

A.P. Møller - Mærsk A/S

# Interim Report 2011



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A.P. Møller - Maersk Group

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## Forward-looking statements

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

## Governing text

The interim 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.

# A.P. Moller - Maersk Group

## Interim Report

(Figures for 2010 in parenthesis)

### Highlights

	DKK million 1st half year			USD million 1st half year		
	2011	2010	Change	2011	2010	Change
Revenue	159,229	153,533	4%	29,927	27,359	9%
Profit before depreciation, amortisation and impairment losses, etc.	43,654	43,714	0%	8,205	7,790	5%
Depreciation, amortisation and impairment losses	14,069	16,478	-15%	2,645	2,937	-10%
Gain on sale of non-current assets, net	4,501	3,091	46%	846	551	54%
Profit before financial items	34,601	30,519	13%	6,503	5,438	20%
Profit before tax	32,469	27,022	20%	6,103	4,815	27%
Profit for the period	14,544	14,156	3%	2,733	2,523	8%
Cash flow from operating activities	21,672	24,531	-12%	4,073	4,371	-7%
Cash flow used for capital expenditure	-15,306	-10,791	42%	-2,877	-1,923	50%
Return on invested capital after tax (ROIC), annualised	12.7%	12.7%		12.8%	12.8%	

Revenue for the period increased by 9% to USD 29.9bn (USD 27.4bn), primarily due to higher oil prices and container volumes. Profit for the period was 8% higher at USD 2.7bn (USD 2.5bn), positively affected by divestment gain from sale of Netto Foodstores Limited, UK of USD 0.7bn. The Group's ROIC was 12.8% (12.8%).

- The container activities made a profit of USD 0.4bn (USD 1.2bn) and a ROIC of 4.5% (13.9%). Supply of new capacity reduced rates and this, combined with high bunker prices, set margins under pressure throughout the period. The number of containers carried increased by 6% to 3.8m FFE, while average freight rates, including bunker surcharges, were 3% lower than in the same period last year.
- Oil and gas activities continue to benefit from the high oil prices and made a profit of USD 1.2bn (USD 0.9bn) and a ROIC of 54.7% (36.1%). At an average oil price of USD 111 per barrel, the oil price was 44%

higher than the same period last year. The Group's share of oil and gas production declined by 11% to 342,000 barrels of oil equivalent per day, primarily due to a lower share of production in Qatar and lower production in Denmark and the UK. Exploration costs were USD 355m (USD 180m).

- The terminal activities made a profit of USD 304m (USD 528m and USD 231m excluding divestment gains and other special items). Container throughput increased by 8% on a like-for-like basis and ROIC was 12.2% (21.5% and 9.9% excluding divestment gains and other special items). During the period, APM Terminals secured a number of new investment and development opportunities primarily in emerging markets.
- Tankers, offshore and other shipping activities made a profit of USD 250m (USD 171m) and a ROIC of 3.4% (2.4%). The profit was negatively affected by impair-

ments of USD 250m in Maersk FPSOs and positively affected by reversal of impairments of USD 91m in Maersk LNG.

- Retail activities made a profit of DKK 4.6bn (DKK 0.9bn) and a ROIC of 61.8% (13.6%) and 10.6% excluding divestment gain. The result was positively affected by the divestment gain of DKK 3.8bn corresponding to USD 0.7bn from divestment of Netto Foodstores Limited, UK, which was completed in April 2011.
- Other businesses made a profit of DKK 597m (DKK 404m) and a ROIC of 5.0% (3.8%).
- Cash flow from operating activities was USD 4.1bn (USD 4.4bn), while cash flow used for capital expenditure was USD 2.9bn (USD 1.9bn). The Group's free cash flow was USD 1.2bn (USD 2.5bn) and net interest-bearing debt was reduced to USD 11.7bn (USD 16.0bn).
- Total equity was USD 37.2bn compared to USD 34.4bn at 31 December 2010, positively affected by the result for the period of USD 2.7bn and by conversion from functional currency to presentation currency of USD 0.8bn. Dividend was deducted by USD 0.9bn.

## Outlook for 2011

The Group still expects a result lower than the 2010 result, as stated in the interim management statement in May 2011, including the USD 0.7bn gain from the divestment of Netto Foodstores Limited, UK.

The Group expects global demand for seaborne containers to grow by 6-8% in 2011. The global supply of new tonnage is expected to grow more than the freight volumes especially on the Asia to Europe trade. The Group expects freight rates to remain under pressure, and high bunker and time charter costs are expected to continue to impact margins negatively. The Group's container activities now expect a modest positive result.

Oil and gas activities now expect a profit at the same level as for 2010, based on an oil price of USD 105 per barrel, higher level of exploration activities and a share of oil and gas production of around 120 million barrels which is 13% below 2010.

The result for Terminal activities, Tankers, offshore and other shipping activities, Retail activities and Other businesses is expected to be above 2010.

Cash flow from operating activities is expected to develop in line with the result, while cash flow used for capital expenditure is expected to be significantly higher than in 2010.

The outlook for 2011 is subject to considerable uncertainty, not least due to developments in the global economy, oil price and global trade conditions.

Copenhagen, 17 August 2011

Contacts: Group CEO Nils S. Andersen – tel. +45 3363 1912  
Group CFO Trond Westlie – tel. +45 3363 3106

Interim Management Statement is expected to be announced on 9 November 2011.

## A.P. Moller - Maersk Group

# The Group's investments and future development

The Group has executed and committed new investments of more than USD 12bn in 2011.

- Maersk Oil has invested USD 3.4bn on acquiring SK Energy's Brazilian assets and the sanctioning of the Golden Eagle development in the UK.
- Maersk Line has committed USD 3.8bn to build 20 Triple-E vessels that will be the world's largest, most competitive and energy efficient container vessels.
- Maersk Drilling has committed USD 3.8bn to the construction of four deepwater drillships and two ultra harsh jack-up rigs.
- APM Terminals has taken over port operation in Callao in Peru, Poti in Georgia and Monrovia in Liberia with combined commitments of USD 1.0bn.

The investments are in line with our strategy of further strengthening the Group's competitive market positions with priority on seven core businesses within two industries – shipping and oil & gas.

The Group will be a strong, growing and profitable conglomerate – centred around its strong brand and values. The Group will focus on growth markets where the Group already has a strong presence.

Within the shipping industry, two core businesses – Container shipping and Terminal activities – will have priority for investment in further growth, whereas investments in Maersk Tankers, Damco and Svitzer will be driven by market opportunities. Container shipping will remain a high growth industry and Maersk Line will be the undisputed industry leader – delivering margins and returns ahead of competition. Customer focus combined with an efficient fleet will secure and strengthen competitiveness. APM Terminals aims to be the leading global port operator with financial returns and growth

above market and will be a significant contributor to the Group's cash flows and earnings.

In the oil & gas industry, Maersk Oil as well as Maersk Drilling (including Maersk Supply Service) will be prioritized for investment in further growth. Maersk Oil aims to stabilise production by 2014 and thereafter gradually grow to reach a stable production level at 400,000 boepd (barrels of oil equivalents per day). As a consequence investments will remain high in the coming years. Maersk Drilling is executing on the ambition of becoming one of the leading drilling contractors within deep water and ultra harsh environments and is expected to become a significant and stable contributor to Group profits.

Dansk Supermarked Group (DSG) is leader in its home market and the Group will maintain its holding. DSG will continue to invest in its core markets and will be financed from its own cash flow.

The Group will maintain the strategic minority holding in Danske Bank.

Maersk LNG will be divested as it lacks the scale to be a leading player.

The Group will over the cycle comply with the financial ratios corresponding to a strong investment grade company and investments will be made with the objective to at least meet the Group's historical return on invested capital at 10% over the cycle. The Group intends to continue the historical trend of increasing dividends per share supported by underlying earnings strength.

# Financial highlights

Amounts in DKK million

	1st half year		Full year
	2011	2010	2010
Revenue	159,229	153,533	315,396
Profit before depreciation, amortisation and impairment losses, etc.	43,654	43,714	89,218
Depreciation, amortisation and impairment losses	14,069	16,478	33,822
Gain on sale of non-current assets, net	4,501	3,091	3,792
Associated companies – share of profit/loss for the period	515	192	461
Profit before financial items	34,601	30,519	59,649
Financial items, net	-2,132	-3,497	-5,263
Profit before tax	32,469	27,022	54,386
Tax	17,926	12,861	26,174
Profit for the period – continuing operations	14,543	14,161	28,212
Profit/loss for the period – discontinued operations	1	-5	3
Profit for the period	14,544	14,156	28,215
A.P. Møller - Mærsk A/S' share	12,613	13,395	26,455
Total assets	357,359	392,495	374,723
Total equity	191,829	187,558	192,962
Cash flow from operating activities	21,672	24,531	56,972
Cash flow used for capital expenditure	-15,306	-10,791	-26,078
Investment in property, plant and equipment	17,594	12,502	26,683
Return on invested capital after tax (ROIC), annualised	12.7%	12.7%	12.7%
Return on equity after tax, annualised	15.1%	16.3%	16.0%
Equity ratio	53.7%	47.8%	51.5%
Earnings per share (EPS), DKK	2,889	3,069	6,061
Diluted earnings per share, DKK	2,888	3,069	6,058
Cash flow from operating activities per share, DKK	4,965	5,620	13,052
Share price (B share), end of period, DKK	44,360	48,460	50,510
Total market capitalisation, end of period	189,710	207,681	217,464

The condensed interim consolidated financial statements on pages 30-43 are presented in DKK. To further illustrate the development of the businesses, key figures for the A.P. Møller - Maersk Group and segment figures are also presented in USD. For the segments where the primary functional currency is USD, the comments on these segments refer to the USD figures. The comments on the other segments refer to DKK figures alone.

The interim financial statements have not been subject to audit or review. The interim financial statements are prepared in accordance with IAS 34. The applied accounting policies are unchanged compared to the Annual Report 2010, except for the changes described in Note 31 of the 2010 consolidated financial statements, to which reference is made. The changes have no effect on the interim financial statements.

