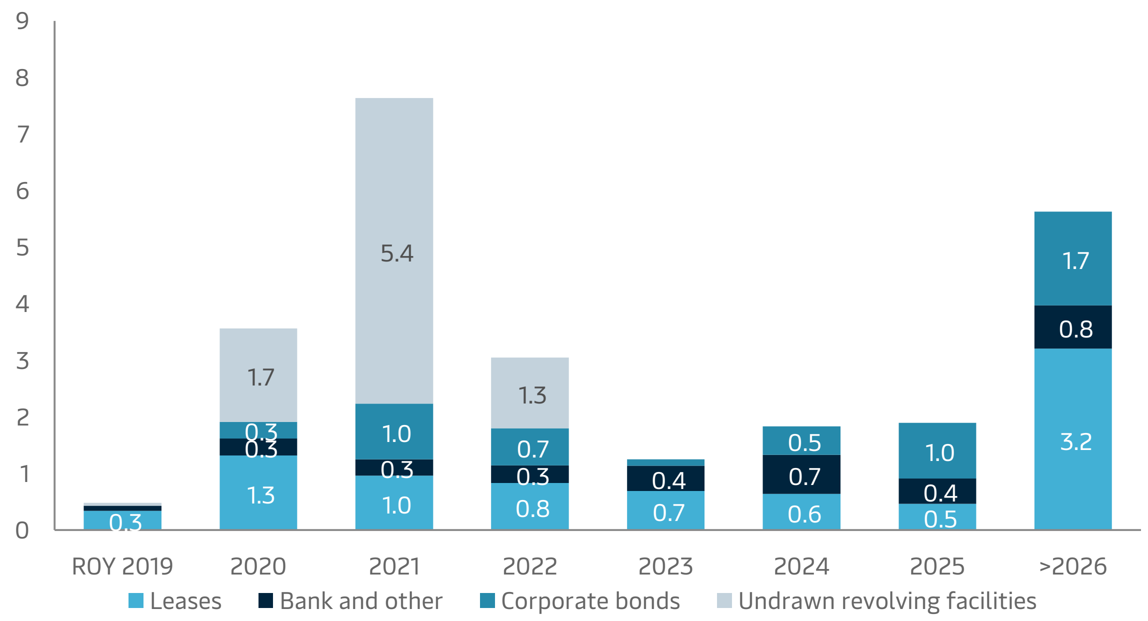
Smooth repayment profile with liquidity reserve of USD 11.3bn

Debt maturity profile at the end of Q3 2019

USDbn



Funding

- BBB / Baa3 credit ratings from S&P and Moody's respectively
- Liquidity reserve of USD 11.3bn as of end Q3 2019[1]
- In addition to the liquidity reserve, there is USD 0.1bn[2] in committed undrawn investment-specific funding in place
- Average debt maturity about five years
- Corporate bond programme 30% of our gross debt (USD 5.2bn)
- Amortisation of debt in coming 5 years is on average USD 1.8bn per year.

1) Defined as cash and securities and undrawn committed facilities longer than 12 months less restricted cash and securities.
2) As of September 30th 2019

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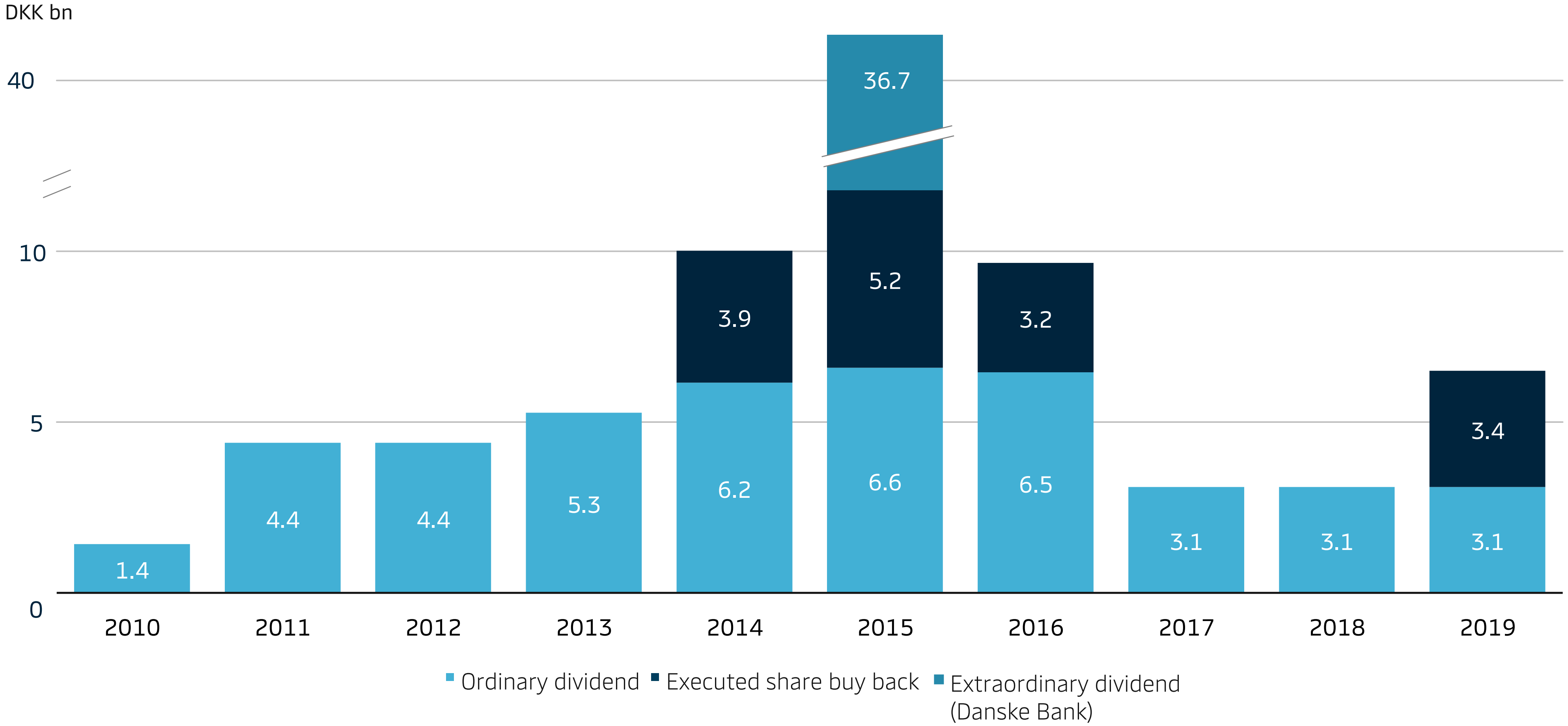
Earnings distribution to shareholders



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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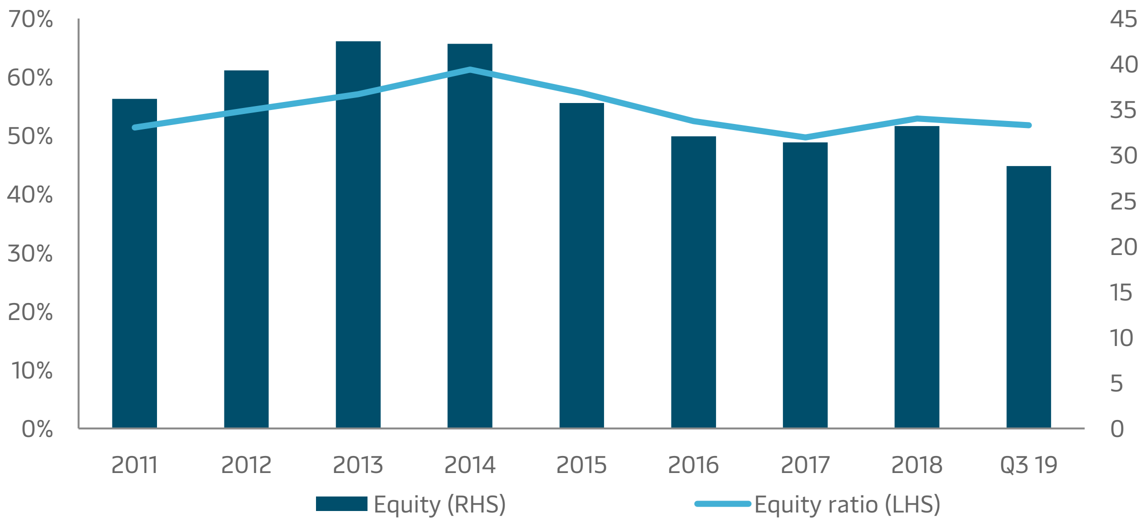
A strong financial position

High equity ratio*

Equity ratio of 52% by Q3 2019

Equity Ratio in USDbn

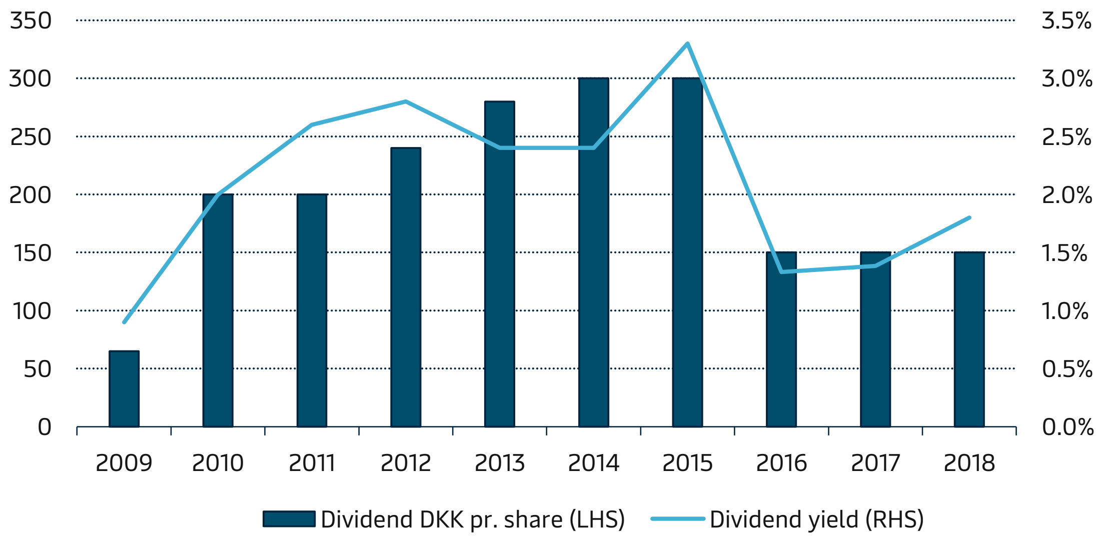


* Includes impact of IFRS16 in 2018 and Q3 2019

Ordinary dividends**

Ambition to increase dividend per share supported by underlying earnings growth

Dividend per share (DKK)



