



### Annual Report 2009, A.P. Møller - Maersk Group

The Board of Directors of A.P. Møller - Maersk A/S has today released the Company's Annual Report for 2009.

The Annual Report is available at [www.maersk.com](http://www.maersk.com). The printed Annual Report is expected to be available and sent on 10 March 2010 to the registered shareholders who have requested to receive such.

*"The loss is significant, but 2009 was an extraordinary year with historically low rates and low demand. We managed to limit the loss by saving around USD 2 billion and we will continue to strengthen our competitiveness even further. We expect to return to modest profits in 2010," says Group CEO Nils S. Andersen.*

The Annual Report shows the following key figures:

	DKK million		USD million	
	2009	2008	2009	2008
Revenue	260,026	311,821	48,522	61,211
Profit before depreciation, amortisation and impairment losses, etc.	49,262	83,945	9,193	16,478
Depreciation, amortisation and impairment losses, etc.	30,317	26,092	5,658	5,122
Gains on sale of ships, rigs, etc.	862	4,656	161	914
Associated companies - share of profit/loss after tax	360	-1,882	67	-369
Profit before financial items	21,167	60,627	3,763	11,901
Financial items, net	-5,263	-7,808	-982	-1,533
Profit before tax	14,904	52,819	2,781	10,368
Tax on profit for the year	20,393	35,287	3,805	6,927
Result for the year - continuing operations	-5,489	17,532	-1,024	3,441
Result for the year - discontinued operations	0	106	0	21
Profit for the year	-5,489	17,638	-1,024	3,462
A.P. Møller - Maersk A/S' share of the profit for the year	-7,027	16,960	-1,311	3,329
Total assets	345,199	343,110	66,511	64,925
Total equity	158,868	158,394	30,610	29,972
Cash flow from operating activities	25,098	43,422	4,679	8,524
Cash flow used for capital expenditure	-42,195	-52,375	-7,874	-10,281
Financial ratios:				
Return on invested capital (ROIC)	-0.3%	9.9%	-0.3%	10.1%
Return on equity after tax	-3.5%	11.6%	-3.4%	11.8%
Equity ratio	46.0%	46.2%	46.0%	46.2%
Earnings and diluted earnings per share, DKK/USD <sup>*)</sup>	-1,674	4,122	-312	809
Cash flow from operating activities per share, DKK/USD <sup>*)</sup>	5,980	10,553	1,115	2,072
Dividend per share, DKK/USD	325	650	63	123
Total market capitalisation, end of year <sup>*)</sup>	156,901	116,281	30,231	22,002

<sup>\*)</sup> Adjusted for the Group's holding of own shares.

The result for the year was negative by USD 1.0 billion corresponding to DKK 5.5 billion (2008: positive by USD 3.5 billion corresponding to DKK 17.6 billion), which is in accordance with the expectations most recently stated in the Stock Exchange Announcement published on 12 November 2009.

- In 2009, the A.P. Moller - Maersk Group was significantly negatively affected by the global economic crisis. Freight rates for the Group's container activities were 28% lower than in 2008, resulting in a negative segment result of USD 2.1 billion for container activities. Tanker rates were also substantially lower than in 2008. The average price of crude oil was 36% lower in 2009 than in 2008, while the Group's share of oil and gas production was at the same level as in 2008.
- Oil and gas activities, APM Terminals, Maersk Supply Service, Maersk Drilling, Damco and the Dansk Supermarked Group yielded positive results despite lower oil prices and lower demand as a consequence of the economic crisis.
- Cost reductions in the range of USD 2.0 billion were achieved in the Group's business areas and group functions in 2009, of which USD 1.6 billion related to container activities. Savings were primarily achieved by restructurings, reducing fuel consumption, optimising networks and renegotiating supplier contracts.
- In 2009, it was decided to phase out shipbuilding activities at Odense Steel Shipyard as existing orders are completed and to sell Norfolkline to DFDS.
- To ensure the long-term funding position, the Group decided in 2009 to diversify its funding sources by placing bonds denominated in euro and Norwegian kroner, yielding gross proceeds of USD 1.8 billion. In addition, the Group sold own B shares corresponding to approximately 5.7% of A.P. Møller - Mærsk A/S' total share capital, yielding gross proceeds of USD 1.6 billion.

