A.P. Møller - Mærsk A/S

Group Annual Report 2011

MAERSK

Group Annual Report 2011

Contents

In order to make the annual report more transparent and user-friendly, the A.P. Møller - Mærsk Group has chosen to publish a consolidated annual report that does not comprise the financial statements of the parent company A.P. Møller - Mærsk A/S. In accordance with Section 149 of the Danish Financial Statements Act, this consolidated annual report is therefore an extract of the Group's full annual report. The full annual report in Danish, including the parent company financial statements, can be downloaded from www.maersk.com.

After the approval at the annual general meeting, the full annual report in Danish may also be obtained from the Danish Business Authority. Appropriation of profit for the year and proposed dividends from the parent company are disclosed in note 16 to the consolidated annual report. The full annual report comprises the Directors' statement and the independent auditors' report disclosed on pages 58 and 59.

Forward-looking statements

This Group annual 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 Group annual report.

Governing text

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

About Maersk

The A.P. Moller - Maersk Group comprises A.P. Møller - Mærsk A/S and affiliated companies. The Group is represented globally in 130 countries, employing about 117,000 people. In addition to being one of the world's largest shipping companies, the Group is involved in a wide range of activities within energy, transportation, offshore and retail.

The Group was established in the Danish town of Svendborg in 1904 by Mr Arnold Peter Møller together with his father, Captain Peter Mærsk Møller. On the death of Mr Arnold Peter Møller in 1965, Mr Mærsk Mc-Kinney Møller assumed leadership of the Group. In 1993 he withdrew from the day-to-day management, and today the Group is headed by Mr Nils S. Andersen who took over as the fourth Group Chief Executive Officer and Partner in 2007.

"No loss should hit us which can be avoided with constant care" has been a core value for the Group since Mr A.P. Møller wrote this to Mr Mærsk Mc-Kinney Møller in 1946.

Directors' report

(figures for 2010 in parenthesis)

Highlights for the Group 2011

	DKK million			USD million		
	2011	2010	Change	**2011**	2010	Change
Revenue	322,520	315,396	2%	60,230	56,090	7%
Profit before depreciation, amortisation and impairment losses, etc.	78,506	89,218	-12%	14,661	15,867	-8%
Depreciation, amortisation and impairment losses	28,889	33,822	-15%	5,396	6,015	-10%
Gain on sale of non-current assets, etc., net	4,748	3,792	25%	887	674	32%
Profit before financial items	55,016	59,649	-8%	10,274	10,608	-3%
Profit before tax	50,452	54,386	-7%	9,422	9,672	-3%
Profit for the year	18,083	28,215	-36%	3,377	5,018	-33%
Cash flow from operating activities	38,886	56,972	-32%	7,262	10,132	-28%
Cash flow used for capital expenditure	-52,259	-26,078	100%	-9,759	-4,638	110%
Return on invested capital after tax (ROIC)	7.8%	12.7%		8.3%	12.2%	

Revenue increased by 7% to USD 60.2bn (USD 56.1bn), positively affected by higher oil prices and container volumes but offset by lower container freight rates. Profit was USD 3.4bn (USD 5.0bn) and thus in accordance with the latest announced outlook of USD 3.1-3.5bn expressed on 9 November 2011. The result was negatively affected by low container freight rates on especially the Asia–Europe trades and positively affected by the divestment gain from Netto Foodstores Limited, UK of USD 0.7bn. The Group's return on invested capital (ROIC) was 8.3% (12.2%).

Maersk Liner Business made a loss of USD 0.6bn (profit of USD 2.6bn) and a negative ROIC of 3.4% (positive by 15.3%). The negative result was primarily due to the low rates on the Asia–Europe trades. The freight rates started the year at a reasonable level, but decreased throughout the year as large amounts of new tonnage was delivered. Overall freight rates were 8% lower than in 2010 and this, combined with 35% higher bunker prices, reduced margins considerably. The number of containers carried increased by 11% to 8.1m FFE, and the Group more than regained the market share lost during 2010.

Maersk Oil made a profit of USD 2.1bn (USD 1.7bn) and a ROIC of 36.3% (32.6%), positively affected by 39% higher oil prices at an average of USD 111 per barrel (80 per barrel). The Group's share of oil and gas production declined by 12% to 333,000 barrels of oil equivalent per day (377,000 barrels of oil equivalent per day), primarily due to lower share of production in Qatar and lower production in Denmark and the UK. The high investment level continued throughout the year and the Group was successful in

MCC
Qingdao
China

MCC Davao arriving at the port of Qingdao in Northern China. Since 2009 MCC has been responsible for handling the Groups Intra-Asia container shipping activities. The company is headquartered in Singapore and with a operated fleet of more than 60 vessels, MCC is one of the largest short-sea operators in the world.

securing a number of new licences in Norway, the UK and the US Gulf of Mexico. The high exploration activity resulted in new discoveries, and at year end the Group was involved in execution of four major development projects in the UK, US Gulf of Mexico, Kazakhstan and Algeria.

APM Terminals made a profit of USD 649m (USD 793m). The profit excluding sales gains and impairment losses was 24% higher than in 2010. Container throughput increased by 8% on a like-for-like basis and ROIC was 13.1% (16.0%). The high investment level from previous years continued, and during 2011 APM Terminals secured further new investments and development projects primarily in emerging markets.

Maersk Drilling made a profit of USD 495m (USD 399m) and a ROIC of 12.7% (11.0%), positively affected by higher day rates and better contract coverage. Several new long-term contracts were entered into and the Group committed USD 3.9bn for investments in six new rigs.

Maersk Supply Service made a profit of USD 210m (USD 201m) and a ROIC of 11.3% (10.5%), positively affected by a higher activity level and improved spot rates.

Maersk Tankers experienced difficult market conditions due to excess capacity in most tanker segments and made a loss of USD 151m (USD 118m) and a negative ROIC of 4.2% (3.4%). To better utilise the fleet Maersk Tankers entered into a new VLCC pool partnership as joint operator.

Damco continued growing and adjusting its business portfolio. With the acquisition of NTS International Transport Services in China, Damco has significantly increased its service offerings within the airfreight market. Profit was USD 65m (USD 44m) and ROIC was 25.8% (22.2%).

Svitzer experienced mixed market conditions and slightly improved profits to USD 133m (USD 130m). ROIC was 7.0% (7.2%).

Maersk FPSOs and Maersk LNG made a profit of USD 8m (loss of USD 242m) and a ROIC of 0.3% (negative by 8.0%), negatively affected by net impairments of USD 159m. An agreement was entered into to divest Maersk LNG for USD 1.4bn. The transaction is expected to be completed in Q1 2012.

Retail activities made a profit of DKK 5.3bn (DKK 2.2bn) and a ROIC of 34.7% (15.4%), positively affected by gain of DKK 3.8bn corresponding to USD 0.7bn from the divestment of Netto Foodstores Limited, UK. The divestment was completed in April 2011.

Cash flow from operating activities was USD 7.3bn (USD 10.1bn), while cash flow used for capital expenditure was USD 9.8bn (USD 4.6bn). The Group's free cash flow was negative USD 2.5bn (positive USD 5.5bn).

With an equity ratio of 51.4% (51.5%), net interest-bearing debt of USD 15.3bn (USD 12.4bn) and a liquidity buffer of USD 11.3bn (USD 14.5bn), the Group is well prepared and determined to execute on its long-term growth aspirations and seize market opportunities within its core businesses despite current turmoil in the financial markets.

QUARTERLY FIGURES

Quarterly figures for the Group for 2011 and 2010 are available on http://investor.maersk.com/financials.cfm

Outlook for 2012

The A.P. Moller - Maersk Group expects a positive result lower than the 2011 result. Cash flow used for capital expenditure is expected to be around the same level as in 2011 while cash flow from operating activities is expected to develop in line with the result.

Maersk Oil expects a result significantly below the result for 2011 based on expected 20% decline in the share of oil and gas production to a level of around 265,000 boepd at an average oil price of USD 105 per barrel. The production decline is predominantly caused by a reduced share of production in Qatar, and the natural maturation of the North Sea fields. The transfer of 20% ownership of DUC to the Danish North Sea Fund by mid-2012 will reduce the Group's production share in Denmark, but will have no impact on net earnings. Exploration costs are expected to be above USD 1bn.

Maersk Liner Business expects a negative result in 2012 as a consequence of excess capacity. Global demand for seaborne containers is expected to increase by 4-6% in 2012, lower on the Asia–Europe trades but supported by higher growth in the North-South trades.

APM Terminals expects a result above 2011 and to grow more than the market supported by volumes from new terminals.

Maersk Drilling has almost full contract coverage at attractive rates in 2012 and expects a result in line with the 2011 result. Maersk Supply Service expects a result at the same level as in 2011, with one third of the available vessel days in 2012 not yet contracted.

The total result from all other activities is expected to be at the same level as in 2011 excluding divestment gains and impairments.

The outlook for 2012 is subject to considerable uncertainty, not least due to developments in the global economy. The Group's expected result depends on a number of factors. Based on the expected earnings level and all other things equal, the sensitivities for four key value drivers are listed in the table below:

Factors	Change	Effect on the Group's profit
Oil price for Maersk Oil	+/-10 USD/barrel	+/-USD 0.2bn
Bunker price	+/-10 USD/barrel	-/+USD 0.1bn
Container freight rate	+/-100 USD/FFE	+/-USD 0.9bn
Container freight volume	+/-100,000 FFE	+/-USD 0.2bn

Maersk Oil
Dunga field
Kazakhstan

Maersk Oil's Dunga field in Kazakhstan is undergoing a large development, including the drilling of around 200 new wells as well as an upgrade of the facilities that will more than triple production at the field. The new wells are expected to go into production in 2012.

Amounts in DKK million

Financial highlights

	2011	2010	2009	2008	2007
Revenue	322,520	315,396	260,336	312,122	279,201
Profit before depreciation, amortisation and impairment losses, etc. (EBITDA)	78,506	89,218	49,262	83,945	64,895
Depreciation, amortisation and impairment losses	28,889	33,822	30,317	26,092	26,226
Gain on sale of non-current assets, etc., net	4,748	3,792	852	4,656	6,062
Share of profit/loss in associated companies	651	461	360	-1,882	3,081
Profit before financial items (EBIT)	55,016	59,649	20,157	60,627	47,812
Financial items, net	-4,564	-5,263	-5,253	-7,808	-4,111
Profit before tax	50,452	54,386	14,904	52,819	43,701
Tax	32,447	26,174	20,393	35,287	24,537
Profit/loss for the year – continuing operations	18,005	28,212	-5,489	17,532	19,164
Profit/loss for the year – discontinued operations	78	3	-	106	-533
Profit/loss for the year	18,083	28,215	-5,489	17,638	18,631
A.P. Møller - Mærsk A/S' share	15,189	26,455	-7,027	16,960	17,809
Total assets	404,743	374,723	345,199	343,110	328,098
Total equity	207,935	192,962	158,868	158,394	146,688
Cash flow from operating activities	38,886	56,972	25,098	43,422	39,820
Cash flow used for capital expenditure	-52,259	-26,078	-42,195	-52,375	-49,003
Investment in property, plant and equipment	41,789	26,683	42,161	61,078	57,998
Return on invested capital after tax (ROIC)	7.8%	12.7%	-0.3%	9.9%	10.3%
Return on equity after tax	9.0%	16.0%	-3.5%	11.6%	13.1%
Equity ratio	51.4%	51.5%	46.0%	46.2%	44.7%
Earnings per share (EPS), DKK	3,479	6,061	-1,674	4,122	4,328
Diluted earnings per share, DKK	3,478	6,058	-1,674	4,122	4,328
Cash flow from operating activities per share, DKK	8,907	13,052	5,980	10,553	9,678
Dividend per share, DKK	1,000	1,000	325	650	650
Share price (B share), end of year, DKK	37,920	50,510	36,600	28,100	54,400
Total market capitalisation, end of year	160,982	217,464	156,901	116,281	223,177

Amounts in USD million

Financial highlights

	2011	2010	2009	2008	2007
Revenue	60,230	56,090	48,580	61,270	51,278
Profit before depreciation, amortisation and impairment losses, etc. (EBITDA)	14,661	15,867	9,193	16,478	11,919
Depreciation, amortisation and impairment losses	5,396	6,015	5,658	5,122	4,816
Gain on sale of non-current assets, etc., net	887	674	159	914	1,113
Share of profit/loss in associated companies	122	82	67	-369	566
Profit before financial items (EBIT)	10,274	10,608	3,761	11,901	8,782
Financial items, net	-852	-936	-980	-1,533	-755
Profit before tax	9,422	9,672	2,781	10,368	8,027
Tax	6,060	4,655	3,805	6,927	4,507
Profit/loss for the year – continuing operations	3,362	5,017	-1,024	3,441	3,520
Profit/loss for the year – discontinued operations	15	1	-	21	-98
Profit/loss for the year	3,377	5,018	-1,024	3,462	3,422
A.P. Møller - Mærsk A/S' share	2,836	4,705	-1,311	3,329	3,271
Total assets	70,444	66,756	66,511	64,925	64,648
Total equity	36,190	34,376	30,610	29,972	28,903
Cash flow from operating activities	7,262	10,132	4,679	8,524	7,313
Cash flow used for capital expenditure	-9,759	-4,638	-7,874	-10,281	-9,000
Investment in property, plant and equipment	7,804	4,745	7,867	11,990	10,652
Return on invested capital after tax (ROIC)	8.3%	12.2%	-0.3%	10.1%	10.1%
Return on equity after tax	9.6%	15.4%	-3.4%	11.8%	12.9%
Equity ratio	51.4%	51.5%	46.0%	46.2%	44.7%
Earnings per share (EPS), USD	650	1,078	-312	809	795
Diluted earnings per share, USD	649	1,077	-312	809	795
Cash flow from operating activities per share, USD	1,663	2,321	1,115	2,072	1,777
Dividend per share, USD	174	178	63	123	128
Share price (B share), end of year, USD	6,600	8,998	7,052	5,317	10,719
Total market capitalisation, end of year	28,018	38,741	30,231	22,002	43,973
Average USD/DKK exchange rate	5.35	5.62	5.36	5.09	5.44
End of year USD/DKK exchange rate	5.75	5.61	5.19	5.28	5.08
Maersk Line					
Transported volumes (FFE in million)	8.1	7.3	6.9	7.0	6.8
Average rate (USD per FFE)	2,828	3,064	2,370	3,284	3,034
Average fuel price (USD per tonne)	620	458	342	520	344
Maersk Oil					
Average share of oil and gas production (thousand barrels of oil equivalent per day)	333	377	428	424	393
Average crude oil price (Brent) (USD per barrel)	111	80	62	97	72
APM Terminals					
Containers handled (million TEU weighted with ownership share)	33.5	31.5	30.9	33.3	31.0






The Executive Board functions as the day-to-day management and consists of:

Nils S. Andersen (Group CEO)
Trond Westlie
Kim Fejfer

Søren Skou
Claus V. Hemmingsen
Jakob Thomasen

A.P. Moller - Maersk Group

Message from Executive Board

The Group delivered an acceptable result for 2011 given the conditions in the container shipping market. While Maersk Line turned loss-making, most other business units delivered good returns and the Group made significant investments in long-term growth.

Earnings were lower than in 2010, and return on invested capital (ROIC) did not contribute to the Group's ambitions of 10% over the cycle due to excess capacity in the container shipping industry.

EXECUTING ON PRIORITIES

The Group executed well on its 2011 priorities. Customer focus increased across the Group and initiatives were taken to further increase the service levels provided to the Group's customers.

A transformation of Maersk Oil was initiated with increased transparency and a more efficient organisation being the main objectives. The transformation initiatives continue in 2012.

The win again priority was pursued across the Group through cost cutting, other profit improvements and portfolio adjustments to counter the effects of a tougher economic environment. An agreement to divest Maersk LNG was entered into and is expected to be completed in Q1 2012.

Furthermore, the Group expanded its core businesses in emerging markets where economic growth continued at profitable levels.

INVESTING IN LONG-TERM GROWTH

The Group assesses that global demand for shipping and oil and gas will continue to grow and the Group will continue to invest in these businesses.

Maersk Oil invested USD 4.8bn in exploration and expansion of its licence portfolio. Furthermore, Maersk Oil matured the portfolio through new discoveries, development plans and expansion of existing development plans. The Group's ambition is to grow the share of oil production to 400,000 boepd from the 333,000 boepd achieved in 2011. Maersk Oil's share of oil production will decline in 2012 and 2013 before new field developments will stabilise the share of production in 2014 and stepwise increase the share of production towards the goal.

Maersk Line improved and expanded its range of services not least through the introduction of the new Daily Maersk product on the Asia–Europe trades which sets new standards in the industry. The WAFMAX and SAMMAX vessels, with high reefer capacity targeted for West African and South American trades, were introduced, further strengthening Maersk Line's competitive advantage in the reefer market. Maersk Line gained market share on most trades, supported by 16% growth of its operated fleet. Maersk Line contracted 20 new vessels with each 18,000 TEU capacity to be delivered from mid-2013 to mid-2015. Due to increased size and efficiency, these vessels will allow lower unit costs and the best environmental performance in the industry. Competition remains tough, not least due to excess capacity and fragmentation of the industry. There is continued need for consolidation, reduction of capacity and more stable and sustainable rates. Some operational consolidation was seen at the end of 2011, but Maersk Line maintains its view that more is needed for the industry to deliver sustainable returns to shareholders.

Maersk Line is satisfied with, and will defend its current market share, which provides sufficient scale benefits allowing for an optimal product offering to its customers. By focusing on profitability over further market share growth, Maersk Line will take a number of initiatives to restore freight rates from the current loss-making levels. More specifically, Maersk Line will optimise its pricing practices and adjust its capacity to improve the market balance. Lay-up plans are also activated, super slow-steaming will be used more extensively and Maersk Line will invest in line with market growth.

APM Terminals continued its expansion and gained market share as both new and existing terminals were added to the portfolio, primarily in growth markets such as Georgia, Peru and Costa Rica. Profitability was also further improved. The long-term ambition for APM Terminals is to become the world's leading port operator and a more significant profit contributor to the Group through greenfield projects in growth markets, optimisation of existing terminals and by developing its value propositions to customers and authorities.

Maersk Drilling invested further in the ultra-deepwater and ultra-harsh environment segments where demand for its high-end rigs remains strong. Maersk Drilling wants to significantly expand its current fleet of jack-up rigs and floaters, mainly through newbuildings. In 2011, Maersk Drilling placed orders for six new rigs totalling investments of USD 3.9bn. Contracts have been secured for two of the new ultra-harsh jack-up rigs.

IMPROVING PERFORMANCE

All businesses delivered top quartile returns or improved performance relative to their industry benchmarks. Performance improvements will continue to obtain top quartile returns for all businesses.

2012 PRIORITIES

The Executive Board has decided on two Group priorities for 2012: "Creating winning businesses" and "Growth markets".

The target for Maersk Line is to continue the momentum obtained during the financial crisis. Particular focus will be on pricing and competitiveness and Maersk Line will seek to benefit from its strengthened positions on reliability and customer satisfaction. Cost reductions will continue to be pursued.

The shipping markets were difficult in 2011 and will continue to be difficult for some time. Therefore, and because of the significant investments and commitments made in 2011, the Group will downscale its growth ambitions for the shipping segments in 2012.

Maersk Oil will continue to invest in and review exploration activities to secure that it delivers on developments and prospects. It has high priority for the Group to reverse the declining production profile and to ensure steady growth towards a sustainable production share of 400,000 barrels per day.

The drive for increased customer focus will continue in all businesses.

The Group will prioritise further investing in selected growth markets and strengthen relationships with officials, key partners and clients. Recruitment and other HR activities will also be accelerated in these countries, all to establish a solid foundation for long-term expansion.

FINANCIAL FLEXIBILITY

The fundamental financial requirements for pursuing the Group's growth ambitions are in place and the financial position continues to be strong with no larger refinancing risks in the coming years. The Group will continue to broaden its funding base through the corporate bond market when terms are attractive. This gives the Group strength to continue to execute on its growth strategy as well as take advantage of opportunities created by the current market conditions.

A POSITION OF STRENGTH

The Group is in much better shape today than before the crisis of 2008-2009. Financial strength, competitiveness, customer focus, products and services have been improved and a range of other initiatives have been taken. In 2012, the Group will embrace the challenges and opportunities from a position of strength.

Maersk Drilling
Liberia
West Africa

Prepared to commence drilling in water depths of up to 3,000 meters off the coast of Liberia in Western Africa on the semi-submersible drilling rig Mærsk Deliverer. As easy oil becomes scarce Maersk Drilling is building a new high tech fleet of ultra deepwater rigs and drillships to access the hard to reach reservoirs.

Case

Expansion in growth markets

The Group sees strong business potential in the growth markets in South East Asia, Africa, Latin America and Central/Eastern Europe. These markets are expanding, and profitability rates are high.

In 2011, the revenue generated in growth markets made up 33% of the Group's total revenue – but this revenue resulted in 53% of the Group's total profits because of better margins.

OFFERING WHAT THEY NEED

Natural resources and low labour costs are the main reasons for the rapid growth in these markets. And now, higher education levels increasingly support the development of local business while growing wealth creates a larger middle-class with higher consumption of both energy and goods. China is, for example, expected to become the world's leading market for luxury goods in 2012.

Global trade figures are testament to the trend. Imports into Asia have grown significantly over the last few years, owing to greater demand for raw materials, imported fruit etc. This increased the demand for shipping with high reefer container capacity such as the Group's WAFMAX and SAMMAX vessels for West African and South American trades.

In some of the 'new markets', **the Group expects growth rates of up to 10%** over the coming years.

The Group will continue to invest significantly in oil and gas in order to profit from the increasing demand in growth markets and to fuel further growth. Likewise, the Group is investing in terminals and infrastructure

Latest investments and initiated activities in growth markets

- Poti Terminal, Georgia
- Callao Terminal, Peru
- Moin Terminal, Costa Rica
- Santos Terminal, Brazil
- Monrovia Terminal, Liberia
- Cai Mep Terminal, Vietnam
- Aqaba Terminal, Jordan
- Introducing the WAFMAX and SAMMAX vessels
- Opening direct Mexico-Europe and Morocco-Russia services
- Oil licences offshore, Brazil
- Chissonga oil licence, Angola
- Two year drilling contract, Angola
- Peregrino FPSO into operation, Brazil
- Acquisition of NTS International Transport Services, China

to ease the increasing pressure on transport gateways. APM Terminals' strategy is thus strongly focused on expansion in growth markets where it already has good positions.

SOLVING BOTTLENECK ISSUES

A concrete example of how the Group is solving bottleneck issues and growing alongside local economies is the Apapa Terminal in Lagos, Nigeria.

Half of the country's exports pass through the Apapa keyhole and the IMF predicts that the Nigerian economy will grow at an annual rate of 6.4% in 2010-2015.

APM Terminals took over operations at Apapa in 2006. At that time, container vessels on average spent 20 days on a call. Now, they spend only one. This saves congestion fees, and local farmers benefit from access to efficient ways of exporting products in a spur for agriculture.

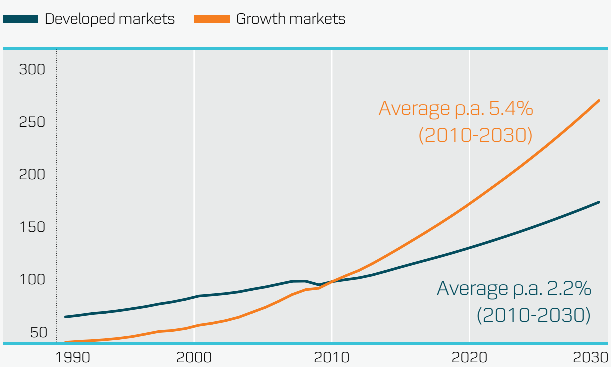
APM Terminals has invested in infrastructure at the terminal and offers local employees training and experience. Its developed administration systems also help minimise corruption.

STRONG INTEREST FROM GOVERNMENTS

Many growth markets, like Nigeria, currently lack the container terminal capacity to handle increased cargo volumes. APM Terminals expects these volumes to grow by another 10% annually in coming years.

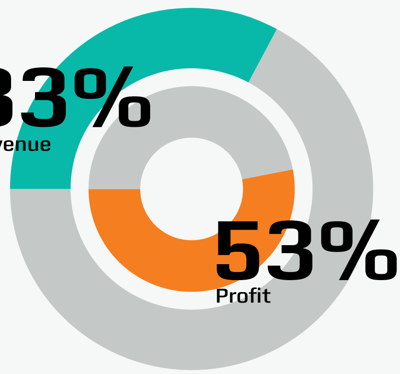
Governments seek to solve this problem by, among other things, privatising ports and offering land for new terminals, something APM Terminals benefits from. Since

Growth prospects



Source: Global Insights

Expanding business in growth markets



Share of revenue and profit from growth markets

2007, APM Terminals has doubled its revenue to USD 4.7bn – but the company's appetite for new projects is far from sated. Around 70% (growing to 80% in 2015) of its investments and 84% of its profits are in and from growth markets.

The opportunities far outweigh the related risks.

ADVANTAGE IN EXPERIENCE

The Group will continue to take advantage of its global presence, long-term experience (first liner call to Brazil was made as early as 1913) and its strong local network to expand business in growth markets. Furthermore, the Group's diversified portfolio of businesses and services can provide what many growth markets need to further develop their economies.

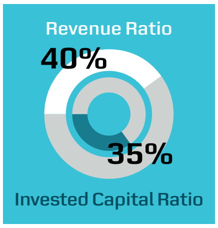
The Group is aware of the fact that operating in growth markets also entails risks. It therefore deliberately diversifies its investments to reduce then. But its basic assessment is that the opportunities in these markets far outweigh the related risks.

The Group's business units

The A.P. Moller - Maersk Group comprises approximately 1,100 companies. Major companies in which the A.P. Moller - Maersk Group has a presence are listed on pages 126–128. A more comprehensive list of companies is available on http://investor.maersk.com/financials.cfm

A.P. Moller - Maersk Group

Invested capital USD million	ROIC % 2011	ROIC % 2010
51,753	8.3	12.2

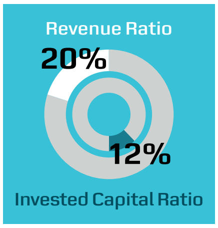


Maersk Line, Safmarine, MCC and Seago Line

Page 22

Global container services

Invested capital USD million	ROIC % 2011	ROIC % 2010
18,502	-3.4	15.3

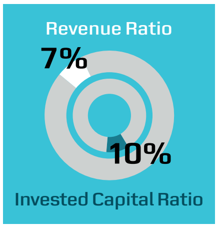


Maersk Oil

Page 26

Oil and gas production and exploration activities

Invested capital USD million	ROIC % 2011	ROIC % 2010
6,427	36.3	32.6

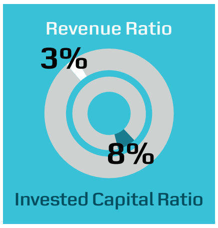


APM Terminals

Page 30

Container terminal activities, inland transportation, container depots and repair of containers, etc.

Invested capital USD million	ROIC % 2011	ROIC % 2010
5,124	13.1	16.0

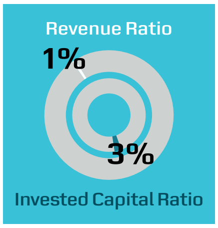


Maersk Drilling

Page 33

Offshore drilling activities and operation of land rigs through 50% ownership of Egyptian Drilling Company

Invested capital USD million	ROIC % 2011	ROIC % 2010
4,102	12.7	11.0

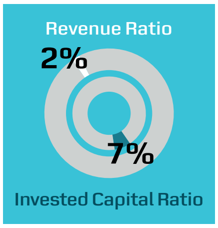


Maersk Supply Service

Page 35

Supply vessel activities with anchor handling and platform supply vessels, etc.

Invested capital USD million	ROIC % 2011	ROIC % 2010
1,828	11.3	10.5

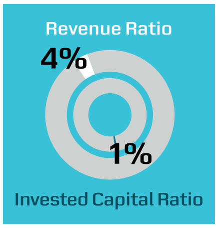


Maersk Tankers

Page 36

Tanker shipping of crude oil, oil products and gas

Invested capital USD million	ROIC % 2011	ROIC % 2010
3,774	-4.2	-3.4

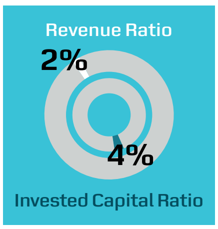


Damco

Page 37

Logistic and forwarding activities

Invested capital USD million	ROIC % 2011	ROIC % 2010
317	25.8	22.2

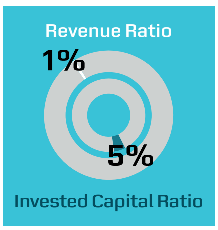


Svitzer

Page 39

Towing and salvage activities, etc.

Invested capital USD million	ROIC % 2011	ROIC % 2010
1,910	7.0	7.2

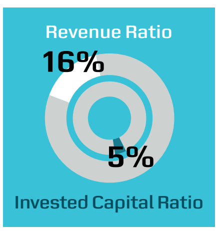


Maersk FPSOs and Maersk LNG

Page 40

Floating oil and gas production units and natural gas transportation

Invested capital USD million	ROIC % 2011	ROIC % 2010
2,539	0.3	-8.0

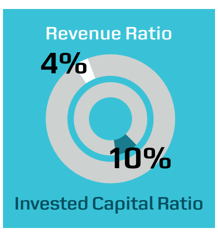


Dansk Supermarked Group

Page 41

Supermarkets (Føtex and Bilka) and department stores
(F. Salling) and discount supermarkets (Netto), etc.