** Adjusted for bonus shares issue

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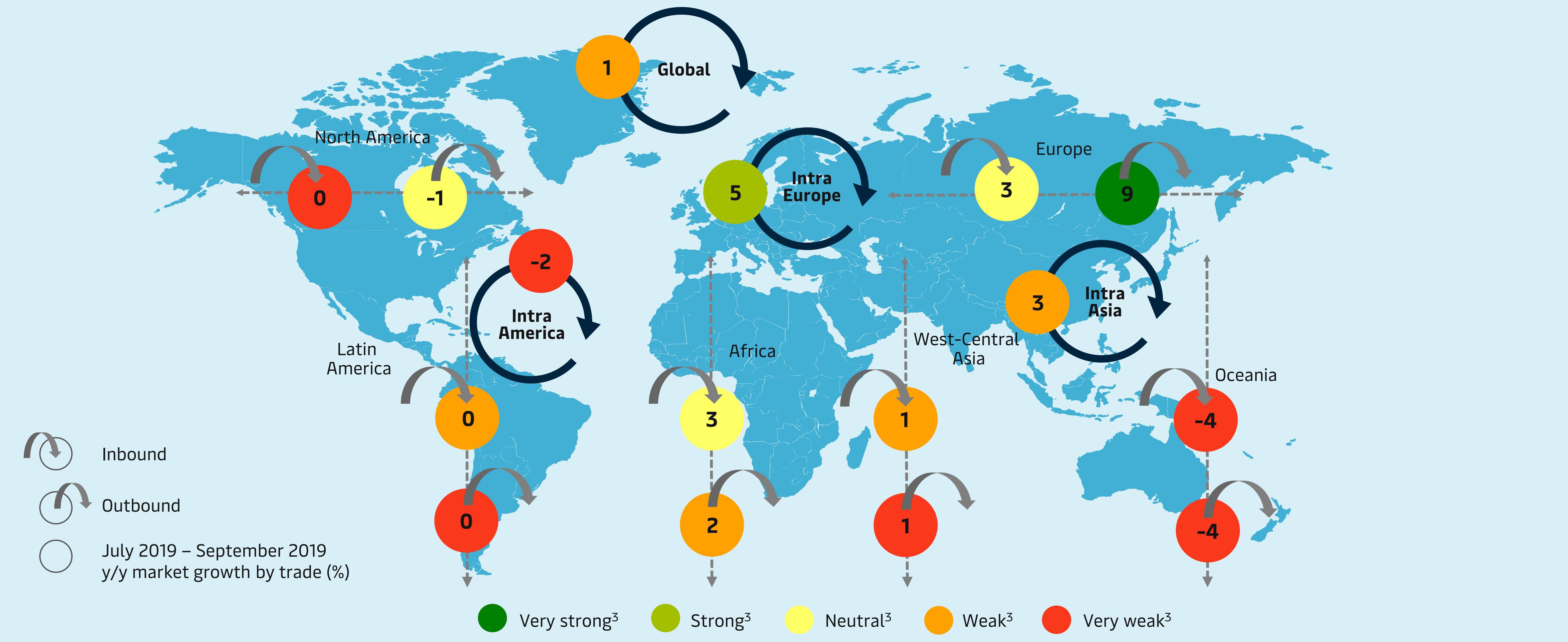
Global container trade grew around 1.5% in Q3 2019



Source: Internal market volume estimations as of October 2019.
Note: 1. Actuals available until August 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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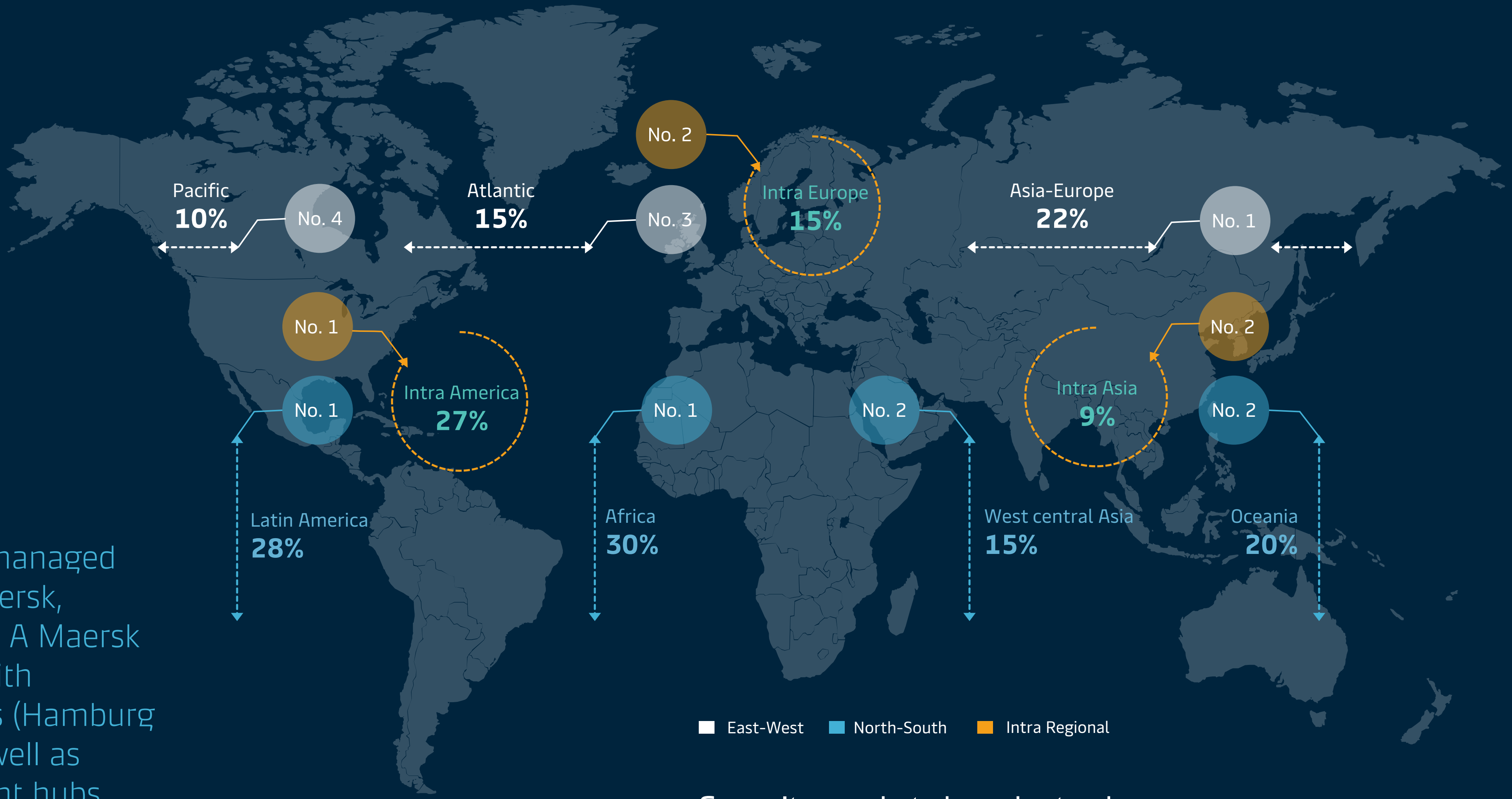
Ocean



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

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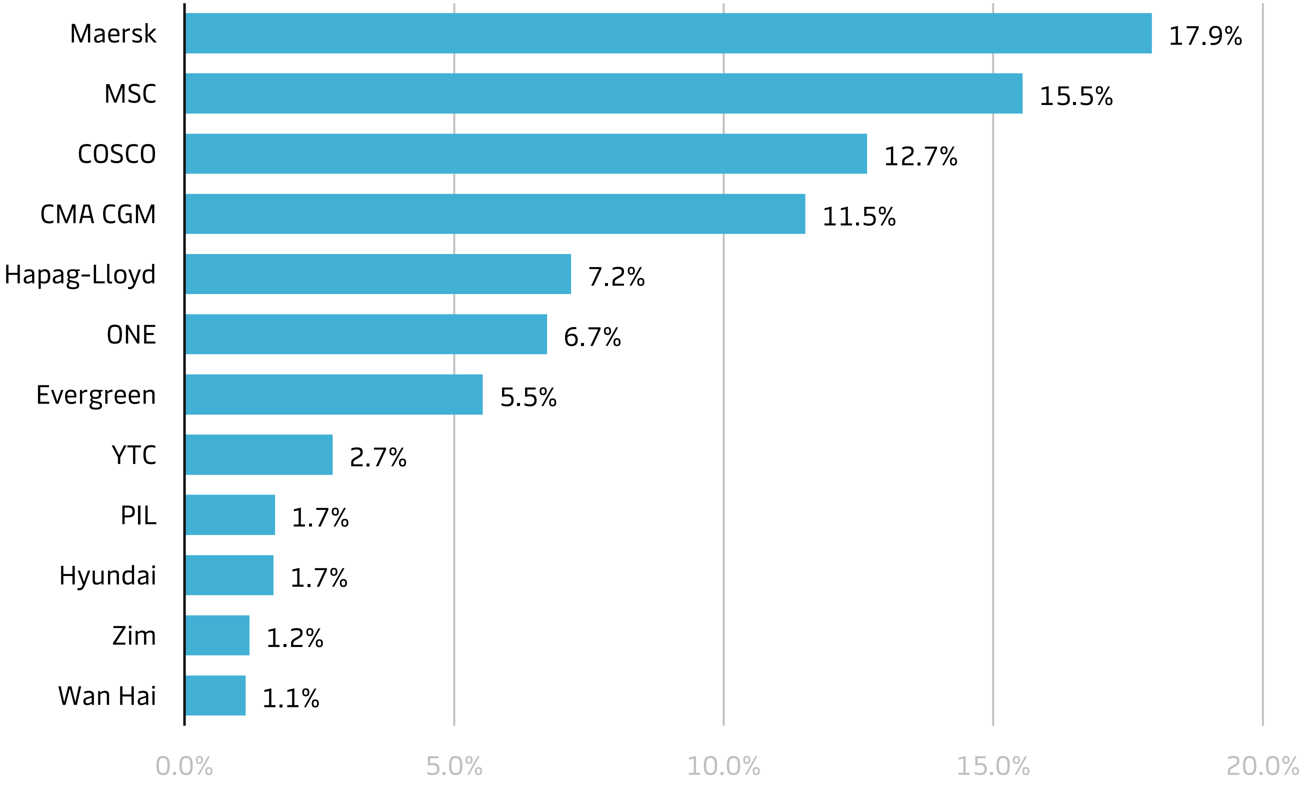
The industry is moving towards more consolidation