The cash flow from operating activities was USD 4.7 billion corresponding to DKK 25 billion (2008: USD 8.5 billion corresponding to DKK 43 billion) – negatively affected by lower earnings.

The cash flow used for capital expenditure amounted to USD 7.9 billion corresponding to DKK 42 billion. (2008: USD 10.3 billion corresponding to DKK 52 billion).

## **Outlook for 2010**

In the container shipping market, a 7-10% addition of tonnage is expected for the global container fleet. Cargo volumes are expected to rise by 3-5% in 2010 relative to 2009 and freight rates are also expected to rise. This will lead to a significant improvement in results if the level of vessels taken out of service is sustained. However, rates are not expected to lead to an acceptable return in 2010.

APM Terminals experienced a continued stabilisation of volumes in the beginning of 2010. The overall volumes are expected to rise moderately in 2010.

The tanker markets have benefited from the cold winter and declining oil stocks in early 2010. However, rates remain unsatisfactory, and the addition of new tonnage combined with weak demand for crude oil and refined products is expected to cause challenging market conditions in 2010.

In spite of rising oil prices and a positive outlook for the oil industry, offshore markets are expected to be negatively affected by excess capacity putting pressure on rates in 2010. Relatively good contract coverage ensures fairly high employment for Maersk Drilling, Maersk FPSOs and Maersk Supply Service also in 2010. However, several rigs and ships are not under contract at the beginning of 2010.

Oil and gas activities are expected to maintain a high activity level with increased investments in exploration in 2010. The Group's entitlement of production for the next four quarters is expected to be lower than in 2009 but on average slightly above the entitlement of production in the fourth quarter 2009.

Overall, the A.P. Moller - Maersk Group is expected to post a modest profit. Cash flow from operating activities is expected to be well above the 2009 level, while cash flow used for investing activities is expected to be well below.

The outlook for 2010 is subject to considerable uncertainty, not least due to developments in the global economy. Specific uncertainties relate to the container freight rates, transported volumes, the USD exchange rate and oil prices.

## **Segment Information**

### ***Container shipping and related activities***

	DKK million		USD million	
	2009	2008	2009	2008
Revenue	110,452	146,032	20,611	28,666
Segment result	-11,190	2,970	-2,088	583
Cash flow from operating activities	1,355	11,407	250	2,240
Cash flow used for capital expenditure	-7,490	-16,061	-1,398	-3,153

The Group's container shipping activities realised a substantial negative segment result, reflecting the tough market conditions with falling freight rates and volumes. Initiatives to reduce costs in 2009 to some extent mitigated the negative impact from market conditions.

### APM Terminals

	DKK mio.		USD mio.	
	2009	2008	2009	2008
Revenue	16,190	15,888	3,021	3,119
Segment result	2,370	1,539	442	302
Cash flow from operating activities	3,532	3,453	659	678
Cash flow used for capital expenditure	-3,281	-3,496	-612	-686

APM Terminals performed substantially better than in 2008. Cost-cutting measures and geographical reorientation of activities more than offset the decline in activity.

### Tankers, offshore and other shipping activities

	DKK million		USD million	
	2009	2008	2009	2008
Revenue	29,559	27,349	5,516	5,369
Segment result	1,467	5,839	275	1,147
Cash flow from operating activities	6,444	7,730	1,203	1,518
Cash flow used for capital expenditure	-16,325	-14,406	-3,046	-2,828

The consolidated profits from Tankers, offshore and other shipping activities were somewhat below 2008, partly as a result of impairment losses on property, plant and equipment and intangible assets as well as lower gains on sale of ships and rigs.

Falling demand for oil, rising oil stocks and substantial growth in the global fleet meant that Maersk Tankers was negatively affected by low activity and declining ship values. Thus, the result was negative and considerably below the 2008 level. In early 2009 the acquisition of the tanker shipping company Broström was completed. The integration process went as planned, and the expected cost synergies are materialising.