Invested capital USD million	ROIC % 2011	ROIC % 2010
2,627	36.8	14.8



Odense Steel Shipyard Group,
20% ownership Danske Bank A/S (associated company),
Maersk Container Industry, Ro/Ro and related activities and other

Page 42

Invested capital USD million	ROIC % 2011	ROIC % 2010
5,385	4.5	0.7

Segment overview

	DKK million		USD million	
	2011	2010	**2011**	2010
Revenue				
Container activities	146,157	146,415	27,295	26,038
Oil and gas activities	67,554	57,634	12,616	10,250
Terminal activities	25,073	23,906	4,682	4,251
Tankers, offshore and other shipping activities	31,747	31,679	5,929	5,634
Retail activities	55,227	59,250	10,314	10,537
Other businesses	9,668	8,181	1,805	1,455
Total reportable segments	**335,426**	**327,065**	**62,641**	**58,165**
Unallocated activities (Maersk Oil Trading)	4,188	3,035	782	540
Eliminations	-17,094	-14,704	-3,193	-2,615
Total	**322,520**	**315,396**	**60,230**	**56,090**
Profit				
Container activities	-2,875	14,855	-537	2,642
Oil and gas activities	11,038	9,327	2,061	1,659
Terminal activities	3,476	4,457	649	793
Tankers, offshore and other shipping activities	3,964	1,362	740	240
Retail activities	5,303	2,215	990	394
Other businesses	1,007	953	188	170
Total reportable segments	**21,913**	**33,169**	**4,091**	**5,898**
Unallocated activities	-3,393	-5,006	-634	-890
Eliminations	-515	49	-95	9
Discontinued operations, after elimination	78	3	15	1
Total	**18,083**	**28,215**	**3,377**	**5,018**
Cash flow from operating activities				
Container activities	5,315	23,619	992	4,200
Oil and gas activities	23,374	22,231	4,365	3,954
Terminal activities	4,882	4,749	912	845
Tankers, offshore and other shipping activities	9,178	7,726	1,714	1,373
Retail activities	2,292	2,493	428	443
Other businesses	267	1,078	50	192
Total reportable segments	**45,308**	**61,896**	**8,461**	**11,007**
Unallocated activities	-6,270	-5,014	-1,171	-891
Eliminations	-152	90	-28	16
Total	**38,886**	**56,972**	**7,262**	**10,132**

Maersk Oil
Halfdan field
North Sea

The Halfdan field was discovered in 1999 and put in production already in 2000. The Maersk Oil operated field is the highest producing field in the Danish North Sea and produced more than 30 million barrels of oil in 2011.

Maersk Liner Business

THE MARKET FOR CONTAINER SHIPPING

Overall, the container volumes developed positively in 2011. However, the different trades experienced diverse growth trends during the year.

In 2011, the market grew by 7% compared to 2010 (Drewry). The growth slowed down in second half of 2011 and in Q4 the market only grew by 5% compared to Q4 2010 (Drewry). In general, container imports to Europe and USA softened with no ordinary peak in demand during Q3. Growth for the Asia–Europe trades was 4%, while volumes on the Transpacific trades were unchanged.

Competition was intense during 2011 as many carriers took delivery of new tonnage especially during Q2 and Q3. A large number of +10,000 TEU vessels were delivered and employed on the Asia–Europe trades resulting in redeployment of smaller vessels to other trades. This had a negative impact on freight rates especially on the Asia–Europe trades where rates declined to unsustainable levels. In Q4, the spot rates on the Asia–Europe trades reached an unprecedented level below USD 500 per TEU, significantly below the operating costs of most carriers.

As a result of the difficult market conditions and as a response to Maersk Line's introduction of Daily Maersk, most competitors on the Asia–Europe trades announced in Q4 formations of new alliances in order to optimise their combined networks and reduce costs.

Despite rate pressure, only limited tonnage was laid-up. However, during Q4 several carriers announced lay-ups and suspension of strings. During 2011, 239 container vessels with a combined capacity of 1.77m TEU were ordered and at year-end the global order book was 4.3m TEU, equivalent to 28% of the current fleet (Alphaliner). During 2012, it is expected that 253 container vessels with a combined capacity of 1.47m TEU will be delivered, equivalent to 10% of the current fleet. At the same time, global demand for seaborne containers is expected to increase by 4-6%, with expected lower growth on the Asia–Europe trades and higher growth in the North-South trades.

MAERSK LINER BUSINESS

Maersk Liner Business covers the Group's container shipping activities which include Maersk Line, Safmarine, MCC and Seago Line and comprise 645 owned and chartered container vessels with a total capacity of 2.5m TEU at 31 December 2011. Furthermore, the fleet includes 15 owned and chartered multi purpose vessels.

Revenue for the container activities increased by 5% to USD 25.1bn, positively affected by higher volume but partly offset by decreasing rates. Volume transported by the Group increased by 11% to 8.1m FFE (7.3m FFE). In Q4, the increase was 18% compared to the same period in 2010. The Group's volume growth was above the general market and thus the Group gained market share in 2011. The average freight rate including BAF decreased by 8% compared to 2010 to USD 2,828 per FFE and was 12% lower in Q4 compared to Q4 2010.

Maersk Liner Business

USD million		
Highlights	**2011**	2010
Revenue	25,108	24,022
EBITDA	**1,009**	**4,507**
Depreciation, amortisation and impairment losses	1,617	1,708
Gain on sale of non-current assets, etc., net	127	23
Share of profit/loss in associated companies	-2	-2
EBIT	**-483**	**2,820**
Financial items, net	-49	-16
Profit/loss before tax	**-532**	**2,804**
Tax	70	206
Profit/loss for the year (NOPAT)	**-602**	**2,598**
Cash flow from operating activities	899	4,116
Cash flow used for capital expenditure	-3,170	-947
Invested capital	18,502	16,782
ROIC	-3.4%	15.3%
Transported volumes (FFE in million)	8.1	7.3
Average rate (USD per FFE)	2,828	3,064
Average fuel price (USD per tonne)	620	458

On the main Asia–Europe trades, the head haul as well as back haul volumes increased by 15% and 17% respectively compared to 2010. Average head haul freight rate decreased by 21% whereas the back haul rates decreased by 13%.

Volumes on the Africa trades increased by 19% at slightly lower rates. On the Latin America trades volumes increased by 17%, while rates decreased by 7%. Volumes on the Oceania trades decreased by 2% while rates increased 6%. Volumes on Transpacific increased by 2% and rates decreased by 7%. Volumes on the Transatlantic were more or less unchanged and rates increased slightly. MCC increased its Intra-Asia volume by 5%.

The Group is continuously optimising its service network and in September 2011, Maersk Line announced the new product Daily Maersk introducing daily departures from four main ports in Asia to three main ports in Europe with guaranteed transportation time. The operation involves 70 vessels and has been very well received by customers. In Q4, the on time delivery was 98% – significantly above the industry average.

During 2011, Maersk Line and Safmarine started taking delivery of container vessels specially fitted for Africa and South America. Apart from the focus on reducing slot cost and emission of green house gasses, these vessels serve the customers better than standard vessels because of their substantial reefer capacity.

The focus on growth markets helps position the Group towards the future as volume growth rates are significantly higher than for more mature markets while rates have also proven to be more stable.

	Rates 2011/ 2010	Volumes 2011/ 2010	Distribution on volumes across routes 2011	Distribution on volumes across routes 2010
Asia – Europe	-19%	16%	39%	38%
Africa	-2%	19%	16%	15%
Transpacific	-7%	2%	12%	13%
Latin America	-7%	17%	14%	13%
Transatlantic	2%	0%	8%	9%
Oceania	6%	-2%	5%	6%
Intra-Asia	5%	5%	6%	6%
Total	**-8%**	**11%**	**100%**	**100%**

Maersk Line announced that the Safmarine headquarters and regional offices would be merged into the Maersk Line organisation while maintaining the Saf-marine brand and sales force.

Seago Line was established to further develop Intra-Europe container transport.

Customer satisfaction further increased during 2011 and is now at an all time high.

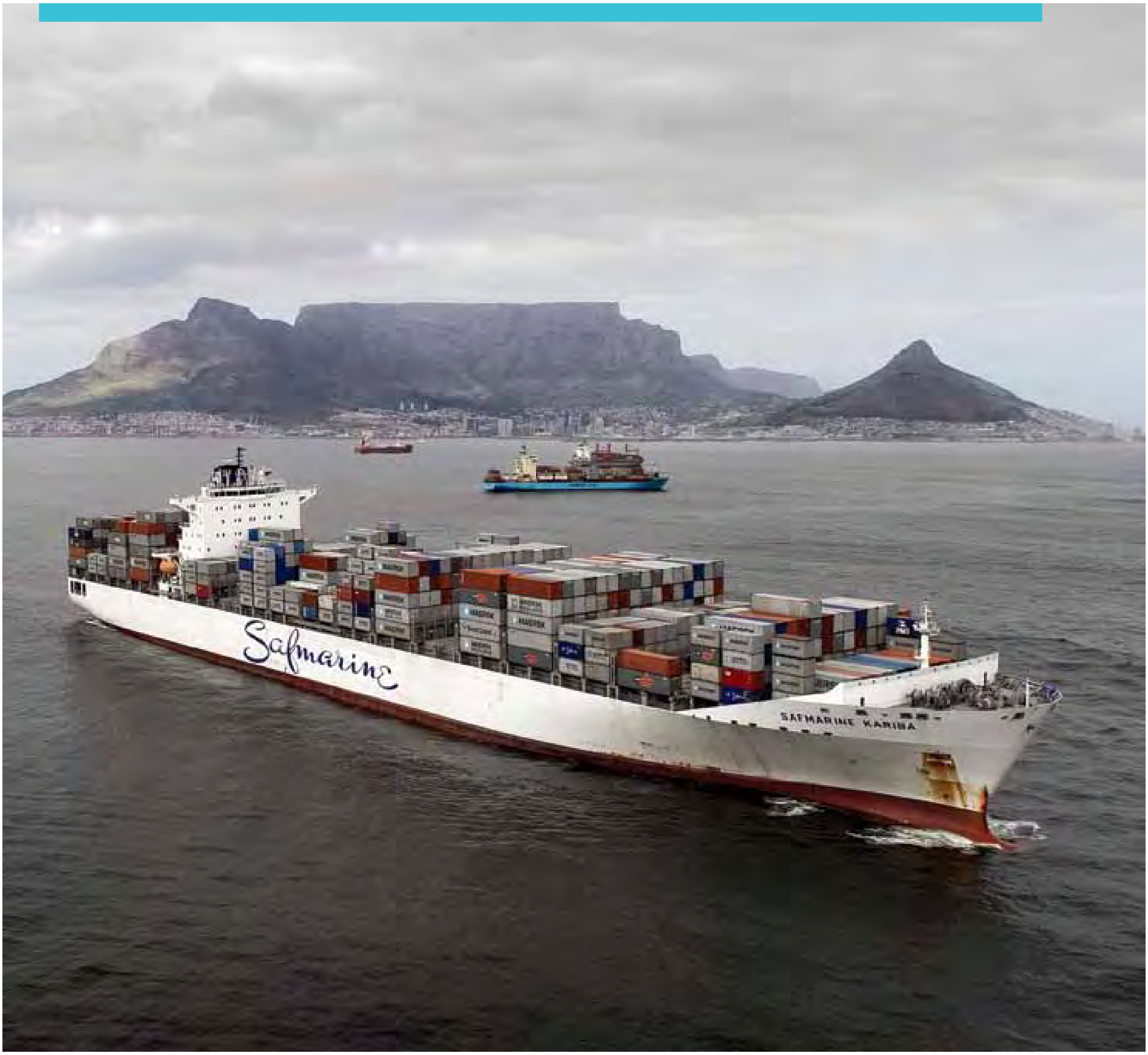
The average bunker price for Maersk Liner Business was 35% higher in 2011 than in 2010. Bunker consumption per TEU/day decreased by 2%. As a consequence of the pressure on freight rates, it has become more difficult to pass on the increasing bunker cost to customers as more contracts are entered with validity of less than one month. These short term contracts are often based on all-in freight rates with no BAF element.

With the aim of reducing emissions and costs, Maersk Line is continuously seeking new ways of optimising bunker consumption. One initiative introduced during 2011 was super slow steaming which is primarily being used on the backhaul trades.

Total unit cost increased by 9% compared to 2010 whereas unit cost excluding bunker cost increased by 2% mainly due to increasing terminal and port expenses in growth markets. Total unit cost for Q4 was 2% higher than in Q4 2010, and 6% lower excluding bunker cost.

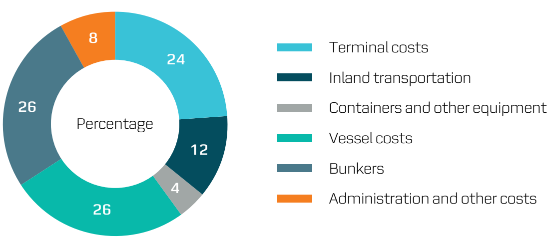
Maersk Line continued the focus on Reliability, Ease of doing business, Environmental impact and Competitiveness with the aim to achieve a 5% point higher EBIT margin than its peers. A number of initiatives to facilitate business with Maersk Line have already been implemented and more initiatives will be introduced during 2012. Maersk Line continues to be the most reliable container carrier and during Q4 the highest overall on-time-delivery of 87.5% was measured by Drewry. Customer satisfaction further increased during 2011 and is now at an all time high.

Maersk Line signed contracts for delivery of 20 18,000 TEU vessels which will be delivered in 2013-2015.

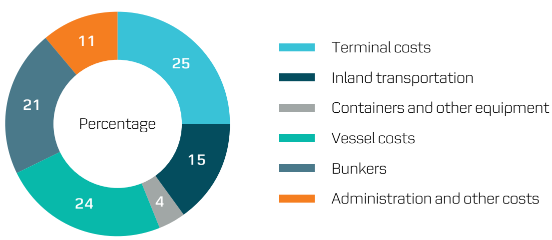


Distribution of container shipping unit costs

2011



2010



During 2011, the Group took delivery of 18 new and two second hand vessels totalling 98,000 TEU as well as two new multi purpose vessels (36,000 DWT). 10 vessels totalling 36,000 TEU were sold while one vessel of 5,000 TEU was scrapped in an environmentally responsible manner.

At the end of 2011, the fleet consisted of 254 own container vessels and 391 chartered container vessels with a total capacity of 2.5m TEU. In addition to this, the Group owned three and had chartered 12 multi purpose vessels. 42 vessels totalling 491,000 TEU are on order for delivery during 2012-2015 and two multi purpose vessels in Q1 2012.

At year-end, the total chartered capacity was 1.2m TEU (0.9m TEU).

The lost time incidents frequency (LTIF) for 2011 was 0.57 per million working hours (0.83 per million working hours).

Profit before financial items (EBIT) per FFE were negative by USD 75 (positive by USD 384) excluding gain on sale of ships and containers. The Q4 result was negatively impacted by one-off costs of USD 105m related to restructuring in Safmarine.

Maersk Line regained market share during 2011 and focus is moved towards profitability ahead of further market share gain. Maersk Line is taking initiatives to restore freight rates from loss-making levels by adjusting capacity through lay-ups and super slow-steaming to improve the market balance.

	TEU		No.	
Fleet	**2011**	2010	**2011**	2010
Own container vessels				
0 – 2,999 TEU	104,508	106,963	58	58
3,000 – 4,699 TEU	351,586	320,209	87	80
4,700 – 7,999 TEU	254,972	227,398	40	38
8,000 – TEU	649,922	642,525	69	69
Total	**1,360,988**	**1,297,095**	**254**	**245**
Chartered container vessels				
0 – 2,999 TEU	555,848	481,770	296	259
3,000 – 4,699 TEU	144,771	64,333	35	16
4,700 – 7,999 TEU	231,736	242,490	40	43
8,000 – TEU	227,776	80,644	20	7
Total	**1,160,131**	**869,237**	**391**	**325**
Own and chartered container vessels	**2,521,119**	**2,166,332**	**645**	**570**
Own and chartered multi purpose vessels			**15**	**15**
Newbuilding programme (own vessels)				
0 – 2,999 TEU	-	3,608	-	2
3,000 – 4,699 TEU	58,500	99,000	13	22
4,700 – 7,999 TEU	66,690	119,200	9	16
8,000 – TEU	360,000	-	20	-
Container vessels total	**485,190**	**221,808**	**42**	**40**
Multi purpose vessels			**2**	**5**

Maersk Oil

The profit increased by 24% compared to 2010, positively affected by higher oil prices but partly offset by higher exploration costs as well as a lower production share in Qatar and lower production in Denmark and the UK. The effective tax rate increased to 73% (71%), primarily due to increase of the tax rate in the UK and increasing exploration activities where the future tax deductibility depends on making commercial oil discoveries.

Safety has high priority for Maersk Oil and LTIF was 0.91 per million working hour (1.19 per million working hours). Efforts continue to completely eliminate incidents.

PRODUCTION AND DEVELOPMENT

With an average daily share of oil and gas production in 2011 of 333,000 barrels of oil equivalent, the Group's share for the year was 12% lower than in 2010 (377,000 barrels per day). The decline was due to a lower share of production in Qatar and a lower production in Denmark and the UK, partly offset by a smaller new production from Brazil.

In **Qatar**, all 15 new platforms under the Al Shaheen field development were in operation and 12 new wells were put into production in 2011, increasing the total number of completed wells to 168 out of the 169 planned wells. The Group's average share of the oil production was 157,000 barrels per day, 6% lower than in 2010 (167,000 barrels per day). The decline was primarily due to higher oil prices and a lower share to recover investments and costs. The current field production level in the range of 300,000 barrels of oil per day is expected to continue, however, with a considerable lower share to the Group due to the nature of the Production Sharing Agreement.

In the Danish part of the **North Sea**, production started from the new Halfdan platform and drilling activities are ongoing or planned at the Dan, Tyra and Valdemar fields to partly offset the declining production. In July 2012, the Danish state owned "Danish North Sea Fund" enters as partner with a 20% interest in DUC. This will lower the Group's production share, however there will be no impact on net earnings as the Danish state participation replaces a 20% profit share. With an average share of 75,000 barrels of oil per day, the Group's share was 9% lower than in 2010 (82,000 barrels per day).

The total share of the gas production was 2.2 billion m³ or on average 38,000 barrels of oil equivalent per day (49,000 barrels per day). The lower oil and gas production was caused by decreasing production from mature fields and lower gas demand.

In the **UK**, construction of a platform and other infrastructure for development of the Golden Eagle area in the North Sea was approved by the authorities and production start is planned for 2014, initially with a production share of 20,000 barrels of oil per day. Repair of Maersk Oil's FPSO, which was damaged during a storm in February 2011, is ongoing at Gryphon and production is expected to restart in the second half of 2012. The loss of production and property damage are partly recoverable under the existing insurance policies, and for 2011 a compensation of USD 266m has been included from the loss of production

Maersk Oil	**USD million**	
Highlights	**2011**	2010
Revenue	12,616	10,250
Profit before exploration costs	**11,005**	**8,873**
Exploration costs	990	605
EBITDA	**10,015**	**8,268**
Depreciation, amortisation and impairment losses	2,171	2,418
Gain on sale of non-current assets, etc., net	2	4
Share of profit/loss in associated companies	-4	-
EBIT	**7,842**	**5,854**
Financial items, net	-96	-52
Profit before tax	**7,746**	**5,802**
Tax	5,685	4,143
Profit for the year (NOPAT)	**2,061**	**1,659**
Cash flow from operating activities	4,365	3,954
Cash flow used for capital expenditure	-3,788	-1,962
Invested capital	6,427	4,917
ROIC	36.3%	32.6%
Average share of oil and gas production (thousand barrels of oil equivalent per day)	333	377
Average crude oil price (Brent) (USD per barrel)	111	80

insurance. The Group's share of production was on average 27,000 barrels of oil equivalent per day which was 47% less than in the same period of 2010 (51,000 barrels per day) mainly due to the Gryphon shut down.

Maersk Oil completed 14 exploration or appraisal wells in 2011.

In **Algeria**, development of the El Merk fields is ongoing with an expected additional production share of 10,000 barrels of oil per day from Q4 2012. At 25,000 barrels of oil per day, the Group's share of production was 4% below 2010 (26,000 barrels per day).

In **Kazakhstan**, the significant development of the Dunga field continues, including some 200 wells, with start of production of the first wells planned for 2012. The share of production is expected to reach a level of 15,000 barrels of oil per day in 2014. The Group's share of the oil production continued at a level of 3,000 barrels of oil per day during 2011 (3,000 barrels per day), positively affected by production from newer wells at the Dunga field but offset by sale of the Saigak field.

In **Brazil**, acquisition of shares in three offshore licences was completed in July 2011 and the Group's average share of production from the Polvo field was 8,000 barrels of oil per day.

In the **US**, the Jack deep-water development project in the Gulf of Mexico is progressing towards start of production in 2014, initially with a production share around 8,000 barrels of oil per day.

EXPLORATION AND BUSINESS DEVELOPMENT

Maersk Oil is pursuing the strategic target of reaching a sustainable production share of 400,000 barrels of oil equivalent per day. In 2011, investments in new activities increased substantially, in particular with the USD 2.4bn acquisition in Brazil. Further, Maersk Oil completed 14 (14) exploration or appraisal wells in 2011 and was involved in drilling of another 30 wells, either in progress or committed to start in 2012 in Angola, Brazil, Kazakhstan, Norway, Qatar, the UK and the US.

Exploration costs were USD 990m (USD 605m) reflecting a high exploration activity level, including drilling activities in Angola, Brazil, Norway and the UK as well as pre-development activities in Angola and the UK.

Maersk Oil, production and exploration 2011

The lower exploration costs in 2010 were impacted by reversal of a provision for an onerous rig.

In **Angola**, Maersk Oil increased its share in the offshore Chissonga oil discovery in Block 16 from 50% to 65%, subject to authority approval. The discovery was declared commercially viable to the local authorities and the assessment of the development options is ongoing. In parallel, exploration drilling is taking place to determine the remaining potential in the block. In Block 23, oil was discovered in the Azul deep-water exploration well and further drilling is planned to assess the potential. In Block 8, exploration drilling is planned for 2012.

In **Brazil**, drilling is ongoing to appraise the Itaipu discovery and plans have been made to start appraisal drilling in the Wahoo discovery in 2012. The acquisition of a share in offshore licence BM-C-34 was approved by the authorities and a 2-well drilling plan is ongoing.

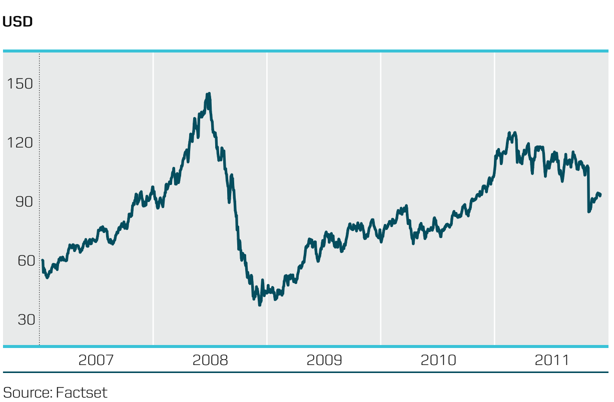
In **Iraq**, Maersk Oil acquired a 20% shareholding in HKN Energy Ltd., which comprises a 75% interest in the Sarsang Production Sharing Contract including operatorship in the Kurdistan Region. HKN Energy Ltd. drilled an oil discovery well in 2011 which is expected to be brought into a minor production in 2012.

In **Norway**, appraisal drilling is ongoing at the Avaldsnes discovery, where Maersk Oil owns a 20% share. Further, drilling of the T-Rex exploration well was ongoing by the end of 2011 and appraisal drilling of the Zidane gas discovery started in January 2012. Maersk Oil was in January 2012 awarded interests in seven exploration licences, including two as operator.

In the **UK**, a development plan for the Maersk Oil operated Flyndre/Cawdor discovery areas in the North Sea was submitted to the authorities. Appraisal activities at the Culzean discovery confirmed a significant gas accumulation and drilling is ongoing to determine the extent and possible development options. In addition, appraisal activities are ongoing to determine the extent of the Jackdaw and Courageous discoveries and drilling of further five wells is either in progress or planned to commence in 2012. In 2011, Maersk Oil was awarded two licences, increasing the total number of awarded licences in the latest exploration bid round to eight, including five licenses with operatorship and two firm well commitments.

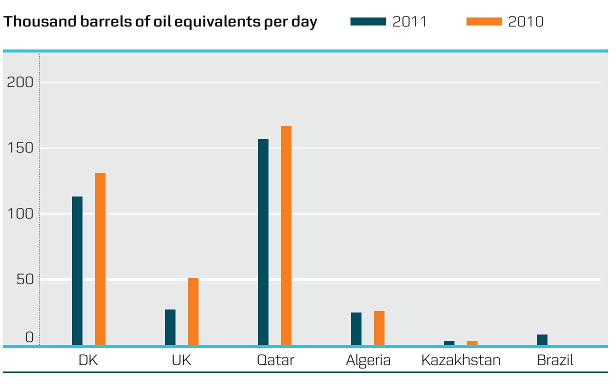
In the **US** Gulf of Mexico, drilling of the Buckskin appraisal well was completed late 2011 and results are being evaluated with a commercial assessment expected for mid 2012. Drilling of the Oceanographer exploration well was postponed until 2013 due to low rig availability. In December 2011, Maersk Oil was awarded 12 leases in the Western Gulf of Mexico, subject to final authority approval.

Brent price fluctuations USD/barrel, 2007-2011



Source: Factset

Share of oil and gas production



Maersk Oil
El Merk fields
Algeria

A worker takes a break at the El Merk field development project in which Maersk Oil has an interest. The Anadarko-operated project will produce first oil by the end of 2012.

APM Terminals

APM Terminals operates a global network of 55 container terminals and 154 inland facilities in 64 countries.

In 2011, the global container terminal market measured in TEU increased by 7% compared to 2010 and by 5% in Q4 2011 (Drewry). The economic challenges facing consumer markets in both Europe and the US have to a limited extent affected volumes in ports along the main east-west trades, which was more than offset by high growth in the north-south trades and the Intra-Asia market.

The number of containers handled by APM Terminals (crane lifts weighted with APM Terminals' ownership interest) increased 7% compared to 2010 and 8% on a like-for-like basis. With a growth of 8% on a like-for-like basis in Q4 APM Terminals' volumes continued to exceed market levels.

APM Terminals		USD million
Highlights	**2011**	2010
Revenue	4,682	4,251
EBITDA	**1,059**	**869**
Depreciation, amortisation and impairment losses	368	441
Gain on sale of non-current assets, etc., net	26	459
Share of profit/loss in associated companies	50	24
EBIT	**767**	**911**
Financial items, net	4	3
Profit before tax	**771**	**914**
Tax	122	121
Profit for the year (NOPAT)	**649**	**793**
Cash flow from operating activities	912	845
Cash flow used for capital expenditure	-688	-301
Invested capital	5,124	4,749
ROIC	13.1%	16.0%
Containers handled (measured in million TEU and weighted with ownership share)	33.5	31.5

During the year, operations in the container terminals in North Africa and the Middle East were negatively influenced by unrest related to the Arab Spring, resulting in reduced service levels towards the shipping lines and lower throughput particularly during Q1. Through implementation of operational recovery plans in close coordination with customers, most of the affected terminals were again operating normally towards year end. Volumes in the second half of the year were positively affected by newly added terminals in Poti and Callao and strong volumes on terminals along the Asia–Europe trades on the back of market share gains for Maersk Line.

76% af APM Terminals' EBITDA came from growth markets.

APM Terminals continues to diversify its client portfolio and volumes from customers other than Maersk Liner Business increased by 11%, contributing 46% of total volumes.

The profit excluding sales gains and impairment losses was 24% higher than in 2010. The improvements in margins and competitiveness were largely due to consistent implementation of improved operational methods and working in partnership with customers to improve efficiency as well as portfolio optimisation.

The inland services that were integrated in 2010 went through a successful strategic reorientation and financial turnaround process, and the activities contributed

APM Terminals	Number of terminals	Number new terminal projects	Average concession length	Crane lifts in million TEU
Americas	13	3	17	6.9
Europe	11	4	25	12.2
Asia	18	0	27	10.6
Africa Middle East	13	0	19	3.8
Total	**55**	**7**	**22**	**33.5**

positively to the improvement of the financial performance in 2011.

APM Terminals is actively pursuing an investment strategy with focus on growth markets. 36 out of 55 container terminals operate in growth markets and 76% of EBITDA was generated in these markets.

During 2011, APM Terminals secured a number of new investments and development opportunities in growth markets. APM Terminals took over operations in port of Callao, Peru, acquired a controlling interest of the Black Sea port of Poti, Georgia, signed a concession agreement to build and operate the new Moin container terminal on the Caribbean coast of Costa Rica and was awarded the concession to build and operate a new container terminal at the port of Lazaro Cardenas, Mexico. APM Terminals was also awarded the concession to operate the Skandia Container Terminal in Gothenburg, Sweden, taking control of operations in January 2012.

APM Terminals will continue to invest strategically to handle the growing container volumes and also to accommodate the tendency among container carriers to deploy larger vessels, creating a need for increased port specifications and more sophisticated operations.

LTIF was 3.46 per million working hours for 2011 (4.36 per million working hours). In order to achieve substantial improvement APM Terminals will in 2012 focus especially on eliminating high severity accidents and advancing the safety management culture and systems in the complex port and inland operations.

APM Terminals' global port activities 2011

Maersk Drilling
Liberia
Western Africa

Maersk Drilling creates value with customers through a unique service delivery concept that customizes safe, efficient and consistent drilling services. Maersk Drilling builds their service around a highly skilled and committed work force, state of the art offshore drilling rigs and 40 years of experience operating in the most challenging environments.

Maersk Drilling

The high oil price supported continued increases in oil companies' exploration and development spend. In 2011, the demand for offshore rigs continued to grow, especially for modern jack-up rigs and floaters due to the operators' growing preference for rigs which provide increased capabilities, efficiency and safety.

The **Norwegian jack-up** market remained solid with full utilisation, and recent large discoveries confirmed the positive outlook for this segment. The number of jack-up rigs with near-term availability in the market is limited, and the market is expected to remain tight and supportive of high day rates. Maersk Drilling owns and operates six jack-up rigs in Norway, of which most are on long-term contracts.

The **premium jack-up** market strengthened in 2011 with close to full utilisation and enjoyed significantly higher utilisation and day rates compared to older jack-up rigs, due to the safety and efficiency gains offered to the operators. Maersk Drilling owns and operates six premium jack-up rigs.