Capacity market share

In %



2M

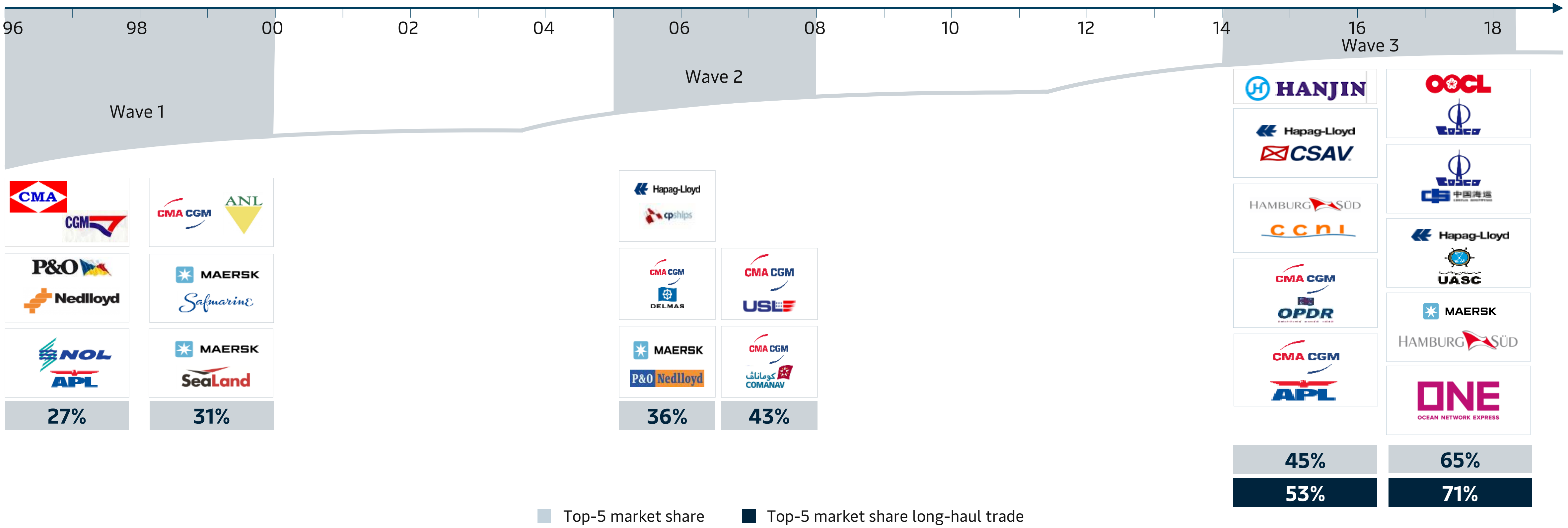
Ocean Alliance

The Alliance

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

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.

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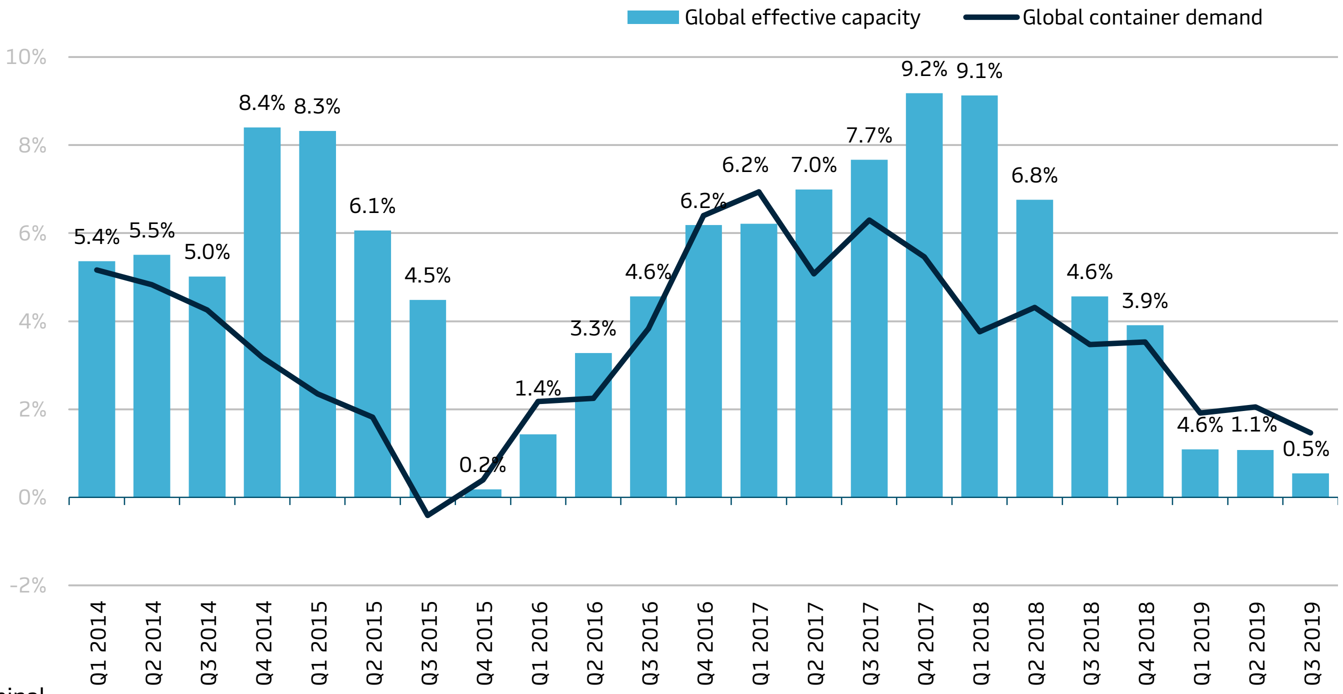
Industry nominal supply growth stable in Q3 2019

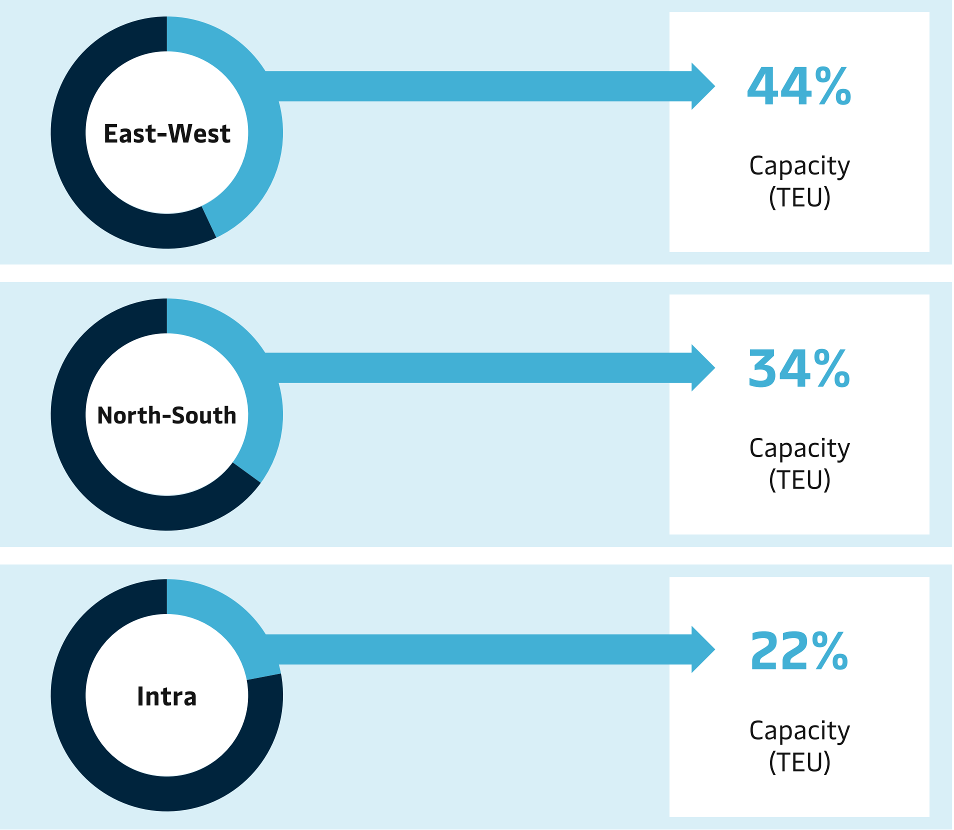
Global effective supply[1] and demand growth[2]

Growth y/y, (%)



	Q1 2014	Q2 2014	Q3 2014	Q4 2014	Q1 2015	Q2 2015	Q3 2015	Q4 2015	Q1 2016	Q2 2016	Q3 2016	Q4 2016	Q1 2017	Q2 2017	Q3 2017	Q4 2017	Q1 2018	Q2 2018	Q3 2018	Q4 2018	Q1 2019	Q2 2019	Q3 2019
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

Industry capacity (TEU)