Maersk Drilling and Maersk Supply Service performed well in spite of falling market activity and the addition of new tonnage in the offshore markets. Profits were positively affected by an overall high level of contract coverage for the Group's fleet of drilling rigs as well as anchor handling and supply vessels.

### Oil and gas activities

	DKK million		USD million	
	2009	2008	2009	2008
Revenue	48,362	68,743	9,025	13,494
Segment result	6,239	11,995	1,164	2,355
Cash flow from operating activities	17,100	24,764	3,191	4,861
Cash flow used for capital expenditure	-12,601	-14,533	-2,351	-2,853

While the production share remained at the 2008 level, lower average oil prices in 2009 meant that the profit from Oil and gas activities was somewhat below the 2008 level. A number of oil and gas discoveries were announced in 2009, the commercial potential of these discoveries is now being assessed.

### Retail activity

	DKK million		USD million	
	2009	2008	2009	2008
Revenue	56,937	57,949	10,625	11,376
Segment result	2,128	1,926	397	378
Cash flow from operating activities	3,713	1,667	693	327
Cash flow used for capital expenditure	-3,210	-3,309	-599	-650

Retail activity performed better than in 2008 despite a small decrease in revenue. Considerable cost savings were achieved during the year.

### Shipyards, other industrial companies, interest in Danske Bank A/S, etc.

	DKK million		USD million	
	2009	2008	2009	2008
Revenue	6,491	7,599	1,211	1,492
Segment result	-373	-1,160	-70	-228
Cash flow from operating activities	1,885	-327	-352	-64
Cash flow used for capital expenditure	239	398	45	78

The Yard Group had a significant negative result, affected by impairment losses and provisions.

Danske Bank A/S' result was DKK 1.7 billion compared to DKK 1.0 billion in 2008, of which 20%, corresponding to DKK 346 million, is included in the result for the segment. As in 2008, the bank's result was negatively affected by loan impairment charges.

## Annual General Meeting, Dividend and Board of Directors

### Annual General Meeting

The Annual General Meeting will be held in Bella Center, Copenhagen on Tuesday 27 April 2010 at 10.30 a.m.

### Dividend

The Board of Directors proposes a dividend of DKK 325 per share of DKK 1,000 (2008: DKK 650) corresponding to a total amount of DKK 1,429 million (2008: DKK 2,857 million).

### Board of Directors

Poul J. Svanholm, Ane M.M. Uggla, Sir John Bond, Jan Leschly, Lars Kann-Rasmussen, Lars Pallesen, John Axel Poulsen and Cecilie Mose Hansen will retire from the Board of Directors.

At the Annual General Meeting the Board of Directors will propose re-election of Ane M.M. Uggla, Sir John Bond, Jan Leschly and Lars Pallesen. The election of employee representatives for the Board of Directors in Rederiet A.P. Møller A/S will be held in March. When the result hereof is available, the Board of Directors will take a decision on whether the elected candidates will be nominated for election to the Board of Directors in A.P. Møller - Mærsk A/S.

Furthermore, the Board of Directors will propose that Robert J. Routs and Arne Karlsson are elected as new members to the Board of Directors.

Robert J. Routs (born 1946) holds Dutch citizenship. He was first employed in the Royal Dutch/Shell Group in 1971 and has, until his retirement in 2008, held a number of management positions, including Executive Director. He has acted as chairman and member of several boards, among others in the oil industry.

Arne Karlsson (born 1958) holds Swedish citizenship. Arne Karlsson is CEO of Ratos AB, a listed Swedish private equity company.

The A.P. Møller - Maersk Group has also published a separate report on sustainability prepared in accordance with the UN "Global Compact" charter. The report is available on [www.maersk.com/sustainability](http://www.maersk.com/sustainability).

Copenhagen, 4 March 2010

A.P. Møller - Mærsk A/S

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An interim management statement regarding the first quarter 2010 is expected to be published on 12 May 2010, and regarding the first three quarters on 10 November 2010. The Interim Report (semi annual report) is expected to be published on 18 August 2010.

### Forward-looking statements

This announcement 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.

### Governing text

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