# Financial highlights

Amounts in USD million

	1st half year		Full year
	2011	2010	2010
Revenue	29,927	27,359	56,090
Profit before depreciation, amortisation and impairment losses, etc.	8,205	7,790	15,867
Depreciation, amortisation and impairment losses	2,645	2,937	6,015
Gain on sale of non-current assets, net	846	551	674
Associated companies – share of profit/loss for the period	97	34	82
Profit before financial items	6,503	5,438	10,608
Financial items, net	-400	-623	-936
Profit before tax	6,103	4,815	9,672
Tax	3,370	2,291	4,655
Profit for the period – continuing operations	2,733	2,524	5,017
Profit/loss for the period – discontinued operations	-	-1	1
Profit for the period	2,733	2,523	5,018
A.P. Møller - Mærsk A/S' share	2,371	2,387	4,705
Total assets	69,246	64,659	66,756
Total equity	37,171	30,898	34,376
Cash flow from operating activities	4,073	4,371	10,132
Cash flow used for capital expenditure	-2,877	-1,923	-4,638
Investment in property, plant and equipment	3,307	2,228	4,745
Return on invested capital after tax (ROIC), annualised	12.8%	12.8%	12.2%
Return on equity after tax, annualised	15.3%	16.4%	15.4%
Equity ratio	53.7%	47.8%	51.5%
Earnings per share (EPS), USD	543	547	1,078
Diluted earnings per share, USD	543	547	1,077
Cash flow from operating activities per share, USD	933	1,001	2,321
Share price (B share), end of period, USD	8,596	7,983	8,998
Total market capitalisation, end of period	36,761	34,213	38,741

## Business areas

The A.P. Moller - Maersk Group comprises approximately 1,100 companies. The Group's invested capital was USD 49bn (USD 47bn) and return on invested capital after tax (ROIC) was 12.8% (12.8%).

			Invested capital USD million 1st half year 2011	ROIC % 1st half year 2011 2010	
Container activities	<b>Maersk Line, Safmarine and MCC</b>	Container liner services	17,504	4.3	13.9
	<b>Damco</b>	Logistic and forwarding activities	235	19.7	13.1
Oil and gas activities	<b>Maersk Oil</b>	Oil and gas production and exploration activities	3,946	54.7	36.1
Terminal activities	<b>APM Terminals</b>	Container terminal activities, inland transportation, repair of containers and container depots, etc.	5,186	12.2	21.5
Tankers, offshore and other shipping activities	<b>Maersk Tankers</b>	Tanker shipping of crude oil, oil products and gas	3,609	-1.1	0.9
	<b>Maersk Drilling</b>	Offshore drilling activities and operation of land rigs through 50% ownership of Egyptian Drilling Company	3,946	11.6	9.6
	<b>Maersk FPSOs</b> <b>Maersk LNG</b>	Floating oil and gas production units Natural gas transportation	2,632	-7.9	-10.9
	<b>Maersk Supply Service</b>	Supply vessel activities with anchor handling and platform supply vessels, etc.	1,909	8.6	11.9
	<b>Svitzer</b>	Towing and salvage activities, etc.	2,081	5.7	8.7
	<b>Ro/Ro and related activities</b>	39% ownership of Höegh Autoliners and 31% ownership of DFDS A/S (associated companies)	698	3.8	-9.0
			DKK million 1st half year 2011	ROIC % 1st half year 2011 2010	
Retail activities	<b>The Dansk Supermarked Group</b>	68% ownership of Dansk Supermarked A/S Supermarkets (Føtex and Bilka), department stores (F. Salling) and discount supermarkets (Netto), etc. (subsidiary)	13,977	61.8	13.6
Other businesses	<b>The Odense Steel Shipyard Group</b>	Shipyard in Denmark	26,293	5.0	3.8
	<b>Danske Bank</b>	20% ownership of Danske Bank A/S (associated company)			
	<b>Maersk Container Industry</b>	Production of dry and reefer containers			
	<b>Other</b>	Star Air, Danbor Service, etc.			



## Segment overview

	DKK million		USD million	
	1st half year		1st half year	
	2011	2010	2011	2010
<b>Revenue</b>				
Container activities	70,468	70,562	13,244	12,575
Oil and gas activities	35,027	28,260	6,583	5,036
Terminal activities	11,768	11,745	2,212	2,093
Tankers, offshore and other shipping activities	14,877	16,264	2,796	2,898
Retail activities	27,639	28,496	5,195	5,078
Other businesses	4,574	3,406	860	607
<b>Total reportable segments</b>	<b>164,353</b>	<b>158,733</b>	<b>30,890</b>	<b>28,287</b>
Unallocated revenue (Maersk Oil Trading)	2,404	1,204	452	214
Eliminations	-7,528	-6,404	-1,415	-1,142
<b>Total</b>	<b>159,229</b>	<b>153,533</b>	<b>29,927</b>	<b>27,359</b>
<b>Profit/loss for the period</b>				
Container activities	2,091	6,875	393	1,226
Oil and gas activities	6,451	5,104	1,212	909
Terminal activities	1,616	2,964	304	528
Tankers, offshore and other shipping activities	1,329	963	250	171
Retail activities	4,555	912	856	163
Other businesses	597	404	112	72
<b>Total reportable segments</b>	<b>16,639</b>	<b>17,222</b>	<b>3,127</b>	<b>3,069</b>
Unallocated loss	-1,895	-3,210	-356	-572
Eliminations	-201	149	-38	27
Discontinued operations, after elimination	1	-5	-	-1
<b>Total</b>	<b>14,544</b>	<b>14,156</b>	<b>2,733</b>	<b>2,523</b>

Comparative figures have been restated since warehouse activities, which were part of Terminal activities in the first half of 2010, are now included in Container activities. The change has no impact on the Group's profit.



## Container activities

Highlights	DKK million 1st half year			USD million 1st half year		
	2011	2010	Change	2011	2010	Change
Revenue	70,468	70,562	0%	13,244	12,575	5%
Profit before depreciation, amortisation and impairment losses, etc. (EBITDA)	5,790	11,873	-51%	1,088	2,115	-49%
Depreciation, amortisation and impairment losses	4,075	4,556	-11%	766	810	-5%
Gain on sale of non-current assets, net	626	119	426%	118	21	462%
Associated companies – share of profit/loss for the period	-11	-6	83%	-2	-1	100%
Profit before financial items (EBIT)	2,330	7,430	-69%	438	1,325	-67%
Financial items, net	229	-40	n/a	43	-8	n/a
Profit before tax	2,559	7,390	-65%	481	1,317	-63%
Tax	468	515	-9%	88	91	-3%
Profit	2,091	6,875	-70%	393	1,226	-68%
Cash flow from operating activities	4,925	6,667	-26%	926	1,188	-22%
Cash flow used for capital expenditure	-6,109	-1,393	339%	-1,148	-248	363%
Non-current assets	95,735	110,012	-13%	18,551	18,124	2%
Current assets	21,082	23,362	-10%	4,085	3,848	6%
Non-interest bearing liabilities	25,272	25,104	1%	4,897	4,135	18%
Invested capital, net	91,545	108,270	-15%	17,739	17,837	-1%
Return on invested capital after tax (ROIC), annualised	4.5%	13.9%		4.5%	13.9%	
Transported volumes (FFE in million)				3.8	3.6	6%
Average rate (USD per FFE)				2,900	2,986	-3%
Average fuel price (USD per tonne)				578	460	26%

# Container activities

## Highlights

- The Group transported a total volume of 3.8m FFE (Forty Foot Equivalent) in the first half of 2011, an increase of 6% compared to the same period of 2010
- Average freight rates including bunker surcharges were 3% lower than the same period of 2010. Excluding bunker surcharges rates were 8% lower
- Fuel costs averaged USD 578 per tonne, equivalent to an increase of 26% compared to the same period of 2010
- Earnings per transported FFE (EBIT per FFE), excluding gain on sale of ships, etc., were USD 75, a decrease of 79% compared to the same period of 2010
- Profit was USD 0.4bn (USD 1.2bn)
- Cash flow from operating activities was USD 0.9bn (USD 1.2bn)
- ROIC was 4.5% (13.9%)

### THE MARKET FOR CONTAINER ACTIVITIES

The growing demand for container transport continued throughout the second quarter, but at a slower pace.

The demand growth for the first half of 2011 of approximately 8% was, however, not enough to balance the supply of new capacity, which at 9.5% (Alphaliner) put downward pressure on rates. The new tonnage arrived mainly in the form of larger vessels used on the Asia to Europe trade. This led to difficult market conditions.

During the first half of 2011, 179 container vessels with a combined capacity of 1.4m TEU (Twenty Foot Equivalent) were ordered (Alphaliner) and the global order book increased to 4.5m TEU, equivalent to 30% of the current global fleet.

In the first half of 2011, freight rates generally showed a negative development compared to the same period last year and for some trades they have reached an unsustainable level.

Despite the increasing capacity and declining rates, no signs of any significant lay-up activity were seen in

the first half of 2011. Towards the end of the second quarter, a few strings were redrawn from the Asia to Europe and the Transpacific trades, but still insufficient to balance supply and demand on these trades. Slow steaming has become the industry standard and will not reduce capacity further.

Container shipping	USD million 1st half year	
Highlights	2011	2010
Revenue	12,154	11,396
Profit before depreciation, amortisation and impairment losses, etc. (EBITDA)	1,040	2,076
Depreciation, amortisation and impairment losses	754	801
Gain on sale of non-current assets, net	118	21
Associated companies – share of profit/loss for the period	-2	-1
Profit before financial items (EBIT)	402	1,295
Profit	372	1,211
Cash flow from operating activities	934	1,192
Cash flow used for capital expenditure	-1,140	-234

## CONTAINER SHIPPING

The Group transported a total volume of 3.8m FFE (3.6m FFE), an increase of 6% compared to the same period of 2010.

Average freight rates including bunker surcharges were 3% lower in the first half of 2011 than in the same period of 2010. In the second quarter, freight rates declined by 0.6% compared to the first quarter of 2011. Excluding bunker surcharges rates were 8% lower than in the same period of 2010.

Volumes on the head haul routes between **Asia** and **Europe** increased by 5% compared to the first half of 2010, while volumes on the back haul routes increased by 20%. Overall, volumes between Asia and Europe increased by 9% compared to the first half of 2010.

On the **Africa** and **Latin America** trades volumes increased by 13% and 12%, respectively, while volumes were lower on the **Transpacific**, **Transatlantic** and **Oceania** trades compared to the same period of 2010.

In the first half of 2011, the Group took delivery of nine new vessels (41,000 TEU), bought two second hand vessels (2,000 TEU), sold ten vessels (36,000 TEU) and one older container vessel (5,000 TEU) was recycled in an environmentally responsible manner.