Note: **1.** Effective capacity incorporates changes to idling, vessel speed, average length of trade and container network; **2.** Q3 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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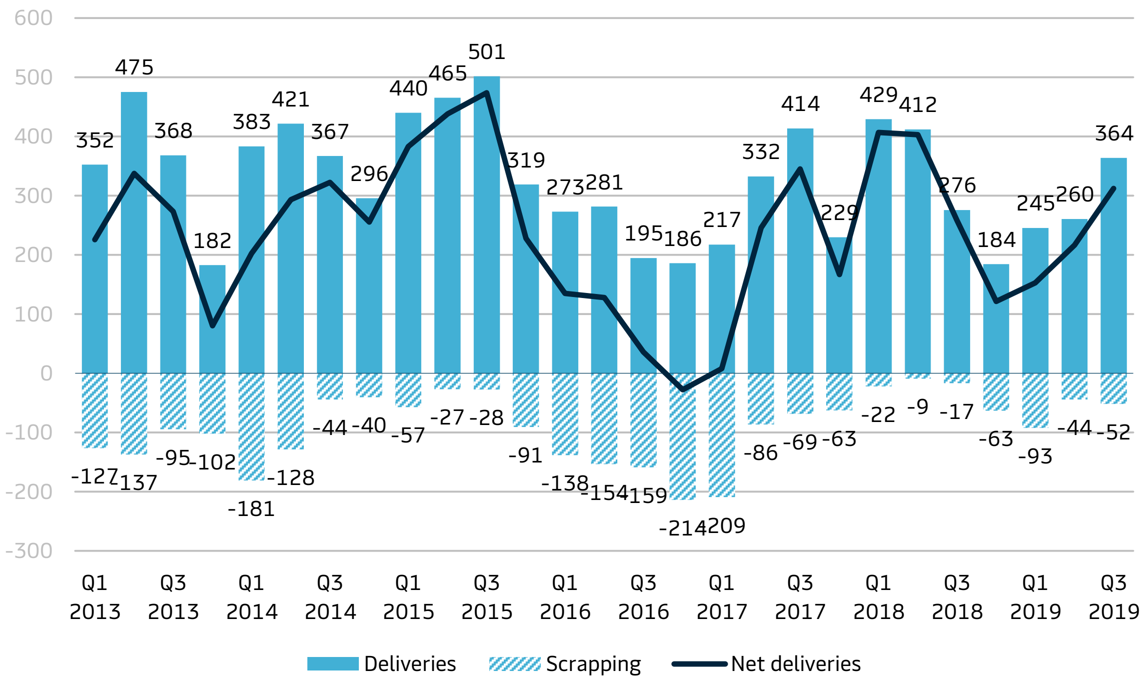
Low net delivery along with comparatively stable idling balanced effective capacity in Q3 2019

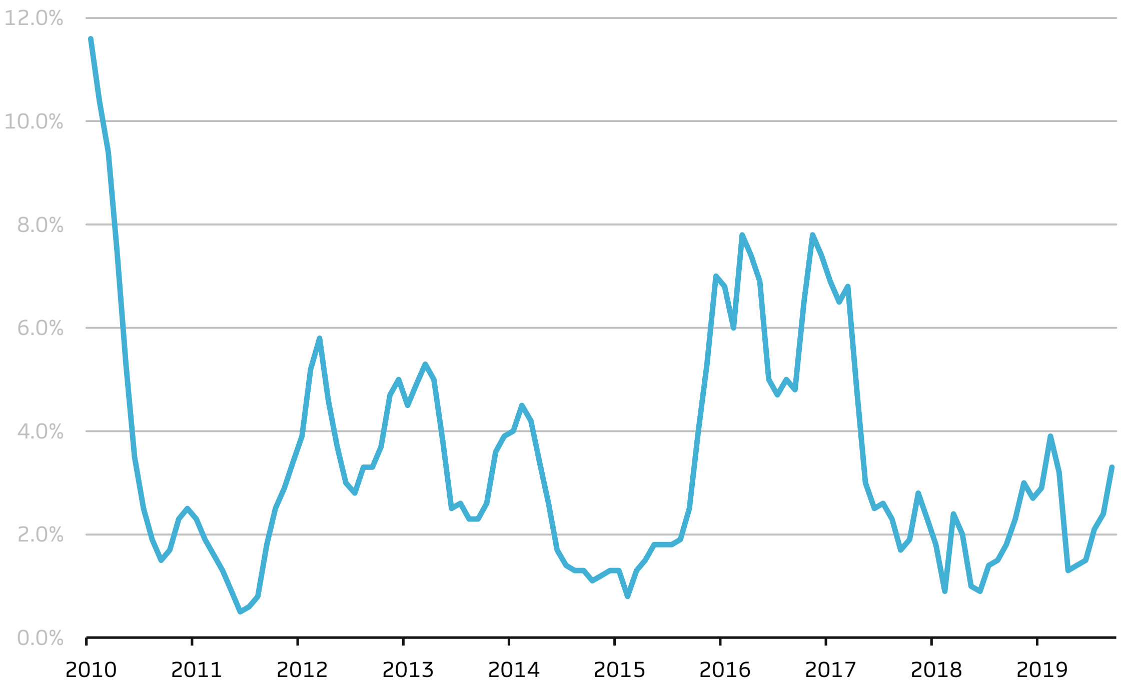
Net deliveries

TEU '000



Idling

Idle TEU as % of cellular fleet



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

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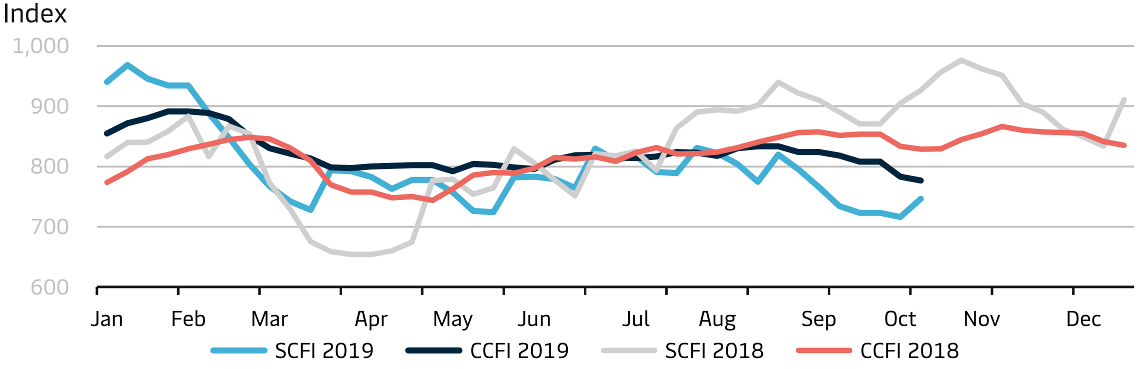
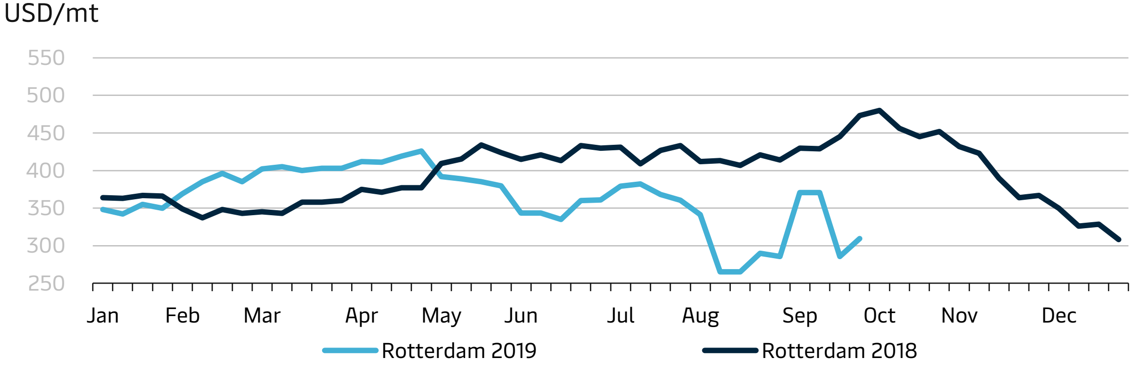
External factors continue to be volatile…

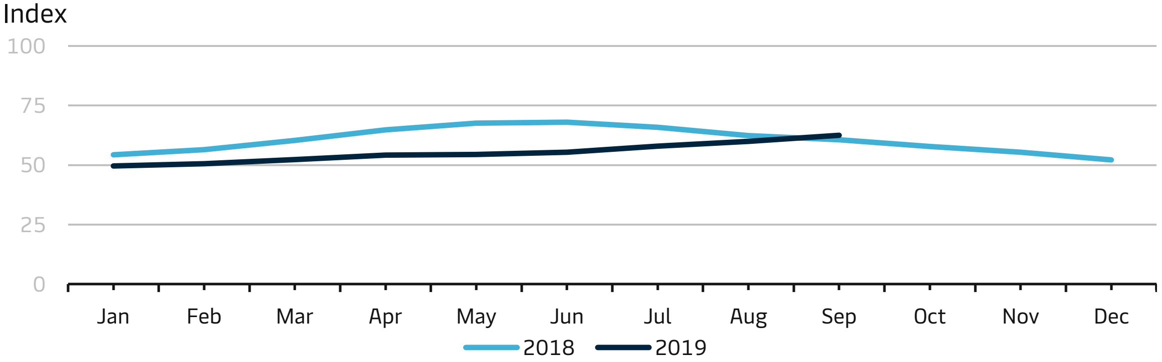
SCFI and CCFI index



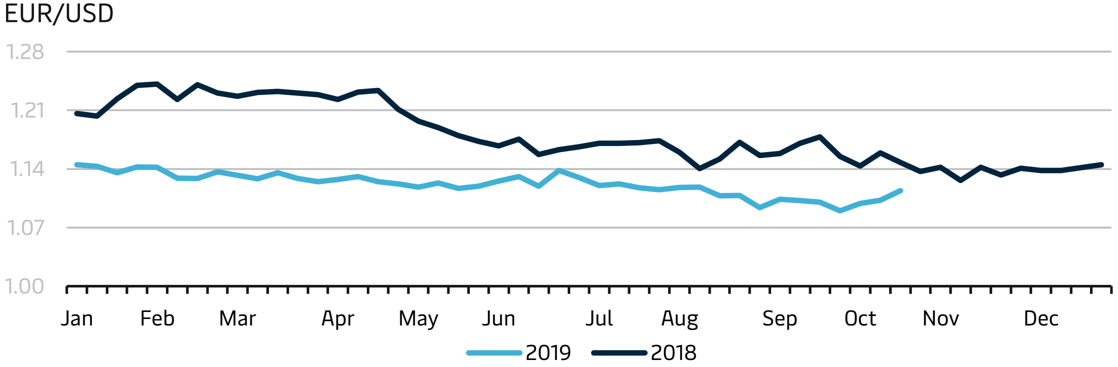
Bunker price



Time charter rates[1]