Maersk Drilling	USD million	
Highlights	**2011**	2010
Revenue	1,878	1,627
EBITDA	**862**	**748**
Depreciation, amortisation and impairment losses	244	205
EBIT	**618**	**543**
Financial items, net	9	-4
Profit before tax	**627**	**539**
Tax	132	140
Profit for the year (NOPAT)	**495**	**399**
Cash flow from operating activities	824	630
Cash flow used for capital expenditure	-600	-347
Invested capital	4,102	3,713
ROIC	12.7%	11.0%

Similarly, the **ultra deepwater rig** market was characterised by close to full utilisation, and day rates increased over the year establishing a new rate level around USD 500,000 per day. The increasing demand was primarily seen from the main growth regions West Africa and Brazil. Despite a significant order book, the ultra deep-water rig market is expected to remain strong both short- and medium-term, as development and exploration activity in the growth regions will drive solid future demand.

Maersk Drilling's contract coverage for 2012 was 93% at the end of 2011.

Maersk Drilling owns and operates three ultra deep-water semi-submersible rigs and one mid-water semi-submersible rig in the Caspian Sea, and manages a mid-water semi-submersible rig in Australia.

In 2011, Maersk Drilling placed orders for six new rigs totalling an investment of USD 3.9bn. The investment covers two ultra-harsh environment jack-up rigs with delivery in 2014 and four ultra deepwater drillships with delivery in 2013 and 2014. Maersk Drilling has already secured contracts for the two ultra harsh environment jack-up rigs.

All of Maersk Drilling's units were employed throughout 2011, except for a few rigs entering yards for planned inspections and upgrades.

Total operational uptime in 2011 averaged 95.6% (96.7%).

Fleet	**2011**	2010
Jack-up rigs	12	12
Semi-submersible rigs	4	4
Drilling barges	10	10
Total	**26**	**26**

Newbuilding programme		
Jack-up rigs	2	0
Drillships	4	0
Total	**6**	**0**

Maersk Drilling has good contract coverage for the coming years providing a high degree of earnings visibility and thus forming a solid basis for the planned growth. By the end of 2011, Maersk Drilling's contract coverage was 93% for 2012 and 69% for 2013.

Egyptian Drilling Company, of which the Group owns 50%, had a revenue of USD 447m (USD 427m).

In 2011, Maersk Drilling's LTIF was 0.21 per million working hours (0.36 per million working hours).

The profit was positively affected by higher day rates, better contract coverage, but negatively affected by loss of revenue during yard stays.

Maersk Drilling's contract coverage per segment

Segment	2012	2013
Ultra-harsh environment jack-up rigs (Norway)	93%	85%
Premium jack-up rigs	90%	33%
Ultra deepwater and midwater rigs	100%	96%
Total	**93%**	**69%**

Maersk Supply Service

Maersk Supply Service provides global services to the offshore and associated industries, including anchor handling, towage of drilling rigs and platforms as well as transport of supplies.

The market developed better than expected, especially during the second half of the year with a stronger than expected North Sea spot market at attractive day rates. There was increased activity in Brazil and West Africa with a number of long-term requirements, however, addition of new build tonnage balanced the market overall.

The anchor handling vessels performed better than expected mainly driven by increased demand in deep water markets, especially Brazil. The platform supply vessels performed somewhat above expectations and activity in the subsea market was positive as expected. For all vessel types, activity in the renewable sector particularly in the North Sea had a positive effect.

Newbuilding activity slowed down for the anchor handling vessels and improved the supply and demand balance in the market, whereas a significant order book exists for platform supply vessels.

Maersk Supply Service ordered two anchor handling vessels, optimized for reduced emissions and fuel consumption.

Maersk Supply Service had a reasonable contract coverage going into 2011 but also a suitable exposure to the spot market to cover project work and to be able to take advantage of seasonal rate fluctuations. Continued focus on strategic key markets, such as Brazil, Australia, West and East Africa, resulted in increased contract volumes in these areas.

Two anchor handling vessels were ordered including an option for up to four additional vessels. The vessels are to be built in Chile for the Canadian market and are optimized for reduced emissions and fuel consumption. One older vessel was sold.

The LTIF was 0.74 per million working hours (0.78 per million working hours).

The profit was positively affected by good long-term fixtures and project work in the North Sea.

Maersk Supply Service		USD million
Highlights	**2011**	2010
Revenue	824	772
EBITDA	**368**	**384**
Depreciation, amortisation and impairment losses	150	140
Gain on sale of non-current assets, etc., net	3	-
EBIT	**221**	**244**
Financial items, net	-2	-
Profit before tax	**219**	**244**
Tax	9	43
Profit for the year (NOPAT)	**210**	**201**
Cash flow from operating activities	326	395
Cash flow used for capital expenditure	-70	-150
Invested capital	1,828	1,900
ROIC	11.3%	10.5%

Fleet	**2011**	2010
Anchor handling vessels	50	51
Supply vessels	13	13
Other vessels	3	3
Total	**66**	**67**
Newbuilding programme		
Anchor handling vessels	2	0
Total	**2**	**0**

Maersk Tankers

Maersk Tankers is a global tanker shipping company operating in the market for transportation of crude oil, refined oil products and LPG through the ownership of 119 vessels with an additional 71 vessels on time charter.

As in 2010, earnings in most tanker segments remained poor throughout 2011 as a result of excess capacity.

Demand for transportation of crude oil is closely linked to global oil consumption which grew by about 1.2% in 2011, mainly driven by growing Chinese demand. The crude market experienced some turmoil in connection with the political unrest in Libya but this was compensated by increased volumes from Saudi Arabia. Despite the increased demand, a 10% fleet growth (ACM) caused rates to decrease further particularly during the second half year. Overall, rates were low resulting in negative earnings.

As a result of the difficult market conditions and in order to better utilise the fleet, Maersk Tankers entered into a pool agreement with four other owners, operating a combined fleet of 50 VLCCs. The pool agreement commenced in February 2012 with Maersk Tankers as joint operator.

Transportation demand for refined oil products remained flat in 2011.The global economic slowdown led to declining refinery output primarily in Europe and Asia, whereas the US saw increasing exports in transportation fuels to South America. Fleet growth varied from +6% in LR2 to -2% in Handytankers (Inge Steensland), but without significant improvements in the tonnage balance. Earnings remained low though marginally better for the smaller product vessels.

The gas market improved in 2011, as new production of LPG in the Middle East and strong Asian demand led to an increase in demand by about 6% (Waterborne). Supply growth was limited, allowing the gas tanker market to return to stronger earnings, particularly in the VLGC segment.

Maersk Tankers took delivery of two VLCCs, eleven product tankers and five gas vessels in 2011, and one product tanker was sold.

In 2011, Maersk Tankers' LTIF was 1.12 per million working hours (0.83 per million working hours).

Maersk Tankers	USD million	
Highlights	**2011**	2010
Revenue	1,299	1,219
EBITDA	**108**	**153**
Depreciation, amortisation and impairment losses	278	327
Gain on sale of non-current assets, etc., net	6	48
Share of profit/loss in associated companies	-	1
EBIT	**-164**	**-125**
Financial items, net	1	3
Loss before tax	**-163**	**-122**
Tax	+12	+4
Loss for the year (NOPAT)	**-151**	**-118**
Cash flow from operating activities	95	121
Cash flow used for capital expenditure	-668	-89
Invested capital	3,774	3,344
ROIC	-4.2%	-3.4%

	2011		2010	
Fleet	Own	Chartered	Own	Chartered
Crude oil	11	5	9	2
Product	92	55	82	59
Gas	16	11	11	13
Total	**119**	**71**	**102**	**74**
Newbuilding programme				
Crude oil	5	1	4	2
Product	1	0	4	5
Gas	0	0	5	0
Total	**6**	**1**	**13**	**7**

Damco

Damco provides freight forwarding and supply chain management solutions.

Efforts to accelerate the market share in growth markets led to improved results across key parts of South and Southeast Asia, Africa and Latin America. At year-end, more than half of Damco's employees were located in growth markets. Damco's airfreight capabilities strengthened considerably with the acquisition of China based airfreight forwarder NTS International Transport Services (NTS) which was completed in August 2011.

Damco	USD million	
Highlights	**2011**	2010
Revenue	2,752	2,691
EBITDA	**120**	**95**
Depreciation, amortisation and impairment losses	23	20
EBIT	**97**	**75**
Financial items, net	4	-4
Profit before tax	**101**	**71**
Tax	36	27
Profit for the year (NOPAT)	**65**	**44**
Cash flow from operating activities	93	84
Cash flow used for capital expenditure	-119	-28
Invested capital	317	190
ROIC	25.8%	22.2%

Global commercial initiatives implemented during the year resulted in Damco winning more large size customers within strategically selected industry segments. Customer satisfaction ratings improved to the highest level so far thereby continuing the positive development from 2010.

Total revenue increased to USD 2.8bn (USD 2.7bn). The traditional annual peak season in Q3 was rather muted due to the fact that usual season peaks in European and North American consumer demand did not materialise. Supply chain management volumes were 3% lower than in 2010, while ocean volume increased 15% which was well ahead of the market. Airfreight tonnage was up 47% mainly driven by the acquisition of NTS.

In 2011, Damco's LTIF was 0.81 per million working hours (1.75 per million working hours).

Svitzer
North Sea

The Esvagt Bergen is designed to operate in harsh environments, and currently operates in the Norwegian sector of the North Sea. As a part of the rescue- and oil spill service Esvagt Bergen provides second to none support for its customers.

Svitzer

Svitzer's main activities are harbour towage, terminal towage, emergency response & rescue vessels (Esvagt) and salvage. Globally, Svitzer is represented in more than 100 ports and owns and operates more than 500 vessels.

Svitzer initiated a salvage project on the container vessel 'Rena' offshore New Zealand's coast.

Activity within Svitzer's four harbour towage regions dropped 5% in 2011, offset by activity from an acquisition in the Dominican Republic. Harbour towage activity remained 10% below 2008 levels. Activity for emergency response & rescue vessels was robust and salvage saw a good recovery in Q4 2011 after a slow start to the year.

During 2011, Svitzer entered into a 20 year contract for an LNG terminal towage project in Angola and successfully integrated last year's acquisition of Remolcadores Dominicanos. In Q4 2011, Svitzer won the 20 year Gorgon LNG terminal towage contract off Australia's west coast and initiated a salvage project of the container vessel 'Rena' offshore New Zealand.

Svitzer's LTIF was 0.72 per million working hours in 2011 (0.82 per million working hours).

Svitzer		USD million
Highlights	**2011**	2010
Revenue	992	890
EBITDA	**284**	**235**
Depreciation, amortisation and impairment losses	126	119
Gain on sale of non-current assets, etc., net	4	23
Share of profit/loss in associated companies	-	2
EBIT	**162**	**141**
Financial items, net	-	1
Profit before tax	**162**	**142**
Tax	29	12
Profit for the year (NOPAT)	**133**	**130**
Cash flow from operating activities	181	147
Cash flow used for capital expenditure	-237	-124
Invested capital	1,910	1,884
ROIC	7.0%	7.2%

	2011		2010	
Fleet	Own	Chartered	Own	Chartered
Tugboats	340	23	341	15
Standby vessels	32	0	34	0
Other vessels	143	13	138	9
Total	**515**	**36**	**513**	**24**
Newbuilding programme				
Tugboats	15		28	
Standby vessels	4		3	
Other vessels	1		5	
Total	**20**		**36**	

Maersk FPSOs and Maersk LNG

Maersk FPSOs builds, owns and operates offshore floating production storage and offloading units (FPSO) servicing major oil companies in the North Sea, Brazil, Australia and Congo. All units are on long-term contracts running for up to 15 years.

An agreement was entered into to divest Maersk LNG for USD 1.4bn. The transaction is expected to be completed during Q1 2012.

Maersk FPSOs achieved significant safety, operational and financial improvements. Maersk Peregrino was successfully delivered during Q1 and steady performance was demonstrated in Q4 2011 when the unit reached 95% availability. Average availability for the rest of the fleet increased to 90% (87%).

In December 2011, Maersk Ngujima-Yin, operating in Australia, was divested to the customer with a final handover date in Q3 2012. The vessel has experienced operational challenges since a fire broke out in 2009 and an impairment loss of USD 250m was recognised during Q2 2011.

In October 2011, an agreement was entered into to divest **Maersk LNG** for USD 1.4bn. The transaction is expected to be completed during Q1 2012.

The profit for Maersk FPSOs and Maersk LNG was positively affected by better operational performance in Maersk FPSOs, attractive new contracts in Maersk LNG, a reversed impairment of USD 91m related to the LNG assets and negatively affected by impairments of USD 250m on Maersk Ngujima-Yin.

The LTIF for Maersk FPSOs and Maersk LNG was 0.53 per million working hours (1.18 per million working hours).

Maersk FPSOs and Maersk LNG	USD million	
Highlights	**2011**	2010
Revenue	591	418
EBITDA	**243**	**42**
Depreciation, amortisation and impairment losses	280	404
Gain on sale of non-current assets, etc., net	8	67
Share of profit/loss in associated companies	3	-1
EBIT	**-26**	**-296**
Financial items, net	-2	-6
Loss before tax	**-28**	**-302**
Tax	+36	+60
Profit/loss for the year (NOPAT)	**8**	**-242**
Cash flow from operating activities	226	113
Cash flow used for capital expenditure	28	-337
Invested capital	2,539	2,843
ROIC	0.3%	-8.0%

Operated fleet	**2011**	2010
Floating production units (FPSO/FGSO)	6	6
LNG carriers	8	8
Total	**14**	**14**
Newbuilding programme		
Floating production units (FPSO/FGSO)	0	0
Total	**0**	**0**

Dansk Supermarked Group

The Dansk Supermarked Group comprises the retail concepts Bilka (hypermarkets), Føtex (supermarkets), Netto (discount stores), and Salling (department stores).

THE RETAIL MARKET

The retail market for fast-moving consumer goods experienced a slight increase for all markets compared to 2010.

The retail market for non-food consumer goods decreased in Denmark and discount stores benefited from costconscious consumers and gained market share from supermarkets and hypermarkets.

THE DANSK SUPERMARKED GROUP

Revenue for the Dansk Supermarked Group was 7% lower than in 2010 mainly due to the divestment of Netto Foodstores Limited, UK. Adjusting for this the revenue increased by 1% and measured in local currency an increase of 1%.

The market share in foreign markets increased slightly but remained unchanged in the Danish market.

The decrease in consumer spending as well as the change in consumer spending from regular supermarkets to discount stores had a negative effect on profits.

The profit was positively affected by the divestment gain from Netto Foodstores Limited, UK of DKK 3.8bn. The sale was completed in April 2011.

Cash flow used for capital expenditure increased due to investments in new stores and relocation and refurbishment of existing stores. The positive cash effect from the divestment of Netto Foodstores Limited, UK was DKK 6.3bn.

During 2011, 84 new stores were opened of which 67 were outside Denmark and two stores were closed. The divestment of Netto Foodstores Limited, UK reduced the total number of stores by 195 bringing the total number to 1,303.

The LTIF for Dansk Supermarked Group was 13.95 per million working hours (13.53 per million working hours).

Dansk Supermarked Group — DKK million

Highlights	2011	2010
Revenue	55,227	59,250
EBITDA	**2,885**	**3,591**
Depreciation, amortisation and impairment losses	564	827
Gain on sale of non-current assets, etc., net	3,703	40
EBIT	**6,024**	**2,804**
Financial items, net	-88	67
Profit before tax	**5,936**	**2,871**
Tax	633	656
Profit for the year (NOPAT)	**5,303**	**2,215**
Cash flow from operating activities	2,292	2,493
Cash flow used for capital expenditure	3,392	-2,210
Invested capital	15,091	15,485
ROIC	34.7%	15.4%
Number of stores	1,303	1,416

Number of stores	2011	2010
Netto Denmark	431	414
Netto Great Britain	0	195
Netto Germany	341	324
Netto Poland	242	212
Netto Sweden	146	128
Netto total	**1,160**	**1,273**
Bilka	16	15
Føtex	86	85
Other stores	38	40
F. Salling	3	3
Total	**1,303**	**1,416**

Odense Steel Shipyard Group

The Odense Steel Shipyard Group delivered two frigates to the Royal Danish Navy as well as three Ro/Ro vessels.

Revenue amounted to DKK 1.9bn (DKK 2.8bn) and profit was DKK 0.2bn (loss of DKK 0.3bn). Result from the delivery of the last ships was slightly negative, while positive contributions came from refund of energy taxes, reversal of provisions and other net impacts from closing the shipyard, including sale of assets.

The shipyard successfully completed its shipbuilding activities with the delivery of the last Ro/Ro vessel and the last frigate, both of which were delivered in January 2012. The phase out of the shipbuilding activities is then completed in accordance with the plan made in August 2009.

Maersk Container Industry

Maersk Container Industry (MCI) benefited from a continued high demand for reefer containers, mainly driven by the underlying strong growth in reefer transported commodities and cargo conversion from conventional reefer bulk vessels to reefer containers.

MCI's patented integrated reefer concept has gained large acceptance in the market, and MCI's sales volumes of reefer containers and reefer machines were higher than in 2010.

MCI announced establishment of a new reefer production facility in Chile, the only one in the world located outside China.

In 2011, the LTIF was 1.33 per million working hours (1.88 per million working hours).

Revenue was USD 1.2bn (USD 0.7bn) and the profit was USD 69m (USD 41m). ROIC was 33.1% (20.6%).

Danske Bank A/S

The Group owns 20% of the shares in Danske Bank A/S, the largest Danish bank, which has operations in a number of countries, including Denmark, Sweden, Finland, Norway, Ireland and Northern Ireland. The bank's profit was DKK 1.7bn (DKK 3.7bn), of which 20%, corresponding to DKK 343m (DKK 734m), is included in the A.P. Moller - Maersk Group's profit.

In April 2011, A.P. Møller - Mærsk A/S participated in Danske Bank A/S' rights issue of DKK 20 billion with an investment of DKK 4bn, maintaining the 20% ownership share.

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 34m (loss of USD 129m) and ROIC was 5.3% (negative by 17.5%).

The Group's share of profit in DFDS of USD 49m (USD 25m) is based on analyst consensus from February 2012 as the annual report for 2011 has not yet been published.

Unallocated activities

Highlights	USD million 2011	2010
Revenue	782	540
Costs including depreciation and amortisation, etc.	825	651
Value adjustment of oil price hedges	-14	15
EBIT	**-57**	**-96**
Financial items, net	-707	-874
Loss before tax	**-764**	**-970**
Tax	+130	+80
Loss for the year	**-634**	**-890**
Cash flow from operating activities	-1,171	-891

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

The loss before financial items (EBIT) of USD 57m was an improvement by USD 39m compared to the prior year due to increased activity with purchase of bunker.

The unallocated financial items were negative by USD 707m (USD 874m). The net interest expenses including hedging and fair value adjustments was improved by USD 212m, primarily due to lower interest rate level and lower average net interest-bearing debt.

A.P. Moller - Maersk Group

Financial report

INCOME STATEMENT

The A.P. Moller - Maersk Group's profit for the year declined by DKK 10.1bn to DKK 18.1bn (DKK 28.2bn).

Revenue increased by 2% to DKK 322.5bn (DKK 315.4bn), primarily as a consequence of higher oil prices and container volumes which was partly offset by lower container freight rates and lower share of oil production. Measured in USD, revenue was 60.2bn (USD 56.1bn).

Operating costs increased by DKK 19.3bn to DKK 245.6bn (DKK 226.3bn), primarily due to increasing container volumes and increasing bunker prices.

Depreciation, amortisation and impairment losses decreased by DKK 4.9bn to DKK 28.9bn (DKK 33.8bn). The Group recognised impairment losses of net DKK 1.7bn (DKK 4.1bn), mainly related to Maersk FPSOs.

Gain on sale of non-current assets, net, increased to DKK 4.7bn (DKK 3.8bn), primarily due to divestment of Netto Foodstores Limited, UK.

Share of the result in associated companies increased by DKK 0.2bn to DKK 0.7bn (DKK 0.5bn) due to full year effect of the ownership in DFDS (assumed ownership 12 July 2010) partly offset by a lower profit in Danske Bank.

Net financial expenses were reduced to DKK 4.6bn (DKK 5.3bn) primarily due to lower interest rate level and average net interest bearing debt.

TAX

Companies in the A.P. Moller - Maersk Group are taxed under different tax regimes, depending on location and activity. Special tax rules apply to some of the Group's activities.

As a general rule, shipping activities are subject to a tonnage-based or similar tax system, under which the computation of taxable income includes an amount calculated on the basis of the fleet's tonnage. Moreover, in certain countries freight taxes are paid, mainly based on the gross freight income in those countries.

In most countries, oil and gas activities are subject to a special form of taxation, which is often considerably higher than the normal corporate tax rate. Furthermore, the Danish government receives 20% of the profit before tax from the Danish sector of the North Sea, calculated according to tax rules. This profit share is treated as tax in the financial statements. In other countries, the government receives a share of the oil production in addition to the tax payment. Such government shares are excluded from revenue and hence not included as tax.

In 2011, the total tax charge for the A.P. Moller – Maersk Group was DKK 32.4bn (DKK 26.2bn). The increase was primarily caused by higher earnings from oil and gas activities, including an increase of the UK tax rate on oil of 12%-point. Of the total tax charge, taxes payable to Denmark constituted DKK 11.0bn (DKK 9.2bn), of which DKK 7.7bn (DKK 6.3bn) related to the special hydrocarbon tax and profit share to the Danish State.

COMPREHENSIVE INCOME

Comprehensive income for the year was DKK 19.9bn (DKK 36.2bn) and includes the profit for the year of DKK 18.1bn (DKK 28.2bn) and other comprehensive net income of DKK 1.8bn (DKK 8.0bn). Other comprehensive income mainly includes exchange rate adjustment on translation from functional currency to presentation currency, fair value adjustment of certain securities, value adjustment of cash flow hedges and actuarial gains and losses.

BALANCE SHEET

At 31 December 2011, total assets amounted to DKK 404.7bn (DKK 374.7bn).

Intangible assets increased to DKK 28.8bn (DKK 14.6bn) mainly due to acquired oil and terminal concession rights.

Property, plant and equipment of DKK 254.8bn (DKK 243.7bn) increased by DKK 11.1bn, with investments in the year of DKK 43.2bn (DKK 26.8bn). Depreciation for the year was DKK 25.7bn (DKK 26.5bn), and net impairment losses of DKK 1.4bn (DKK 3.1bn) were recognised. Sale of tangible assets accounted for DKK 2.5bn (DKK 5.4bn), primarily related to sale of vessels. DKK 7.5bn (DKK 4.3bn) was transferred to assets held for sale comprising mainly the LNG activities. Currency adjustments were an increase of DKK 5.0bn (DKK 18.6bn) due to the development in USD versus DKK.

Shares in associated companies amounted to DKK 32.5bn (DKK 26.7bn), hereof Danske Bank DKK 25.2bn (DKK 21.0bn).

Derivatives were as of 31 December 2011 a net liability of DKK 3.3bn (DKK 1.9bn). The increase is primarily related to the depreciation of the USD.

Total cash and cash equivalents, consisting of securities held for trading as well as cash and bank balances totalled DKK 15.2bn (DKK 25.9bn) at 31 December 2011.

Assets held for sale of net DKK 8.7bn (DKK 3.4bn) comprised assets expected to be sold during 2012 including the Group's LNG activities and seven container vessels.

Equity totalled DKK 207.9bn (DKK 193.0bn). The increase includes comprehensive income for the year of DKK 19.9bn (DKK 36.2bn), and dividend was deducted by DKK 4.9bn (DKK 2.1bn).

Deferred tax liabilities totalled DKK 6.0bn (DKK 4.4bn) at 31 December 2011, and recognised deferred tax assets totalled DKK 4.9bn (DKK 5.1bn). Furthermore, deferred tax assets of DKK 4.0bn (DKK 3.6bn) have not been recognised, cf. note 13.

FUNDING

During 2011, the Group continued to raise funding for new investments supporting the Group's solid liquidity position. The Group has limited refinancing needs in the next 24 months.

Considering the continued uncertainty in the commercial banking market, the Group is open to further diversifying its funding sources. Furthermore, this diversification may contribute to simplifying the Group's debt portfolio. At 31 December 2011, issued bonds were 13.2% (13.0%) of total interest-bearing debt.

Total interest-bearing debt amounted to DKK 109.8bn (DKK 101.1bn) or USD 19.1bn (USD 18.0bn) at 31 December 2011. The Group's net interest-bearing debt totalled DKK 88.0bn (DKK 69.7bn) or USD 15.3bn (USD 12.4bn). The Group has increased its net interest-bearing debt by USD 2.9bn during 2011 as a consequence of higher investment level. The average maturity of loan facilities in the Group was around five years at 31 December 2011. The Group has no immediate refinancing need. The intention is to maintain a strong liquidity position to be able to resist fluctuations and have the financial strength to exploit new investment opportunities.

OPERATING LEASE OBLIGATIONS

The present value of the operating lease obligations totalled USD 11.6bn (USD 12.2bn) at 31 December 2011 using a discount rate of 6% (6%). The amount is divided into the following main items:

- Obligations regarding Container activities and Tankers, offshore and other shipping activities of USD 7.1bn (USD 7.5bn)
- Obligations regarding Terminal activities of USD 3.7bn (USD 3.8bn)
- Other obligations of USD 0.8bn (USD 0.9bn)

About one-third of the time charter payments in Container activities as well as Tankers, offshore and other shipping activities are estimated to relate to operational costs for the assets. The use of chartered vessels increases the flexibility to adjust the fleet size to match fluctuations in demand, primarily in container and tanker activity. The average term to maturity of the charters was 2.7 (2.4) years for container vessels and 4.2 (4.4) years for tankers.

INVESTMENT PROGRAMME
Total outstanding commitments concerning purchase of property, plant and equipment totalled USD 14.8bn (USD 9.1bn) at 31 December 2011. The major outstanding commitments are related to Container activities USD 5.2bn (USD 2.9bn), Oil and gas activities USD 2.9bn (USD 3.6bn), Terminal activities USD 2.8bn (USD 1.5bn) and Tankers, offshore and other shipping activities USD 3.7bn (USD 0.8bn).

FUNDING POSITION
At 31 December 2011, liquidity buffers, defined as cash and bank balances, securities and committed undrawn facilities, were USD 11.3bn (USD 14.5bn), of which total committed undrawn facilities constituted USD 8.6bn. Added to this are a number of overdraft facilities related to the Group's daily cash management operations. To this can be added financing commitments related to the Group's new building programme.

The Group's long-term objective is to maintain a conservative funding profile, matching that of a strong investment grade company over the business cycle. As a consequence of fluctuations in the payment schedule of investments and fluctuations in the Group's cash flow, fluctuations in the financial profile are expected. Based on the size of the committed loan facilities, including loans for specific asset financing, the maturity of the loan facilities and the existing investment profile, the Group's funding position is satisfactory.

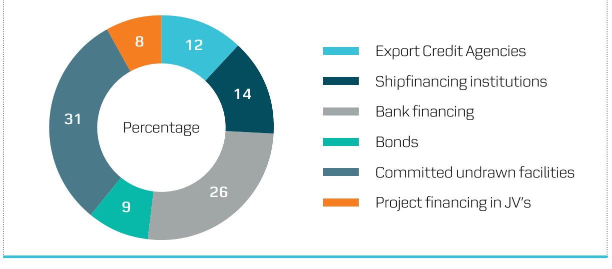
LEGAL DISPUTES, ETC.
The Group is involved in a number of legal disputes. Moreover, the Group is party to a number of tax disputes, some of which involve substantial amounts.

None of the disputes mentioned above are expected to have any material impact on earnings in future periods.

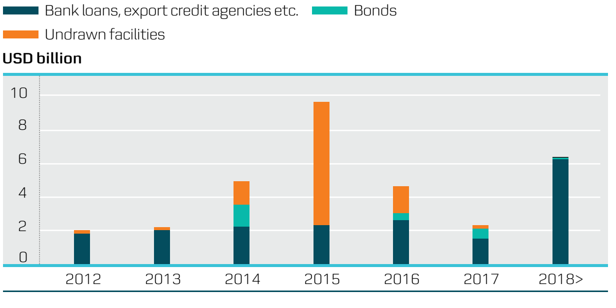
PENSIONS, ETC.
The actuarial net liability in relation to defined benefit plans recognised in the financial statements totalled DKK 2.5bn (DKK 2.1bn) at 31 December 2011. Developments in the actuarial assumptions as well as changes to the minimum funding requirements resulted in actuarial losses of DKK 0.8bn (loss of DKK 0.2bn), which are included in other comprehensive income. In 2011, the Group paid DKK 0.6bn (DKK 0.5bn) to benefit plans.