At the end of the first half of 2011, the fleet consisted of 245 own and 376 chartered container vessels with a total capacity of 2.4m TEU. In addition, the Group owns one and has chartered 12 multi purpose vessels. In the second half of 2011, nine container vessels (55,000 TEU) and five multi purpose vessels are expected to be delivered. Maersk Line ordered twenty 18,000 TEU container vessels during the first half of 2011. A total of 42 container vessels are on order for delivery in 2012-2015.

The average bunker price for the Group's container shipping activities was 26% higher in the first half of 2011 compared to the same period of 2010. Total fuel costs increased by 33% to USD 3.0bn. The pressure on freight rates reduced the Group's ability to pass on bunker price increases to the customers.

The strong focus on controlling cost continues. However, the total unit costs per FFE transported by the Group, including depreciation and amortisation, increased by 11% compared to the first half of 2010. Unit costs, excluding bunker costs, increased by 7% compared to the same period last year, negatively affected by higher fuel prices, an unfavourable development in the USD exchange rate and higher time charter, terminal and intermodal costs as well as lower capacity utilisation.

The profit was USD 0.4bn (USD 1.2bn) and ROIC was 4.3% (13.9%).

Earnings per transported FFE (EBIT), excluding gain on sale of ships, etc., were USD 75 per FFE (USD 364 per FFE).

Cash flow from operating activities was USD 0.9bn (USD 1.2bn), positively affected by a decline in working capital and negatively affected by decreased earnings in the first half of 2011.

	Rates 2011/ 2010	Volumes 2011/ 2010	Distribution on volumes across routes 2011	Distribution on volumes across routes 2010
Asia – Europe	-12%	9%	40%	38%
Africa	-2%	13%	16%	15%
Transpacific	6%	-6%	11%	13%
Latin America	-4%	12%	13%	13%
Transatlantic	4%	-2%	9%	9%
Oceania	12%	-8%	5%	6%
Intra-Asia	9%	4%	6%	6%
Total	-3%	6%	100%	100%



## Damco

Damco	USD million 1st half year	
Highlights	2011	2010
Revenue	1,372	1,417
Profit before depreciation, amortisation and impairment losses, etc. (EBITDA)	48	39
Depreciation, amortisation and impairment losses	12	9
Profit before financial items (EBIT)	36	30
Profit	21	15
Cash flow from operating activities	-8	-4
Cash flow used for capital expenditure	-8	-14

For the first half of 2011, Damco's ocean volumes and airfreight tonnage both increased by 11% compared to the same period of 2010, which was above the general market. Supply chain management volumes were 2% lower than same period last year, reflecting less inventory re-stocking compared to 2010.

Global commercial initiatives launched early in 2011 have enhanced Damco's sales performance. Good progress was made on the strategic objective of winning more large size customers within selected industry segments. The customer pipeline developed positively.

EBIT for the period increased 20% to USD 36m (USD 30m). The profit for the first half of 2011 was USD 21m (USD 15m) and ROIC was 19.7% (13.1%).



## Oil and gas activities

Highlights	DKK million 1st half year			USD million 1st half year		
	2011	2010	Change	2011	2010	Change
Revenue	35,027	28,260	24%	6,583	5,036	31%
Profit before exploration costs	30,798	24,702	25%	5,789	4,401	32%
Exploration costs	1,887	1,012	86%	355	180	97%
Profit before depreciation, amortisation and impairment losses, etc. (EBITDA)	28,911	23,690	22%	5,434	4,221	29%
Depreciation, amortisation and impairment losses	5,636	6,638	-15%	1,060	1,182	-10%
Gain/loss on sale of non-current assets, net	-54	1	n/a	-10	-	n/a
Profit before financial items (EBIT)	23,221	17,053	36%	4,364	3,039	44%
Financial items, net	-286	34	n/a	-53	6	n/a
Profit before tax	22,935	17,087	34%	4,311	3,045	42%
Tax	16,484	11,983	38%	3,099	2,136	45%
Profit	6,451	5,104	26%	1,212	909	33%
Cash flow from operating activities	14,569	13,667	7%	2,738	2,435	12%
Cash flow used for capital expenditure	-3,228	-6,844	-53%	-607	-1,220	-50%
Non-current assets	36,338	50,176	-28%	7,042	8,266	-15%
Current assets	9,121	6,019	52%	1,767	992	78%
Non-interest bearing liabilities	25,097	26,816	-6%	4,863	4,418	10%
Invested capital, net	20,362	29,379	-31%	3,946	4,840	-18%
Return on invested capital after tax (ROIC), annualised	53.8%	36.0%		54.7%	36.1%	
Average share of oil and gas production (thousand barrels of oil equivalent per day)				342	385	-11%
Average crude oil price (Brent) (USD per barrel)				111	77	44%

# Oil and gas activities

## Highlights

- Share of oil and gas production was 11% lower than in the same period of 2010, mainly due to lower share of production in Qatar and lower production in Denmark and the UK
- Average oil price was at USD 111 per barrel, 44% higher than in the same period of 2010
- Exploration costs increased to USD 355m (USD 180m)
- Profit was USD 1.2bn (USD 0.9bn)
- Cash flow from operating activities was USD 2.7bn (USD 2.4bn)
- ROIC was 54.7% (36.1%)

In the first half of 2011, the average oil price of USD 111 per barrel was 44% higher than in first half of 2010, which was the main reason for the revenue increase to USD 6.6bn (USD 5.0bn). The profit increased by 33% to USD 1.2bn (USD 0.9bn), positively affected by higher oil prices, partly offset by lower production share, higher exploration costs and the effect of tax rate increase in the UK. ROIC was 54.7% (36.1%).

### PRODUCTION AND DEVELOPMENT

The Group's share of oil and gas production was on average 342,000 barrels of oil equivalent per day in the first half of the year (385,000 barrels per day). The 11% decline was due to a lower share of production in Qatar and lower production in Denmark and the UK.

In **Qatar**, the expansion of the Al Shaheen Field continues and 165 out of the 169 planned wells were completed. While the evaluation of the field potential continues together with Qatar Petroleum, a field production level in the range of 300,000 barrels of oil per day is expected to continue. The Group's average share of the oil production was 154,000 barrels per day in the first half of 2011, 8% lower than in first half of 2010. The decline was primarily attributable to higher oil prices and consequently a lower share to recover investments and costs.

In the **Danish part of the North Sea**, production is now ongoing from the new Halfdan platform and several

additional wells are being drilled or planned at the Dan, Tyra and Valdemar Fields to offset the declining production. With an average of 78,000 barrels per day in the first half of 2011, the Group's share of the total oil production was 8% lower than in the same period of 2010. Further, gas production at 1.2 billion m<sup>3</sup> in the first half of 2011 or 42,000 barrels of oil equivalent per day, was 23% lower than in the same period of 2010. The lower production was caused by decreasing production from mature fields, maintenance activities and lower gas demand.

In the **UK**, the Group's share of production was on average 37,000 barrels of oil per day in the first half of 2011, which was 26% less than in the same period of 2010, mainly due to shut down of production at the Gryphon area. After damage during a storm in February 2011, repair of Maersk Oil's FPSO at Gryphon was initiated to reinstate production from the area in the second quarter of 2012. The loss of production and property damage is considered recoverable under the existing insurance policies. Maersk Oil approved in June 2011 the USD 1bn field development plan for the Golden Eagle area in the North Sea. Construction of a platform and other infrastructure will begin late this year. The aim is to start production in 2014, initially with a Maersk Oil share of production around 20,000 barrels of oil per day. The project is subject to partner and regulatory approvals.

In **Algeria**, the Group's share of production of 25,000 barrels of oil per day in the first half of 2011 was at the same level as in 2010. Production continues to be subject to authority restrictions. Development of the El Merk Fields continues with planned production start in 2012 and Maersk Oil's share of the production is expected around 10,000 barrels of oil per day.

In **Kazakhstan**, the Group's share of oil production was 3,500 barrels of oil per day in the first half of 2011, 30% higher than in the same period of 2010, positively affected by higher production at the Dunga Field, but offset by exclusion of the Saigak Field, which subject to authority approval was sold in 2010.

#### EXPLORATION AND BUSINESS DEVELOPMENT

In the first half of 2011, drilling of four exploration and appraisal wells was completed. Overall, Maersk Oil is involved in drilling of 13 exploration or appraisal wells that are either in progress or committed to start in 2011 in Angola, Brazil, Norway, Qatar, the UK and the US.

In **Angola**, drilling of two appraisal wells at the Chissonga discovery in Block 16 is planned to start in the third quarter of 2011 and the commercial evaluation of the discovery is expected in the second half 2011. Further, drilling of an exploration well in Block 23 commenced in June 2011 and an exploration well is being planned in Block 8 for 2012.

In **Brazil**, the USD 2.4bn acquisition of shares in three offshore licences was completed in July 2011. Exploration drilling of two to three wells in these new areas is expected to commence in the second half of 2011. The acquisition of the share in offshore licence BM-C-34 in 2010 was approved by the authorities in March 2011 and two exploration wells are planned for the second half of 2011 whereas results from other wells are under evaluation.

In **Norway**, evaluation of the Avaldsnes discovery is ongoing and the Earb exploration well has been drilled. Drilling is planned to begin later in 2011 to assess the Zidane and T-Rex discoveries.

In the **UK**, a development plan for the Flyndre/Cawdor area in the North Sea is expected later this year. Appraisal drilling is ongoing to determine the extent of the Culzean, Jackdaw, Hobby and Courageous discoveries and drilling of two to three more wells is planned to begin later this year.

In the **US**, the Jack deep-water development project in the Gulf of Mexico continues to progress towards oil pro-

duction in 2014, initially with Maersk Oil's share of the production around 8,000 barrels of oil per day. Drilling of the Buckskin appraisal well recommenced in May 2011 after one year on hold due to the drilling moratorium in the Gulf of Mexico. Drilling of the Oceanographer exploration well, also in the Gulf of Mexico, has been postponed until 2012 due to lack of rig availability following the moratorium.

**Exploration costs** were USD 355m in the first half of 2011, considerably higher than in the same period of 2010 (USD 180m). The increase was partly impacted by reversal of a provision for an onerous rig in 2010.