USD-EUR exchange rates



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

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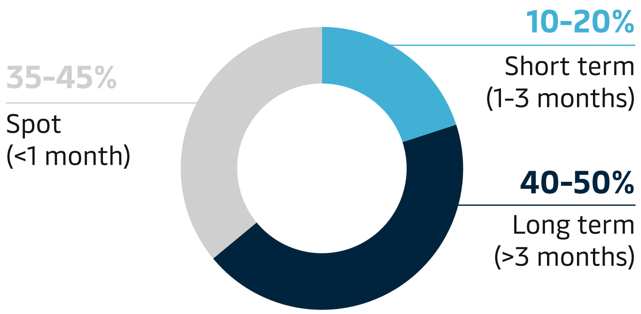
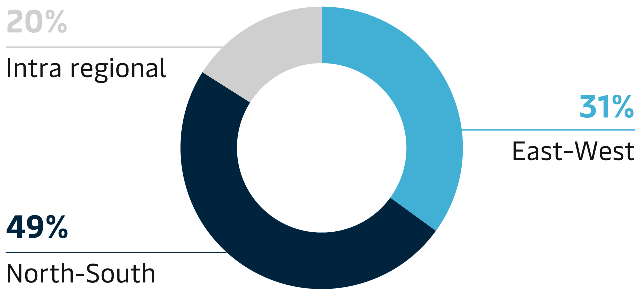
… however the volatility is lowered through contract coverage including bunker adjustment factors

Volume split, 2018

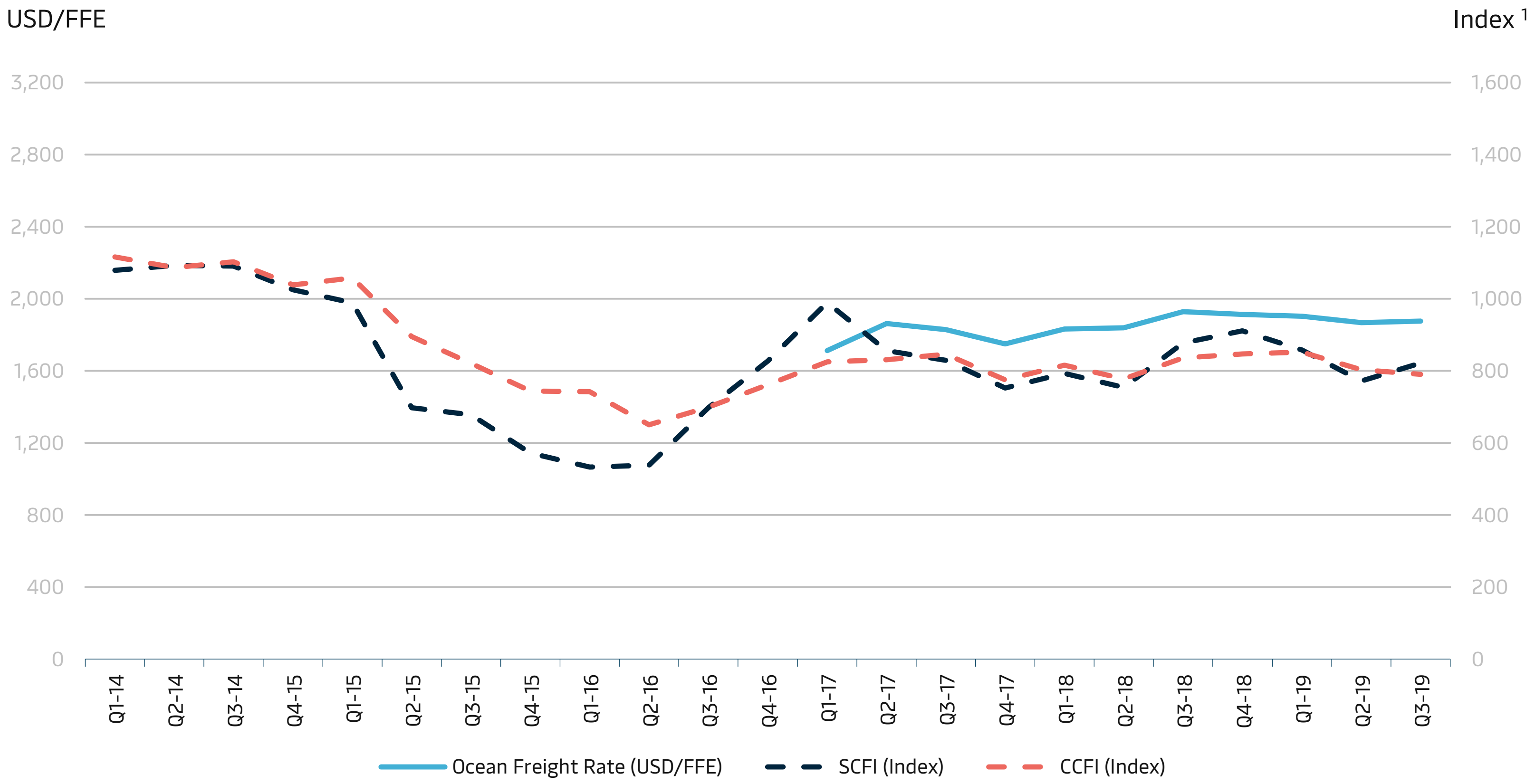
By contract type



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 3.6% with volumes up by 2.1%

- Total volumes increased by 2.1% mainly driven by Intra-regional trades specifically by Intra-Asia trades, which grew by 10%.
- Total backhaul volumes increased by 4.3%, while headhaul increased by 1.2%.
- The average freight rate decreased by 3.6% or 70 USD/FFE, which was impacted negatively by the developments in foreign exchange rates. Adjusted for this, the decrease was 3.0%.

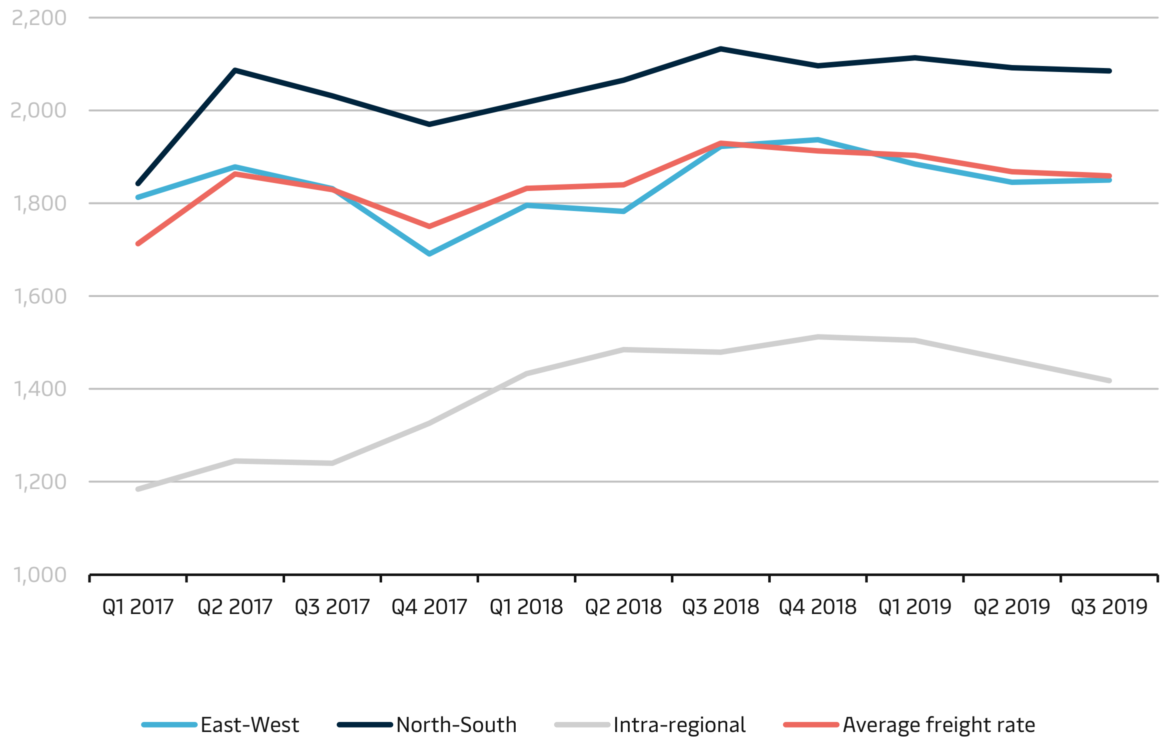
Loaded volumes ('000 FFE)	Q3 2019	Q3 2018	Change	Change %	FY 2018
East-West	1,047	1,079	-32	-3.0	4,186
North-South	1,632	1,595	37	2.3	6,450
Intra-regional	726	660	66	10.0	2,670
Total	**3,405**	**3,334**	**71**	**2.1**	**13,306**

Average freight rates (USD/FFE)	Q3 2019	Q3 2018	Change	Change %	FY 2018
East-West	1,850	1,923	-73	-3.8	1,860
North-South	2,085	2,133	-48	-2.2	2,078
Intra-regional	1,418	1,480	-62	-4.1	1,478
Total	**1,859**	**1,929**	**-70**	**-3.6**	**1,879**