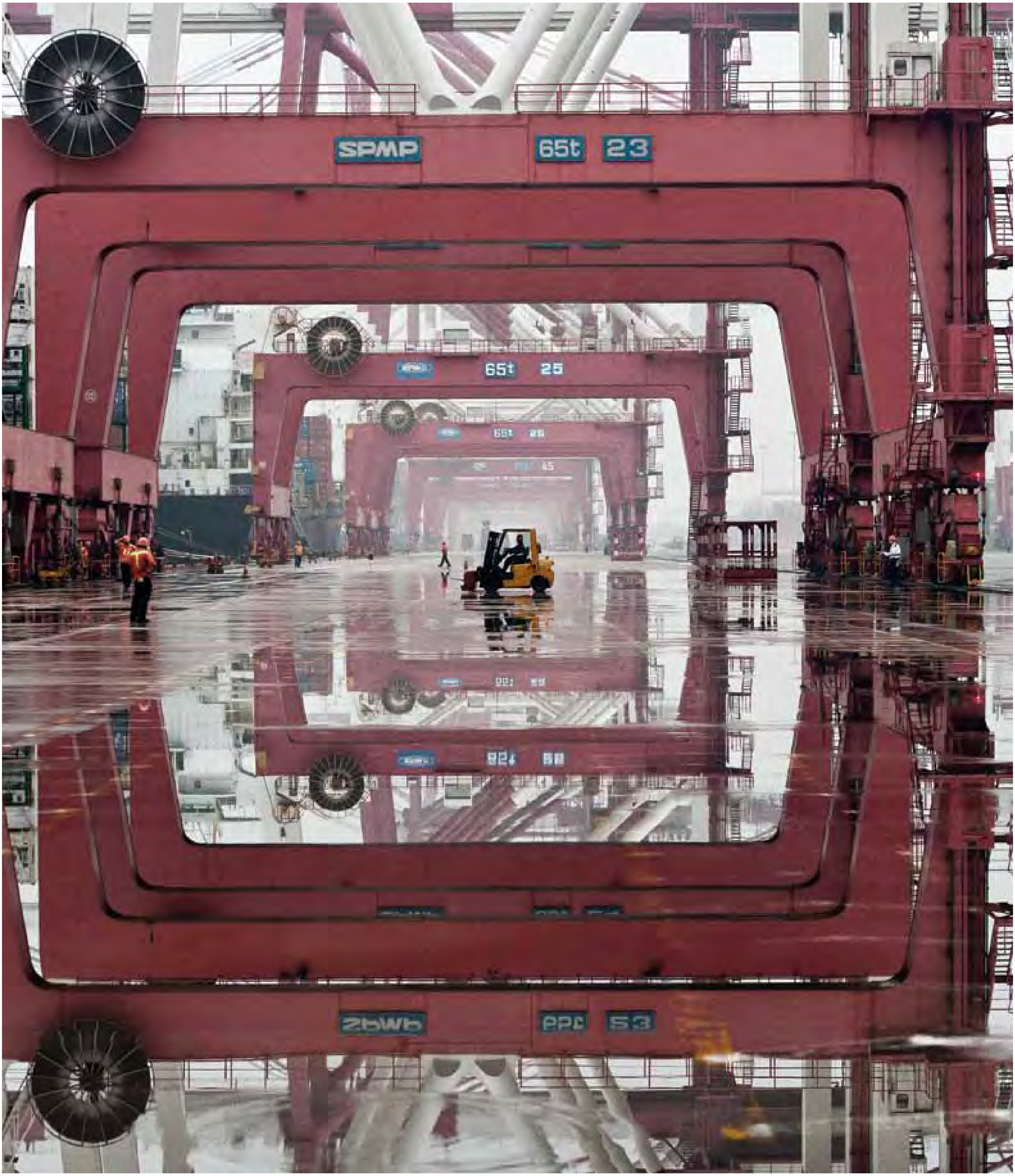
CASH FLOW
Cash flow from operating activities DKK 38.9bn (DKK 57.0bn) was negatively affected by lower earnings before depreciation and amortisation as well as higher tax payments. Cash flow used for capital expenditure was DKK 52.3bn (DKK 26.1bn). The increase was mainly due to investments in vessels, oil rights as well as the capital increase in Danske Bank partly offset by proceeds from the sale of Netto Foodstores Limited, UK.

Existing loan facilities at 31 December 2011



Re-payment schedule for loan facilities





APM Terminals
Qingdao
China

Located in Qingdao in the Shandong Province is the 9th-busiest container port in the world with throughput of 13 million TEUs in 2011. APM Terminals is a shareholder in the Qingdao Qianwan Container Terminal (QQCT) since 2003 working closely with the joint venture partners.

A.P. Moller - Maersk Group

Risk management

The A.P. Moller - Maersk Group is exposed to a range of different risks due to its global presence and variety of businesses. This requires a portfolio approach to risks where the downside risks are carefully evaluated and balanced against the upside potential and where risks are assessed from a portfolio perspective.

Management of the Group's risks is anchored in an Enterprise Risk Management framework, where the most significant risks and mitigation plans are consolidated bi-annually in a Group key risk overview. The Group key risk overview is discussed with the Group's Executive Board and Board of Directors.

STRATEGIC RISKS

Freight rates

The Group is exposed to fluctuations in freight rates, particularly in the container shipping market. This cyclical risk is mitigated by lowering the exposure towards the spot market by stabilising revenue through use of annual and semi-annual customer contracts. This is further supported by delivering differentiated service offerings with focus on reliability, ease of business and environmental performance, driving customer focus towards the entire value chain of transportation, and away from a sole focus on freight rates. In periods of excess tonnage, capacity can be reduced by redelivery of time chartered vessels, scrapping, lay-up and postponement of new building deliveries.

Oil and Gas Production

The Group aims at replacing current oil and gas production by finding or acquiring new reserves. Over recent years investments in exploration, development and acquisition activities have increased while maintaining focus on maximising oil and gas recovery from mature fields. Furthermore, the Group has initiated an oil and gas reserves evaluation process to support the investment decision process.

Political Risks

The Group's global presence exposes both assets and earnings to geopolitical events. Political actions such as trade barriers, new taxes, currency restrictions, expropriation etc. could impact the Group's result and cash flows. Key mitigations to manage these risks include engagement with political bodies and authorities, local partnerships, monitoring of regulatory initiatives, corporate social responsibility and spread of geographical risks.

FINANCIAL RISKS

Liquidity

The Group must have sufficient funds available to fund its operations and investment programme and service its debt. The Group has a strong financial policy and closely monitors cash flow forecasts, financial ratios and the liquidity buffer. Further, the Group aims to secure funding before committing investments and seeks to diversify financing sources through corporate bonds and private placements.

Credit Risk

The Group has substantial exposure to financial and commercial counterparties but has no particular concentration of customers or suppliers. To minimise the credit risk, financial vetting is undertaken for all major customers and financial institutions, adequate security is required for commercial counterparties and credit limits are set for financial institutions and key commercial counterparties.

Foreign Exchange Rate

The Group's income from shipping and oil related activities is mainly USD denominated while the related expenses are in both USD and a wide range of other currencies. The Group's exposure to currency fluctuations is mitigated by various hedge programs.

Oil Price

Crude Oil Price

The Group has substantial income from its oil and gas activities and is therefore exposed to changes in oil prices. The Group had an entitlement production of 121 million barrels of oil equivalent in 2011.

Bunker Price

The Group is exposed to changes in bunker costs and consumed in 2011 11,384 metric tonnes bunker fuel, of which 96% was in Maersk Line. The Group maintains focus on passing on bunker price fluctuations to customers through the Bunker Adjustment Factor (BAF) and on reducing bunker consumption.

OPERATIONAL RISKS

Major Safety Incidents

Controlling the risk of major safety incidents is inherent in the Group's businesses, particularly in the oil and offshore businesses. To mitigate these risks, safety training, safety risk management systems, certification and classification of equipment and procedures, quality assurance and processes for knowledge sharing across the Group are in place. When activities are performed in partnerships or in joint ventures where the Group is not in full control of the activities, the Group seeks to protect sustainable interests and values through cooperation and shareholder agreements, etc.

Major Environmental Incidents

Controlling the risk of major environmental incidents is inherent in the Group's businesses, particularly in the oil, offshore and tanker business. The risk is mitigated through training, environmental management systems, oil spill procedures, membership of cross industry response organisations, double hull policy and by taking limited equity shares in operations in high risk areas. Where activities are performed in cooperation or joint ventures and the Group is not in full control of the activities, the Group constantly seeks to protect sustainable interests and values through cooperation and shareholder agreements, etc.

War, terrorism or piracy attack

Due to its global operational presence the Group faces a threat of war, terrorism and piracy attacks in various areas. Main mitigations are disaster and contingency planning, security measures at offices, vessels and installations, armed guards on vessels, voyage planning and monitoring and intelligence.

Information risk

The Group's global presence, size and complexity dictate a need for having the right information available at the right time, maintaining the integrity of protected information and preventing disclosure of confidential information. This is secured through an information security policy, IT governance, technical controls, information security user training and awareness campaigns and business continuity plans.

Procedures and controls

Continued strengthening of the business areas' competitiveness, including customer focus and cost control, has a material impact on the Group's results and development. Part of the activities in APM Terminals and Maersk Oil are performed in cooperation and joint ventures where the Group is not in full control of the activities. Through cooperation and shareholder agreements etc., with state-owned partners among others, the Group constantly seeks to protect sustainable interests and values as well as to ensure implementation of initiatives to improve the Group's competitiveness and results.

COMPLIANCE RISKS

Human Rights

It is a priority for the Group to be compliant with the global human rights standards associated with the new expectations and standards set by OECD for multinational enterprises endorsed in June 2011. An action plan has been developed with the intention of closing the gaps. The Group has a Responsible Procurement Programme, health and safety management programmes and global labour principles in place to mitigate the risk of non-compliance.

Tax

The Group is exposed to a large number of different tax regimes in 130 countries and there is a risk of an unexpected tax expense due to uncertainty in the interpretation of local tax regulations or failure in compliance. To mitigate this risk, specific tax compliance policies are in place, a tax risk database is maintained and the Group's tax function receives regular reporting from Business Unit and Country tax departments. In significant locations, specialised tax managers monitor changes in tax regulations and rules to ensure full compliance. In other locations the Group relies upon external tax advisors for guidance.

Anti-corruption, competition and export control

Failure to comply with applicable legislation relating to anti-corruption, competition and export control may have a substantial negative impact on the Group's financial performance and reputation. To mitigate this risk, mandatory compliance training, specific compliance policies and procedures, a whistleblower system, a "hospitality book" to report gifts and compliance audits and drills are in place.

Insurance

The Group insures assets and liabilities according to industry practice in the various businesses. As of 1 January 2012, the Group will retain more risk through its newly established captive insurance company, Maersk Insurance A/S.

A.P. Moller - Maersk Group

Corporate governance

Corporate governance is a topic that A.P. Møller - Mærsk A/S' Board of Directors continuously considers on the basis of the Company's activities, external environment, history and needs, etc.

RECOMMENDATIONS FOR CORPORATE GOVERNANCE

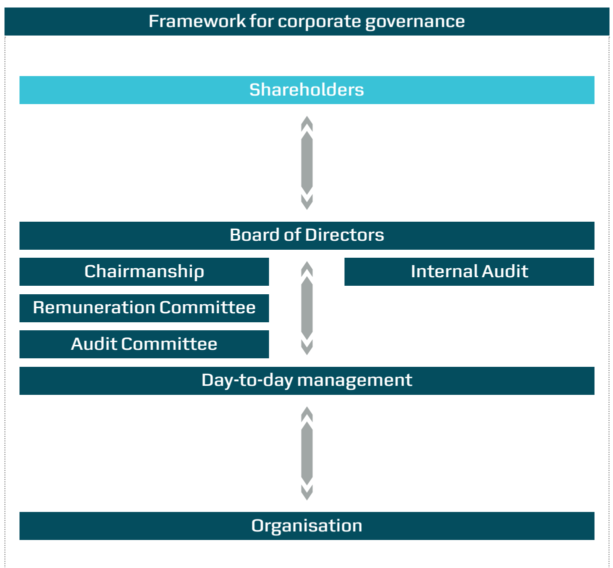
As a Danish listed company, A.P. Møller - Mærsk A/S must observe to the Recommendations for good corporate governance ("Anbefalinger for god selskabsledelse") implemented by NASDAQ OMX Copenhagen in the Rules for issuers of shares ("Regler for udstedere af aktier") and Section 107b of the Danish Financial Statements Act (årsregnskabsloven). A new recommendation for diversity at management levels was added with effect from 2011.

The Board of Directors of A.P. Møller - Mærsk A/S has prepared a statement on corporate governance for the 2011 financial year which is included in the Directors' report. The statement can be reviewed and downloaded via http://investor.maersk.com/governancestatement.cfm.

The statement includes a description of the Company's approach to the "Recommendations for corporate governance" issued and a description of the Company's management structure and the main elements of the Group's internal control and risk management systems in connection with the Group's financial reporting process.

MANAGEMENT STRUCTURE

As a Danish company, A.P. Møller - Mærsk A/S has a management structure consisting of the Board of Directors and the day-to-day management, as illustrated below. The Board of Directors lays down the general business and management principles for the Group and ensures the proper organisation of the company. The Executive Board functions as the day-to-day management. Further information is available in the above-mentioned statement.



A.P. Moller - Maersk Group

Shareholders

SHARE PRICE DEVELOPMENT

Taking into account the composition of the Group, the A.P. Moller - Maersk share outperformed both the container, terminal and tanker market, performed in line with forwarders and offshore peers, while it underperformed the oil industry.

The total market value of A.P. Møller - Mærsk A/S' shares at the end of 2011 was DKK 162 billion. On 7 February 2011, the B share closed at its highest price in 2011 of DKK 54,050 (for one DKK 1,000 share) and on 25 August 2011, at its lowest price of DKK 32,380. At the end of 2011, the price was DKK 37,920, corresponding to a decrease by 25% compared to the end of 2010 (23% adjusted for dividend payment).

SHARE CAPITAL

A.P. Møller - Mærsk A/S was listed on the stock exchange in 1982. The shares are listed on NASDAQ OMX Copenhagen and are divided into two classes: A shares with voting rights and B shares without voting rights. Each DKK 1,000 A share entitles the holder to two votes.

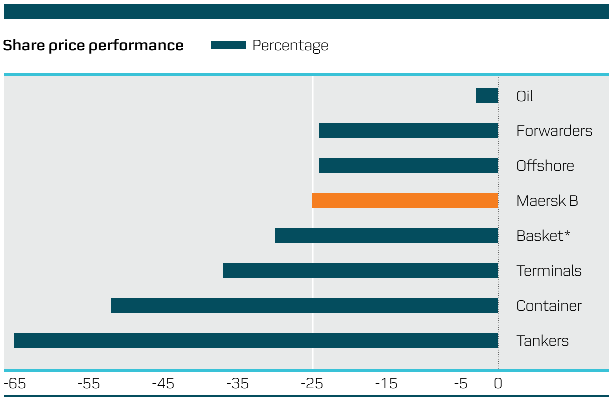
At 31 December 2011, the total share capital of DKK 4,395.6m consisted of 4,395,600 shares, equally split between A and B shares.

No restrictions are imposed on the negotiability of the shares.

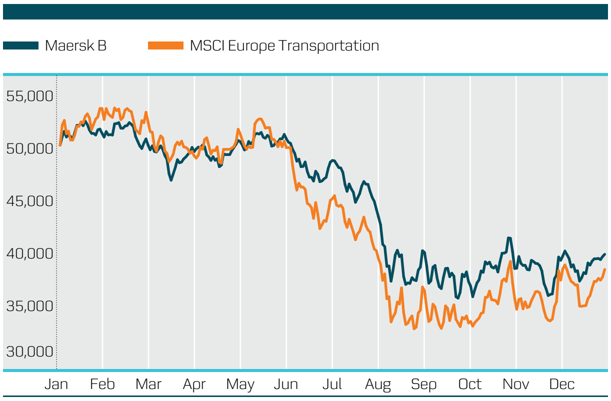
OWNERSHIP

A.P. Møller - Mærsk A/S had more than 76,000 private and institutional shareholders at the end of 2011 – the highest measured. 41.22% of the share capital, corresponding to 50.6% of the votes, is held by the foundation A.P. Møller og Hustru Chastine Mc-Kinney Møllers Fond til almene Formaal. In addition to this, the founding family controls another 25.9% of the votes through various foundations and private ownership. The free float is 41% of the share capital. Despite the large family ownership, A.P. Møller - Mærsk A/S has a base of international shareholders. According to an analysis of the shareholder structure carried out in December 2011, the distribution of the free floating shares is as follows:

Maersk B relative performance to industries in 2011



*Consists of the weighted average performance of 30 peers active in the same industries as the Groups business units.



Source: Factset

- 60% from Denmark, split into:
  41% retail and other investors
  19% institutional investors
- 21% from North America
- 5% from the United Kingdom
- 11% from rest of Europe
- 3% from rest of the world

OWN SHARES

The Group's holding of own shares comprises 0.7% of the share capital and is, among other purposes, held to cover the revolving option programme, cf. note 17 to consolidated financial statements. According to the authorisation of the Annual General Meeting, the Board of Directors may in the period up to 12 April 2012 allow the company to acquire own shares up to a total nominal value of 10% of the company's share capital, cf. section 198 of the Danish Companies Act (Selskabsloven). The purchase price may not deviate by more than 10% from the price quoted on NASDAQ OMX Copenhagen at the time of purchase.

DIVIDEND

The Board of Directors proposes a dividend to the shareholders of DKK 1,000 per share of DKK 1,000 – a total of DKK 4,396m (DKK 1,000 per share of DKK 1,000 – a total of DKK 4,396m). Payment is expected to take place on 18 April 2012.

The Group intends to continue the historical trend of increasing dividends nominally per share supported by underlying earnings strength.

FINANCIAL CALENDAR 2012

12 April:	Annual General Meeting
16 May:	Interim Report 1st Quarter
14 August:	Interim Report 2nd Quarter
9 November:	Interim Report 3rd Quarter

ANNUAL GENERAL MEETING

The Annual General Meeting will be held at the Bella Center, Copenhagen, at 10.30 a.m. on 12 April 2012.

INVESTOR RELATIONS

A.P. Møller - Mærsk A/S continues to develop the company's level of information and ensure a consistent, regular and relevant flow of information on the Group's activities, business objectives, strategies and results.

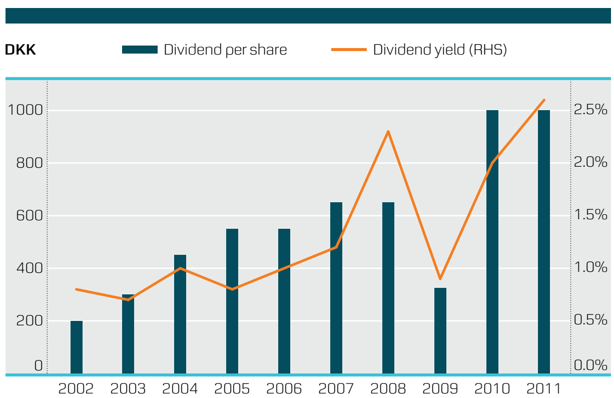
To ensure a regular and open dialogue with investors and analysts, the management hosts teleconferences in connection with the presentation of annual and interim reports and visits investors in Europe and the USA. Investors and analysts are welcome to contact the Investor Relations office.

ANALYSTS AND INVESTOR WEBSITE

A.P. Møller - Mærsk A/S is covered by approximately 25 analysts, including international investment banks, who regularly publish research reports. A list of the analysts, including consensus target price and recommendation, is available on http://investor.maersk.com. The website also provides information on the company's activities, including financial reports, financial calendar, investor presentations, share information, corporate governance, bond programme and contact information, etc.

According to § 104 in the Danish Financial Statements Act (Årsregnskabsloven)	Share capital	Votes
A.P. Møller og Hustru Chastine Mc-Kinney Møllers Fond til almene Formaal, Copenhagen, DK	41.22%	50.60%
A.P. Møller og Hustru Chastine Mc-Kinney Møllers Familiefond, Copenhagen, DK	9.85%	13.53%
Mærsk Mc-Kinney Møller, Copenhagen, DK	3.72%	6.50%
Den A.P. Møllerske Støttefond, Copenhagen, DK	2.94%	5.86%

Historical dividend



Plantation
Outside Sao Paolo
Brazil

Freshly picked lime fruits are ready to be loaded onto a waiting reefer container at a plantation outside Sao Paolo, Brazil.

A.P. Moller - Maersk Group

Sustainability

The A.P. Moller - Maersk Group's vision for sustainability is to be a responsible and profitable company balancing economic, social and environmental concerns to the benefit of the Group and the global community.

In 2011, the Group joined the United Nations Global Compact LEAD programme which consists of 55 participants and provides a platform to support the members in their efforts to achieve higher levels of corporate sustainability performance.

THE SAFETY IMPERATIVE

The safety and security of the Group's people and assets continues to be a top priority. In 2011, a safety strategy was launched, which among other focus areas establishes a platform to systematically share better practices across the Group in order to improve safety standards and performance.

A LONG-TERM VIEW ON CLIMATE CHANGE

The Group agreed on a climate change position, strategy and target during 2011, which recognises the need to limit global warming to 2ºC. Furthermore, the strategy outlines the Group's approach to reducing greenhouse gas emissions from Group operations. The new target for 2020 is to reduce the CO_2 intensity of the Group's operations by 10% using 2010 as a baseline.

FOCUS ON HUMAN RIGHTS

Human rights cover a wide range of issues, which are addressed through our programmes on responsible procurement, global labour principles and health and safety. During 2011, the UN Guiding Principles on Human Rights was launched and introduced a new international standard on the expectations for business conduct. An action plan for 2012-13 has been developed with the intention of closing the gaps in the Group's adherence to the requirements of the Guiding Principles.

The safety and security of the Group's people and assets continues to be a top priority.

EXTRACTIVE INDUSTRIES TRANSPARENCY INITIATIVE

In 2011, Maersk Oil became a supporter of Extractive Industries Transparency Initiative (EITI). The EITI is a global framework that promotes revenue transparency through public reporting of company payments and government revenues.

FURTHER INFORMATION

The Directors' report does not include a complete statement of the Group's environmental and social responsibility. The Group's separate Sustainability Report for 2011 provides a comprehensive view of the Group's sustainability performance and also acts as the Group's Communication on Progress against the requirements of the UN Global Compact and complies with the requirements of the Danish Financial Statements Act on corporate social responsibility reporting. The report is available on http://investor.maersk.com/csr.cfm

A.P. Moller - Maersk Group

Human resources

Human Resources work closely with the business to proactively ensure highly skilled employees in the right positions, clear expectations of our leaders and a clear link between performance and rewards.

GROWTH MARKETS AND DIVERSITY

To maintain the position as an attractive employer to our existing global workforce as well as to future employees, the Group continued in 2011 the focus on diversity within the organisation by furthering our inclusive work environment, developing and leveraging female talent and strengthening our leadership pipeline in growth markets.

To fully leverage the positive effects of our diverse and global workforce, the Group incorporated diversity into our leadership development programs.

The Group continued its efforts to develop and enable female talent in the organisation providing networking opportunities, targeted self-leadership courses and senior management exposure. Globally, the Group's representation of women in senior management was 9% (8%), in middle management 21% (21%) and at vice president level 4% (4%).[1]

In 2011, the Group's workforce in growth markets was 40%, making it a priority to ensure to capitalize on the talent potential in our growth market organisations.

PERFORMANCE MANAGEMENT, REWARDS AND ENGAGEMENT

Focus on developing a performance culture within the organisation continues. To drive high performing businesses, all the employees should know exactly what is expected of them and how they will be rewarded when they meet, or exceed, these expectations. As part of this, the Group continues to introduce simple, transparent incentive schemes to an increasing number of employees. The Group clearly sees the benefit of this process through the annual engagement survey as our employees increasingly recognise that their pay and performance is linked.

In 2011, the annual engagement survey[2] had a 90% response rate, the highest to date. A high response rate indicates the level of importance employees place on the survey. The survey results showed improvements in the employees' perception of the Group and its leadership. Furthermore, the customer related questions showed considerable improvements, indicating that employees are seeing a move towards being more externally and customer focused. These improvements are due to the continuous improvement initiatives taken by employees and their leaders.

LEADERSHIP DEVELOPMENT

A precondition for the Group's success in achieving top quartile performance is the superior capabilities of the leadership staff. The speed of change in the markets and business environment increases and to stay ahead, the Group is ensuring a constant learning effort. To strengthen the capabilities of leaders, the Group launched several leadership programmes with a focus on activities that enable cross organisational learning and team learning.

The retention rate for the Group's high performing leaders within top 1,000 was 95% in 2011.

---

[1] Excluding Dansk Supermarked Group and most joint venture companies.

[2] The engagement survey does not include The Dansk Supermarked Group, The Odense Steel Shipyard Group and most joint venture companies. Blue-collar workers are only partially included.

A.P. Moller - Maersk Group

Technology and innovation

Technological pioneering and innovation is a cornerstone in the Group's shipping, oil and gas, offshore and terminal businesses. Using and developing new and improved technologies is the basis for the Group's efficient, safe and sustainable performance. Technology innovation is carried out by the Group's technology divisions in cooperation with the Group's businesses, manufacturers, shipyards, universities, etc.

TECHNOLOGY AND INNOVATION WITHIN SHIPPING

Maersk Maritime Technology (MMT) is the Group's knowledge and competence center within shipping innovation and technology. In addition to coordinating and supervising newbuilding projects, MMT provides specialised technical services and performance monitoring of the fleet.

In the Group's shipping segments, significant development and innovation has been undertaken over the years, providing the basis for today's safety and environmental efficiency. One example of major technological development and innovation is the 18,000 TEU Triple-E container vessels, which were ordered by Maersk Line in 2011. These vessels will have significantly higher capacity and energy efficiency and 50% lower CO_2 emissions per container compared to the average vessel currently operating on the Asia–Europe trades. This has been achieved through detailed optimisation of the hull performance, the propulsion system and the machinery system. Furthermore, the vessels will be delivered with advanced waste heat recovery systems, utilising the heat energy of the exhaust.

New and improved vessels are being built continuously, but also older vessels are being optimised and improved with new technology focusing on fuel and CO_2 reduction. The biggest challenge lies in determining which technologies are most useful for each individual vessel, depending on its characteristics, sailing conditions and unique performance. To make this evaluation easier, the Group has developed the EE-Analyser (Energy Efficiency), which allows predicting the effect of installing one or more new technologies based on each vessel's unique performance data. This data is received from a vessel performance management system implemented throughout the container shipping fleet.

A wide range of technologies and initiatives have been evaluated in terms of reduction potentials and investment levels. Examples are frequency control of seawater cooling pumps and engine room ventilation as well as derating of the main engine and installation of economisers on auxiliary engines. More spectacular potentials for some vessels may be modification and optimisation of bulbous bows for a wider range of speeds and draughts.

Using and developing new and improved technologies is the basis for the Group's efficient, safe and sustainable performance.

At the end of 2011 38 vessels had waste heat recovery systems implemented, making Maersk Line the world's largest operator hereof. Another example of reduction of CO_2 emissions and fuel consumption per container is the Group's initiative to increase the container stacking height on older vessels to allow more containers on the same vessel. This requires the wheel house to be elevated to secure sufficient visibility and at the same time the lashing bridges needs to be higher. In 2011 Maersk Line started such modifications on 16 S-class vessels, adding 1,200 TEU extra capacity on each vessel.

A.P. Møller - Mærsk A/S
Directors' statement

The annual report for 2011 of A.P. Møller - Mærsk A/S has been prepared in accordance with International Financial Reporting Standards (IFRS) as adopted by the EU and Danish disclosure requirements for annual reports of listed companies and in our opinion gives a true and fair view of the Group's and the Company's assets and liabilities, financial position at 31 December 2011 and of the results of the Group's and the Company's operations and cash flow for the financial year 2011. Furthermore, in our opinion the Directors' report contains a fair review of the development in result of the Group's and the Company's activities and of the financial position taken as a whole together with a description of the significant risks and uncertainties affecting the Group and the Company.

Copenhagen, 27 February 2012

Managing Director:

A.P. Møller

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

Robert Routs

Jan Tøpholm

A.P. Møller - Mærsk A/S
Independent Auditors' Report

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

Independent auditors' report on the consolidated financial statements and parent company financial statements
We have audited the consolidated financial statements and the parent company financial statements of A.P. Møller - Mærsk A/S for the financial year 1 January to 31 December 2011, which comprise income statement, statement of comprehensive income, balance sheet, cash flow statement, statement of changes in equity and notes, including a summary of significant accounting policies, for the Group as well as for the parent company. The consolidated financial statements and the parent company financial statements are prepared in accordance with International Financial Reporting Standards (IFRS) as adopted by the EU and Danish disclosure requirements for listed companies.

Management's responsibility for the consolidated financial statements and the parent company financial statements
Management is responsible for the preparation of consolidated financial statements and parent company financial statements that give a true and fair view in accordance with International Financial Reporting Standards (IFRS) as adopted by the EU and Danish disclosure requirements for listed companies and for such internal control that management determines is necessary to enable the preparation of consolidated financial statements and parent company financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' responsibility
Our responsibility is to express an opinion on the consolidated financial statements and the parent company financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing and additional requirements under Danish audit regulation. This requires that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance whether the consolidated financial statements and the parent company financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements and the parent company financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the consolidated financial statements and the parent company financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation of consolidated financial statements and parent company financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as the overall presentation of the consolidated financial statements and the parent company financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

The audit has not resulted in any qualification.

Opinion
In our opinion, the consolidated financial statements and the parent company financial statements give a true and fair view of the Group's and the parent company's financial position at 31 December 2011 and of the results of the Group's and the parent company's operations and cash flows for the financial year 1 January to 31 December 2011 in accordance with International Financial Reporting Standards (IFRS) as adopted by the EU and Danish disclosure requirements for listed companies.

Statement on the Director's report
Pursuant to the Danish Financial Statements Act, we have read the Director's report. We have not performed any further procedures in addition to the audit of the consolidated financial statements and the parent company financial statements. On this basis, it is our opinion that the information provided in the Directors' report is consistent with the consolidated financial statements and the parent company financial statements.

Copenhagen, 27 February 2012

KPMG
Statsautoriseret Revisionspartnerselskab

Jesper Ridder Olsen
State Authorised Public Accountant

PricewaterhouseCoopers Danmark
Statsautoriseret Revisionsaktieselskab

Mikkel Sthyr
State Authorised Public Accountant

Management duties

Left to right: John Axel Poulsen, Erik Rasmussen, Robert Routs, Lars Pallesen, vice-chairman Niels Jacobsen, vice-chairman Ane Mærsk Mc-Kinney Uggla, chairman Michael Pram Rasmussen, Leise Mærsk Mc-Kinney Møller, Jan Leschly, Jan Tøpholm, Arne Karlsson, Sir John Bond.

Board of Directors:

Michael Pram Rasmussen, chairman (born 1955)
Joined the board in 1999. Latest re-election in 2011. Term of office will end in 2013.

Former CEO, Topdanmark A/S.

Other management duties, etc.:
Coloplast A/S (chairman); Topdanmark A/S (chairman) and one subsidiary; Semler Holding A/S (chairman) and one subsidiary; JPMorgan Chase International Council; Museumsfonden af 7. december 1966; Louisiana – Fonden.

Not considered independent.

Niels Jacobsen, vice-chairman (born 1957)
Joined the board in 2007. Latest re-election in 2011. Term of office will end in 2013.

CEO of William Demant Holding A/S.

Management duties in the William Demant Group:
Chairman of 65 subsidiaries; William Demant Invest A/S (Director); Sennheiser Communications A/S (chairman); Össur hf. (chairman); HIMPP A/S (chairman); HIMSA A/S (chairman); HIMSA II A/S (board member).