## Terminal activities

Highlights	DKK million 1st half year			USD million 1st half year		
	2011	2010	Change	2011	2010	Change
Revenue	11,768	11,745	0%	2,212	2,093	6%
Profit before depreciation, amortisation and impairment losses, etc. (EBITDA)	2,728	2,349	16%	513	419	22%
Depreciation, amortisation and impairment losses	968	1,394	-31%	182	249	-27%
Gain on sale of non-current assets, net	38	2,401	-98%	7	428	-98%
Associated companies – share of profit/loss for the period	114	53	115%	21	9	133%
Profit before financial items (EBIT)	1,912	3,409	-44%	359	607	-41%
Financial items, net	2	-2	n/a	1	-	n/a
Profit before tax	1,914	3,407	-44%	360	607	-41%
Tax	298	443	-33%	56	79	-29%
Profit	1,616	2,964	-45%	304	528	-42%
Cash flow from operating activities	2,030	2,153	-6%	381	384	-1%
Cash flow used for capital expenditure	-2,210	1,349	n/a	-415	240	n/a
Non-current assets	27,613	29,640	-7%	5,351	4,883	10%
Current assets	5,151	5,341	-4%	998	880	13%
Non-interest bearing liabilities	6,002	6,864	-13%	1,163	1,131	3%
Invested capital, net	26,762	28,117	-5%	5,186	4,632	12%
Return on invested capital after tax (ROIC), annualised	12.1%	21.6%		12.2%	21.5%	
Containers handled (measured in million TEU and weighted with ownership share)				16.2	15.8	3%

# Terminal activities

## Highlights

- Number of containers handled increased by 3% compared to the same period of 2010 and 8% on a like-for-like basis – in line with market
- Volumes from customers other than Maersk Line and Safmarine increased to 46% (43%)
- Profit was USD 304m (USD 528m and USD 231m excluding divestment gains and other special items)
- Cash flow from operating activities was USD 381m (USD 384m)
- ROIC was 12.2% (21.5% and 9.9% excluding divestment gains and other special items)
- New terminal projects were initiated in Costa Rica, Peru and Georgia

The global container terminal market measured in TEU increased by 8% in the first half of 2011 compared to the same period last year (Drewry).

The number of containers handled by APM Terminals (measured in crane lifts weighted with APM Terminals' ownership interest) increased by 3% compared to the same period of 2010 and 8% on a like-for-like basis (adjusted for newly started as well as discontinued terminals) – in line with market.

During the first half year, the operations were to varying degrees negatively affected by the uprisings in North Africa and the Middle East, the Japanese earthquakes and political unrest in Ivory Coast. The terminals in China and South East Asia on the other hand benefited from strong markets and expanded their volume by 14% on a like-for-like basis. APM Terminals received external recognition in June 2011, being named "Best Port Operator in Africa".

APM Terminals improved margins and competitiveness by implementing improved methods to further enhance efficiency, portfolio optimisation and restructuring of the inland services.

The profit was USD 304m (USD 528m and USD 231m excluding divestment gains and other special items) and

ROIC was 12.2% (21.5% and 9.9% excluding divestment gains and other special items). The profit for the first half of 2010 was positively affected by a divestment gain of USD 423m before tax of an ownership interest in Sigma Enterprises Ltd.

In order to secure and enhance future growth, APM Terminals is continuously investing resources, both financially and in the form of human capital to develop the terminal and inland services network with a primary focus on high growth markets.

During the first half of 2011, APM Terminals secured a number of new investments and development opportunities: APM Terminals was awarded preferred bidder for a concession to develop and operate a new container terminal in Moin, Costa Rica and awarded the concession to operate and further expand the port of Callao, Peru. Management of the project in Callao was taken over as of 1 July 2011. A controlling interest of the Black Sea port of Poti, Georgia, was acquired and construction of the new container terminal in Cai Mep, Vietnam, was completed.



## Tankers, offshore and other shipping activities

Highlights	DKK million 1st half year			USD million 1st half year		
	2011	2010	Change	2011	2010	Change
Revenue	14,877	16,264	-9%	2,796	2,898	-4%
Profit before depreciation, amortisation and impairment losses, etc. (EBITDA)	4,739	4,287	11%	887	764	16%
Depreciation, amortisation and impairment losses	3,078	3,333	-8%	577	595	-3%
Gain on sale of non-current assets, net	64	450	-86%	11	81	-86%
Associated companies – share of profit/loss for the period	32	-197	n/a	7	-35	n/a
Profit before financial items (EBIT)	1,757	1,207	46%	328	215	53%
Financial items, net	16	5	220%	5	-	n/a
Profit before tax	1,773	1,212	46%	333	215	55%
Tax	444	249	78%	83	44	89%
Profit	1,329	963	38%	250	171	46%
Cash flow from operating activities	3,842	3,451	11%	722	615	17%
Cash flow used for capital expenditure	-4,553	-3,097	47%	-856	-551	55%
Non-current assets	71,369	87,757	-19%	13,827	14,455	-4%
Current assets	14,498	12,405	17%	2,810	2,044	37%
Non-interest bearing liabilities	9,552	11,065	-14%	1,850	1,823	1%
Invested capital, net	76,315	89,097	-14%	14,787	14,676	1%
Return on invested capital after tax (ROIC), annualised	3.4%	2.3%		3.4%	2.4%	

# Tankers, offshore and other shipping activities

## Highlights

- Revenue was 4% lower at USD 2.8bn (USD 2.9bn)
- EBITDA was 16% higher at USD 887m (USD 764m)
- Profit was USD 250m (USD 171m), negatively affected by impairments of USD 250m in Maersk FPSOs and positively by reversal of impairments of USD 91m in Maersk LNG
- Cash flow from operating activities was USD 722m (USD 615m), 17% higher than in the same period of 2010
- ROIC was 3.4% (2.4%)

## Maersk Tankers

Maersk Tankers	USD million 1st half year	
<b>Highlights</b>	<b>2011</b>	<b>2010</b>
Revenue	636	579
Profit before depreciation, amortisation and impairment losses, etc. (EBITDA)	73	91
Depreciation, amortisation and impairment losses	104	107
Gain on sale of non-current assets, net	6	28
Profit/loss before financial items (EBIT)	-25	12
Profit/loss	-19	15
Cash flow from operating activities	15	73
Cash flow used for capital expenditure	-297	-44

The unsatisfactory market conditions for the Group's tanker and gas carriers continued in the second quarter of 2011 and rates were overall in line with the first quarter. Both markets were negatively affected by the unrest in Libya, refinery maintenance and high bunker prices. US import of crude oil as well as production and export of refined products to South America developed positively in the period.

The market was still affected by overcapacity, even though addition of new tonnage was lower than expected in the second quarter, primarily due to postponements of new deliveries. Only minor scrapping activity was seen and overcapacity is not expected to be solved in the near future.

In the first half of 2011, Maersk Tankers took delivery of one crude carrier (VLCC), one handysize product tanker, two second-hand medium sized tankers, one 50% owned gas carrier (VLGC) and two handysize gas carriers. Another seven newbuildings and three second-hand vessels are expected to be delivered during the second half of 2011. Five vessels are expected to be delivered in 2012.

The result was a loss of USD 19m (profit of USD 15m) and ROIC was negative by 1.1% (positive by 0.9%), positively impacted by sales gains of USD 6m (USD 28m).

## Maersk Drilling

Maersk Drilling	USD million 1st half year	
<b>Highlights</b>	<b>2011</b>	<b>2010</b>
Revenue	888	752
Profit before depreciation, amortisation and impairment losses, etc. (EBITDA)	389	332
Depreciation, amortisation and impairment losses	110	93
Profit before financial items (EBIT)	279	239
Profit	223	175
Cash flow from operating activities	393	258
Cash flow used for capital expenditure	-296	-265

The demand for offshore drilling rigs increased during the first half of 2011 supported by continued strong oil market fundamentals. In particular, demand for modern high specification rigs remained strong as a result of the oil companies' increasingly stringent requirements for safety and efficiency.

Demand for ultra harsh, high specification jack-up rigs in Norway remained good, and the market is expected to remain firm going forward.

Similarly, the premium jack-up segment benefited from oil companies' preference for modern equipment, allowing for significantly higher utilisation and day rates compared to older jack-up rigs.

In February 2011, Maersk Drilling placed an order for two ultra harsh, high specification jack-up rigs. The rigs are expected to be delivered in the fourth quarter of 2013 and in the second quarter of 2014, respectively. The rigs are targeted for the Norwegian market, and dialogue with customers about future employment of the rigs is ongoing.

In the ultra deepwater market, contracting activity increased with Brazil and West Africa as the main growth areas. Available rig capacity has been absorbed by demand and utilisation in the ultra deepwater market remains close to 100%. Despite lifting of the moratorium in the US Gulf of Mexico, the deepwater activity remains adversely affected in this area. However, oil companies are beginning to re-enter the market and show interest in securing rig capacity for operations in the region for several years ahead. Maersk Drilling's ultra deepwater semi-submersible rig Mærsk Developer was the first rig to drill a new deepwater exploration well in the US Gulf of Mexico after the moratorium on deepwater drilling was lifted.

In April 2011, Maersk Drilling placed an order for two ultra deepwater drillships, and in July 2011, options to build two additional drillships were exercised. The four drillships will be delivered in the period from the third quarter of 2013 to the third quarter of 2014.

With these investments, Maersk Drilling has ordered newbuildings for a total of USD 3.8bn in 2011.

During the first half of 2011, Maersk Drilling was awarded several long-term contracts, including a three-year contract with ConocoPhillips for the jack-up rig Maersk Resilient for work in the UK-sector, and a two-year contract with Cabinda Gulf (Chevron) for the ultra deepwater semi-submersible rig Mærsk Deliverer for work offshore Angola.

Maersk Drilling's 26 drilling rigs were all employed during the first half of 2011, except for a few rigs entering yards for five-year surveys or for upgrades in preparation for upcoming jobs.

Maersk Drilling has almost full contract coverage for the remaining part of 2011 and 69% of the available capacity for 2012 is already on contract.

The profit was USD 223m (USD 175m) and ROIC was 11.6% (9.6%). The improvement was mainly due to the start up of the ultra deepwater semi-submersible rig Mærsk Deliverer in the third quarter of 2010 and general increase in utilisation in the first half of 2011.

## Maersk FPSOs and Maersk LNG

Maersk FPSOs and Maersk LNG	USD million 1st half year	
Highlights	2011	2010
Revenue	268	208
Profit before depreciation, amortisation and impairment losses, etc. (EBITDA)	123	18
Depreciation, amortisation and impairment losses	231	223
Associated companies		
– share of profit/loss for the period	1	-
Loss before financial items (EBIT)	-107	-205
Loss	-108	-171
Cash flow from operating activities	78	91
Cash flow used for capital expenditure	-30	-190

In the first half of 2011, activity in the global **FPSO** market maintained its positive momentum from 2010 with the number of FPSO projects continuously increasing, especially driven by Brazil.