Ocean average freight rate down 3.6% compared to Q3 2018

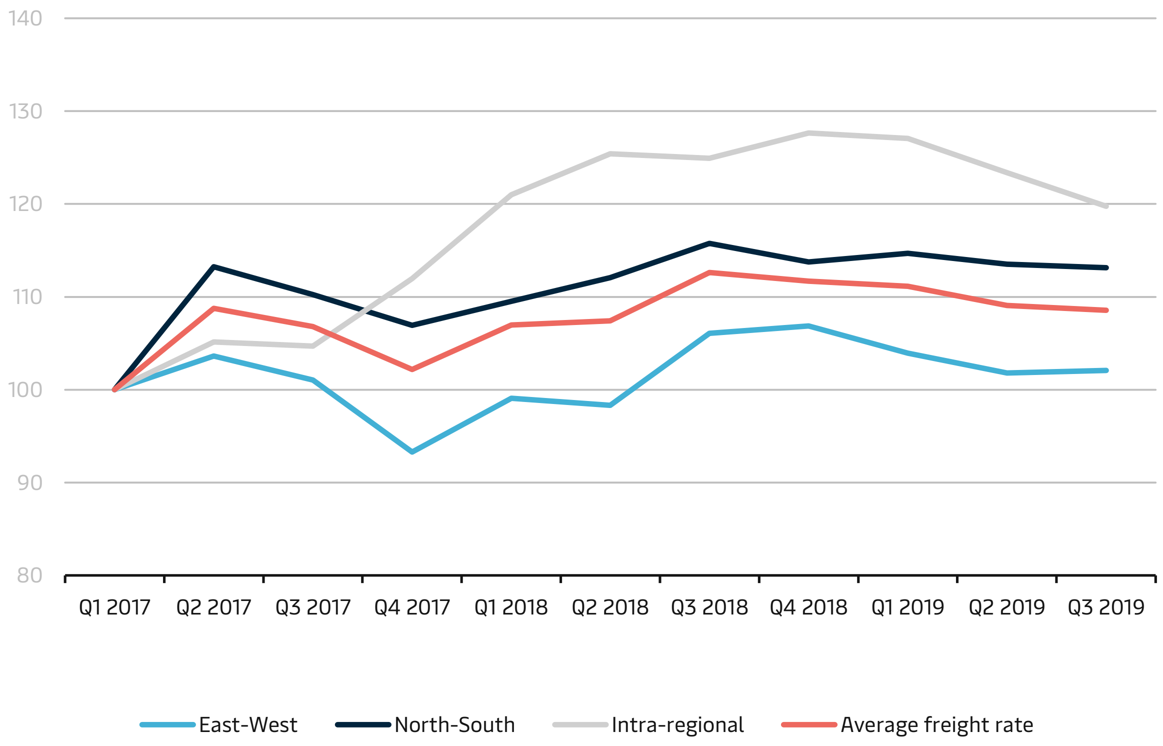
Freight rates

USD/FFE



Freight rates

Q1 2017 = 100



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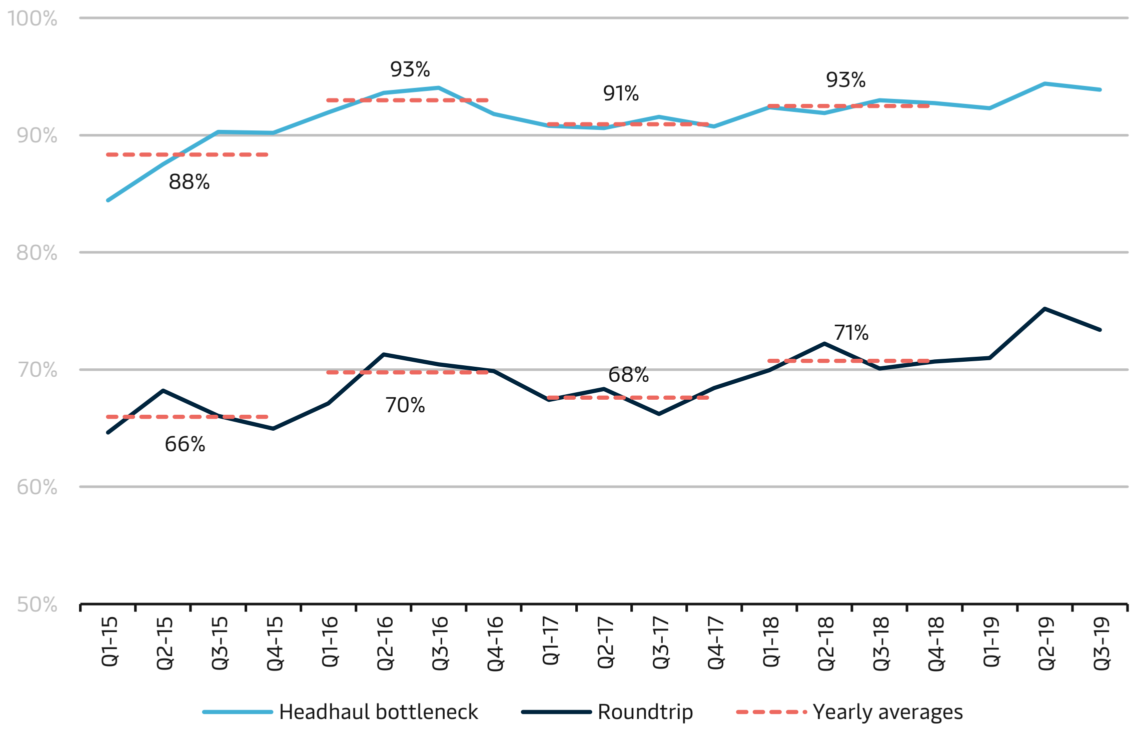
Q3 2019 vessel utilisation and container turn improved compared to Q3 2018 yet worsened slightly against Q2 2019

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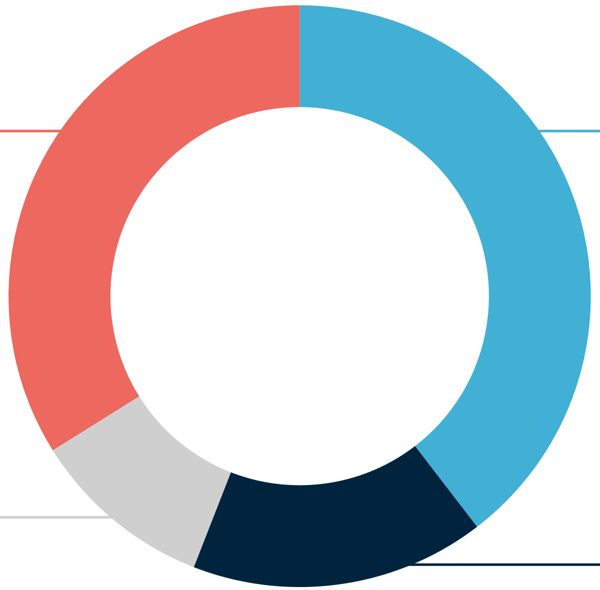
Container handling and network costs represent the majority of our unit cost base

Unit cost base, 2018

2,008 USD/FFE

2018 unit base

Unit cost base, 2018



30% Network costs excluding bunker

39% Container handling costs

12% SG&A and other costs

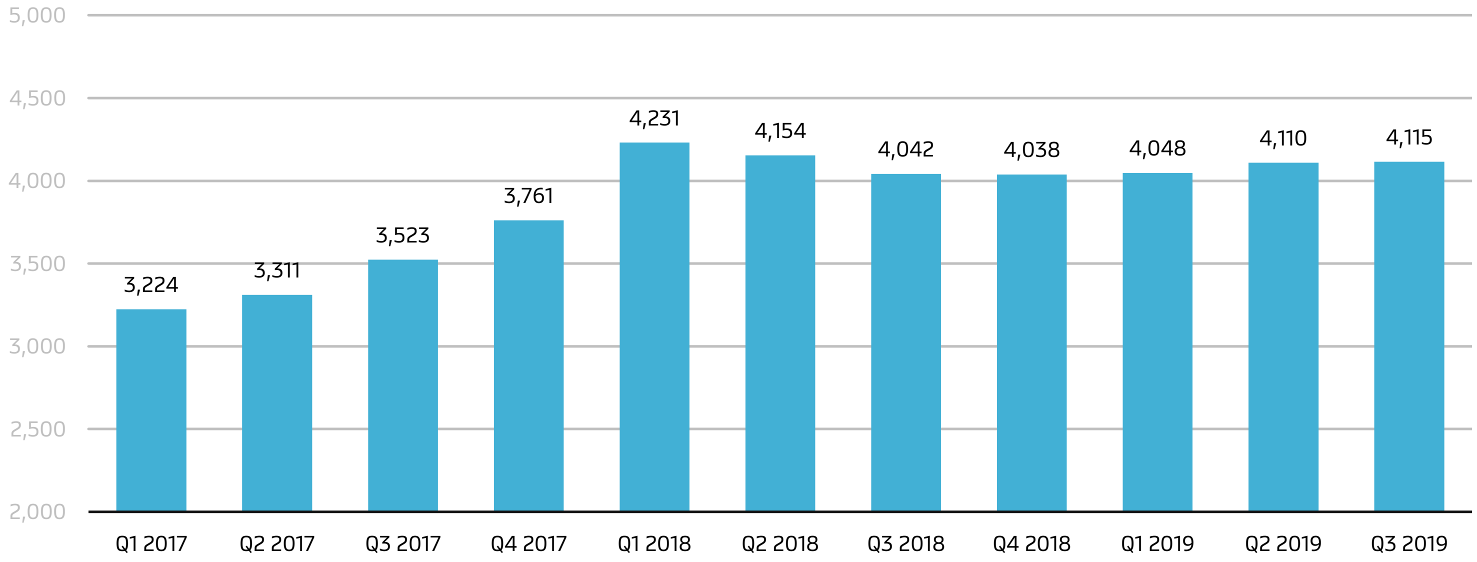
19% Bunker costs

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.

We continue to strengthen the capacity management

Development in average nominal capacity and number of vessels

TEU '000



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

Ocean average nominal vessel capacity

- Ocean segment aims to continuously adjust capacity to match demand and optimise utilisation
- Average nominal vessel capacity in Q3 2019 decreased by 3.6% y/y and increased by 1.8% q/q to 4,115k 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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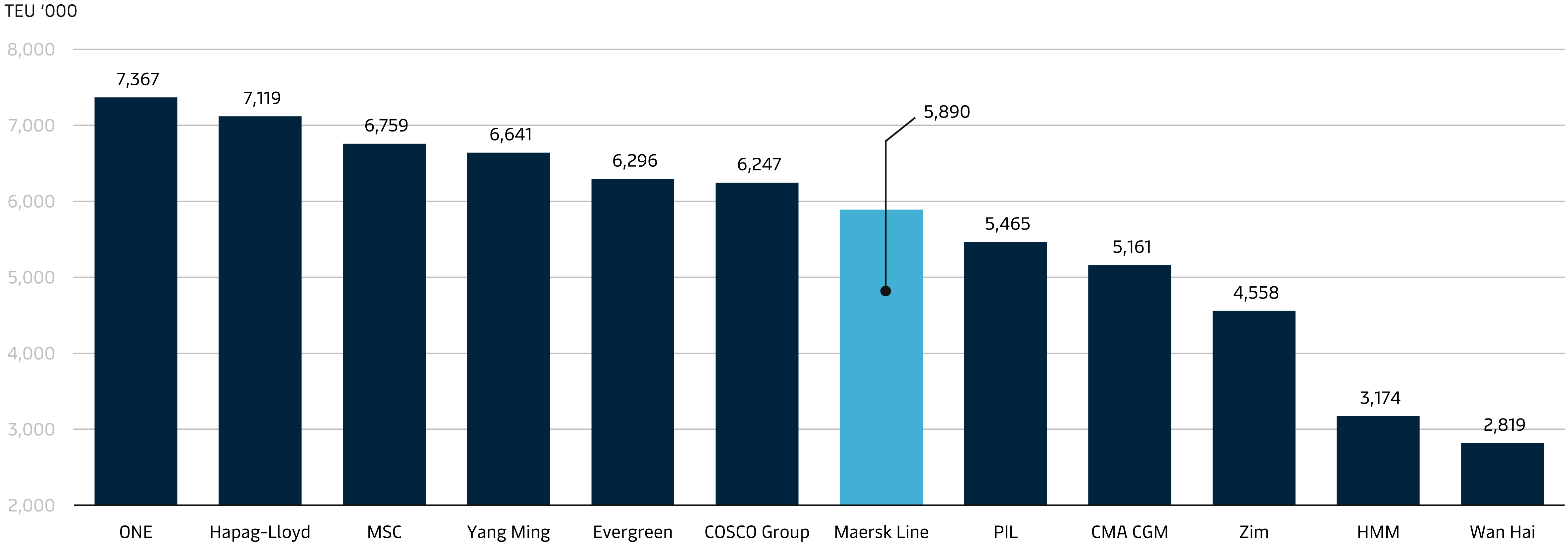
Industry average vessel size