Other management duties, etc.:
LEGO A/S (chairman); KIRKBI A/S (vice-chairman);Thomas B. Thriges Fond (chairman).

Considered independent.

Ane Mærsk Mc-Kinney Uggla, vice-chairman (born 1948)
Joined the board in 1991. Latest re-election in 2010. Term of office will end in 2012.

Other management duties, etc.:
A.P. Møller og Hustru Chastine Mc-Kinney Møllers Fond til almene Formaal (vice-chairman); Maersk Broker A/S (chairman); Maersk Broker K/S (chairman); Estemco A/S (chairman).

Not considered independent.

Sir John Bond (born 1941)
Joined the board in 2008. Latest re-election in 2010. Term of office will end in 2012.

Former Group Chief Executive, HSBC Holdings plc.

Other management duties, etc.:
Xstrata plc (chairman); Shui On Land Limited; International Advisory Board of Mitsubishi Corporation; China Development Forum; International Business Leaders' Advisory Council to the Mayor of Shanghai; Kohlberg Kravis Roberts & Co. Asia Limited (chairman); Northern Trust Corporation and The Northern Trust Company; Endowment Board of Qatar Foundation; Advisory Director, Northern Trust Corporation and The Northern Trust Company.

Considered independent.

Arne Karlsson (born 1958)
Joined the board in 2010. Term of office will end in 2012.

CEO, Ratos AB.

Other management duties, etc.:
Bonnier; Ratos; SNS (Center for Business and Policy Studies)(chairman); Swedish Securities Council.

Considered independent.

Jan Leschly (born 1940)
Joined the board in 2000. Latest re-election in 2010. Term of office will end in 2012.

Chairman and managing partner for Care Capital LLC. Former CEO, SmithKline Pharmaceuticals.

Other management duties, etc.:
American Express Company; Elevation Pharmaceuticals; Vaxart Pharmaceuticals; Adjunct professor at Copenhagen Business School.

Considered independent.

Leise Mærsk Mc-Kinney Møller (born 1941)
Joined the board in 1993. Latest re-election in 2011. Term of office will end in 2013.

Other management duties, etc.:
A.P. Møller og Hustru Chastine Mc-Kinney Møllers Fond til almene Formaal; Rederiet A.P. Møller A/S; Bramsløkke Landbrug A/S (chairman); L. Møller Shipping ApS.

Not considered independent.

Lars Pallesen (born 1947)
Joined the board in 2008. Latest re-election in 2010. Term of office will end in 2012.

Former president, Technical University of Denmark (DTU).

Other management duties, etc.:
Mogens Balslev's Fond (chairman);
Technische Universität Münchens Institute for Advanced Study;
Korean Advanced Institute of Science and Technology President's Advisory Council.

Considered independent.

John Axel Poulsen (born 1946)
Joined the board in 2008. Latest re-election in 2010. Term of office will end in 2012.

Captain (employee).

Other management duties, etc.:
Rederiet A.P. Møller A/S.

Not considered independent.

Erik Rasmussen (born 1955)
Joined the board in 2010. Term of office will end in 2012.

Senior mechanical engineer (employee).

Other management duties, etc.:
Rederiet A.P. Møller A/S.

Not considered independent.

Robert Routs (born 1946)
Joined the board in 2010. Term of office will end in 2012.

Former Executive Director, Royal Dutch Shell plc.

Other management duties, etc.:
Aegon NV (chairman); KPN NV; DSM NV (chairman); Canadian Utilities Group (ATCO Group); UPM Kymmene; AECOM.

Considered independent.

Jan Tøpholm (born 1946)
Joined the board in 2001. Latest re-election in 2011. Term of office will end in 2013.

CEO, Widex A/S.

Other management duties, etc.:
Seven subsidiaries to Widex A/S; T & W Holding A/S and one subsidiary (chairman); Widex Holding A/S (chairman);
AM Denmark A/S (chairman); Weibel Scientific A/S; GSA Invest ApS (chairman) and two subsidiaries.

Considered independent.

Firmaet A.P. Møller:

Partner Mærsk Mc-Kinney Møller (born 1913)

Other management duties, etc.:
A.P. Møller og Hustru Chastine Mc-Kinney Møllers Fond til almene Formaal (chairman); Maersk Broker A/S; Aktieselskabet Klema (chairman); Maersk Broker K/S.

Partner Nils Smedegaard Andersen (born 1958)
Partner since 2007.

Other management duties, etc.:
Rederiet A.P. Møller A/S (chairman); F. Salling Holding A/S (chairman); F. Salling A/S (chairman); F. Salling Invest A/S (chairman); Dansk Supermarked A/S (chairman); Industria De Diseño Textil S.A. (Inditex); Danske Banks Rådgivende Repræsentantskab; DI's Erhvervspolitiske Udvalg; European Round Table of Industrialists; EU-Russia Industrialist's Round Table.

Partner Claus V. Hemmingsen (born 1962)
Partner since 2007.

Other management duties, etc.:
Egyptian Drilling Company; International Association of Drilling Contractors (IADC); Danish Chinese Business Forum; EU-Hong Kong Business Co-operation Committee; Denmark Hong Kong Trade Association (chairman); Danmarks Rederiforening; C. Hemmingsen shipping ApS.

Partner Søren Skou (born 1964)
Partner since 2007.

Other management duties, etc.:
DFDS A/S (vice-chairman); The International Tanker Owners Pollution Federation Limited (ITOPF); Höegh Autoliners Holdings AS (vice-chairman); International Council of Containership Operators (ICCO); S. Skou Invest ApS; Skou Shipping ApS.

Maersk Line
Cai Mep
Vietnam

One of Maersk Line's PS-Class vessels is berthed at the terminal in Cai Mep. The vessel is part of the new Daily Maersk product and with more than 95% on time delivery it sets new standards for reliability and thus widening the gap between the trade route industry average of less than 60%.

A.P. Moller - Maersk Group

Consolidated financial statements 2011

Consolidated income statement

Amounts in DKK million

Note		2011	2010
3	Revenue	322,520	315,396
4	Operating costs	245,565	226,308
	Other income	1,652	435
	Other costs	101	305
	Profit before depreciation, amortisation and impairment losses, etc.	**78,506**	**89,218**
9,10	Depreciation, amortisation and impairment losses	28,889	33,822
5	Gain on sale of non-current assets, etc., net	4,748	3,792
11	Share of profit/loss in associated companies	651	461
	Profit before financial items	**55,016**	**59,649**
6	Financial income	4,220	2,979
6	Financial expenses	8,784	8,242
	Profit before tax	**50,452**	**54,386**
7	Tax	32,447	26,174
	Profit for the year – continuing operations	**18,005**	**28,212**
8	Profit for the year – discontinued operations	78	3
	Profit for the year	**18,083**	**28,215**
	Of which:		
	Non-controlling interests	2,894	1,760
	A.P. Møller - Mærsk A/S' share	**15,189**	**26,455**
16	**Earnings per share of continuing operations, DKK**	**3,461**	**6,060**
16	**Diluted earnings per share of continuing operations, DKK**	**3,460**	**6,057**
16	**Earnings per share, DKK**	**3,479**	**6,061**
16	**Diluted earnings per share, DKK**	**3,478**	**6,058**

Consolidated statement of comprehensive income

Amounts in DKK million

Note		2011	2010
	Profit for the year	**18,083**	**28,215**
	Translation from functional currency to presentation currency:		
	Translation impact arising during the year	2,547	10,183
	Reclassified to income statement, gain on sale of non-current assets, etc., net	547	264
	Other equity investments:		
	Fair value adjustment for the year	-9	-85
	Reclassified to income statement, gain on sale of non-current assets, etc., net	-50	-2,515
15	Cash flow hedges:		
	Value adjustment of hedges for the year	3	-903
	Reclassified to income statement:		
	– revenue	-47	117
	– operating costs	-416	-31
	– gain on sale of non-current assets, etc., net	-279	-
	– financial expenses	763	974
	Reclassified to cost of property, plant and equipment	34	15
	Share of other comprehensive income of associated companies, net of tax	-180	80
19	Actuarial gains/losses on defined benefit plans, etc.	-844	-177
7	Tax on other comprehensive income	-252	30
	Other comprehensive income, net of tax	**1,817**	**7,952**
	Total comprehensive income for the year	**19,900**	**36,167**
	Of which:		
	Non-controlling interests	2,977	2,099
	A.P. Møller - Mærsk A/S' share	**16,923**	**34,068**

Consolidated balance sheet at 31 December

Amounts in DKK million

Note		2011	2010
9	**Intangible assets**	**28,839**	**14,629**
	Ships, rigs, containers, etc.	169,184	158,673
	Production facilities and equipment, etc.	35,812	40,807
	Land and buildings	24,223	22,166
	Construction work in progress and payment on account	25,609	22,020
10	**Property, plant and equipment**	**254,828**	**243,666**
11	Investments in associated companies	32,465	26,688
	Other equity investments	485	711
15	Derivatives	815	244
19	Pensions, net assets	87	164
12	Other receivables	3,851	3,488
	Financial non-current assets	**37,703**	**31,295**
13	**Deferred tax**	**4,935**	**5,134**
	Total non-current assets	**326,305**	**294,724**
14	**Inventories**	**12,868**	**10,417**
	Trade receivables	25,319	23,695
	Tax receivables	1,370	1,175
15	Derivatives	469	901
12	Other receivables	10,438	10,384
	Prepayments	2,375	2,204
	Receivables, etc.	**39,971**	**38,359**
	Securities	**2,152**	**1,986**
	Cash and bank balances	**13,095**	**23,896**
8	**Assets held for sale**	**10,352**	**5,341**
	Total current assets	**78,438**	**79,999**
	Total assets	**404,743**	**374,723**

Consolidated balance sheet at 31 December

Amounts in DKK million

Note		2011	2010
16	Share capital	4,396	4,396
	Reserves	185,365	172,764
	Proposed dividend for distribution	4,396	4,396
	Equity attributable to A.P. Møller - Mærsk A/S	**194,157**	**181,556**
	Non-controlling interests	13,778	11,406
	Total equity	**207,935**	**192,962**
	Issued bonds	**14,507**	**13,099**
18	**Bank and other credit institutions, etc.**	**82,377**	**75,322**
19	Pensions and similar obligations	2,547	2,135
20	Provisions	18,432	16,665
15	Derivatives	2,444	1,391
13	Deferred tax	6,008	4,400
21	Other payables	457	-
	Other non-current liabilities	**29,888**	**24,591**
	Total non-current liabilities	**126,772**	**113,012**
18	**Bank and other credit institutions, etc.**	**12,914**	**12,641**
20	Provisions	2,869	4,282
	Trade payables	37,232	33,706
	Tax payables	3,497	4,320
15	Derivatives	2,182	1,643
21	Other payables	9,022	7,976
	Deferred income	663	2,212
	Other current liabilities	**55,465**	**54,139**
8	**Liabilities associated with assets held for sale**	**1,657**	**1,969**
	Total current liabilities	**70,036**	**68,749**
	Total liabilities	**196,808**	**181,761**
	Total equity and liabilities	**404,743**	**374,723**

Consolidated cash flow statement

Amounts in DKK million (in parenthesis the corresponding figures for 2010)

Note		2011	2010
	Profit before financial items	55,016	59,649
9,10	Depreciation, amortisation and impairment losses	28,889	33,822
5	Gain on sale of non-current assets, etc., net	-4,748	-3,792
	Share of profit/loss in associated companies	-651	-461
24	Change in working capital	-502	-2,430
	Change in provisions and pension obligations, etc.	-1,764	-600
24	Other non-cash items	-256	677
	Cash from operating activities before financial items and tax	75,984	86,865
24	Financial income received	851	1,149
	Financial expenses paid	-5,879	-5,801
	Taxes paid	-32,070	-25,241
	Cash flow from operating activities	**38,886**	**56,972**
24	Purchase of intangible assets and property, plant and equipment	-42,058	-30,958
	Sale of intangible assets and property, plant and equipment	2,255	3,347
25	Acquisition of subsidiaries and activities	-13,070	-1,240
25	Sale of subsidiaries and activities	6,602	137
24	Other financial investments	-5,988	2,636
	Cash flow used for capital expenditure	**-52,259**	**-26,078**
	Purchase/sale of securities, trading portfolio	-133	515
	Cash flow used for investing activities	**-52,392**	**-25,563**
	Repayment of loans	-19,484	-27,438
	Proceeds from loans	26,528	13,061
	Dividends distributed	-4,365	-1,419
	Dividends distributed to non-controlling interests	-582	-685
	Other equity transactions	61	153
	Cash flow from financing activities	**2,158**	**-16,328**
	Net cash flow from continuing operations	**-11,348**	**15,081**
8	Net cash flow from discontinued operations	129	-64
	Net cash flow for the year	**-11,219**	**15,017**
	Cash and bank balances 1 January	23,921	8,419
	Currency translation effect on cash and bank balances	427	485
	Cash and bank balances 31 December	13,129	23,921
	Of which classified as assets held for sale	-34	-25
	Cash and bank balances 31 December	**13,095**	**23,896**

Cash and bank balances are included in the order of DKK 5.0bn (DKK 4.1bn) 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. Cash and bank balances in jointly controlled entities are stated in note 29.

Consolidated statement of changes in equity

Amounts in DKK million

2011		A.P. Møller - Mærsk A/S								
Note		Share capital	Trans-lation reserve	Reserve for other equity invest-ments	Reserve for hedges	Retained earnings	Proposed dividend for distri-bution	Total	Non-control-ling inter-ests	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	-	2,585	-1	381	-	-	2,965	129	3,094
	Other equity investments	-	-	-58	-	-	-	-58	-1	-59
	Cash flow hedges	-	-	-	90	-	-	90	-32	58
	Share of other comprehensive income of associated companies, net of tax	-	-	-	-	-180	-	-180	-	-180
	Actuarial gains/losses on defined benefit plans, etc.	-	-	-	-	-826	-	-826	-18	-844
7	Tax on other comprehensive income	-	-	-1	-420	164	-	-257	5	-252
	Other comprehensive income, net of tax	**-**	**2,585**	**-60**	**51**	**-842**	**-**	**1,734**	**83**	**1,817**
	Profit for the year	-	-	-	-	10,793	4,396	15,189	2,894	18,083
	Total comprehensive income for the year	**-**	**2,585**	**-60**	**51**	**9,951**	**4,396**	**16,923**	**2,977**	**19,900**
	Dividends to shareholders	-	-	-	-	31	-4,396	-4,365	-582	-4,947
17	Value of granted and sold share options	-	-	-	-	41	-	41	-	41
	Acquisition of non-controlling interests	-	-	-	-	-28	-	-28	-7	-35
	Acquisition of own shares	-	-	-	-	-24	-	-24	-	-24
	Sale of own shares	-	-	-	-	38	-	38	-	38
	Capital increases and decreases	-	-	-	-	-	-	-	76	76
	Other equity movements	-	-	-	-	16	-	16	-92	-76
	Total transactions with shareholders	**-**	**-**	**-**	**-**	**74**	**-4,396**	**-4,322**	**-605**	**-4,927**
	Equity 31 December 2011	**4,396**	**-3,007**	**65**	**-1,713**	**190,020**	**4,396**	**194,157**	**13,778**	**207,935**

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

Consolidated statement of changes in equity

Amounts in DKK million

2010 — A.P. Møller - Mærsk A/S

Note		Share capital	Translation reserve	Reserve for other equity investments	Reserve for hedges	Retained earnings	Proposed 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	-	9,487	601	79	-	-	10,167	280	10,447
	Other equity investments	-	-	-2,600	-	-	-	-2,600	-	-2,600
	Cash flow hedges	-	-	-	109	-	-	109	63	172
	Share of other comprehensive income of associated companies, net of tax	-	-	-	-	80	-	80	-	80
	Actuarial gains/losses on defined benefit plans, etc.	-	-	-	-	-171	-	-171	-6	-177
7	Tax on other comprehensive income	-	-	30	-58	56	-	28	2	30
	Other comprehensive income, net of tax	**-**	**9,487**	**-1,969**	**130**	**-35**	**-**	**7,613**	**339**	**7,952**
	Profit for the year	-	-	-	-	22,059	4,396	26,455	1,760	28,215
	Total comprehensive income for the year	**-**	**9,487**	**-1,969**	**130**	**22,024**	**4,396**	**34,068**	**2,099**	**36,167**
	Dividends to shareholders	-	-	-	-	10	-1,429	-1,419	-685	-2,104
17	Value of granted and sold share options	-	-	-	-	40	-	40	-	40
	Acquisition of non-controlling interests	-	-	-	-	-16	-	-16	-37	-53
	Sale of non-controlling interests	-	-	-	-	108	-	108	-62	46
	Capital increases and decreases	-	-	-	-	-	-	-	2	2
	Other equity movements	-	-	-	-	-4	-	-4	-	-4
	Total transactions with shareholders	**-**	**-**	**-**	**-**	**138**	**-1,429**	**-1,291**	**-782**	**-2,073**
	Equity 31 December 2010	**4,396**	**-5,592**	**125**	**-1,764**	**179,995**	**4,396**	**181,556**	**11,406**	**192,962**

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

MCI
Qingdao
China

Stacks of brand new containers reflected in the window of a stacker outside the reefer container factory in Qingdao, China. Maersk Container Industry has just signed a new deal to build a similar factory in Chile, South America.

Notes to the consolidated financial statements

Contents

Notes to the consolidated financial statements

1 Accounting policies

The consolidated financial statements for 2011 for the A.P. Moller – Maersk Group have been prepared in accordance with the International Financial Reporting Standards (IFRS) as adopted by the EU and Danish disclosure requirements for listed companies. In addition, the consolidated financial statements have been prepared in compliance with IFRS issued by the International Accounting Standards Board (IASB).

The accounting policies are consistent with those applied to the consolidated financial statements for 2010. An overview of the new and updated standards and interpretations is given in note 30.

The Board of Directors and the Management Board have on 27 February 2012 considered and adopted the annual report for 2011, which will be presented for adoption by the shareholders at the company's Annual General Meeting on 12 April 2012.

Consolidation

The consolidated financial statements comprise the parent company A.P. Møller - Mærsk A/S, subsidiaries and proportionate shares in jointly controlled entities.

Subsidiaries are entities in which A.P. Møller - Mærsk A/S controls the financial and operational policies for the purpose of achieving a return or other benefits from the activities. Control is achieved by directly or indirectly owning or controlling more than 50% of the voting rights, by means of agreements on management control or some other way of controlling the entity concerned. Entities in which the Group exercises a significant but non-controlling influence are considered to be associated companies (associates). A significant influence is usually achieved by directly or indirectly owning or controlling 20-50% of the voting rights. Agreements and other circumstances are considered when assessing the degree of influence.

Jointly controlled entities are entities in which the Group according to contractual agreements makes strategic decisions about the financing and operation of the entity jointly with one or more other parties.

Consolidation is performed by summarising the financial statements of the parent company, subsidiaries and the proportionate share of jointly controlled entities which have been prepared in accordance with the Group's accounting policies, after the elimination of intra-group income and expenses, shareholdings, intra-group balances and dividends, and gains on intra-group transactions. Financial statement items related to part-owned vessels are included proportionately.

Unrealised gains on transactions with associated companies and jointly controlled entities are eliminated in proportion with the Group's ownership share. Unrealised losses are eliminated in the same way if not impaired.

Non-controlling interests' share of profit for the year and of equity in subsidiaries which are not wholly owned is included as part of the Group's profit and equity respectively, but shown as separate items.

On acquisition of new entities, the acquired assets, liabilities and contingent liabilities are measured at fair value at the date control was achieved using the acquisition method. Identifiable intangible assets are recognised if they arise from a contractual right or can otherwise be separately identified. The difference between the fair value of the acquisition cost and the fair value of acquired identifiable net assets is recognised as goodwill under intangible assets. Any subsequent changes to contingent acquisition costs are recognised as other income or other costs in the income statement. Transaction costs are recognised as operating costs as they are incurred.

The effect of the purchase and sale of non-controlling interests without changes in control is included directly in equity. In stepwise acquisitions, value adjustments of previously recognised investments are recognised in the income statement. When surrendering control, the value of any retained investment is adjusted at fair value and the value adjustment is recognised in the income statement.

Foreign currency translation

The Group uses DKK as its presentation currency. In the translation to the presentation currency for entities with a functional currency different from DKK, the statement of comprehensive income is translated into DKK at average exchange rates and the balance sheet is translated at the exchange rates at the balance sheet date. Exchange differences arising from such translation are recognised directly in other comprehensive income.

The functional currency varies from business area to business area. For the Group's principal shipping activities and oil and gas activities, the functional currency is USD. This means that, among other things, the carrying amounts of property, plant and equipment and intangible assets and, hence, depreciation and amortisation, are maintained in USD from the date of acquisition. For other activities, including container terminal activities and land-based container activities, the functional currency is generally the local currency in the country in which such activities are performed.

Notes to the consolidated financial statements

1 – continued

Transactions in other currencies than the functional currency are translated at the exchange rate prevailing at the date of the transaction. Monetary items in foreign currencies not settled at the balance sheet date are translated at the exchange rate at the balance sheet date. Foreign exchange gains and losses are included in the income statement as financial income or expenses.

Derivative financial instruments

Derivative financial instruments are recognised on the trading date and measured at fair value using generally acknowledged valuation techniques based on relevant observable swap curves and exchange rates.

The effective portion of changes in the value of derivative financial instruments designated to hedge future transactions is recognised directly in other comprehensive income until the hedged transactions are realised or are no longer probable. At that time, the cumulated gains/losses are transferred to the items under which the hedged transactions are recognised.

The effective portion of changes in the value of derivative financial instruments used to hedge the value of recognised financial assets and liabilities is recognised in the income statement together with changes in the fair value of the hedged assets or liabilities which can be attributed to the hedging relationship.

The ineffective portion of hedge transactions, including time value for oil price hedges, and changes in the fair values of derivative financial instruments which do not qualify for hedge accounting, are recognised in the income statement as financial income or expenses for financial instruments, and as other income/costs for oil price hedges and forward freight agreements.

Segment information

The allocation of business activities into segments reflects the Group's character as a conglomerate. Some activities are related, but are managed as independent units. For practical reasons management has grouped operational segments into six business areas after which segment information is disclosed.

Revenue between segments is limited except for Terminal activities, which delivers a large part of its services to the Group's container shipping activities. Sales of products and services between segments are based on market terms.

Segment profit or loss, assets and liabilities comprise items directly related to or which can be allocated to segments. Financial assets and liabilities and also related financial income and expenses are not attributed to business segments. Financial income and expenses directly related to a segment such as exchange rate adjustment of trade receivables and trade payables are included in the segment results.

Reportable segments do not comprise costs in group functions. Furthermore, oil hedging activities in Maersk Oil Trading and the results of Maersk Oil Trading's trading activity in the form of purchasing bunker and lubricating oil on behalf of entities in the Group are not allocated to business segments.

Income statement

Generally, **revenue** is based on invoiced sales. Uncompleted voyages in shipping activities are recognised at the share related to the financial year. The earnings of vessels that are part of pool arrangements are recognised in revenue based on time charter equivalents. Revenue regarding the oil and gas activities is calculated as the Group's share of the value of the oil and gas production in the partnerships in which the Group participates.

Exploration costs in the oil and gas activities are recognised as they are incurred, under operating costs.

Share in profits of associated companies is included after tax and corrected for share of unrealised intra-group gains and losses. The item also comprises any impairment losses for investments in associated companies, including goodwill, and their reversal.

Tax comprises the amount estimated to be paid for the year, as well as adjustments to previous years and deferred tax. The tax amount includes the special taxes relating to extraction and production of hydrocarbons, including the profit share to the Danish State and tax on income subject to Danish and foreign tonnage taxation, etc.

Government grants are deducted from the cost of the assets or costs to which the grant relates.

Notes to the consolidated financial statements

1 – continued

Statement of comprehensive income
Other comprehensive income consists of income and costs not included in the income statement, including exchange rate adjustments arising from the translation of consolidated and associated companies' financial statements into presentation currency, adjustment of other equity investments and hedging instruments to fair value and actuarial gains or losses on defined benefit plans etc. The Group's share of other comprehensive income in associated companies is also included.

In the event of disposal or discontinuation of an entity, the Group's share of the accumulated exchange rate adjustment relating to the relevant entity is reclassified to the income statement. Accumulated value adjustments of securities are transferred to the income statement in the event of sale or when an impairment loss is deemed to be unrecoverable.

Actual and deferred tax relating to other comprehensive income are included.

Balance sheet
Intangible assets are measured at cost less accumulated amortisation and impairment losses. Amortisation is calculated on a straight-line basis over the estimated useful lives of the assets.

Intangible assets in connection with acquired oil resources (concession rights etc.) are amortised from the commencement of production until the fields' expected production periods ends – a period of up to 15 years. Acquired exploration rights are amortised from the date of acquisition for a period of up to five years.

IT software is amortised over a useful life of 3-5 years.

For container terminals operated under certain restrictive price and service conditions, etc., concessional rights to collect usage charges are included under intangible assets. Cost includes the present value of minimum payments under concession agreements and the cost of property, plant and equipment acquired on behalf of a grantor of a concession. The rights are amortised from the commencement of operations over the concession period.

Goodwill and other intangible assets with indefinite useful lives are not amortised, but impairment tests are prepared at least annually, starting in the year of acquisition. Goodwill is attributed to cash-generating units.

Property, plant and equipment are valued at cost less accumulated depreciation and impairment losses. Depreciation is charged to the income statement on a straight-line basis over the useful lives at an estimated residual value. The useful lives of new assets are typically as follows:

Ships, rigs, etc.	20-25 years
Containers, etc.	12 years
Buildings	10-50 years
Terminal infrastructure	over lease or concession period
Plant and machinery, cranes and other terminal equipment	5-20 years
Other operating equipment, fixtures, etc.	3-7 years
Oil and gas production facilities, etc. – based on the expected production periods of the fields	up to 15 years

For oil production facilities, including facilities under construction, where oil is received as payment for the investment (cost oil), depreciation takes place concurrently with the receipt of cost oil.

The cost of an asset is divided into separate components which are depreciated separately if the useful lives of the individual components differ.

Estimated useful lives and residual values are reassessed on a regular basis.

Impairment losses are recognised when the carrying amount of an asset or a cash-generating unit exceeds the higher of the estimated value in use and fair value less costs to sell.

Notes to the consolidated financial statements

1 – continued

The cost of assets produced by the Group includes direct and indirect expenses. Borrowing costs from specific as well as general borrowings directly related to assets with a long production period are attributed to cost during the production period.

Cost includes the net present value of estimated costs of abandonment, removal and restoration.

Dry-docking costs are recognised in the carrying amount of ships, rigs, etc. when incurred and depreciated over the period until the next dry-docking.

Assets held under finance leases are treated as property, plant and equipment.

Impairment losses are recognised when the carrying amount of an asset or a cash-generating unit exceeds the higher of the estimated value in use and fair value less costs to sell. Goodwill is fully impaired before other assets in a cash-generating unit.

Investments in associated companies are recognised as the Group's share of the equity value measured according to the Group's accounting policies inclusive of goodwill less any impairment losses. Goodwill is an integral part of the value of associated companies and is therefore subject to an impairment test together with the investment as a whole. Impairment losses are reversed to the extent the original value is regained.

Securities, including shares, bonds and similar securities, are recognised on the trading date at fair value and subsequently measured at the quoted market price for listed securities and at estimated fair value for other securities. Securities that form part of the liquidity resources (Held for trading) are classified as current assets and value adjustments are recognised in the income statement under financial items. Other equity investments are classified as non-current assets (the category Available-for-sale) where unrealised value adjustments are recognised in other comprehensive income.

Inventories are measured at cost, primarily according to the FIFO method. Write-down is made to net realisable value if lower. The cost of finished goods and work in progress includes direct and indirect production costs.

Receivables are generally recognised at nominal value, which in all material respects corresponds to amortised cost. Non-current receivables are recognised at discounted value, including finance lease receivables. Write-down is made for anticipated losses based on specific individual or group assessments. Work in progress for third parties is recognised at the sales value of the work completed less payments on account.

Equity includes total comprehensive income for the year comprising the profit or loss for the year and other comprehensive income. Any dividend for distribution is included as a separate component of equity. Proceeds on the purchase and sale of own shares and dividend from such shares are recognised in equity, including proceeds on the disposal of own shares in connection with the exercise of share options.

The translation reserve comprises the Group's share of accumulated differences arising on the foreign currency translation of Group entities' and associated companies' financial statements into presentation currency. The securities reserve comprises accumulated changes in the fair value of other equity investments (Available-for-sale). The reserve for hedges includes the accumulated net change in the fair value of hedging transactions qualifying for hedge accounting.

Share options allocated to the key executives of the Group as part of the Group's long-term incentive programme are recognised as staff costs at the estimated market value over the vesting period. The counter item is equity. The market value is calculated on the basis of the Black & Scholes formula for valuation of options.

Provisions are recognised when the Group has a current legal or constructive obligation and include provisions for abandonment of oil fields, restructuring costs, legal disputes, onerous contracts, etc. Provisions are recognised on the basis of best estimates and considering discounting when the time element is significant.

Pension obligations, etc. which are defined benefit plans are recognised based on actuarial calculations of the obligations and the fair value of the assets in the plans. The pension cost charged to the income statement consists of current service costs less employee payments, computed interest cost, expected return on plan assets and settlement, gains or losses, etc. Actuarial gains and losses are recognised in other comprehensive income. Costs regarding defined contribution pension and insurance plans are recognised as incurred.

Pension plans where the Group as part of collective bargaining agreements participates together with other enterprises – so called multi-employer plans – are treated as other pension plans in the financial statements. For defined benefit multi-employer plans where sufficient information is not available to use defined benefit accounting, the plans are treated as defined contribution plans.

Notes to the consolidated financial statements

1 – continued

Deferred tax is calculated on differences between the carrying amount and tax base of assets and liabilities. Deferred tax is not provided on goodwill which is not deductible or depreciable for tax purposes, or temporary differences which have no effect on the accounting results or taxable income at the time of the transaction. In addition, deferred tax is not calculated for differences relating to investments in subsidiaries and associated companies to the extent that taxable dividends are unlikely in the foreseeable future. Deferred tax assets are recognised to the extent that it is probable that they can be utilised against future taxable income.