Repair of Maersk Ngujima-Yin is still ongoing after the fire in 2009. The newly built Maersk Peregrino has

successfully commenced production and is now receiving full day rates. Due to commercial contract terms and operational challenges, Maersk FPSOs recognised an impairment loss of USD 250m in the second quarter of 2011.

The **LNG** market experienced increasing activity in the first half of 2011 and the Group's vessels were fully employed throughout the period. Maersk LNG signed new contracts in the first half of 2011 with a positive impact for 2011 and 2012. Previous impairments were reversed in the second quarter of 2011 with an effect on earnings of USD 91m.

The process of finding a potential buyer for Maersk LNG is ongoing and its assets and liabilities have been reclassified as held for sale.

The loss for Maersk FPSOs and Maersk LNG was USD 108m (loss of USD 171m) and excluding impairments, the profit was USD 51m (loss of USD 36m). ROIC was negative by 7.9% (negative by 10.9%).

## Maersk Supply Service

Maersk Supply Service	USD million 1st half year	
Highlights	2011	2010
Revenue	388	399
Profit before depreciation, amortisation and impairment losses, etc. (EBITDA)	167	207
Depreciation, amortisation and impairment losses	74	67
Profit before financial items (EBIT)	93	140
Profit	82	117
Cash flow from operating activities	106	125
Cash flow used for capital expenditure	-25	-110

At the end of the first half of 2011, the market for anchor handling and supply vessels was positively affected by increased activity in Brazil and seasonal projects in the North Sea, resulting in higher rates. However, due to continued newbuilding deliveries, rates remained in general under pressure.

During the period, Maersk Supply Service had considerable contract coverage, though a number of vessels were employed in the spot market. Utilisation was at the same level as last year and the contract coverage for the remaining part of 2011 is satisfactory.

The profit was USD 82m (USD 117m), primarily affected by a weaker spot market particularly in the first quarter of 2011. ROIC was 8.6% (11.9%).

## Svitzer

Svitzer	USD million 1st half year	
<b>Highlights</b>	<b>2011</b>	<b>2010</b>
Revenue	471	401
Profit before depreciation, amortisation and impairment losses, etc. (EBITDA)	130	106
Depreciation, amortisation and impairment losses	61	56
Gain on sale of non-current assets, net	2	18
Associated companies		
– share of profit/loss for the period	-	1
Profit before financial items (EBIT)	71	69
Profit	57	73
Cash flow from operating activities	91	55
Cash flow used for capital expenditure	-127	-28

During the first half of 2011, Svitzer experienced improved activity within Towage and Emergency Response & Rescue, whereas the activity in the salvage industry was low.

Svitzer took delivery of ten vessels in the first half of 2011, while 14 new vessels are expected to be delivered in the second half of the year. Further 15 vessels are on order for delivery in 2012-2013.

The profit was USD 57m (USD 73m) and ROIC was 5.7% (8.7%). The profit for the first half of 2010 was positively impacted by USD 25m from divestment of Flinders Ports in Australia, etc.

## Ro/Ro and related activities

Ro/Ro and related activities comprise the Group's ownership interests in DFDS A/S and Höegh Autoliners, etc.

The profit was USD 13m (loss of USD 35m) and ROIC was 3.8% (negative 9.0%).



## Retail activities

Highlights	DKK million 1st half year			USD million 1st half year		
	2011	2010	Change	2011	2010	Change
Revenue	27,639	28,496	-3%	5,195	5,078	2%
Profit before depreciation, amortisation and impairment losses, etc. (EBITDA)	1,323	1,575	-16%	249	281	-11%
Depreciation, amortisation and impairment losses	223	445	-50%	43	80	-46%
Gain on sale of non-current assets, net	3,776	21	n/a	710	4	n/a
Profit before financial items (EBIT)	4,876	1,151	324%	916	205	347%
Financial items, net	-5	53	n/a	-	10	n/a
Profit before tax	4,871	1,204	305%	916	215	326%
Tax	316	292	8%	60	52	15%
Profit	4,555	912	399%	856	163	425%
Cash flow from operating activities	1,111	1,908	-42%	209	340	-39%
Cash flow used for capital expenditure	5,086	-1,115	n/a	956	-199	n/a
Non-current assets	16,399	14,666	12%	3,177	2,416	31%
Current assets	4,215	6,886	-39%	817	1,134	-28%
Non-interest bearing liabilities	6,637	7,956	-17%	1,286	1,310	-2%
Invested capital, net	13,977	13,596	3%	2,708	2,240	21%
Return on invested capital after tax (ROIC), annualised	61.8%	13.6%		62.6%	13.6%	
Number of stores				1,245	1,362	-9%

# Retail activities

## Highlights

- Revenue was 3% lower at DKK 27.6bn (DKK 28.5bn), primarily due to the divestment of Netto Foodstores Limited, UK
- Profit was DKK 4.6bn (DKK 0.9bn) positively impacted by the DKK 3.8bn gain from the divestment of the UK activities
- 27 new stores were opened during the period
- ROIC, excluding divestment gain, was 10.6% (13.3%)

### THE RETAIL MARKET

The retail markets in Denmark, Germany and Poland experienced slightly increasing sales, while sales in Sweden were stagnating. Measured in quantities, sales were at an unchanged level and the increase in revenue was primarily driven by inflation.

In Denmark the discount chains benefited from more cost conscious consumers and have taken market share from the ordinary supermarkets.

### THE DANSK SUPERMARKED GROUP

Revenue for the Dansk Supermarked Group was 3% lower than the same period of 2010, mainly due to the divestment of Netto Foodstores Limited, UK, which was completed in April 2011. Adjusted for this, revenue increased by 2.0% and measured in local currency by 1.2%.

EBITDA for the period was 16% lower than last year due to customer migration towards lower margin goods and discount stores and effect from divestment of the UK activities. Excluding the effect from divestment of the UK activities, EBITDA was 12% lower.

The profit was DKK 4.6bn (DKK 0.9bn), positively affected by the DKK 3.8bn gain from the divestment of the UK activities. ROIC was 61.8% (13.6%). Excluding the divestment gain ROIC was 10.6% (13.3%).

Cash flow from operating activities was DKK 1.1bn (DKK 1.9bn), negatively affected by the timing of supplier payments.

During the first half of 2011, 27 new stores were opened, of which 19 were outside Denmark. The divestment of the UK activities reduced the total number of stores by 195.



## Other businesses

Highlights	DKK million 1st half year			USD million 1st half year		
	2011	2010	Change	2011	2010	Change
Revenue	4,574	3,406	34%	860	607	42%
Profit before depreciation, amortisation and impairment losses, etc. (EBITDA)	365	39	836%	69	7	886%
Depreciation, amortisation and impairment losses	83	119	-30%	16	21	-24%
Gain on sale of non-current assets, net	14	120	-88%	3	21	-86%
Associated companies – share of profit/loss for the period	380	342	11%	71	61	16%
Profit before financial items (EBIT)	676	382	77%	127	68	87%
Financial items, net	-21	9	n/a	-4	2	n/a
Profit before tax	655	391	68%	123	70	76%
Tax	58	+13	n/a	11	+2	n/a
Profit	597	404	48%	112	72	56%
Cash flow from operating activities	-187	316	n/a	-35	56	n/a
Cash flow used for capital expenditure	-4,028	357	n/a	-757	64	n/a
Non-current assets	26,561	22,349	19%	5,147	3,682	40%
Current assets	2,156	2,036	6%	418	335	25%
Non-interest bearing liabilities	2,424	2,821	-14%	470	465	1%
Invested capital, net	26,293	21,564	22%	5,095	3,552	43%
Return on invested capital after tax (ROIC), annualised	5.0%	3.8%		5.1%	3.8%	

# Other businesses

## Highlights

- Revenue was DKK 4.6bn (DKK 3.4bn)
- Profit was DKK 597m (DKK 404m)
- Share of result from Danske Bank A/S was DKK 380m (DKK 342m)
- ROIC was 5.0% (3.8%)

**The Odense Steel Shipyard Group** delivered two frigates and two Ro/Ro vessels in the first half of 2011. The remaining deliveries of two Ro/Ro vessels and one frigate are progressing as planned. At the end of June 2011, 280 employees were still permanently employed at the Shipyard.

At the end of the period, approximately 40% of Lindø Industrial Park had been rented out.

The profit was DKK 4m (loss of DKK 103m).

In the first half of 2011, **Maersk Container Industry** experienced a strong market with significantly higher sales volumes than in the same period of 2010. Maersk Container Industry made a profit of DKK 158m (loss of DKK 4m) and ROIC was 29% (negative by 1%).

The Group's share of profit for the first half of 2011 in **Danske Bank A/S** was DKK 380m (DKK 342m). In April 2011, the Group participated in Danske Bank's rights offering with an investment of approximately DKK 4bn and thereby maintained its ownership share of Danske Bank of 20%.

# Unallocated activities

Highlights	DKK million 1st half year			USD million 1st half year		
	2011	2010	Change	2011	2010	Change
Revenue	2,404	1,204	100%	452	214	111%
Costs including depreciation and amortisation, etc.	2,304	1,468	57%	433	261	66%
Value adjustment of oil price hedges	-70	31	n/a	-13	5	n/a
Profit/loss before financial items (EBIT)	30	-233	n/a	6	-42	n/a
Financial items, net	-2,067	-3,556	-42%	-389	-633	-39%
Loss before tax	-2,037	-3,789	-46%	-383	-675	-43%
Tax	+142	+579	-75%	+27	+103	-74%
Loss	-1,895	-3,210	-41%	-356	-572	-38%
Cash flow from operating activities	-4,587	-3,635	26%	-862	-648	33%

Unallocated activities comprise revenue and costs, etc. as well as financial items that are not attributed to reportable segments, including particularly interest and exchange rate adjustments on loans. Furthermore, activity in the form of purchase of bunker and lubricating oil on behalf of companies in the A.P. Moller - Maersk Group, as well as oil hedging activities that are not allocated to segments, are included on a net basis in unallocated activities.

The unallocated financial items were negative by USD 389m before tax and negative USD 372m after tax (negative by USD 633m before tax and by USD 531m after tax). This includes positive exchange rate adjustments of net USD 6m in first half of 2011 (negative USD 138m). Additionally, the net interest expenses including hedging and fair value adjustments improved by USD 107m, primarily due to lower net interest-bearing debt.