Average vessel size

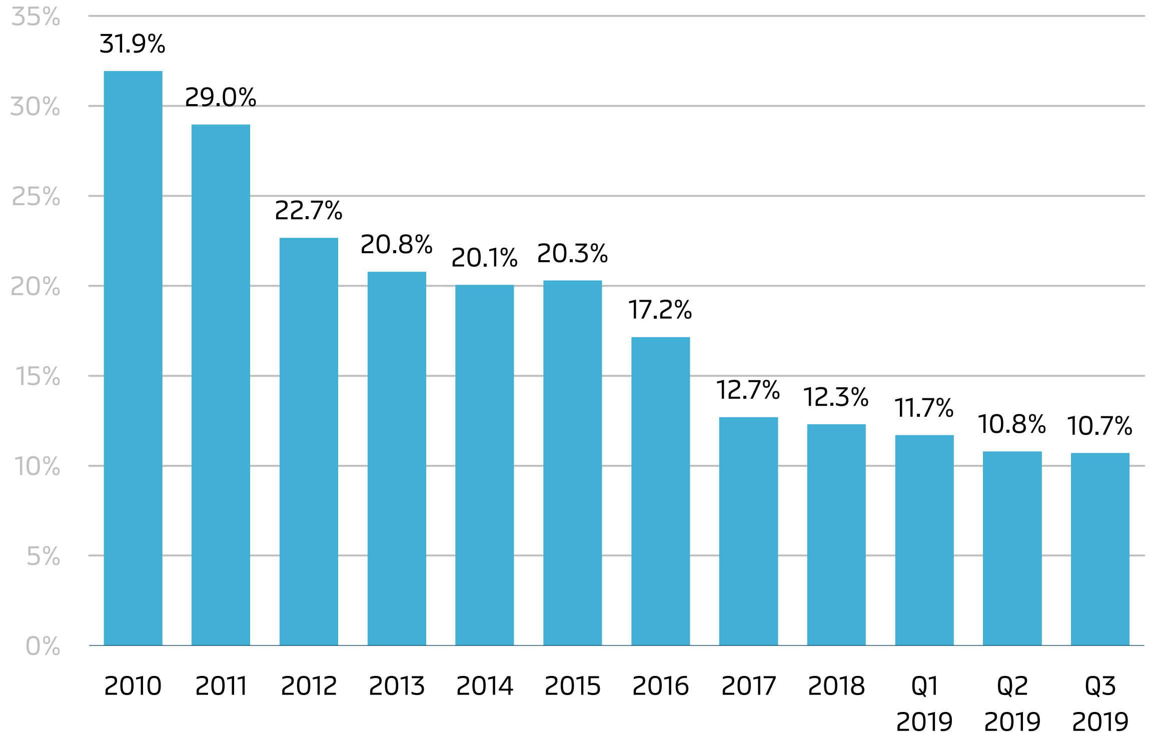


Note: As Sep-end 2019
Source: Alphaliner

Industry orderbook at a low level, even with significant new orders in Q3 2019

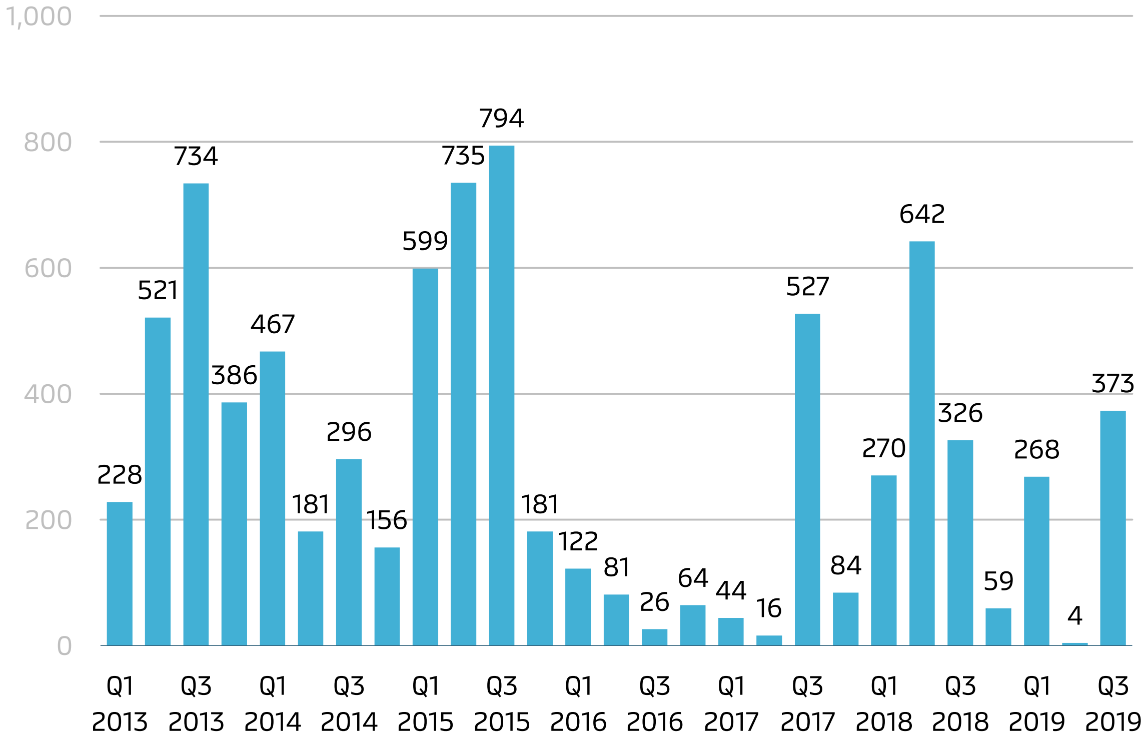
Industry orderbook

Orderbook as % of current fleet



New orders

TEU '000



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

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Logistics and services – key metrics

Financial metrics	Q3 2019	Q3 2018	Change (%)	2018
Gross profit (USD m)	336	285	4.6%	1,121
EBIT conversion (EBIT/Gross profit - %)	9.3%	9.4%	-0.1pp	6.8%
Supply chain management ('000 cbm)	17,723	17,672	0.3%	75,309
Supply chain management revenue (USDm)	210	194	8.2%	867

Freight forwarding metrics	Q3 2019	Q3 2018	Change (%)	2018
Airfreight volumes ('tonnes)	40,136	44,218	-9.2%	175,502
Sea freight volumes (TEU)	146,039	156,388	-6.6%	639,132
Airfreight revenue (USDm)	119	147	-19%	608
Sea freight revenue (USDm)	131	148	-11%	646

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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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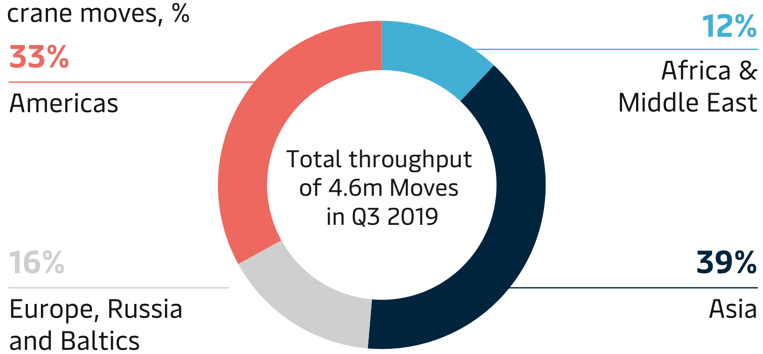
Diversified gateway terminal portfolio

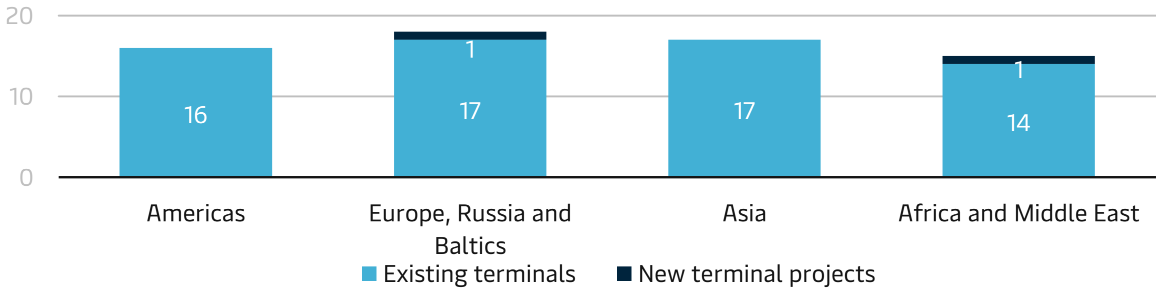
Container throughput by geographical region