Financial liabilities are initially recognised at fair value less transaction costs. Transaction costs and any premium or discount are amortised over the term of the liabilities using the amortised cost method. Fixed interest loans which under hedge accounting are swapped to variable interest are measured at amortised cost adding or deducting the fair value of the hedged interest component. Liabilities in respect of finance leases are recognised in the balance sheet.

Cash flow statement

Cash flow for the year is divided into cash flow from operating activities, cash flow used for investing activities and cash flow from financing activities. Cash and cash equivalents comprise cash and bank balances. Changes in marketable securities are included in cash flow used for investing activities.

Discontinued operations and assets held for sale

Discontinued operations represent a separate major line of business disposed of or in preparation for sale. The results of discontinued operations are presented separately in the income statement and comparative figures are restated. Similarly, assets and related liabilities from discontinued operations are presented as separate items in the balance sheet, and the cash flows from discontinued operations are presented separately in the cash flow statement.

Individual assets or groups of assets that are to be disposed of collectively, are classified as assets held for sale, when the activities to carry out such a sale have been initiated and the activities are expected to be disposed of within 12 months. Liabilities that are directly related to assets held for sale are presented correspondingly.

Assets and liabilities from discontinued operations and assets held for sale except financial assets etc. are measured at the lower of carrying amount and fair value less costs to sell. Assets held for sale are not depreciated.

Key figures

Return on equity is calculated as the profit or loss for the year divided by the average equity.

Return on invested capital after tax (ROIC) is the profit or loss for the year before interest but after calculated tax, divided by the average invested capital (equity plus net interest-bearing debt).

Equity ratio is calculated as the equity divided by total assets.

The segments' return on invested capital after tax (ROIC) is profit or loss divided by the average invested capital, net (assets less liabilities).

Earnings per share and cash flow from operating activities per share comprise A.P. Møller - Mærsk A/S's share of the profit or loss for the year respectively the cash flow from operating activities divided by the number of shares (of DKK 1,000 each), excluding the Group's holding of own shares.

Diluted earnings per share are adjusted for the dilution effect of issued share options.

Dividend per share is the proposed dividend for the year per share of DKK 1,000.

Total market capitalisation is the total number of shares – excluding the Group's holding of own shares – multiplied by the end-of-year price quoted by NASDAQ OMX Copenhagen.

Notes to the consolidated financial statements

2 Significant accounting estimates and judgements

When preparing the consolidated financial statements for the Group, the management undertakes a number of accounting estimates and judgements to recognise, measure and classify the Group's assets and liabilities.

The most significant areas subject to estimates and judgements are mentioned below.

Valuation of intangible assets and property, plant and equipment
Intangible assets and property, plant and equipment are tested for impairment, if there is an indication of impairment. However, annual impairment tests are always carried out for goodwill and other intangible assets with indefinite useful lives as well as intangible assets that are not yet in use. Impairment losses are recognised when the carrying amount exceeds the higher of fair value less costs to sell and estimated value in use.

Fair value is sought to be obtained for active markets for corresponding assets or determined on the basis of other observable input. As far as possible, the estimated fair value of ships, rigs and properties is obtained using acknowledged brokers. However, it is not possible to determine reliable fair value for certain types of ships in the current market with continued low trading activity.

The estimated value in use is computed on the basis of the expected free cash flow from the relevant cash-generating unit based on updated business plans for the next five years or the remaining useful lives for assets operating under contracts. The calculated value in use is based on a number of assumptions and subject to uncertainty in respect of the global economy's impact on the Group's business areas in the short term as well as in the long term. For tanker activities in particular, the values in use are based on expectations of enhanced market conditions as compared to the level at the end of 2011. Assumptions are described in notes 9 and 10.

The determination and delimitation of cash-generating units differ for the various business areas. For integrated network businesses such as Maersk Line and Safmarine, the container shipping activities are considered to be a single cash-generating unit. For the Oil and gas activities, connected oil and gas fields are considered to be cash-generating units, and for offshore and other shipping activities, the cash-generating unit is often the individual asset. Maersk Tankers and Maersk Supply Service group vessels according to type, size, etc. in accordance with the structure governing the management's ongoing follow-up.

Depreciation periods
The total depreciation and amortisation is a considerable cost to the Group. Intangible assets and property, plant and equipment are depreciated and amortised over the expected useful lives for ships and rigs, etc., typically over a useful life of 20-25 years to a residual value of 10% of the original cost for ships and up to 30% for drilling rigs. For producing oil fields and production platforms, the useful lives are based on the expected production profile of the field.

Estimates of useful lives and residual values are reassessed regularly based on available information. In this connection, the long term view is prioritised, in order to disregard to the extent possible temporary market fluctuations, which may be significant. Changes to estimates of useful lives and residual values may affect the annual depreciation and amortisation and thereby the results for the year significantly.

Business combinations
The allocation of the acquisition cost to the fair value of the acquired assets, liabilities and contingent liabilities and thus to goodwill, including the allocation to cash-generating units, may have a significant impact on future profits. Fair values are based on estimates using information available at the time control was achieved.

When part of the acquisition cost for entities acquired is dependent on the development in future profits, estimates are made of the most probable value of the contingent acquisition cost based on current forecasts.

Leasing
Lease contracts are classified as operating or finance leases at the inception of the lease. Once determined, the classification is not subsequently changed unless there are changes to the contract documents.

Contracts which transfer all significant risks and benefits associated with the underlying asset to the lessee are classified as finance leases. This usually applies to long-term lease contracts or where ownership is transferred to the lessee at the expiry of the lease term. All conditions in a contract are assessed and the classification depends to a certain extent on judgment based on the actual circumstances of the agreement.

Notes to the consolidated financial statements

2 – continued

The value of assets held under finance leases recognised in the balance sheet is based on the discounted value of the contractual lease payments. No contingent lease payments are included and the value can therefore be determined reliably. Uncertainty relating to the useful lives and residual values of assets and the impairment test principles is the same for assets held under finance leases as for own assets.

Deferred tax assets
Deferred tax assets are recognised and measured to the extent they are expected to be realisable within the foreseeable future. Tax assets which can only be utilised in the longer term are deemed to be uncertain and are not recognised.

Receivables
Provisions for bad debt and write-downs of receivables are carried out on the basis of an assessment of their recoverability at the balance sheet date. Trade receivables are grouped on the basis of maturity analyses for the purpose of providing for bad debt. In special circumstances trade receivables are impaired individually. Other receivables, including loans, are written-down on the basis of an assessment of the individual debtor's credit rating. An analysis of overdue trade receivables and movement in the provisions for bad debt can be found in note 23. The write-downs of non-current receivables performed in the period can be found in note 6.

Pension liabilities
The gross liability for defined benefit plans, etc. is based on a number of actuarial assumptions such as discount rates, future inflation, the future rate of salary and pension increases, and mortality rates. External actuaries are used for measuring the gross liabilities. Even modest changes to the actuarial assumptions may result in significant changes in the pension liability.

Plan assets that are used only to meet the obligations are set off against the gross liability. Assets are measured at fair value by fund administrators and comprise cash, securities, properties, etc. Where there is not an active market for the assets, the fair value is estimated. The less liquid the assets, the greater the uncertainty related to the measurement. The composition of the assets can be found in note 19.

Provisions for abandonment
When establishing oil and gas production facilities, provisions are made for the cost of the disposal of the facilities and re-establishment of the sea bed according to the rules which apply to the individual concession areas. The assumptions for the provisions are reassessed annually. A significant part of the liability is not realised until after 20-30 years and consequently the calculation of the liability, including the assumptions applied, is associated with significant uncertainty.

The most significant assumptions are:

- The useful economic life of the field and thereby the time of abandonment (which partly depends on the future oil price)
- Cost level at the time of abandonment
- Discount rate

Provisions for legal disputes etc.
The management's estimate of the provisions in connection with legal disputes, including disputes on taxes and duties, is based on the knowledge available on the actual substance of the cases and a legal assessment of these. Due to the nature of legal disputes, the outcome of these is subject to considerable uncertainty.

Other provisions
The amount comprises inter alia estimated provisions for onerous contracts, guarantee obligations and provisions for incurred, but not yet reported incidents under certain insurance programmes, primarily in the USA.

Judgement of accounting control
To a certain extent, the classification of entities partly owned by other enterprises, and thereby how the entities are accounted for in the consolidated financial statements, is based on a judgement of the formal and actual conditions and clauses in shareholders' agreements etc.

Notes to the consolidated financial statements

Amounts in DKK million (in parenthesis the corresponding figures for 2010)

3 Segment information

	Container activities		Oil and gas activities	
	2011	2010	**2011**	2010
External revenue	145,555	146,052	67,554	57,634
Inter-segment revenue	602	363	-	-
Total revenue	**146,157**	**146,415**	**67,554**	**57,634**
Profit before depreciation, amortisation and impairment losses, etc.	**6,043**	**25,877**	**53,626**	**46,493**
Depreciation and amortisation	8,473	8,789	11,485	13,226
Impairment losses	313	942	135	368
Reversal of impairment losses	8	14	-	-
Gain on sale of non-current assets, etc., net	681	131	13	20
Share of profit/loss in associated companies	-11	-12	-24	-
Profit/loss before financial items	**-2,065**	**16,279**	**41,995**	**32,919**
Financial items, net	-241	-112	-517	-296
Profit/loss before tax	**-2,306**	**16,167**	**41,478**	**32,623**
Tax	569	1,312	30,440	23,296
Profit/loss for the year	**-2,875**	**14,855**	**11,038**	**9,327**
Cash flow from operating activities	5,315	23,619	23,374	22,231
Cash flow used for capital expenditure	-17,614	-5,484	-20,286	-11,033
Free cash flow	**-12,299**	**18,135**	**3,088**	**11,198**
Investments in non-current assets[1]	**20,616**	**7,429**	**21,143**	**9,634**
Investments in associated companies	23	42	711	-
Other non-current assets	114,668	100,649	54,206	43,020
Assets held for sale	1,838	1,776	-	-
Other current assets	20,613	18,350	8,007	7,741
Non-interest bearing liabilities	29,014	25,549	25,998	23,159
Invested capital, net	**108,128**	**95,268**	**36,926**	**27,602**

[1] Comprise additions of intangible assets and property, plant and equipment, including additions from business combinations.

For Container activities, revenue includes freight and transport income. In Oil and gas activities, revenue constitutes the Group's share of the value of oil and gas production. Terminal activities have income from operation of container terminals. For Tankers, offshore and other shipping activities, revenue comprises transport income, etc. as well as income from offshore drilling activities. Revenue from Retail activities concerns the sale of convenience goods, etc.

Oil and gas activities include assets and liabilities of DKK 20,593m (DKK 2,779m) and DKK 725m (DKK 1,173m), respectively, which relate only to exploration activities. Intangible assets totalled DKK 14,137m (DKK 784m) of the total assets. Cash flow from exploration activities totalled DKK -4,623m (DKK -3,909m) from operating activities and DKK -13,834m (DKK -1,194m) used for capital expenditure.

Notes to the consolidated financial statements

Amounts in DKK million

Terminal activities 2011	Terminal activities 2010	Tankers, offshore and other shipping activities 2011	Tankers, offshore and other shipping activities 2010	Retail activities 2011	Retail activities 2010	Other businesses 2011	Other businesses 2010	Total reportable segments 2011	Total reportable segments 2010
14,556	12,901	31,229	31,069	55,227	59,250	4,379	5,580	318,500	312,486
10,517	11,005	518	610	-	-	5,289	2,601	16,926	14,579
25,073	**23,906**	**31,747**	**31,679**	**55,227**	**59,250**	**9,668**	**8,181**	**335,426**	**327,065**
5,670	**4,884**	**10,148**	**8,814**	**2,885**	**3,591**	**995**	**257**	**79,367**	**89,916**
1,978	2,163	4,623	4,547	496	827	166	197	27,221	29,749
-	315	1,714	2,493	68	-	36	30	2,266	4,148
5	-	580	56	-	-	-	-	593	70
141	2,580	135	681	3,703	40	56	141	4,729	3,593
270	136	69	-392	-	-	346	735	650	467
4,108	**5,122**	**4,595**	**2,119**	**6,024**	**2,804**	**1,195**	**906**	**55,852**	**60,149**
20	15	38	-28	-88	67	12	5	-776	-349
4,128	**5,137**	**4,633**	**2,091**	**5,936**	**2,871**	**1,207**	**911**	**55,076**	**59,800**
652	680	669	729	633	656	200	+42	33,163	26,631
3,476	**4,457**	**3,964**	**1,362**	**5,303**	**2,215**	**1,007**	**953**	**21,913**	**33,169**
4,882	4,749	9,178	7,726	2,292	2,493	267	1,078	45,308	61,896
-3,681	-1,694	-9,188	-5,654	3,392	-2,210	-4,105	451	-51,482	-25,624
1,201	**3,055**	**-10**	**2,072**	**5,684**	**283**	**-3,838**	**1,529**	**-6,174**	**36,272**
4,372	**4,908**	**9,463**	**7,338**	**2,895**	**2,411**	**170**	**68**	**58,659**	**31,788**
2,631	2,099	3,866	3,546	-	-	25,227	20,999	32,458	26,686
27,340	26,620	75,654	77,588	17,526	15,551	1,308	1,416	290,702	264,844
1,792	164	6,663	107	-	3,066	17	17	10,310	5,130
4,285	4,157	9,749	8,598	4,629	4,391	2,180	1,964	49,463	45,201
6,608	6,381	10,667	10,049	7,064	7,523	2,192	3,155	81,543	75,816
29,440	**26,659**	**85,265**	**79,790**	**15,091**	**15,485**	**26,540**	**21,241**	**301,390**	**266,045**

Notes to the consolidated financial statements

Amounts in DKK million

3 – continued

	2011	2010
Revenue		
Reportable segments	335,426	327,065
Unallocated activities (Maersk Oil Trading)	4,188	3,035
Eliminations	-17,094	-14,704
Total	**322,520**	**315,396**
Of which:		
Sale of goods including sale of oil and gas	131,349	123,524
Rendering of services, etc.	191,171	191,872
Profit for the year		
Reportable segments	21,913	33,169
Financial items	-3,787	-4,914
Costs in Group functions, etc.	303	540
Unallocated tax	+697	+448
Eliminations	-515	49
Total continuing operations	18,005	28,212
Discontinued operations, after elimination	78	3
Total	**18,083**	**28,215**
Assets		
Reportable segments	382,933	341,861
Unallocated activities	27,783	36,855
Eliminations	-5,980	-4,204
Total continuing operations	404,736	374,512
Discontinued operations, after elimination	7	211
Total	**404,743**	**374,723**
Liabilities		
Reportable segments	81,543	75,816
Unallocated activities	120,829	110,189
Eliminations	-5,595	-4,344
Total continuing operations	196,777	181,661
Discontinued operations, after elimination	31	100
Total	**196,808**	**181,761**

Geographical information

For the shipping activities revenue is based on the destination for ships operated by the Group and on customer location for ships on time charter. The majority of the Group's ships, drilling rigs and containers are registered in Denmark, Singapore, United Kingdom and USA. These types of assets are allocated to countries based on legal ownership.

Notes to the consolidated financial statements

Amounts in DKK million

3 – continued

Geographical split	External revenue 2011	External revenue 2010	Non-current assets[1] 2011	Non-current assets[1] 2010
Denmark	63,185	64,452	98,290	101,821
Qatar	33,440	27,020	10,385	15,768
Singapore	1,551	1,087	53,204	39,897
United Kingdom	18,762	28,645	27,705	28,370
USA	26,766	37,146	11,200	11,568
Other	178,816	157,046	82,883	60,871
Total	**322,520**	**315,396**	**283,667**	**258,295**

[1] Comprise intangible assets and property, plant and equipment.

Amounts in DKK million (in parenthesis the corresponding figures for 2010)

4 Operating costs

	2011	2010
Costs of goods sold	48,003	50,472
Bunker costs	37,580	26,701
Exploration costs	5,303	3,403
Rental and leasing costs	19,490	16,541
Staff costs	35,763	34,764
Integration and restructuring costs	344	714
Other	99,082	93,713
Total operating costs	**245,565**	**226,308**
Remuneration of employees		
Wages and salaries	31,720	31,071
Severance payments	529	545
Pension costs, defined benefit plans	242	240
Pension costs, defined contribution plans	2,203	1,784
Other social security costs	2,141	2,244
Total remuneration	**36,835**	**35,884**
Of which:		
Recognised in the cost of assets	266	354
Included in exploration costs	447	341
Included in integration and restructuring costs	359	425
Expensed as staff costs	**35,763**	**34,764**
Average number of employees excluding discontinued operations	117,080	113,741

Rental and leasing costs include contingent rent totalling DKK 644m (DKK 654m).

Customary agreements have been made with employees regarding compensation in connection with resignation with consideration for local legislation and collective agreements.

For information about share-based payment reference is made to note 17.

Notes to the consolidated financial statements

Amounts in DKK million (in parenthesis the corresponding figures for 2010)

4 – continued

Fees and remuneration to the Board of Directors and the Managing Director
The Board of Directors has received fees of DKK 17m (DKK 18m).

Remuneration of the Managing Director, Firmaet A.P. Møller, is expensed with DKK 81m (DKK 99m).

Contract of employment for the Managing Director contains terms customary in Danish listed companies, including termination notice and competition clauses. In connection with a possible takeover offer, neither management nor the Board of Directors will receive special remuneration.

Fees to the statutory auditors	**KPMG, Statsautoriseret Revisionspartnerselskab**		**KPMG including network firms**	
	2011	2010	**2011**	2010
Statutory audit	29	31	101	108
Other assurance services	2	-	3	2
Tax and VAT advisory services	15	5	26	20
Other services	6	6	17	9
Total fees	**52**	**42**	**147**	**139**
	PricewaterhouseCoopers Danmark, Statsautoriseret Revisionsaktieselskab[1]		**PwC including network firms[1]**	
	2011	2010	**2011**	2010
Statutory audit	8	9	10	12
Other assurance services	1	1	1	1
Tax and VAT advisory services	2	2	3	2
Other services	10	2	13	2
Total fees	**21**	**14**	**27**	**17**

[1] The 2010 fee is related to Grant Thornton, Statsautoriseret Revisionsaktieselskab and Grant Thornton network firms.

Amounts in DKK million

5 Gain on sale of non-current assets, etc., net

	2011	2010
Gains	4,914	4,296
Losses	166	504
Gain on sale of non-current assets, etc., net	**4,748**	**3,792**

Gains relate primarily to Netto Foodstores Limited, UK. The sale 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.

Notes to the consolidated financial statements

Amounts in DKK million

5 – continued

In 2010, sale of other equity investments resulted in a gain of DKK 2.5bn which primarily related to Sigma Enterprises Ltd. and Flinders Ports. Gains also included DKK 0.5bn related to Gujarat Pipavav Port Ltd., K/S Membrane 1 and K/S Membrane 2 where control was lost and the non-controlling investments prospectively are retained at estimated fair value.

Amounts in DKK million

6 Financial income and expenses

	2011	2010
Interest expenses on liabilities	4,173	5,000
Hereof borrowing costs capitalised on assets	229	-
Interest income on loans and receivables	697	860
Interest income on securities	71	58
Fair value adjustment transferred from equity hedge reserve (loss)	673	940
Fair value adjustment of issued bonds attributable to interest rate risk (loss)[1]	211	61
Unwind of discount on provisions	376	361
Net interest expenses	**4,436**	**5,444**
Exchange rate gains on bank deposits, loans and working capital	2,947	1,457
Exchange rate losses on bank deposits, loans and working capital	1,500	1,056
Net foreign exchange gains	**1,447**	**401**
Fair value gains from derivatives	464	478
Fair value losses from derivatives	2,029	704
Fair value gains from securities	20	96
Fair value losses from securities	24	88
Net fair value losses	**1,569**	**218**
Dividends received from securities	5	12
Dividends received from other equity investments	16	18
Total dividend income	**21**	**30**
Impairment losses on financial non-current receivables	27	32
Financial expenses, net	**4,564**	**5,263**
Of which:		
Financial income	4,220	2,979
Financial expenses	8,784	8,242

[1] The corresponding adjustment of the hedging instrument has been recognised in fair value gains from derivatives.

The capitalisation rate used to determine the amount of borrowing costs eligible for capitalisation is 5.2%

For an analysis of gains and losses from derivatives reference is made to note 15.

Notes to the consolidated financial statements

Amounts in DKK million

7 Tax

	2011	2010
Tax recognised in the income statement	32,447	26,174
Of which regarding Danish and foreign tonnage tax, freight tax, etc.	-610	-675
Total	**31,837**	**25,499**
Current tax	**30,458**	**26,706**
Adjustment of deferred tax		
Adjustment of temporary differences including tax assets, previously not recognised	1,379	-1,207
Total adjustment of deferred tax	1,379	-1,207
Total	**31,837**	**25,499**
Current and deferred tax arise as follows:		
Profit before tax	50,452	54,386
Income subject to Danish and foreign tonnage taxation, etc.	3,186	-14,100
Share of profit/loss in associated companies	-651	-461
Profit before tax, adjusted	52,987	39,825
Calculated 25% tax	13,247	9,956
Tax rate deviations in foreign entities, net	-209	-704
Additional tax in the oil segment in excess of 25%	18,985	14,827
Gains related to shares, dividends, etc.	-879	36
Adjustment to previous years' taxes	-9	-324
Deferred tax assets, not previously recognised	-462	-376
Tax losses for which no deferred tax asset was recognised	1,142	1,001
Other permanent differences, net	22	1,083
Total	**31,837**	**25,499**
Tax recognised in equity		
Fair value adjustment of other equity investments	1	+30
Cash flow hedges	420	58
Actuarial gains/losses on defined benefit plans, etc.	+169	+58
Tax recognised in other comprehensive income, net	**252**	**+30**
Tax recognised directly in equity	48	-
Total	**300**	**+30**
Of which:		
Current tax	56	5
Deferred tax	244	+35

Notes to the consolidated financial statements

Amounts in DKK million (in parenthesis the corresponding figures for 2010)

8 Discontinued operations and assets held for sale

The three aircrafts that remained in Maersk Aviation (discontinued operations) were sold in 2011.

Assets held for sale are primarily related to Maersk LNG A/S, Maersk Equipment Service Company, Inc. and seven container vessels, of which four are owned and three are held under finance leases. Impairment losses of DKK 113m were recognised in 2011 relating to the seven container vessels.

Impairment losses of DKK 0m (DKK 1,190m) have been recognised in relation to the reclassification to assets held for sale.

On 12 October 2011, the Group entered into an agreement with Teekay LNG Operating LLC and Marubeni Corporation on the sale of Maersk LNG A/S for a total consideration of USD 1.4bn on a cash and debt free basis. The transaction is expected to be completed in the first quarter 2012 and is subject to customer consents and regulatory approval.

The sale of Netto Foodstores Limited, UK was completed on 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 handysize product tanker was sold in 2011.

In 2010, assets held for sale were primarily related to Netto Foodstores Limited, UK, seven container vessels, of which four were owned and three were held under finance leases and one handysize product tanker. Impairment losses of DKK 260m were recognised relating to Norfolk Holdings B.V.

	2011	2010
Profit for the year – discontinued operations		
Revenue	6	34
Costs, etc. (including provisions made and reversed)	42	-41
Profit/loss before tax, etc.	**48**	**-7**
Tax	10	8
Profit/loss	**38**	**-15**
Gain on sale of non-current assets, etc., net	56	18
Tax hereof	16	-
Profit for the year – discontinued operations	**78**	**3**
A.P. Møller - Mærsk A/S' share hereof	78	3
Earnings and diluted earnings per share, DKK	18	1
Cash flows from discontinued operations for the year		
Cash flow from operating activities	-14	42
Cash flow used for investing activities	141	-19
Cash flow from financing activities	2	-87
Net cash flow from discontinued operations	**129**	**-64**
Balance sheet items comprise:		
Non-current assets	10,148	4,765
Current assets	204	576
Assets held for sale	**10,352**	**5,341**
Provisions	73	70
Other liabilities	1,584	1,899
Liabilities associated with assets held for sale	**1,657**	**1,969**

Notes to the consolidated financial statements

Amounts in DKK million (in parenthesis the corresponding figures for 2010)

9 Intangible assets

	Goodwill	Terminal and service concession rights	Oil concession rights	Other rights	Total
Cost					
1 January 2010	3,357	4,913	21,534	4,137	33,941
Addition	-	1,746	2,732	235	4,713
Acquired in business combinations	51	51	-	6	108
Disposal	1	44	-	1,699	1,744
Disposal on sale of businesses	-	774	-	-	774
Exchange rate adjustment	524	407	1,751	452	3,134
31 December 2010	**3,931**	**6,299**	**26,017**	**3,131**	**39,378**
Addition	-	485	887	593	1,965
Acquired in business combinations	399	284	12,345	139	13,167
Disposal	2	6	123	176	307
Transfer, assets held for sale	-	-122	-	-90	-212
Exchange rate adjustment	109	-84	1,570	84	1,679
31 December 2011	**4,437**	**6,856**	**40,696**	**3,681**	**55,670**
Amortisation and impairment losses					
1 January 2010	245	1,018	17,262	2,472	20,997
Amortisation	-	216	2,224	815	3,255
Impairment losses	291	94	136	198	719
Disposal	1	8	-	1,699	1,708
Disposal on sale of businesses	-	289	-	-	289
Exchange rate adjustment	18	103	1,404	250	1,775
31 December 2010	**553**	**1,134**	**21,026**	**2,036**	**24,749**
Amortisation	-	197	1,031	319	1,547
Impairment losses	-	-	135	12	147
Disposal	2	-	67	139	208
Transfer, assets held for sale	-	-26	-	-10	-36
Exchange rate adjustment	12	-7	575	52	632
31 December 2011	**563**	**1,298**	**22,700**	**2,270**	**26,831**
Carrying amount:					
31 December 2010	**3,378**	**5,165**[1]	**4,991**[2]	**1,095**[3]	**14,629**
31 December 2011	**3,874**	**5,558**[1]	**17,996**[2]	**1,411**[3]	**28,839**

[1] Of which DKK 637m (DKK 317m) is under development. DKK 284m (DKK 0m) is related to a terminal right with indefinite useful life in Poti Sea Port Corp. The impairment test is based on the estimated value in use from a ten year business plan as the terminal is expected to reach full utilisation from 2021. A discount rate of 13.5% p.a. after tax and a terminal value with an expected growth rate equal to local GDP growth have been applied in the calculation. Furthermore, the development in volumes and rates are significant parameters.

[2] Of which DKK 14,967m (DKK 1,684m) is related to oil concession rights where amortisation will begin when production commences.

[3] Of which DKK 798m (DKK 410m) is related to ongoing development of software.

Notes to the consolidated financial statements

Amounts in DKK million (in parenthesis the corresponding figures for 2010)

9 – continued

Goodwill
The carrying amount of goodwill has been allocated to the following operating segments and cash generating units based on the management structure:

		Carrying amount	
Operating segment	**Cash generating unit**	**2011**	2010
Tankers, offshore and other shipping activities	Adsteam Marine Limited (Australia)	2,564	2,501
Tankers, offshore and other shipping activities	Adsteam Marine Limited (United Kingdom)	320	312
Container activities	Airfreight services (Damco)	442	-
Retail activities	OHG Netto Supermarkt GmbH & Co.	415	415
Other		133	150
Total		**3,874**	**3,378**

The impairment test is based on the estimated value in use from five year business plans and a calculated terminal value with growth equal to the expected local inflation.

Key assumptions	**Terminal value growth rate**		**Estimated average earnings growth p.a. in the budget period**		**Applied discount rate p.a. after tax**	
Cash generating unit	**2011**	2010	**2011**	2010	**2011**	2010
Adsteam Marine Limited (Australia)	2.0%	3.0%	12.5%	14.0%	7.5%	7.8%
Adsteam Marine Limited (United Kingdom)	1.5%	2.5%	5.9%	7.5%	7.5%	7.7%
Airfreight services (Damco)	2.0%	-	8.6%	-	9.6%	-
OHG Netto Supermarkt GmbH & Co.	0.0%	0.0%	11.3%	14.5%	7.0%	7.0%

Impairment loss for 2010 of DKK 291m was related to Broström Group goodwill, which was fully impaired based on weak market conditions for small and intermediate product tankers.

Other intangible assets
Impairment losses for the year of DKK 147m are primarily related to oil concession rights on the Janice field in the United Kingdom and are based on estimated value in use. A discount rate of 8.5% p.a. after tax and the forward curve for oil prices at 31 December 2011 were used in the calculation.

Impairment losses for 2010 of DKK 428m on time charter contracts, oil concession rights and terminal rights were recognised based on estimated value in use.