## A.P. Møller - Mærsk A/S

### Directors' statement

The interim report for the period 1 January to 30 June 2011 for the A.P. Møller - Maersk Group has been prepared in accordance with IAS 34 "Interim Financial Reporting" as adopted by the EU and the additional Danish disclosure requirements for interim reports for listed companies. In our opinion the interim financial statements give a true and fair view of the Group's total assets, liabilities and financial position at 30 June 2011

and of the result of the Group's activities and cash flows in the first half of 2011. Furthermore, in our opinion the Directors' report (pages 3-28) includes a fair review of the development and performance of the Group's activities and of the Group's financial position taken as a whole together with a description of the significant risks and uncertainties that the Group faces.

Copenhagen, 17 August 2011

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Managing Director:

A.P. Møller

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Board of Directors:

Michael Pram Rasmussen  
Chairman

Ane Mærsk Mc-Kinney Uggla  
Vice-chairman

Niels Jacobsen  
Vice-chairman

Sir John Bond

Arne Karlsson

Jan Leschly

Leise Mærsk Mc-Kinney Møller

Lars Pallesen

John Axel Poulsen

Erik Rasmussen

Rob Routs

Jan Tøpholm

# Condensed income statement

Amounts in DKK million

		1st half year		Full year
Note		2011	2010	2010
1	Revenue	159,229	153,533	315,396
	<b>Profit before depreciation, amortisation and impairment losses, etc.</b>	<b>43,654</b>	<b>43,714</b>	<b>89,218</b>
	Depreciation, amortisation and impairment losses	14,069	16,478	33,822
	Gain on sale of non-current assets, net	4,501	3,091	3,792
	Associated companies – share of profit/loss for the period	515	192	461
	<b>Profit before financial items</b>	<b>34,601</b>	<b>30,519</b>	<b>59,649</b>
	Financial items, net	-2,132	-3,497	-5,263
	<b>Profit before tax</b>	<b>32,469</b>	<b>27,022</b>	<b>54,386</b>
	Tax	17,926	12,861	26,174
	<b>Profit for the period – continuing operations</b>	<b>14,543</b>	<b>14,161</b>	<b>28,212</b>
	Profit/loss for the period – discontinued operations	1	-5	3
<b>1</b>	<b>Profit for the period</b>	<b>14,544</b>	<b>14,156</b>	<b>28,215</b>
	Of which:			
	Non-controlling interests	1,931	761	1,760
	<b>A.P. Møller - Mærsk A/S' share</b>	<b>12,613</b>	<b>13,395</b>	<b>26,455</b>
	<b>Earnings per share of continuing operations, DKK</b>	<b>2,889</b>	<b>3,070</b>	<b>6,060</b>
	<b>Diluted earnings per share of continuing operations, DKK</b>	<b>2,888</b>	<b>3,070</b>	<b>6,057</b>
	<b>Earnings per share, DKK</b>	<b>2,889</b>	<b>3,069</b>	<b>6,061</b>
	<b>Diluted earnings per share, DKK</b>	<b>2,888</b>	<b>3,069</b>	<b>6,058</b>

# Statement of comprehensive income

Amounts in DKK million

Note	1st half year		Full year
	2011	2010	2010
<b>1 Profit for the period</b>	<b>14,544</b>	<b>14,156</b>	<b>28,215</b>
Translation from functional currency to presentation currency:			
Translation impact arising during the period	-11,503	20,088	10,183
Reclassified to income statement, gain on sale of non-current assets, net	547	-	264
Fair value adjustment of other equity investments:			
Fair value adjustment for the period	42	-173	-85
Reclassified to income statement, gain on sale of non-current assets, net	-26	-2,492	-2,515
Cash flow hedges:			
Value adjustment of hedges for the period	715	-1,865	-903
Reclassified to income statement, revenue	-22	29	117
Reclassified to income statement, operating costs	-439	-221	-31
Reclassified to income statement, gain on sale of non-current assets, net	-279	-	-
Reclassified to income statement, financial expenses	343	685	974
Reclassified to cost of property, plant and equipment	-18	40	15
Share of other comprehensive income of associated companies, net of tax	-156	48	80
Actuarial gains/losses on defined benefit plans, etc.	-	-	-177
Tax on other comprehensive income	-98	4	30
<b>Other comprehensive income, net of tax</b>	<b>-10,894</b>	<b>16,143</b>	<b>7,952</b>
<b>Total comprehensive income for the period</b>	<b>3,650</b>	<b>30,299</b>	<b>36,167</b>
Of which:			
Non-controlling interests	1,743	1,195	2,099
<b>A.P. Møller - Mærsk A/S' share</b>	<b>1,907</b>	<b>29,104</b>	<b>34,068</b>

## Condensed balance sheet, assets

Amounts in DKK million

		30 June	31 December
Note	2011	2010	2010
Intangible assets	13,558	16,078	14,629
Property, plant and equipment	223,532	269,008	243,666
Financial non-current assets	35,109	29,136	31,295
Deferred tax	4,697	5,997	5,134
<b>Total non-current assets</b>	<b>276,896</b>	<b>320,219</b>	<b>294,724</b>
Inventories	11,624	9,951	10,417
Receivables, etc.	38,825	40,806	38,359
Securities	1,856	2,300	1,986
Cash and bank balances	19,283	10,386	23,896
2 Assets held for sale	8,875	8,833	5,341
<b>Total current assets</b>	<b>80,463</b>	<b>72,276</b>	<b>79,999</b>
1 <b>Total assets</b>	<b>357,359</b>	<b>392,495</b>	<b>374,723</b>

## Condensed balance sheet, total equity and liabilities

Amounts in DKK million

		30 June	31 December
Note	2011	2010	2010
Equity attributable to A.P. Møller - Mærsk A/S	179,133	176,492	181,556
Non-controlling interests	12,696	11,066	11,406
<b>Total equity</b>	<b>191,829</b>	<b>187,558</b>	<b>192,962</b>
Issued bonds	13,036	9,317	13,099
Bank and other credit institutions, etc.	63,239	94,739	75,322
Other non-current liabilities, etc.	23,058	28,371	24,591
<b>Total non-current liabilities</b>	<b>99,333</b>	<b>132,427</b>	<b>113,012</b>
Bank and other credit institutions, etc.	10,576	12,000	12,641
Other current liabilities, etc.	52,805	56,831	54,139
2 Liabilities associated with assets held for sale	2,816	3,679	1,969
<b>Total current liabilities</b>	<b>66,197</b>	<b>72,510</b>	<b>68,749</b>
1 <b>Total liabilities</b>	<b>165,530</b>	<b>204,937</b>	<b>181,761</b>
<b>Total equity and liabilities</b>	<b>357,359</b>	<b>392,495</b>	<b>374,723</b>

# Condensed cash flow statement

Amounts in DKK million

	1st half year		Full year
	2011	2010	2010
Profit before financial items	34,601	30,519	59,649
Non-cash items, etc.	7,020	12,373	29,646
Change in working capital	-3,803	-3,511	-2,430
Cash flow from operating activities before financial items and tax	37,818	39,381	86,865
Financial payments, net	-2,372	-4,384	-4,652
Taxes paid	-13,774	-10,466	-25,241
<b>Cash flow from operating activities</b>	<b>21,672</b>	<b>24,531</b>	<b>56,972</b>
Purchase of intangible assets and property, plant and equipment	-17,880	-15,984	-30,958
Sale of intangible assets and property, plant and equipment	1,472	1,890	3,347
Acquisition/sale of subsidiaries and activities, etc., net	1,102	3,303	1,533
<b>Cash flow used for capital expenditure</b>	<b>-15,306</b>	<b>-10,791</b>	<b>-26,078</b>
Purchase/sale of securities, trading portfolio	74	190	515
<b>Cash flow used for investing activities</b>	<b>-15,232</b>	<b>-10,601</b>	<b>-25,563</b>
Repayment of/proceeds from loans, net	-5,641	-10,763	-14,377
Dividends distributed	-4,365	-1,419	-1,419
Dividends distributed to non-controlling interests	-512	-218	-685
Other equity transactions	67	11	153
<b>Cash flow used for financing activities</b>	<b>-10,451</b>	<b>-12,389</b>	<b>-16,328</b>
<b>Net cash flow from continuing operations</b>	<b>-4,011</b>	<b>1,541</b>	<b>15,081</b>
Net cash flow from discontinued operations	42	-42	-64
<b>Net cash flow for the period</b>	<b>-3,969</b>	<b>1,499</b>	<b>15,017</b>
Cash and bank balances 1 January	23,921	8,419	8,419
Currency translation effect on cash and bank balances	-648	809	485
Cash and bank balances, end of period	19,304	10,727	23,921
Of which classified as assets held for sale	-21	-341	-25
<b>Cash and bank balances, end of period</b>	<b>19,283</b>	<b>10,386</b>	<b>23,896</b>

Cash and bank balances are included in the order of DKK 4.7bn (DKK 4.2bn) relating to subsidiaries' cash and bank balances in countries with exchange control or other restrictions, which means that the funds are not readily available for general use by the parent company or other subsidiaries.

# Statement of changes in equity

Amounts in DKK million

2011	A.P. Møller - Mærsk A/S								
	Share capital	Translation reserve	Reserve for other equity investments	Reserve for hedges	Retained earnings	Dividend for distribution	Total	Non-controlling interests	Total equity
Equity 1 January 2011	4,396	-5,592	125	-1,764	179,995	4,396	181,556	11,406	192,962
Translation from functional currency to presentation currency:									
Translation impact arising during the period	-	-11,697	-11	515	-	-	-11,193	-310	-11,503
Reclassified to income statement, gain on sale of non-current assets, net	-	370	-	-	-	-	370	177	547
Fair value adjustment of other equity investments:									
Fair value adjustment for the period	-	-	42	-	-	-	42	-	42
Reclassified to income statement, gain on sale of non-current assets, net	-	-	-26	-	-	-	-26	-	-26
Cash flow hedges:									
Value adjustment of hedges for the period	-	-	-	698	-	-	698	17	715
Reclassified to income statement:									
- revenue	-	-	-	-22	-	-	-22	-	-22
- operating costs	-	-	-	-439	-	-	-439	-	-439
- gain on sale of non-current assets, net	-	-	-	-189	-	-	-189	-90	-279
- financial expenses	-	-	-	343	-	-	343	-	343
Reclassified to cost of property, plant and equipment	-	-	-	-18	-	-	-18	-	-18
Share of other comprehensive income of associated companies, net of tax	-	-	-	-	-156	-	-156	-	-156
Tax on other comprehensive income	-	-	-1	-115	-	-	-116	18	-98
<b>Other comprehensive income, net of tax</b>	<b>-</b>	<b>-11,327</b>	<b>4</b>	<b>773</b>	<b>-156</b>	<b>-</b>	<b>-10,706</b>	<b>-188</b>	<b>-10,894</b>
Profit for the period	-	-	-	-	12,613	-	12,613	1,931	14,544
<b>Total comprehensive income for the period</b>	<b>-</b>	<b>-11,327</b>	<b>4</b>	<b>773</b>	<b>12,457</b>	<b>-</b>	<b>1,907</b>	<b>1,743</b>	<b>3,650</b>
Dividends to shareholders	-	-	-	-	31	-4,396	-4,365	-512	-4,877
Value of granted and sold share options	-	-	-	-	24	-	24	-	24
Sale of own shares	-	-	-	-	35	-	35	-	35
Acquisition of own shares	-	-	-	-	-24	-	-24	-	-24
Capital increases and decreases	-	-	-	-	-	-	-	59	59
<b>Total transactions with shareholders</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>66</b>	<b>-4,396</b>	<b>-4,330</b>	<b>-453</b>	<b>-4,783</b>
<b>Equity 30 June 2011</b>	<b>4,396</b>	<b>-16,919</b>	<b>129</b>	<b>-991</b>	<b>192,518</b>	<b>-</b>	<b>179,133</b>	<b>12,696</b>	<b>191,829</b>