Equity weighted crane moves, %



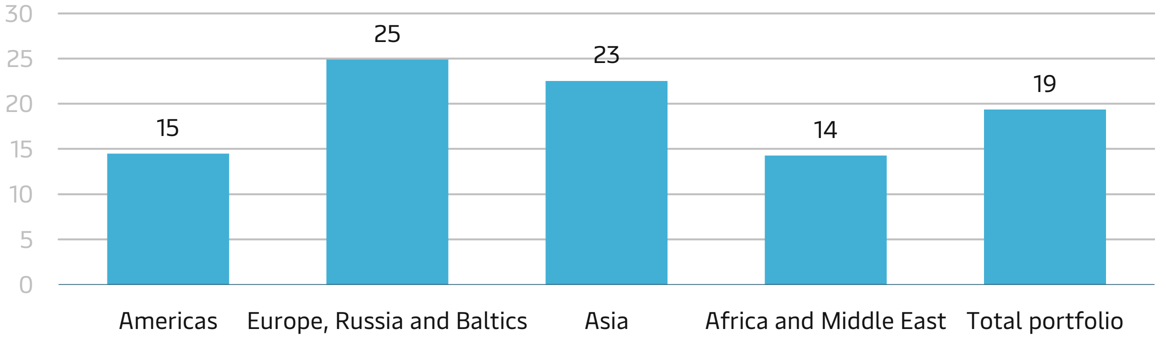
Geographical split of terminals

Number of terminals



Average remaining concession length in years

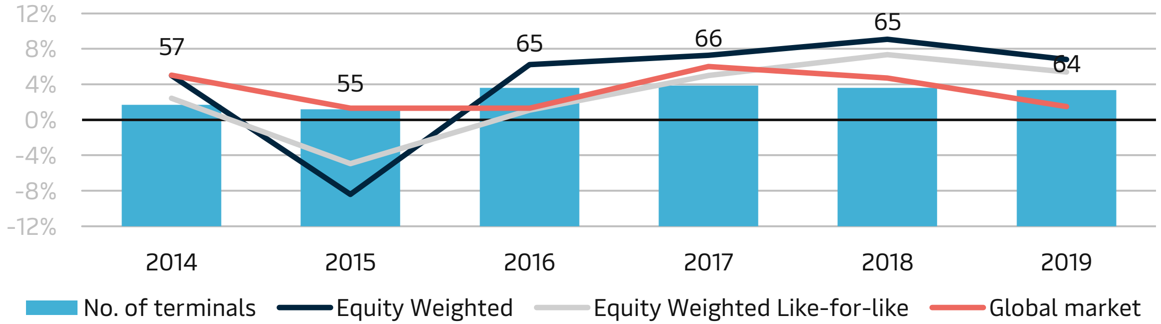
Years



Note: Average concession lengths as of Q3 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
Vado, Italy	2019	• 50-year concession for the design, construction, operation and maintenance of a new deep-sea gateway terminal • Joint venture agreement with China COSCO Shipping Ports (40%) and Qingdao Port International Development (9.9%); APM Terminals (50.1%)	USD 0.4bn
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: Tangier Med 2 Quetzal Yucatan Buenaventura Paranagua Valencia Gijon Castellon Barcelona	
2017	Itapoa	Pentalver Tacoma Zeebrugge Dalian
2018	TB - Congo	Paranagua Izmir
2019	Moin	Kobe Veos

Divestments / stop operation

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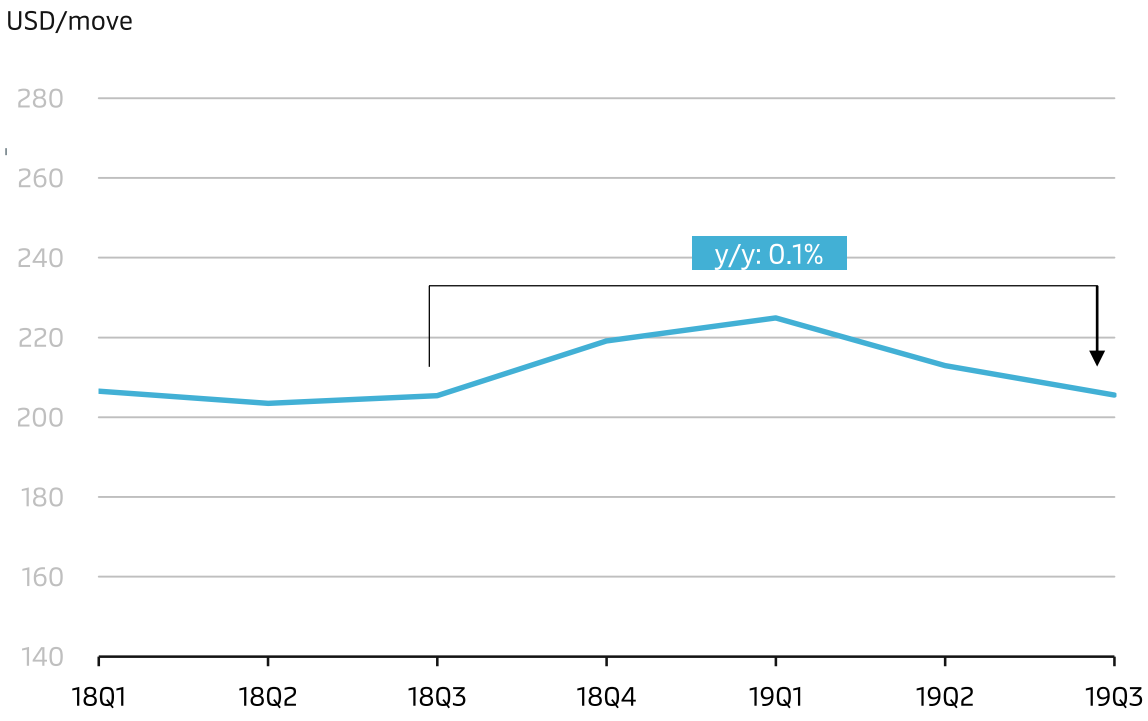
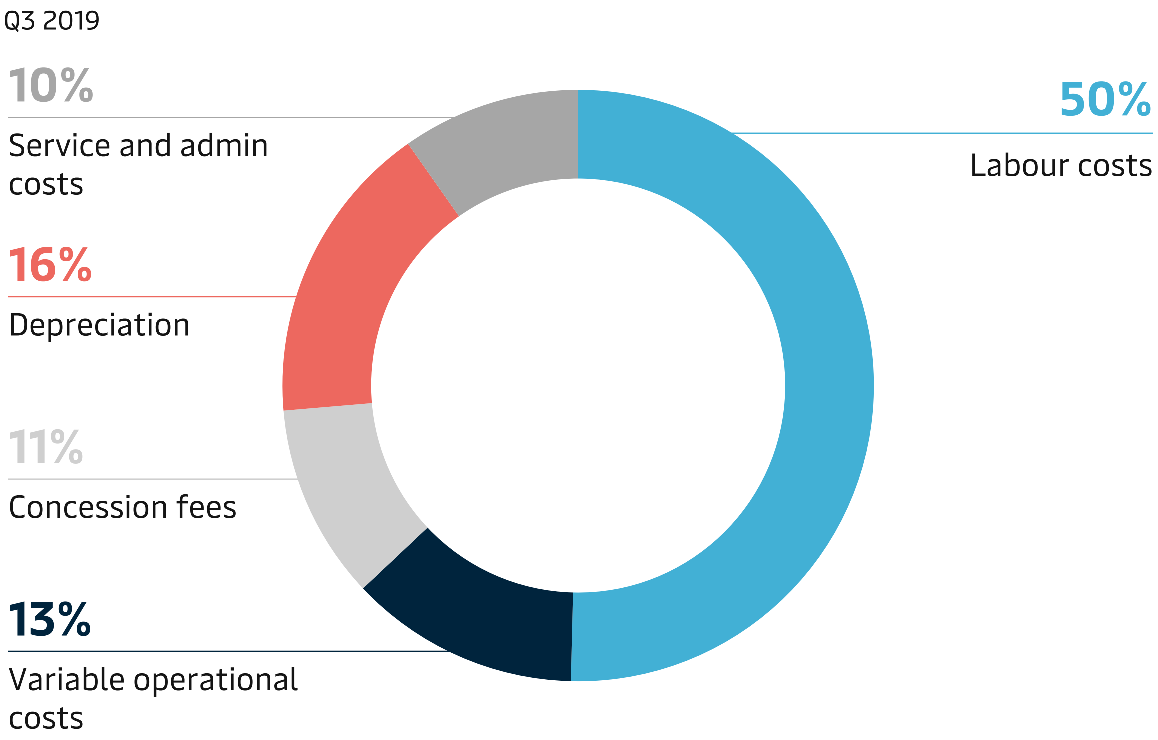
Focusing on lower cost and higher efficiency

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



Gateway terminal cost break down [2]



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 and Labour cost includes white and blue collar related costs.

Continuing to grow ahead of the market

Operational and financial metrics	Q3 2019	Q3 2018	Change, % (like-for-like, %)	2018
Terminal volumes – Financially consolidated (moves in m)	3.1	2.8	9.2 (7.1)	11.4
• Ocean segment	1.1	1.0	4.3 (7.6)	4.1
• External customers	2.0	1.8	11.9 (6.9)	7.3
Terminal volumes – EqW (moves in m)	4.6	4.3	6.8 (5.4)	17.0
Terminal revenue per move – (USD)				
• Financially consolidated	261	254	2.8	252
Terminal cost per move – (USD)				
• Financially consolidated	206	205	0.1	211
Result from joint ventures and associated companies (USDm)	50	49	4	164
No. of operational tug jobs (HT) (‘000)				131
Annualised EBITDA per tug (TT) (USD in ‘000)				892

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Gateway terminals operating businesses of 32.3% EBITDA margin

Q3 2019	Consolidated businesses	JV & Associates	Operating businesses	Implementations	Total
Throughput (Moves m, equity weighted)	2.7	1.9	4.6	0.0	4.6
Throughput (Moves m, financially consolidated)	3.1	-	3.1	0.0	3.1
Revenue (USD m)	821	-	821	0.0	821
EBITDA (USD m)	265	-	265	-5	261
EBITDA margin (%)	32.3	-	32.3	NA	31.8

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

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Consolidated gateway terminals

	Q3 2019	Q3 2018	Change
Throughput (Moves m, equity weighted)	2.7	2.4	10.2%
Throughput (Moves m, financially consolidated)	3.1	2.8	9.2%
Revenue (USD m)	821	728	12.7%
EBITDA (USD m)	265	207	28.5%
EBITDA margin (%)	32.3	28.4	4.0pp

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

Gateway terminals - JV and Associates

	Q3 2019	Q3 2018	Change
Throughput (Moves m, equity weighted)	1.9	1.9	2.5%

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Gateway terminals under implementation

	Q3 2019	Q3 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	40[1]	-99.9%
EBITDA (USD m)	-5	-11	-57%
EBITDA margin (%)	NA	-27.6	NA

Note: Implementations include terminals currently under construction (Vado, Italy; Abidjan (TC2), Ivory coast). Q3 2018 Implementations include Vado & Vado reefer, Italy; Moin, Costa Rica; Abidjan (TC2), Ivory coast.
Note 1: USD 35m related to IFRIC 12 construction revenue.

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Thank You

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