Notes to the consolidated financial statements

Amounts in DKK million

10 Property, plant and equipment

	Ships, rigs, containers, etc.	Production facilities and equipment, etc.	Land and buildings	Construction work in progress and payment on account	Total
Cost					
1 January 2010	211,674	101,684	32,948	40,570	386,876
Addition	4,631	1,382	2,658	18,012	26,683
Acquired in business combinations	129	1	2	-	132
Disposal	2,916	2,365	326	356	5,963
Disposal on sale of businesses	1,845	2,082	569	57	4,553
Transfer	16,638	21,138	893	-38,669	-
Transfer, assets held for sale	-3,256	-437	-3,332	-	-7,025
Exchange rate adjustment	17,464	7,726	1,312	3,335	29,837
31 December 2010	**242,519**	**127,047**	**33,586**	**22,835**	**425,987**
Addition	11,919	2,422	755	26,693	41,789
Acquired in business combinations	120	620	675	40	1,455
Disposal	8,916	3,015	273	170	12,374
Disposal on sale of businesses	32	65	-	-	97
Transfer	17,422	4,494	2,021	-23,937	-
Transfer, assets held for sale	-8,824	-166	-389	-1	-9,380
Exchange rate adjustment	6,462	2,761	-176	655	9,702
31 December 2011	**260,670**	**134,098**	**36,199**	**26,115**	**457,082**
Depreciation and impairment losses					
1 January 2010	67,071	65,082	11,221	5,928	149,302
Depreciation	12,372	11,968	976	1,173	26,489
Impairment losses	2,457	284	151	277	3,169
Reversal of impairment losses	70	-	-	-	70
Disposal	2,031	1,441	148	-	3,620
Disposal on sale of businesses	366	847	288	-	1,501
Transfer	411	6,743	-15	-7,139	-
Transfer, assets held for sale	-1,549	-383	-749	-	-2,681
Exchange rate adjustment	5,551	4,834	272	576	11,233
31 December 2010	**83,846**	**86,240**	**11,420**	**815**	**182,321**
Depreciation	12,675	11,703	750	543	25,671
Impairment losses	1,792	35	68	110	2,005
Reversal of impairment losses	581	5	8	-	594
Disposal	6,943	2,718	141	128	9,930
Disposal on sale of businesses	12	47	-	-	59
Transfer	203	721	-94	-830	-
Transfer, assets held for sale	-1,809	-66	-5	-	-1,880
Exchange rate adjustment	2,315	2,423	-14	-4	4,720
31 December 2011	**91,486**	**98,286**	**11,976**	**506**	**202,254**
Carrying amount:					
31 December 2010	**158,673**	**40,807**	**22,166**	**22,020**	**243,666**
31 December 2011	**169,184**	**35,812**	**24,223**	**25,609**	**254,828**
Hereof carrying amount of finance leased assets:					
31 December 2010	**15,898**	**19**	**47**	**1,768**	**17,732**
31 December 2011	**13,601**	**-**	**40**	**-**	**13,641**

Notes to the consolidated financial statements

Amounts in DKK million (in parenthesis the corresponding figures for 2010)

10 – continued

Operating segment	Cash generating unit	Methodology	Applied discount rate p.a. after tax 2011	Applied discount rate p.a. after tax 2010	Impairment losses 2011	Impairment losses 2010	Reversal of impairment losses 2011	Reversal of impairment losses 2010
Tankers, offshore and other shipping activities	FPSOs	Value in use	9.0%	8.1%	1,339	1,105	-	-
	LNG carriers	Fair value (value in use)	-	8.1%	-	422	485	-
	Intermediate product tankers	Value in use	10.0%	9.1%	268	141	-	-
Container activities	Maersk Line[1]	Fair value	-	-	-	942	-	-
Oil and gas activities	Janice area	Value in use	-	8.1%	-	174	-	-
	Other				398	385	109	70
Total					**2,005**	**3,169**	**594**	**70**

[1] Container vessels transferred to assets held for sale and impaired to estimated market value.

Finance leases

As part of the Group's activities, customary leasing agreements are entered into, especially with regard to the chartering of vessels and leasing of containers and other equipment. In some cases, the leasing agreements comprise purchase options for the Group and options for extension of the lease term.

In the financial statements, assets held under finance leases are recognised in the same way as owned assets.

Operating leases as lessor

Property, plant and equipment include assets, mainly vessels and FPSOs, which are leased out as part of the Group's activities. The future lease income is DKK 29.5bn (DKK 36.5bn) of which DKK 3.6bn (DKK 3.6bn) is payable within one year, DKK 9.6bn (DKK 11.1bn) between one and five years and DKK 16.3bn (DKK 21.8bn) in more than five years.

Ownership of production facilities, etc.

Ownership of production facilities, etc. relating to oil production in Qatar and Algeria with a carrying amount of DKK 13.1bn (DKK 17.9bn) is transferred to state-owned oil companies on an ongoing basis according to agreements. The right of use is maintained during the concession period.

Pledges

Ships, buildings, etc. with a carrying amount of DKK 54.8bn (DKK 57.3bn) have been pledged as security for loans of DKK 41.4bn (DKK 45.7bn).

Notes to the consolidated financial statements

Amounts in DKK million (in parenthesis the corresponding figures for 2010)

11 Investments in associated companies

In aggregate, the Group's associated companies have the following revenue, profit/loss, assets and liabilities (100%):

	Banking activities		Other activities	
	2011	2010	**2011**	2010
Revenue	118,523	120,463	20,414	18,238
Profit/loss	1,723	3,664	793	-557
Assets	3,424,403	3,213,886	54,122	48,657
Liabilities	3,298,548	3,109,144	30,361	29,438

The fair value of listed shares in associated companies totalled DKK 16.7bn (DKK 23.8bn). The carrying amount of these is DKK 28.0bn (DKK 23.6bn) and is primarily related to the Group's ownership interest in Danske Bank.

Revenue from banking activities includes gross interest income, trading income, fees received and insurance income.

Contingent liabilities in associated companies totalled DKK 50.9bn (DKK 53.1bn) proportionally and are mainly related to Danske Bank's guarantees and other contingent liabilities.

Banking activities
Profit in Danske Bank was DKK 1.7bn (DKK 3.7bn). The Group's share was DKK 0.3bn (DKK 0.7bn).

In April 2011, the Group participated in Danske Bank's rights issue of DKK 20bn with an investment of DKK 4bn.

Ro/Ro activities
Overall, the Group's ownership interest in DFDS and Höegh Autoliners, etc. contributed a profit of DKK 50m (loss of DKK 399m). The Group's share of DFDS' profit is based on consensus estimates as the 2011 annual financial statements for DFDS have not yet been published.

Notes to the consolidated financial statements

Amounts in DKK million

12 Other receivables

	2011	2010
Loans	4,937	4,136
Finance lease receivables	648	568
Other interest-bearing receivables and deposits	1,020	858
Receivables from sale of non-current assets, etc.	1,162	261
Tax and VAT receivables, etc.	904	643
Other	5,618	7,406
Total	**14,289**	**13,872**
Of which:		
Classified as non-current	3,851	3,488
Classified as current	10,438	10,384

The finance lease receivables are primarily related to the Portsmouth terminal in Virginia, USA, which was leased out in 2010 to the Virginia Port Authority for a term of 20 years.

Finance lease receivables	**Gross receivables**	**Interest**	**Carrying amount**	**Gross receivables**	**Interest**	**Carrying amount**
	2011	2011	2011	2010	2010	2010
Within one year	36	9	27	29	11	18
Between one and five years	149	45	104	135	36	99
After five years	674	157	517	501	50	451
Total	**859**	**211**	**648**	**665**	**97**	**568**

Notes to the consolidated financial statements

Amounts in DKK million (in parenthesis the corresponding figures for 2010)

13 Deferred tax

Recognised deferred tax assets and liabilities are attributable to the following:

	Assets		Liabilities		Net	
	2011	2010	2011	2010	2011	2010
Intangible assets	172	198	1,386	1,431	1,214	1,233
Property, plant and equipment	1,874	1,681	8,443	6,496	6,569	4,815
Derivatives	34	502	1	2	-33	-500
Receivables, etc.	484	166	340	55	-144	-111
Liabilities	4,073	3,828	218	285	-3,855	-3,543
Tax loss carry forwards	2,216	2,267	-	40	-2,216	-2,227
Other	521	586	59	185	-462	-401
Total	9,374	9,228	10,447	8,494	1,073	-734
Offsets	-4,439	-4,094	-4,439	-4,094	-	-
Total	**4,935**	**5,134**	**6,008**	**4,400**	**1,073**	**-734**

Change in deferred tax, net during the year	2011	2010
1 January	-734	467
Recognised in the income statement	1,379	-1,207
Recognised in equity	244	-35
Change from acquisition/sale of businesses	5	5
Transfer, assets held for sale	5	-4
Exchange rate adjustments	174	40
31 December	**1,073**	**-734**

Unrecognised deferred tax assets

Under the special hydrocarbon tax, the Group has field loss carry forwards with a tax value of DKK 0.0bn (DKK 0.2bn). No tax value was recognised in 2010 as it was not considered likely that the deferred tax assets could be realised in the foreseeable future.

Other unrecognised deferred tax assets relate to:

	2011	2010
Deductible temporary differences	1,394	1,161
Tax loss carry forwards	2,610	2,487
Total	**4,004**	**3,648**

The tax loss carry forwards have no significant time limitations. No tax value is recognised as it is not considered likely that the deferred tax assets can be realised in the foreseeable future.

There are no significant unrecognised tax liabilities on investments in subsidiaries, associated companies and jointly controlled entities.

Notes to the consolidated financial statements

Amounts in DKK million

14 Inventories

	2011	2010
Raw materials and consumables	2,046	1,834
Work in progress	125	178
Finished goods and goods for resale	4,852	4,428
	7,023	6,440
Bunker	5,845	3,977
Total	**12,868**	**10,417**

No significant write-downs or reversals have been recognised on inventories.

Amounts in DKK million

15 Derivatives

To hedge risks relating to interest rates, currency, as well as freight rates and crude oil and bunker prices, financial derivatives are used. Foreign exchange forwards and option contracts are used to hedge the currency risk related to recognised and unrecognised transactions. Interest rate swaps are used to hedge interest rate exposure on loans. Derivatives are entered into to hedge freight rates, crude oil prices and bunker prices.

	2011	2010
Non-current receivables	815	244
Current receivables	469	901
Non-current liabilities	2,444	1,391
Current liabilities	2,182	1,643
Liabilities, net	**3,342**	**1,889**

The fair value of derivatives held at the balance sheet date can be allocated by type as follows:

	Fair value	Recognised in income statement	Recognised in equity	Fair value	Recognised in income statement	Recognised in equity
	2011	2011	2011	2010	2010	2010
Currency derivatives	-2,382	-1,743	-639	467	44	423
Interest rate derivatives	-929	108	-1,037	-2,402	-232	-2,170
Price hedge derivatives	-31	-31	-	46	46	-
Total	**-3,342**	**-1,666**	**-1,676**	**-1,889**	**-142**	**-1,747**

Notes to the consolidated financial statements

Amounts in DKK million

15 – continued

The fair value recognised in equity relate to derivatives designated as effective hedging of future cash flows. The gains/losses are mainly expected to affect the income statement in the same periods as the cash flows are expected to occur. The expected timing of the effect on the income statement is as follows :

	Currency derivatives	Interest rate derivatives	Total	Currency derivatives	Interest rate derivatives	Total
	2011	2011	2011	2010	2010	2010
Within one year	-622	-575	-1,197	472	-826	-354
Between one and five years	-2	-387	-389	-49	-1,232	-1,281
After five years	-15	-75	-90	-	-112	-112
Total	**-639**	**-1,037**	**-1,676**	**423**	**-2,170**	**-1,747**

The gains/losses, including realised transactions, are recognised as follows:

	2011	2010
Hedging foreign exchange risk of revenue	47	-117
Hedging foreign exchange risk of operating costs	416	31
Hedging foreign exchange risk of gain on sale of non-current assets, etc.	279	-
Hedging interest rate risk	-673	-940
Hedging foreign exchange risk of the cost of property, plant and equipment	-34	-15
Total effective hedging	**35**	**-1,041**
Ineffectiveness recognised in financial expenses	-90	-34
Total reclassified from equity reserve for hedges	**-55**	**-1,075**
Derivatives accounted for as held for trading:		
Currency derivatives recognised directly in financial income/expenses	-1,762	-61
Interest rate derivatives recognised directly in financial income/expenses	287	-131
Hedging of oil prices and freight rates recognised directly in other income/costs	-88	73
Net gains/losses	**-1,563**	**-119**
Total	**-1,618**	**-1,194**

Currency derivatives hedge future revenue, operating costs and investments and are recognised on an ongoing basis in the income statement and the cost of property, plant and equipment respectively.

Interest rate derivatives swap primarily floating to fixed rates on loans and are recognised in the income statement concurrently with the hedged interest expenses. Furthermore, interest rate derivatives are used to swap fixed rate loans to floating interest rates.

Furthermore, the Group enters into derivatives to hedge economic risks that are not accounted for as hedging. These derivatives are accounted for as held for trading.

Notes to the consolidated financial statements

Amounts in DKK million

15 – continued

Fair value of price derivatives comprise:

	2011	2010
Oil price hedges	-3	-1
Raw materials hedges	-28	50
Forward freight agreements	-	-3
Total	**-31**	**46**

For information about currencies, maturities, etc. reference is made to note 23.

Amounts in DKK million

16 Share capital and earnings per share

The share capital on 31 December 2011 comprises:
A shares DKK 2,197.8m divided into 2,197,597 shares of DKK 1,000 and 406 shares of DKK 500
B shares DKK 2,197.8m divided into 2,197,678 shares of DKK 1,000 and 244 shares of DKK 500
All shares are fully issued and paid up.

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

Any resolution regarding the issue of, reduction in, or changes to the share capital requires the presence of two-thirds of the class A voting rights at the Annual General Meeting and that the resolution shall be passed by two-thirds of the votes cast. Apart from a resolution for the dissolution of the Company, other resolutions at the Annual General Meetings are passed by simple majority, unless otherwise required by legislation. Reference is made to the Company's articles of association. In the event of an increase of the Company's share capital, the shareholders in the given share class shall have a pre-emptive right to subscribe for a proportionate share of the capital increase.

According to the authorisation of the Annual General Meeting, the Board of Directors may in the period up to 3 April 2016 allow the Company to acquire own shares within a total nominal value of 10% of the Company's share capital. The purchase price may not deviate by more than 10% from the price quoted on NASDAQ OMX Copenhagen at the time of purchase.

	No. of shares of DKK 1,000		Nominal value		% of share capital	
Own shares (B shares)	**2011**	2010	**2011**	2010	**2011**	2010
1 January	30,619	30,619	31	31	0.70%	0.70%
Addition	465	-	-	-	0.01%	0.00%
Disposal	1,355	-	1	-	0.03%	0.00%
31 December	**29,729**	**30,619**	**30**	**31**	**0.68%**	**0.70%**

Additions and disposals of own shares are primarily related to the share option programme.

Notes to the consolidated financial statements

Amounts in DKK million (in parenthesis the corresponding figures for 2010)

16 – continued

Based on the parent company's profit of DKK 10,477m (DKK 13,540m), the Board of Directors proposes a dividend to the shareholders of DKK 1,000 per share of DKK 1,000 – a total of DKK 4,396m (DKK 1,000 per share of DKK 1,000 – a total of DKK 4,396m). Payment is expected to take place on 18 April 2012.

Payment of dividends to shareholders does not trigger taxes to the Group.

Basis for calculating earnings per share is as follows:

A.P. Møller - Mærsk A/S' share of:	2011	2010
Profit for the year of continuing operations	15,111	26,452
Profit for the year of discontinued operations	78	3
Profit for the year	**15,189**	**26,455**

	2011	2010
Issued shares 1 January	4,395,600	4,395,600
Average number of own shares	30,015	30,619
Average number of shares	**4,365,585**	**4,364,981**

At 31 December 2011, there is a dilution effect on earnings per share of 5,317 (6,783) issued share options while there is no dilution effect on 11,255 (7,507) issued share options. This corresponds to 0.12% (0.15%) and 0.26% (0.17%) of the share capital, respectively.

Amounts in DKK million (in parenthesis the corresponding figures for 2010)

17 Share-based payment

The Group has established a share option programme for partners in Firmaet A.P. Møller and other employees. Each share option granted is a call option to buy an existing B share of nominal DKK 1,000 in A.P. Møller - Mærsk A/S.

The fair value of share options granted to 126 (125) employees was DKK 36m (DKK 34m) at the time of such grant. Total value of granted share options is recognised in the income statement at DKK 32m (DKK 31m). In addition to this, four (four) partners in Firmaet A.P. Møller bought share options corresponding to a fair value of DKK 9m (DKK 9m).

The share options are granted at an exercise price corresponding to 110% of the average of the market price on the first five trading days following the release of A.P. Møller - Mærsk A/S' annual report. Exercise of the share options is contingent on the option holder still being permanently employed at the time of exercise. The share options can be exercised when at least two years and no more than five years have passed from the time of granting and can only be exercised within the trading periods as stated in the internal rules for trading of A.P. Møller - Mærsk A/S' securities in force at any time. Special conditions apply regarding illness, death and resignation as well as changes in the Company's capital structure, etc.

Notes to the consolidated financial statements

Amounts in DKK million (in parenthesis the corresponding figures for 2010)

17 – continued

The share options can only be settled in shares. A portion of the Group's holding of own shares is reserved for settlement of granted options.

Outstanding share options	**Partners in Firmaet A.P. Møller[1] No.**	**Employees[1] No.**	**Total No.**	**Average exercise price DKK**	**Total fair value[1] DKK**
1 January 2010	3,059	7,602	10,661	36,606	
Granted	-	3,001	3,001	47,089	34
Sold	765	-	765	47,089	9
Forfeited	-	137	137	37,204	
Outstanding 31 December 2010	**3,824**	**10,466**	**14,290**	**39,363**	
Exercisable 31 December 2010	**1,120**	**2,662**	**3,782**	**53,500**	
Granted	-	3,161	3,161	57,959	36
Sold	775	-	775	57,959	9
Exercised	140	1,215	1,355	27,237	
Forfeited	-	299	299	42,438	
Outstanding 31 December 2011	**4,459**	**12,113**	**16,572**	**44,716**	
Exercisable 31 December 2011	**2,919**	**6,121**	**9,040**	**38,053**	

[1] At the time of the grant.

The weighted average share price at the dates of exercise of the share options was DKK 48,778.

The average remaining contractual life as per 31 December 2011 is 2.7 years (3.7 years) and the exercise price for outstanding share options is in the range from DKK 27,237 to DKK 57,959 (DKK 27,237 to DKK 53,500).

The fair value per option at the time of grant is calculated at DKK 11,275 (DKK 11,451) based on Black & Scholes' options pricing model.

The following principal assumptions are used in the valuation:

	2011	2010
Share price, five days average, DKK	52,690	42,808
Exercise price, DKK	57,959	47,089
Expected volatility (based on four years historical volatility)	31.1%	35.0%
Expected term	4.0 years	4.5 years
Expected dividend per share, DKK	1,000	650
Risk free interest rate (based on the five years swap interest curve)	3.2%	1.7%

Notes to the consolidated financial statements

Amounts in DKK million

18 Bank and other credit institutions, etc.

	2011	2010
Bank and other credit institutions	81,553	73,292
Finance lease liabilities	13,738	14,671
Total	**95,291**	**87,963**

Finance lease liabilities	**Minimum lease pay-ments**	**Interest**	**Carrying amount**	**Minimum lease pay-ments**	**Interest**	**Carrying amount**
	2011	2011	2011	2010	2010	2010
Within one year	2,907	667	2,240	2,723	862	1,861
Between one and five years	6,040	2,163	3,877	6,935	2,578	4,357
After five years	10,005	2,384	7,621	11,673	3,220	8,453
Total	**18,952**	**5,214**	**13,738**	**21,331**	**6,660**	**14,671**

The finance lease agreements are described in note 10.

Notes to the consolidated financial statements

Amounts in DKK million

19 Pensions and similar obligations

As employer, the Group participates in pension plans according to normal practice in the countries in which the Group operates. As a main rule, the pension plans within the Group are defined contribution plans, where contributions are recognised in the income statement on an accrual basis. A number of entities have defined benefit plans, in which retirement benefits are based on length of service and salary level. To a limited extent, these defined benefit plans also include payment of medical expenses, etc.

Pension and medical plans which, as part of collective bargaining agreements, have been entered into with other enterprises (known as multi-employer plans) are treated as other pension plans. Such defined benefit plans are treated as defined contribution plans when sufficient information for calculating the individual enterprises' share of the obligation is not available.

	2011	2010
Recognised net liability		
Present value of funded plans	12,927	11,519
Fair value of plan assets	-11,619	-10,410
Net liability of funded plans	1,308	1,109
Present value of unfunded plans	752	763
Net liability	2,060	1,872
Assets not recognised due to limit of the asset ceiling	50	99
Adjustment for minimum funding requirement	350	-
Funded plans with surplus, transfer to assets	87	164
Net liability 31 December	**2,547**	**2,135**
Change in gross liability		
Gross liability 1 January	12,282	11,423
Current service costs, etc.	172	200
Computed interest costs	632	647
Actuarial gains/losses	1,001	391
Change from acquisition/sale of businesses	-2	-431
New plans, etc.	-	79
Curtailments and settlements	-61	-3
Benefits paid	-655	-662
Exchange rate adjustment	310	638
Gross liability 31 December	**13,679**	**12,282**
Change in plan assets		
Fair value 1 January	10,410	9,505
Expected return	558	582
Actuarial gains/losses	445	216
Change from acquisition/sale of businesses	-	-384
New plans	-	20
Settlements	-76	-
Benefits paid	-579	-584
Contributions from the Group, etc.	558	507
Contributions from employees	19	22
Exchange rate adjustment	284	526
Fair value 31 December	**11,619**	**10,410**

In 2012, the Group expects to pay contributions totalling DKK 425m to funded defined benefit plans (DKK 427m in 2011).

Notes to the consolidated financial statements

Amounts in DKK million

19 – continued

	2011	2010
Specification of plan assets		
Shares	4,023	4,882
Bonds	5,667	4,750
Real estate	187	184
Other assets	1,742	594
Fair value 31 December	**11,619**	**10,410**

The plan assets do not include assets used by the Group or own shares.

	2011	2010
Cost recognised in the income statement		
Current service costs, etc.	172	200
Contributions from employees	-19	-22
Computed interest costs	632	647
Expected return of plan assets	-558	-582
Gains/losses on curtailments and settlements	15	-3
Cost, net	**242**	**240**
Return on plan assets		
Expected return	558	582
Actuarial gains/losses	445	216
Actual return	**1,003**	**798**
Gains/losses (-) recognised in other comprehensive income		
Actuarial gains/losses on gross liability	-1,001	-391
Actuarial gains/losses on plan assets	445	216
Effect of the asset ceiling	49	-2
Adjustment for minimum funding requirement	-337	-
Total	**-844**	**-177**
Accumulated actuarial gains/losses (-)		
Accumulated losses 1 January	-266	-101
Actuarial gains/losses for the year	-556	-175
Disposal	32	24
Exchange rate adjustment	-18	-14
Accumulated losses 31 December	**-808**	**-266**
Actuarial assumptions		
Actuarial assumptions 31 December expressed as weighted averages:		
Discount rate	4.6%	5.4%
Inflation rate	2.9%	3.1%
Expected return on plan assets	4.6%	5.4%
Future salary increase	3.9%	4.1%
Future pension increase	2.8%	3.1%
Medical cost trend rate	4.5%	4.5%

Expected return on assets is determined based on the risk-free interest rate of government bonds plus a premium corresponding to the long-term risk profile for each asset category. The risk premium has been fixed at 4.0% (3.5%) above the risk-free interest rate for shares, 1.5% (1.3%) for corporate bonds and 2.5% (2.0%) for real estate. Return on cash and bank balances is fixed based on the three-month spot rate.

Notes to the consolidated financial statements

Amounts in DKK million (in parenthesis the corresponding figures for 2010)

19 – continued

Historical overview	**2011**	2010	2009	2008	2007
Gross liability	13,679	12,282	11,423	10,140	12,839
Plan assets	-11,619	-10,410	-9,505	-7,764	-11,128
Net liability	**2,060**	**1,872**	**1,918**	**2,376**	**1,711**
Experience adjustments to liabilities	**-173**	**104**	**107**	**-188**	**-63**
Experience adjustments to plan assets	**445**	**216**	**926**	**-2,275**	**-30**

Multi-employer plans

Due to collective agreements, some entities in the Group participate together with other enterprises in defined benefit pension and health insurance schemes for current and retired employees (multi-employer plans). In 2011, the Group's contribution is estimated at DKK 572m (DKK 596m). The contributions to be paid in 2012 are expected to be DKK 690m.

No reliable basis exists for allocation of the schemes' obligations and plan assets to individual employer participants. The Group's share might be significant. Deficit in some of the schemes may necessitate increased contributions in the future. Based on the most recent available financial data from the plans' trustees, the plan assets totalled DKK 41.5bn (DKK 36.1bn) and the actuarial value of obligations approximately DKK 53.7bn (DKK 52.8bn). Net obligations in the plans with deficits totalled DKK 13.8bn (DKK 17.7bn). In general, the contributions to the schemes are based on man hours worked or cargo tonnage handled, or a combination hereof.

Amounts in DKK million

20 Provisions

	Abandonment	**Restructuring**	**Legal disputes, etc.**	**Other**	**Total**
1 January 2011	8,105	299	7,888	4,655	20,947
Provision made	564	488	1,546	1,917	4,515
Amount used	53	172	1,257	1,278	2,760
Amount reversed	8	82	1,926	523	2,539
Addition from business combinations	205	-	-	-	205
Disposal on sale of businesses	-	-	-	2	2
Unwind of discount	344	-	-	32	376
Transfer, assets held for sale	-	-	-1	-5	-6
Exchange rate adjustment	269	17	181	98	565
31 December 2011	**9,426**	**550**	**6,431**	**4,894**	**21,301**
Of which:					
Classified as non-current	9,422	45	5,643	3,322	18,432
Classified as current	4	505	788	1,572	2,869
Non-current provisions expected to be realised after more than five years	8,420	-	788	1,375	10,583

Notes to the consolidated financial statements

Amounts in DKK million

20 – continued

Provisions for abandonment comprise estimated expenses for abandonment of oil and gas fields at discounted value. Restructuring includes provisions for decided and publicly announced restructurings. Legal disputes, etc. include tax and duty disputes among other things. Other includes provisions for guarantees, onerous contracts, and risk under certain self-insurance programmes. The provisions are subject to considerable uncertainty, cf. note 2.

Reversals of provisions primarily relate to legal disputes and contractual disagreements, which are recognised in the income statement under operating costs.

Amounts in DKK million

21 Other payables

	2011	2010
Interest payable	940	1,018
VAT and duties payable	3,369	2,443
Accrued staff costs	2,851	2,772
Contingent consideration	350	67
Other	1,969	1,676
Total	**9,479**	**7,976**
Of which:		
Classified as non-current	457	-
Classified as current	9,022	7,976

Notes to the consolidated financial statements

Amounts in DKK million (in parenthesis the corresponding figures for 2010)

22 Financial instruments by category

Financial instruments measured at amortised cost	Carrying amount	
	2011	2010
Loans	4,937	4,136
Finance lease receivables	648	568
Other interest-bearing receivables and deposits	1,020	858
Total interest-bearing receivables	**6,605**	**5,562**
Trade receivables	25,319	23,695
Other receivables (non-interest-bearing)	7,684	8,310
Cash and bank balances	13,095	23,896
Total loans and receivables	**52,703**	**61,463**

Trade receivables include work in progress for third parties of DKK 164m (DKK 27m) net of prepayments of DKK 1,179m (DKK 2,509m).

Fair value of the non-current receivables is not materially different than the carrying amount.

	Carrying amount	Fair value	Carrying amount	Fair value
	2011	2011	2010	2010
Issued bonds	14,507	14,855	13,099	13,519
Bank and other credit institutions	81,553	86,383	73,292	77,526
Finance lease liabilities	13,738	16,577	14,671	16,837
Bank and other credit institutions, etc. associated with assets held for sale	1,444	1,433	1,273	1,268
Total interest-bearing liabilities	**111,242**	**119,248**	**102,335**	**109,150**
Trade payables	37,232		33,706	
Other payables	9,129		7,909	
Total financial liabilities	**157,603**		**143,950**	

Fair value of issued bonds is based on observable market prices. Fair value of other liabilities, calculated on the basis of discounted interest and instalments, is affected by the lower interest rates in the market.

Notes to the consolidated financial statements

Amounts in DKK million (in parenthesis the corresponding figures for 2010)

22 – continued

Financial instruments measured at fair value

Financial instruments measured at fair value can be divided into three levels:

Level 1 – Quoted prices (unadjusted) in active markets for identical assets or liabilities;

Level 2 – Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices);

Level 3 – Inputs for the asset or liability that are not based on observable market data.

	Carrying amount	Quoted prices	Other observable inputs	Level Other measurement methods
2011				
Listed shares	21	21	-	-
Non-listed shares	464	-	-	464
Total other equity investments (available-for-sale)	**485**	**21**	**-**	**464**
Bonds	1,910	1,910	-	-
Listed shares	1	1	-	-
Non-listed shares	57	-	-	57
Other securities	184	3	91	90
Total securities (held for trading)	**2,152**	**1,914**	**91**	**147**
Derivatives	1,284	92	1,192	-
Total financial assets	**3,921**	**2,027**	**1,283**	**611**
Derivatives	4,626	97	4,529	-
Other payables	350	-	-	350
Total financial liabilities	**4,976**	**97**	**4,529**	**350**
2010				
Listed shares	133	133	-	-
Non-listed shares	578	-	-	578
Total other equity investments (available-for-sale)	**711**	**133**	**-**	**578**
Bonds	1,644	1,644	-	-
Listed shares	1	1	-	-
Non-listed shares	75	-	-	75
Other securities	266	6	175	85
Total securities (held for trading)	**1,986**	**1,651**	**175**	**160**
Derivatives	1,145	100	1,045	-
Total financial assets	**3,842**	**1,884**	**1,220**	**738**
Derivatives	3,034	104	2,930	-
Other payables	67	-	-	67
Total financial liabilities	**3,101**	**104**	**2,930**	**67**

The majority of derivatives are cash flow hedges (designated as hedging instruments) equal to a net liability of DKK 1.7bn (DKK 1.7bn).

Notes to the consolidated financial statements

Amounts in DKK million (in parenthesis the corresponding figures for 2010)

22 – continued

Movement during the year in level 3	Non-listed shares		Other securities	Total financial assets	Other payables
	Available-for-sale	Held for trading			
Carrying amount 1 January 2010	2,888	276	79	3,243	-
Addition	50	24	8	82	67
Disposal	2,445	269	78	2,792	-
Gains/losses recognised in the income statement	-	26	-	26	-
Gains/losses recognised in other comprehensive income	-121	-	-	-121	-
Transfer, other fair value levels	-	-	70	70	-
Exchange rate adjustment	206	18	6	230	-
Carrying amount 31 December 2010	**578**	**75**	**85**	**738**	**67**
Addition	1	29	6	36	316
Disposal	7	52	6	65	42
Gains/losses recognised in the income statement	-	4	4	8	-11
Gains/losses recognised in other comprehensive income	-4	-	-	-4	-
Transfer, assets held for sale	-110	-	3	-107	-
Exchange rate adjustment	6	1	-2	5	20
Carrying amount 31 December 2011	**464**	**57**	**90**	**611**	**350**

Fair value of level 3 assets and liabilities are primarily based on the present value of expected future cash flows. A reasonably possible change in the discount rate is not estimated to affect the Group's profit or equity significantly.