- 3 Acquisition/sale of subsidiaries and activities
- 4 Financial risks
- 5 Commitments
- 6 Accounting policies
- 7 New financial reporting requirements

# Statement of changes in equity – continued

Amounts in DKK million

2010	A.P. Møller - Mærsk A/S								
	Share capital	Translation reserve	Reserve for other equity investments	Reserve for hedges	Retained earnings	Dividend for distribution	Total	Non-controlling interests	Total equity
Equity 1 January 2010	4,396	-15,079	2,094	-1,894	157,833	1,429	148,779	10,089	158,868
Translation from functional currency to presentation currency	-	19,472	621	-467	-	-	19,626	462	20,088
Fair value adjustment of other equity investments:									
Fair value adjustment for the period	-	-	-173	-	-	-	-173	-	-173
Reclassified to income statement, gain on sale of non-current assets, net	-	-	-2,492	-	-	-	-2,492	-	-2,492
Cash flow hedges:									
Value adjustment of hedges for the period	-	-	-	-1,835	-	-	-1,835	-30	-1,865
Reclassified to income statement:									
– revenue	-	-	-	29	-	-	29	-	29
– operating costs	-	-	-	-221	-	-	-221	-	-221
– financial expenses	-	-	-	684	-	-	684	1	685
Reclassified to cost of property, plant and equipment	-	-	-	37	-	-	37	3	40
Share of other comprehensive income of associated companies, net of tax	-	-	-	-	48	-	48	-	48
Tax on other comprehensive income	-	-	-	6	-	-	6	-2	4
<b>Other comprehensive income, net of tax</b>	<b>-</b>	<b>19,472</b>	<b>-2,044</b>	<b>-1,767</b>	<b>48</b>	<b>-</b>	<b>15,709</b>	<b>434</b>	<b>16,143</b>
Profit for the period	-	-	-	-	13,395	-	13,395	761	14,156
<b>Total comprehensive income for the period</b>	<b>-</b>	<b>19,472</b>	<b>-2,044</b>	<b>-1,767</b>	<b>13,443</b>	<b>-</b>	<b>29,104</b>	<b>1,195</b>	<b>30,299</b>
Dividends to shareholders	-	-	-	-	10	-1,429	-1,419	-218	-1,637
Value of granted and sold share options	-	-	-	-	25	-	25	-	25
Acquisition of non-controlling interests	-	-	-	-	-8	-	-8	8	-
Sale of non-controlling interests	-	-	-	-	11	-	11	-11	-
Capital increases and decreases	-	-	-	-	-	-	-	3	3
<b>Total transactions with shareholders</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>38</b>	<b>-1,429</b>	<b>-1,391</b>	<b>-218</b>	<b>-1,609</b>
<b>Equity 30 June 2010</b>	<b>4,396</b>	<b>4,393</b>	<b>50</b>	<b>-3,661</b>	<b>171,314</b>	<b>-</b>	<b>176,492</b>	<b>11,066</b>	<b>187,558</b>

Acquisition and sale of non-controlling interests relate to a number of minor transactions.

# Notes

Amounts in DKK million

## 1 Segment information

	Revenue	Profit/loss for the period	Revenue	Profit/loss for the period
	1st half year 2011		1st half year 2010	
<b>Revenue and profit/loss for the period</b>				
Container activities	70,468	2,091	70,562	6,875
Oil and gas activities	35,027	6,451	28,260	5,104
Terminal activities	11,768	1,616	11,745	2,964
Tankers, offshore and other shipping activities	14,877	1,329	16,264	963
Retail activities	27,639	4,555	28,496	912
Other businesses	4,574	597	3,406	404
<b>Total reportable segments</b>	<b>164,353</b>	<b>16,639</b>	<b>158,733</b>	<b>17,222</b>
Maersk Oil Trading	2,404	6	1,204	-20
Financial items and other unallocated items, net of tax	-	-1,901	-	-3,190
Eliminations	-7,528	-201	-6,404	149
<b>Total continuing operations</b>	<b>159,229</b>	<b>14,543</b>	<b>153,533</b>	<b>14,161</b>
Discontinued operations, after eliminations	-	1	-	-5
<b>Total</b>	<b>159,229</b>	<b>14,544</b>	<b>153,533</b>	<b>14,156</b>
	<b>External</b>	<b>Inter-segment</b>	<b>External</b>	<b>Inter-segment</b>
	1st half year 2011		1st half year 2010	
<b>Revenue</b>				
Container activities	70,293	175	70,368	194
Oil and gas activities	35,027	-	28,260	-
Terminal activities	6,659	5,109	6,127	5,618
Tankers, offshore and other shipping activities	14,604	273	15,981	283
Retail activities	27,639	-	28,496	-
Other businesses	2,667	1,907	3,097	309
<b>Total reportable segments</b>	<b>156,889</b>	<b>7,464</b>	<b>152,329</b>	<b>6,404</b>
Unallocated revenue (Maersk Oil Trading)	2,404	-	1,204	-
Eliminations	-64	-7,464	-	-6,404
<b>Total</b>	<b>159,229</b>	<b>-</b>	<b>153,533</b>	<b>-</b>
	<b>Assets</b>	<b>Liabilities</b>	<b>Assets</b>	<b>Liabilities</b>
	30 June 2011		30 June 2010	
<b>Assets and liabilities</b>				
Container activities	116,817	25,272	133,374	25,104
Oil and gas activities	45,459	25,097	56,195	26,816
Terminal activities	32,764	6,002	34,981	6,864
Tankers, offshore and other shipping activities	85,867	9,552	100,162	11,065
Retail activities	20,614	6,637	21,552	7,956
Other businesses	28,717	2,424	24,385	2,821
<b>Total reportable segments</b>	<b>330,238</b>	<b>74,984</b>	<b>370,649</b>	<b>80,626</b>
Unallocated assets and liabilities	33,264	96,673	25,772	128,508
Eliminations	-6,270	-6,209	-4,131	-4,352
<b>Total continuing operations</b>	<b>357,232</b>	<b>165,448</b>	<b>392,290</b>	<b>204,782</b>
Discontinued operations, after elimination	127	82	205	155
<b>Total</b>	<b>357,359</b>	<b>165,530</b>	<b>392,495</b>	<b>204,937</b>

# Notes

## 1 – continued

Comparative figures have been restated since warehouse activities, which were part of Terminal activities in the first half of 2010, are now included in Container activities. The change has no impact on the Group's profit.

Total net impairment losses on intangible assets and property, plant and equipment in the first half of 2011 totalled DKK 848m (DKK 1,622m). The net impairment losses in the first half of 2011 were related to impairment of an FPSO of DKK 1,330m and reversal of impairment losses of DKK 482m in relation to the reclassification of Maersk LNG to assets held for sale.

Impairment losses in the first half of 2010 were related primarily to Tankers, offshore and other shipping activities.

Amounts in DKK million

## 2 Assets held for sale and associated liabilities

	30 June		31 December
	2011	2010	2010
<b>Assets held for sale</b>			
Non-current assets	8,784	7,587	4,765
Current assets	91	1,246	576
<b>Total</b>	<b>8,875</b>	<b>8,833</b>	<b>5,341</b>
<b>Liabilities associated with assets held for sale</b>			
Provisions	71	98	70
Other liabilities	2,745	3,581	1,899
<b>Total</b>	<b>2,816</b>	<b>3,679</b>	<b>1,969</b>

Assets held for sale primarily consist of Maersk LNG, a terminal and seven container vessels, of which four are owned and three are held under finance leases.

The sale of Netto UK (Netto Foodstores Limited) was completed 13 April 2011 with a gain of DKK 3.8bn including an accumulated exchange rate loss of DKK 0.5bn previously recognised in equity. Furthermore, one tanker vessel was sold in 2011.

At 30 June 2010, assets held for sale included Norfolk Holdings B.V., which was disposed 12 July 2010.

# Notes

Amounts in DKK million

## 3 Acquisition/sale of subsidiaries and activities

Acquisitions 1st half year 2011	Poti Sea Port Corp.	Other	Total
<b>Fair value at time of acquisition</b>			
Non-current assets	1,239	-	1,239
Current assets	117	3	120
Liabilities	308	1	309
<b>Net assets acquired/acquisition cost</b>	<b>1,048</b>	<b>2</b>	<b>1,050</b>
Change in payable acquisition cost	-	-1	-1
Contingent consideration	128	-	128
Cash and bank balances assumed	11	1	12
<b>Cash flow from acquisition of subsidiaries and activities</b>	<b>909</b>	<b>2</b>	<b>911</b>

If acquisitions during the period had occurred on 1 January 2011, Group revenue and profit would not have been materially different.

### Poti Sea Port Corp.

On 14 May 2011, the Group acquired 100% of the shares in the Georgian terminal company Poti Sea Port Corp. The total acquisition cost was DKK 1,048m, including a contingent consideration of DKK 128m. The contingent consideration is dependent on the future financial and operational performance of the company and is estimated to range between DKK 13m and DKK 274m.

Due to the late timing of the acquisition, the purchase price allocation as of 30 June 2011 is provisionally determined.

In the period from the acquisition date to 30 June 2011, Poti Sea Port Corp. contributed with revenue of DKK 24m and profit of DKK 6m.

### Acquisitions completed after 30 June 2011

On 21 July 2011, the Group completed the acquisition of 100% of the shares in SK do Brasil Ltda. The cash consideration paid was DKK 12.5bn (USD 2.4bn) and is primarily related to oil concession rights.

The initial accounting for the business combination is incomplete due to the recent closing date and limited availability of detailed financial information at this point in time.

### Acquisitions 1st half year 2010

No acquisitions of subsidiaries or activities to an extent of any significance to the Group were undertaken in the first half of 2010.

## Notes

Amounts in DKK million

### 3 – continued

	1st half year	1st half year
<b>Sale</b>	<b>2011</b>	<b>2010</b>
<b>Carrying amount</b>		
Non-current assets	2,487	98
Current assets	327	475
Provisions	-	20
Liabilities	512	327
<b>Net assets sold</b>	<b>2,302</b>	<b>226</b>
Gain/loss on sale <sup>1</sup>	4,337	-14
<b>Sales price</b>	<b>6,639</b>	<b>212</b>
Change in receivable sales price, etc.	-48	10
Cash and bank balances sold	85	9
<b>Cash flow from sale of subsidiaries and activities</b>	<b>6,506</b>	<b>213</b>

<sup>1</sup> Excluding accumulated exchange rate loss previously recognised in equity.

Sales during the period primarily comprise of Netto UK (Netto Foodstores Limited). The sale was completed 13 April 2011.

Sales during the first half of 2010 mainly consist of Rosti Technical Plastics Holding A/S. Furthermore, ownership interests in Sigma Enterprises Ltd. and Flinders Ports were sold at a total gain of DKK 2.5bn.

# Notes

## 4 Financial risks

### Currency risk

An increase in the USD exchange rate of 10% against all other significant currencies to which the Group is exposed, is expected to affect the Group's profit positively by approximately DKK 0.3bn corresponding to USD 60m, excluding effect of translation from USD to DKK, and DKK 0.7bn including this effect. An increase in the USD exchange rate of 10% against all other significant currencies to which the Group is exposed is, all other things being equal, estimated to have a positive effect of approximately DKK 12bn in equity including effect of translation from USD to DKK.

### Interest rate risk

A general increase in interest rates by one percentage point is estimated, all other things being equal, to affect the Group's profit before tax negatively by DKK 27m, corresponding to USD 5m. The effect on equity, excluding tax effect, is estimated to be positive by DKK 201m, corresponding to USD 39m.

### Liquidity risk

At the end of June 2011, the Group's total interest-bearing debt and finance lease liabilities totalled DKK 86.9bn (USD 16.8bn) compared to DKK 116.1bn (USD 19.1bn) at the end of June 2010, and the Group's net interest-bearing debt totalled DKK 60.4bn (USD 11.7bn) compared to DKK 96.8bn (USD 16.0bn) at the end of June 2010, a decline from DKK 69.7bn (USD 12.4bn) at the end of 2010.

The average term to maturity of loan facilities in the Group was more than five years (more than five years) at the end of June 2011. Liquidity buffers, defined as bank balances, securities and committed undrawn facilities totalled DKK 73.9bn (USD 14.3bn) compared to DKK 81.3bn (USD 14.5bn) at the end of 2010.

At the end of June 2011, the Group's total outstanding commitments concerning purchase of non-current assets totalled DKK 75.8bn (USD 14.7bn), an increase compared to DKK 51.0bn (USD 9.1bn) at the end of 2010. DKK 44.1bn (USD 8.6bn) of the outstanding commitments relates to the existing newbuilding programme for ships, rigs, etc. at a total contract price of DKK 57.8bn (USD 11.2bn) (including owner-furnished equipment) and comprising 101 units at the end of June 2011. The remaining outstanding payments of DKK 31.7bn (USD 6.1bn) are relating to investments mainly in the Terminal activities and Oil and gas activities. The investments will be financed by cash flow from operating activities, as well as existing and new loan facilities.

Based on the liquidity reserve, the size of the committed loan facilities, including loans for the financing of specific assets, the maturity of outstanding loans, and the current investment profile, the Group's financial resources are deemed satisfactory. The intention is to continue to maintain a conservative financial profile corresponding to a strong "investment grade" company through the business cycle with a strong liquidity position in order to withstand fluctuations in the economy, and have the strength to exploit new and attractive investment opportunities.

### Market risks

#### Freight rates and cargo volumes

Shipping activities are very sensitive to economic fluctuations. Freight rates and cargo volumes are sensitive to developments in international trade, including the geographical distribution and the supply of tonnage. The Group's profit is very sensitive to changes in volumes and rates. All other things being equal, this can be illustrated by the following estimated sensitivities (effect on the Group's profit for the second half of 2011):

- Change in container freight rate of +/- 100 USD/FFE: +/- USD 0.4bn
- Change in container freight volume of +/- 100,000 FFE: +/- USD 0.2bn

#### Oil price

For the Oil and gas activities, an increase in the crude oil price by USD 10 per barrel is estimated to have a positive effect on the Group's profit for the second half of 2011 in the order of USD 140m, based on current oil prices and all other things being equal.

As described in the consolidated financial statements for 2010, it is difficult to provide a precise overview of the Group's exposure to changes in the bunker price. Assuming that the average BAF ratio is 85% (85% of the change in bunker costs is transferred to the customers), an increase in oil prices by USD 10 per barrel will, based on current bunker prices and all other things being equal, have a negative effect on the Group's profit for the second half of 2011 in the order of USD 57m.

## Notes

Amounts in DKK million

### 4 – continued

				No.	
<b>Newbuilding programme</b>	<b>2011</b>	<b>2012</b>	<b>2013</b>	<b>2014-</b>	<b>Total</b>
Container vessels, etc.	14	18	10	14	<b>56</b>
Tanker vessels	7	5	-	-	<b>12</b>
Rigs and drillships	-	-	3	1	<b>4</b>
Tugboats and standby vessels, etc.	14	13	2	-	<b>29</b>
<b>Total</b>	<b>35</b>	<b>36</b>	<b>15</b>	<b>15</b>	<b>101</b>

				DKK million	
<b>Capital commitments relating to the newbuilding programme</b>	<b>2011</b>	<b>2012</b>	<b>2013</b>	<b>2014-</b>	<b>Total</b>
Container vessels, etc.	5,455	8,266	7,304	9,537	<b>30,562</b>
Tanker vessels	1,350	1,700	-	-	<b>3,050</b>
Rigs and drillships	-	2,117	6,428	1,279	<b>9,824</b>
Tugboats and standby vessels, etc.	323	358	28	-	<b>709</b>
<b>Total</b>	<b>7,128</b>	<b>12,441</b>	<b>13,760</b>	<b>10,816</b>	<b>44,145</b>

## 5 Commitments

### Operating lease commitments

At the end of June 2011, the net present value of operating lease commitments totalled DKK 57.4bn (USD 11.1bn) using a discount rate of 6%, a decline from DKK 68.5bn (USD 12.2bn) at the end of 2010. The amount is divided into the following main items:

- Commitments regarding Container activities and Tankers, offshore and other shipping activities of DKK 33.4bn (USD 6.5bn)
- Commitments regarding port facilities in connection with concession rights of DKK 19.6bn (USD 3.8bn)
- Other commitments of DKK 4.4bn (USD 0.8bn)

About one-third of the time charter payments in Container activities and Tankers, offshore and other shipping activities are estimated to relate to operating costs for the assets.

### Capital commitments

At the end of June 2011, capital commitments totalled DKK 65.3bn (USD 12.6bn) compared to DKK 42.1bn (USD 7.5bn) at the end of 2010. During the first six months of 2011, the Group signed contracts for 20 new container vessels (Triple-E) at a total price of DKK 19.6bn (USD 3.8bn) as well as contracts for two drillships and two jack-up rigs of a total price of DKK 9.6bn (USD 1.9bn).

Furthermore, the Group has investment commitments towards concession grantors relating to Oil and gas activities of DKK 3.9bn (USD 0.8bn) compared to DKK 3.7bn (USD 0.7bn) at year end 2010 and Terminal activities of DKK 6.6bn (USD 1.3bn) compared to DKK 5.2bn (USD 0.9bn) at year end 2010.

# Notes

## 6 Accounting policies

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The interim consolidated financial statements have been prepared in accordance with IAS 34 as adopted by the EU and the additional Danish disclosure requirements for listed companies. The accounting policies are unchanged from the 2010 financial statements, except for the changes described in Note 31 of the 2010 consolidated financial statements, to which reference is made. The changes have no effect on the interim financial statements.

## 7 New financial reporting requirements

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In May 2011, IASB issued new IFRS 10-12 and amendments to IAS 27-28, and superseded IAS 31 and SIC-12 with effect from 2013. The new requirements relate to consolidation and include a detailed explanation of the concept of control as well as increased disclosure requirements. The rules for the treatment of jointly controlled entities have changed, in that investments are treated similarly to associated companies and may only be consolidated proportionally in some cases. An analysis of the implications of the new regulation is in progress. The change to the accounting treatment of jointly controlled entities is expected to have effect on the Group's revenue and total assets, but will have no effect on the Group's profit and total equity. The Group's jointly controlled entities are mainly operating in Oil and gas activities and Terminal activities.

In 2011, the IASB also issued a new IFRS 13 and amended IAS 1 and IAS 19 with effect from 2013. IAS 19 changes the calculation of defined benefit pension costs, with an insignificant impact on Group profits. IFRS 13 comprises general rules for the calculation of fair values, which do not change current practice, and IAS 1 will result in a change to the presentation of items in other comprehensive income.

None of the changes have yet been adopted by the EU.

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## Colophon

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**A.P. Møller - Mærsk A/S**

Registration no. 22756214

**Managing Director:**

A.P. Møller  
Esplanaden 50  
DK-1098 Copenhagen K  
Tel. +45 33 63 33 63

www.maersk.com  
investorrelations@maersk.com

**Board of Directors:**

Michael Pram Rasmussen, Chairman  
Niels Jacobsen, Vice-chairman  
Ane Mærsk Mc-Kinney Uggle, Vice-chairman  
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Leise Mærsk Mc-Kinney Møller

**Remuneration Committee:**

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Niels Jacobsen  
Ane Mærsk Mc-Kinney Uggle

**Auditors:**

KPMG  
Statsautoriseret Revisionspartnerselskab

PricewaterhouseCoopers Danmark  
Statsautoriseret Revisionsaktieselskab

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Jesper Cramon  
Trine Gram  
Henrik Lund

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