Gains/losses recognised in the income statement are included under financial income/expenses for financial assets and under other income/costs for other payables. DKK 0m (DKK 19m) is related to securities held at the balance sheet date and DKK 6m (DKK 0m) to other payables.

Notes to the consolidated financial statements

Amounts in DKK million (in parenthesis the corresponding figures for 2010)

23 Financial risks

The Group's activities expose it to a variety of financial risks: market risks, i.e. currency risk and interest rate risk, credit risk and liquidity risk. The Group's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise the potential adverse effects on the Group's financial performance. The Group uses derivative financial instruments to hedge certain risk exposures.

Risk management is carried out by a central finance department under policies approved by the Board of Directors. The finance department identifies, evaluates and hedges financial risks in close co-operation with the Group's Business Units.

Market risk

Market risk is the risk that changes in market prices, such as foreign exchange rates and interest rates, will affect the Group's profit or the value of its holdings of financial instruments. Below sensitivity analyses relate to the position of financial instruments at 31 December 2011.

The sensitivity analyses for currency risk and interest rate risk have been prepared on the basis that the amount of net debt, the ratio of fixed to floating interest rates of the debt and the proportion of financial instruments in foreign currencies remain unchanged from hedge designations in place at 31 December 2011. Furthermore, it is assumed that the exchange rate and interest rate sensitivities have a symmetric impact, i.e. an increase in rates results in the same absolute movement as a decrease in rates.

The sensitivity analyses show the effect on profit or loss and equity of a reasonably possible change in exchange rates and interest rate.

Currency risk

The Group's currency risk arises due to income from shipping and oil-related activities are denominated mainly in USD, while the related expenses are incurred in both USD and a wide range of other currencies such as DKK, EUR, CNY and GBP. As the net income is in USD, this is also the primary financing currency. Income and expenses from other activities, including land-based container activities, Terminal activities and Retail activities, are mainly denominated in local currencies, thus reducing the Group's exposure to these currencies.

The main purpose of hedging the Group's currency risk is to hedge the USD value of the Group's net cash flow and reduce fluctuations in the Group's profit. The Group uses various financial derivatives, including forwards, option contracts and cross-currency swaps, to hedge these risks. The key aspects of the currency hedging policy are as follows:

- Net cash flows in other significant currencies than USD are hedged using a layered model with a 12-months horizon;
- Significant capital commitments in other currencies than USD are hedged;
- Most non-USD debt is hedged, however, depending on asset-liability match and the currency of the generated cash flow.

An increase in the USD exchange rate of 10% against all other significant currencies to which the Group is exposed, is estimated to have a positive impact on the Group's profit before tax by DKK 0.1bn (DKK 0.7bn) and the Group's equity, excluding tax, negatively by DKK 0.9bn (DKK 0.2bn). The sensitivities are based only on the impact of financial instruments that are outstanding at the balance sheet date, cf. notes 15 and 22, and are thus not an expression of the Group's total currency risk.

Notes to the consolidated financial statements

Amounts in DKK million (in parenthesis the corresponding figures for 2010)

23 – continued

Currency position of net interest-bearing debt	Cash and bank balances	Other interest-bearing assets[1]	Interest-bearing debt[2]	Net interest-bearing debt	Cash and bank balances	Other interest-bearing assets[1]	Interest-bearing debt[2]	Net interest-bearing debt
	2011	2011	2011	2011	2010	2010	2010	2010
USD	3,958	2,985	78,440	71,497	3,938	2,025	67,652	61,689
EUR	1,220	70	10,971	9,681	6,123	142	11,648	5,383
DKK	1,448	4,973	4,685	-1,736	8,285	4,818	5,141	-7,962
Other currencies	6,469	671	15,702	8,562	5,550	487	16,621	10,584
Total	**13,095**	**8,699**	**109,798**	**88,004**	**23,896**	**7,472**	**101,062**	**69,694**

[1] Other interest-bearing assets consist of bonds, other securities and interest-bearing receivables (cf. note 22).
[2] Interest-bearing debt consists of issued bonds and bank and other credit institutions, etc.

Interest rate swaps entered into for the purpose of hedging interest rate risks on loans are mainly in USD. Fair values can be found in note 15.

Foreign exchange forwards and option contracts for hedging currency risks	Fair value		Principal Purchase/sale (-), net	
	2011	2010	2011	2010
USD	26	-38	-1,350	105
EUR	-1,283	-58	11,730	5,113
DKK	-809	39	13,287	1,687
GBP	225	175	2,667	-1,426
NOK	-274	-2	5,565	5,612
SEK	-152	-8	2,893	976
Other	-115	359	2,371	6,240
Total	**-2,382**	**467**		

Interest rate risk

The Group has most of its debt denominated in USD, but part of the debt (e.g. issued bonds) is in other currencies such as DKK, EUR and NOK. Some loans are at fixed interest rates, while others are at floating interest rates.

The Group strives to maintain a combination of fixed and floating interest rates on its net debt, reflecting expectations and risks. The hedging of the interest rate risk is governed by a duration range and is primarily obtained through the use of interest rate swaps. The duration of the Group's debt portfolio is 2.0 years (2.6 years). A general increase in interest rates by one percentage point is estimated, all other things being equal, to affect profit before tax negatively by DKK 407m (DKK 73m). The effect on equity, excluding tax effect, of an increase in interest rates as mentioned above is estimated to be negative by DKK 160m (DKK 64m).

This analysis assumes that all other variables, in particular foreign currency rates, remain constant.

Notes to the consolidated financial statements

Amounts in DKK million

23 – continued

Borrowings by interest rate levels inclusive of interest rate swaps	2011	2010
0-3%	46,542	23,642
3-6%	49,502	63,167
6%-	13,754	14,253
Total	**109,798**	**101,062**
Of which:		
Bearing fixed interest	60,243	70,959
Bearing floating interest	49,555	30,103

Credit risk

The Group has no particular concentration of or is significantly dependent on specific customers or suppliers, and has therefore no particular credit risks. With respect to financial counterparts, the Group generally deals with well-reputed international banks with a high credit rating.

Maturity analysis for trade receivables	2011	2010
Receivables not due	19,502	17,787
Less than 90 days overdue	5,578	5,841
More than 90 days overdue	1,755	2,613
Receivables, gross	26,835	26,241
Provision for bad debt	1,516	2,546
Carrying amount	**25,319**	**23,695**
Change in provision for bad debt		
1 January	2,546	1,853
Disposal on sale of businesses	4	6
Provision made	662	1,324
Amount used	518	537
Amount reversed	1,145	232
Exchange rate adjustment	-25	144
31 December	**1,516**	**2,546**

Notes to the consolidated financial statements

Amounts in DKK million (in parenthesis the corresponding figures for 2010)

23 – continued

Liquidity risk

The equity share of total assets was 51.4% at the end of 2011 (51.5%). The Group's long term objective is to maintain a conservative financial solvency profile. Capital is managed for the Group as a whole.

	2011	2010
Interest-bearing debt	109,798	101,062
Net interest-bearing debt	88,004	69,694
Liquidity buffers[1]	64,897	81,332

[1] Liquidity buffers are defined as cash and bank balances, securities and undrawn committed revolving 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 Group's long term objective is to maintain a conservative funding profile, matching that of a strong investment grade company over 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.

The average term to maturity of loan facilities in the Group was about five years (about five years).

Notes to the consolidated financial statements

Amounts in DKK million

23 – continued

It is of great importance for the Group to maintain a financial reserve to cover the Group's obligations and investment opportunities and to provide the capital necessary to offset changes in the Group's liquidity due to changes in the cash flow from operating activities.

The flexibility of the financial reserve is subject to ongoing prioritisation and optimisation, among other things, by focusing on release of capital and following up on the development in working capital.

Maturities of liabilities and commitments	Carrying amount	Cash flows including interest			
		0-1 year	1-5 years	5- years	Total
2011					
Issued bonds	14,507	684	12,404	4,331	17,419
Bank and other credit institutions	81,553	12,650	51,628	27,725	92,003
Finance lease liabilities	13,738	2,907	6,040	10,005	18,952
Trade payables	37,232	37,232	-	-	37,232
Other payables	9,479	9,022	394	63	9,479
Derivatives	4,626	2,182	1,777	667	4,626
Total recognised in balance sheet	**161,135**	**64,677**	**72,243**	**42,791**	**179,711**
Operating lease commitments		15,977	36,618	41,097	93,692
Capital commitments		35,907	45,862	3,130	84,899
Total		**116,561**	**154,723**	**87,018**	**358,302**
2010					
Issued bonds	13,099	640	9,688	6,080	16,408
Bank and other credit institutions	73,292	11,408	41,069	31,640	84,117
Finance lease liabilities	14,671	2,723	6,935	11,673	21,331
Trade payables	33,706	33,706	-	-	33,706
Other payables	7,976	7,976	-	-	7,976
Derivatives	3,034	1,643	1,274	117	3,034
Total recognised in balance sheet	**145,778**	**58,096**	**58,966**	**49,510**	**166,572**
Operating lease commitments		14,668	37,712	45,064	97,444
Capital commitments		34,508	15,285	1,195	50,988
Total		**107,272**	**111,963**	**95,769**	**315,004**

Notes to the consolidated financial statements

Amounts in DKK million

24 Cash flow specifications

	2011	2010
Change in working capital		
Inventories	-2,000	-1,077
Trade receivables	-1,087	-3,445
Other receivables and prepayments	1,104	-870
Trade payables and other payables, etc.	1,744	2,963
Exchange rate adjustment of working capital	-263	-1
Total	**-502**	**-2,430**
Financial income received		
Dividends received	246	270
Interest and other financial income received	605	879
Total	**851**	**1,149**
Purchase of intangible assets and property, plant and equipment		
Addition	-43,754	-31,396
Addition, assets held for sale	-20	-36
Of which finance leases, etc.	739	1,143
Of which borrowing costs capitalised on assets	229	-
Change in payables to suppliers regarding purchase of assets	192	-532
Change in provision for abandonment	556	-137
Total	**-42,058**	**-30,958**
Other financial investments		
Capital increases and acquisition of shares in associated companies	-5,192	-252
Sale of shares in associated companies	-	30
Purchase of non-current assets available-for-sale	-38	-
Sale of non-current assets available-for-sale	111	3,179
Payments from receivables	771	498
Payments on receivables	-1,640	-819
Total	**-5,988**	**2,636**

Other non-cash items related primarily to adjustment of provision for bad debt for trade receivables.

Notes to the consolidated financial statements

Amounts in DKK million

25 Acquisition/sale of subsidiaries and activities

Acquisitions in 2011	**Poti Sea Port Corp.**	**SK do Brasil Ltda.**	**NTS International Transport Services Co. Ltd.**	**Other**	**Total**
Fair value at time of acquisition					
Non-current assets	1,296	12,969	143	59	14,467
Current assets	78	864	452	21	1,415
Provisions	-	-205	-	-	-205
Liabilities	-301	-446	-268	-22	-1,037
Net assets acquired	**1,073**	**13,182**	**327**	**58**	**14,640**
Goodwill	-	-	399	-	399
Acquisition cost	**1,073**	**13,182**	**726**	**58**	**15,039**
Change in payable acquisition cost, etc.	-	-	-87	2	-85
Contingent consideration recognised	-151	-	-157	-	-308
Contingent consideration paid	-	-	-	42	42
Paid in prior years	-	-1,071	-	-27	-1,098
Cash and bank balances assumed	-14	-479	-25	-2	-520
Cash flow from acquisition of subsidiaries and activities	**908**	**11,632**	**457**	**73**	**13,070**

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

The accounting for the business combinations is considered provisional at 31 December 2011 as some analyses are still ongoing.

Poti Sea Port Corp.
On 14 May 2011, the Group acquired 100% of the shares in Poti Sea Port Corp., which owns and operates the Black Sea port of Poti, Georgia. The acquisition is in line with the Group's strategy, which aims for APM Terminals to be the leading global port operator. Eastern Europe is a fast growing container activity region with a high forecasted growth.

The total acquisition cost was DKK 1,073m including a contingent consideration of DKK 151m. The contingent consideration is dependent on the future financial and operational performance of the company and is estimated to range between DKK 27m and DKK 310m (undiscounted).

From the acquisition date to 31 December 2011, Poti Sea Port Corp. contributed with revenue of DKK 149m and a profit of DKK 21m.

SK do Brasil Ltda.
On 21 July 2011, the Group acquired 100% of the shares in SK do Brasil Ltda., which owns shares in three offshore oil licenses in Brazil. The acquisition is in line with the Group's strategy, which aims for Maersk Oil to stabilise production by 2014 and thereafter gradually grow to reach a stable production level at 400,000 barrels of oil equivalents per day.

From the acquisition date to 31 December 2011, SK do Brasil Ltda. contributed with revenue of DKK 550m and a profit of DKK 41m.

Notes to the consolidated financial statements

Amounts in DKK million

25 – continued

NTS International Transport Services Co. Ltd.
On 18 August 2011, the Group acquired 100% of the shares in the China based airfreight forwarder NTS International Transport Services Co. Ltd. The acquisition strengthened Damco's market position providing the required platform to accelerate growth in global airfreight services.

The total acquisition cost was DKK 726m including a contingent consideration of DKK 157m. The contingent consideration is dependent on the future financial and operational performance of the company and is estimated to range between DKK 90m and DKK 280m (undiscounted).

Current assets include trade receivables with a fair value of DKK 292m. The gross amount due under the contracts is not materially different from the fair value.

The goodwill of DKK 399m is attributable to synergies between Damco's customer base and NTS International Transport Services Co. Ltd.'s airfreight services and is not deductible for tax purposes.

From the acquisition date to 31 December 2011, NTS International Transport Services Co. Ltd. contributed with revenue of DKK 636m and a profit of DKK 4m.

Acquisition completed after 31 December 2011
On 4 January 2012, the Group acquired 100% of the shares in Skandia Container Terminal AB, which operates the port of Gothenburg, Sweden. The acquisition will strengthen APM Terminals' position in Scandinavia. The total acquisition cost was DKK 1.3bn and is primarily related to terminal 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 in 2010	**Total**
Fair value at time of acquisition	
Non-current assets	190
Current assets	250
Liabilities	-254
Net assets acquired	**186**
Non-controlling interests	-1
A.P. Møller - Mærsk A/S' share	**185**
Goodwill	51
Acquisition cost	**236**
Change in payable acquisition cost	73
Contingent consideration recognised	-67
Paid in prior years	-10
Deposit as security for future acquisition	1,125
Cash and bank balances assumed	-117
Cash flow from acquisition of subsidiaries and activities	**1,240**

If acquisitions during the year had occurred on 1 January 2010, the Group's revenue and profit would not have been materially different.

Acquisitions during 2010 primarily comprised investments in a towage company and a terminal. Goodwill of DKK 51m was related to the acquisition of the towage company and was attributable to the market position.

In December 2010, Maersk Oil entered into an agreement to acquire the shares in SK do Brasil Ltda. The acquisition price was USD 2.4bn of which USD 200m had been deposited. According to the agreement, the transaction was conditional upon certain governmental and anti-trust approvals.

Notes to the consolidated financial statements

Amounts in DKK million

25 – continued

Sale	Carrying amount 2011	Carrying amount 2010
Non-current assets	2,526	7,099
Current assets	515	2,106
Provisions	-2	-86
Liabilities	-564	-6,316
Net assets sold	**2,475**	**2,803**
Non-controlling interests	-	-250
A.P. Møller - Mærsk A/S' share	**2,475**	**2,553**
Gain/loss on sale	4,355	685
Proceeds from sale	**6,830**	**3,238**
Change in receivable proceeds, etc.	237	-249
Non-cash items	-368	-2,295
Cash and bank balances sold	-97	-557
Cash flow from sale of subsidiaries and activities	**6,602**	**137**

Sales during 2011 primarily comprised of Netto Foodstores Limited, UK. The sale 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.

Sales during 2010 primarily comprised Norfolk Holdings B.V. as well as partial sale of Gujarat Pipavav Port Ltd., K/S Membrane 1 and K/S Membrane 2 following which control of these companies was lost.

Notes to the consolidated financial statements

Amounts in DKK million (in parenthesis the corresponding figures for 2010)

26 Commitments

Operating lease commitments

As part of the Group's activities, customary agreements are entered into regarding charter and operating leases of ships, containers, port facilities, etc. The future charter and operating lease payments for continuing operations are:

	Container activities[1]	Oil and gas activities	Terminal activities	Tankers, offshore and other shipping activities[1]	Retail activities	Other	Total
2011							
Within one year	10,290	920	1,810	2,347	453	157	15,977
Between one and two years	7,557	728	1,656	1,964	284	148	12,337
Between two and three years	5,251	469	1,701	1,740	192	146	9,499
Between three and four years	4,056	432	1,780	1,468	163	110	8,009
Between four and five years	3,306	404	1,834	1,100	108	21	6,773
After five years	6,201	259	29,668	4,760	209	-	41,097
Total	**36,661**	**3,212**	**38,449**	**13,379**	**1,409**	**582**	**93,692**
Net present value[2]	30,634	2,734	21,511	10,271	1,183	505	66,838
2010							
Within one year	9,081	848	1,818	2,517	249	155	14,668
Between one and two years	6,970	788	1,690	2,012	215	141	11,816
Between two and three years	6,041	664	1,601	1,713	159	140	10,318
Between three and four years	4,504	496	1,645	1,526	125	140	8,436
Between four and five years	3,374	492	1,735	1,328	106	107	7,142
After five years	7,861	794	30,556	5,540	292	21	45,064
Total	**37,831**	**4,082**	**39,045**	**14,636**	**1,146**	**704**	**97,444**
Net present value[2]	31,048	3,361	21,483	11,111	917	595	68,515

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

[2] The net present value has been calculated using a discount rate of 6% (6%).

Total operating lease costs incurred and contingent rent related to volume, etc., are stated in note 4.

Notes to the consolidated financial statements

Amounts in DKK million

26 – continued

Capital commitments	Container activities	Oil and gas activities	Terminal activities	Tankers, offshore and other shipping activities	Retail activities	Other	Total
2011							
Capital commitments relating to acquisition of non-current assets	30,038	8,313	3,338	21,094	898	88	63,769
Commitments towards concession grantors	-	8,194	12,936	-	-	-	21,130
Total capital commitments	**30,038**	**16,507**	**16,274**	**21,094**	**898**	**88**	**84,899**
2010							
Capital commitments relating to acquisition of non-current assets	16,522	16,293	3,134	4,726	1,334	13	42,022
Commitments towards concession grantors	-	3,749	5,217	-	-	-	8,966
Total capital commitments	**16,522**	**20,042**	**8,351**	**4,726**	**1,334**	**13**	**50,988**

The increase in capital commitments is primarily related to contracts for 20 new container vessels (Triple-E) at a total price of DKK 21.8bn (USD 3.8bn) as well as contracts for four drillships and two jack-up rigs at a total price of DKK 22.4bn (USD 3.9bn). The increase is partly offset by contractual payments during 2011, including the acquisition of SK do Brasil Ltda.

				No.	
Newbuilding programme	2012	2013	2014	2015 -	**Total**
Container vessels, etc.	20	10	9	5	44
Tanker vessels	6	-	-	-	6
Rigs, drillships and anchor handling vessels	-	3	4	1	8
Tugboats and standby vessels, etc.	18	2	-	-	20
Total	**44**	**15**	**13**	**6**	**78**

				DKK million	
Capital commitments relating to the newbuilding programme	2012	2013	2014	2015 -	**Total**
Container vessels, etc.	9,318	8,131	7,305	3,313	28,067
Tanker vessels	2,378	-	-	-	2,378
Rigs, drillships and anchor handling vessels	2,775	9,998	4,910	105	17,788
Tugboats and standby vessels, etc.	391	28	-	-	419
Total	**14,862**	**18,157**	**12,215**	**3,418**	**48,652**

Notes to the consolidated financial statements

Amounts in DKK million

26 – continued

DKK 48.7bn (USD 8.5bn) of the total capital commitments is related to the newbuilding programme for ships, rigs, etc. at a total contract price of DKK 62.1bn (USD 10.8bn) including owner-furnished equipment. The remaining capital commitments of DKK 36.2bn (USD 6.3bn) relate to investments mainly within Terminal activities and Oil and gas activities.

The capital commitments will be financed by cash flow from operating activities as well as existing and new loan facilities.

Amounts in DKK million (in parenthesis the corresponding figures for 2010)

27 Contingent liabilities

Except for customary agreements within the Group's activities, no material agreements have been entered into that will take effect, change or expire upon changes of the control over the Company.

The necessary facility of DKK 2,183m (DKK 2,066m) corresponding to USD 380m (USD 368m) has been established in order to meet the requirements for trading in the USA under the American Oil Pollution Act of 1990 (Certificate of Financial Responsibility).

The Container and Terminal activities have entered into certain agreements with terminals and port authorities, etc. containing volume commitments including an extra payment in case minimum volumes are not met.

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

The Group is involved in a number of legal disputes. The Group is also involved in tax disputes in certain countries. Some of these involve significant amounts. None of the disputes mentioned above are expected to have any material impact on earnings in future periods.

Tax may crystallise if the companies leave the tonnage tax regimes and on repatriation of dividends.

Notes to the consolidated financial statements

Amounts in DKK million (in parenthesis the corresponding figures for 2010)

28 Related parties

	Associated companies		Jointly controlled entities		Management [1]	
	2011	2010	**2011**	2010	**2011**	2010
Revenue	82	587	108	107	-	-
Operating costs	1,342	1,395	1,969	1,672	110 [2]	128 [2]
Remuneration to management	-	-	-	-	146	146
Other income	-	-	-	-	11	11
Financial income	165	77	8	5	-	-
Financial expenses	355	484	2	2	-	-
Derivatives, non-current	185	5	-	-	-	-
Other receivables, non-current	163	120	334	32	-	-
Trade receivables	130	137	116	119	-	10
Derivatives, current	101	58	-	-	-	-
Other receivables, current	147	211	174	126	-	-
Securities	55	74	-	-	-	-
Cash and bank balances	1,185	2,678	-	-	-	-
Bank and other credit institutions, etc., non-current	-	708	-	-	-	-
Derivatives, non-current	895	141	-	-	-	-
Bank and other credit institutions, etc., current	575	191	87	77	23	34
Trade payables	62	43	200	63	14	17
Derivatives, current	399	104	-	-	-	-
Other payables, current	42	46	-	2	-	-
Purchase of property, plant and equipment	-	16	-	-	-	-
Capital increases	4,505	86	-	-	-	-
Dividends	225	250	-	-	-	-

[1] The Board of Directors and the Management Board in A.P. Møller og Hustru Chastine Mc-Kinney Møllers Fond til almene Formaal and their close relatives (including undertakings under their significant influence). Trade receivables include customary business related accounts in connection with shipping activities.

[2] Includes commission to Maersk Broker K/S from chartering, purchase and sale of ships with DKK 103m (DKK 112m) as well as time charter hire to part owners.

Notes to the consolidated financial statements

Amounts in DKK million (in parenthesis the corresponding figures for 2010)

28 – continued

The A.P. Møller og Hustru Chastine Mc-Kinney Møllers Fond til almene Formaal, Copenhagen, Denmark has control over the Group. Related parties also include the companies in which the Group exercises significant influence. In addition, related parties comprise the Executive Board, Firmaet A.P. Møller, members of the Board of Directors, as well as their close family members and companies significantly influenced by them.

Four (four) partners in Firmaet A.P. Møller and one (one) additional member of management participate in three (three) shipping partnerships which have a corresponding number of vessels that are operated as part of the A.P. Moller - Maersk fleet. In all cases, A.P. Møller - Mærsk A/S owns at least 50% (50%) of the vessels and holds the ultimate control. One (two) of the vessels are time chartered to the Group and two (one) is operated directly in the market. All transactions between related parties and the Group are subject to arm's length conditions.

During the year DKK 1m (DKK 1m) has been expensed regarding office rent to the A.P. Møller og Hustru Chastine Mc-Kinney Møllers Fond til almene Formaal.

In relation to Danske Bank's arrangement of payment transactions, sale and purchase of securities, etc. only the related costs are included in the above.

For jointly controlled entities, only the non-eliminated part is included.

Four (four) members of the Managing Director bought 775 (765) share options in total corresponding to a fair value of DKK 9m (DKK 9m). Further information is provided in note 17.

Notes to the consolidated financial statements

Amounts in DKK million

29 Jointly controlled entities

The jointly controlled entities listed on page 126 are included proportionally in the consolidated financial statements with the following amounts before elimination of internal transactions:

	2011	2010
Revenue	5,398	5,187
Expenses, depreciation, amortisation, interest, etc.	4,735	4,403
Profit	**663**	**784**
Non-current assets	14,050	12,941
Current assets	3,252	1,942
Non-current liabilities	6,908	4,800
Current liabilities	2,861	2,779
Net assets	**7,533**	**7,304**
Cash and bank balances	1,083	658
Capital commitments	1,083	2,246

The Group has not assumed any separate capital commitments or contingent liabilities regarding jointly controlled entities.

The Group's share of jointly controlled entities' capital commitments and contingent liabilities is included proportionally in notes 26 and 27.

Notes to the consolidated financial statements

30 New financial reporting requirements

Changes in accounting policies
The International Accounting Standards Board has issued a number of changes to financial reporting standards and interpretations which come into effect for the 2011 financial year. None of these are of significance to the accounting policies applied by the Group.

Changes in coming years
The Group expects to implement the following new standards when they become mandatory in 2015 (IFRS 9) and 2013 (others):

- **Financial instruments**
  IFRS 9 Financial Instruments will be issued in phases to gradually replace IAS 39. So far, the changes cover the recognition, classification and measurement of financial assets and liabilities. The principles for impairment of financial assets and hedge accounting are currently being drawn up.

  The Group's current practice of classifying and recognising gains and losses in the income statement and other comprehensive income can be retained under IFRS 9.

- **Consolidation**
  IFRS 10 Consolidated Financial Statements is based on the principle in IAS 27 that control is a precondition for the consolidation of an entity. The concept of control is expanded upon and there are guidelines on how to determine control in cases where an assessment is required. Among other things, the standard states, that an entity can have de-facto control over another entity even if it does not control the majority of the shares or votes.

  The Group expects IFRS 10 to have limited impact.

- **Jointly controlled entities**
  IFRS 11 Joint Arrangements replaces IAS 31 and removes the choice of method for preparing the financial statements of jointly controlled entities. Going forward it must be assessed whether the contracting parties have rights to assets and liabilities in the jointly controlled entity (joint operations) or if they have rights to the net assets in the arrangement (joint ventures) based on both the formal and substantive conditions.

  Under the new standard, joint operations will continue to be recognised proportionately, whereas the Group's share of net assets in joint ventures will be recognised according to the equity method, equivalent to the accounting treatment of associates.

  The Group's jointly controlled entities are mainly found in Oil and gas activities as well as Terminal activities. It is expected that the majority of arrangements in Oil and gas activities will be classed as joint operations, while arrangements in other segments will mainly be classified as joint ventures. The assessment of the contract conditions is complex and will have an impact on the Group's revenue and costs, as well as the total of assets and liabilities, but will not affect profit or equity. Please see note 29 for information on jointly controlled entities as they are included in the Group's financial statements for 2011.

- **Other changes**
  IFRS 12 Disclosure of Interests in Other Entities contains new requirements for information about interests in subsidiaries, jointly controlled entities and associates.

  IFRS 13 Fair Value Measurement contains a definition of fair value and comprehensive guidelines on its application; these replace the guidelines found in the individual financial reporting standards. The standard means new disclosure requirements but does not change the Group's accounting policies.

  IAS 19 Employee Benefits has been revised in terms of the accounting of and disclosure on defined benefit pension plans. The revised rules change the calculation of the period's interest cost for the net obligation with no material impact on the Group's profit.

  IAS 1 means a change in the presentation of items in other comprehensive income.

Some of the above changes have not yet been endorsed by the EU. The standards endorsed by the EU with a later effective date than the corresponding effective date from the IASB are pre-implemented and thus comply with the IASB's effective date.

Company Overview

Associated companies

Company	Country of incorporation	Owned share
Arctic Base Supply A/S	Denmark	50%
Danske Bank A/S	Denmark	20%
DFDS A/S	Denmark	31%
Gujarat Pipavav Port Limited	India	43%
Höegh Autoliners Holdings AS	Norway	39%
Inttra Inc.	USA	23%
K/S Membrane 1	Denmark	26%
K/S Membrane 2	Denmark	26%
Medcenter Container Terminal SPA	Italy	33%
Meridian Port Services Limited	Ghana	35%
Salalah Port Services Company S.A.O.G.	Oman	30%
Societe D'Exploration Du Terminal De Vridi	Ivory Coast	40%
South Asia Gateway (Private) Limited	Sri Lanka	33%
Tianjin Port Alliance International Container Terminal Co. Ltd.	China	20%

Jointly controlled entities

Company	Country of incorporation	Owned share
Cai Mep International Terminal Co., Ltd.	Vietnam	49%
Dalian Port Container Terminal Co., Ltd.	China	20%
Douala International Terminal S.A.	Cameroon	40%
Egyptian Drilling Company S.A.E.	Egypt	50%
Europe Terminal Brasil Participacoes SA	Brazil	50%
Getma Gabon S.A.	Gabon	34%
Laem Chabang Container Terminal 1 Ltd.	Thailand	35%
LR2 Management K/S	Denmark	50%
Maersk Djibouti Sarl	Djibouti	60%
Maersk Gabon S.A.	Gabon	51%
North Sea Production Company Limited	Great Britain	50%
North Sea Terminal Bremerhaven GmbH & Co.	Germany	50%
Pelabuhan Tanjung Pelepas Sdn. Bhd.	Malaysia	30%
Qingdao Qianwan Container Terminal Co., Ltd.	China	20%
Shanghai East Container Terminal Co., Ltd.	China	49%
Shanghai Tie Yang Multimodal Transportation Co. Ltd.	China	49%
Smart International Logistics Company Ltd.	China	49%
Terminal Porte Océane S.A.	France	50%
Xiamen Songyu Container Terminal Co. Ltd.	China	50%

Subsidiaries

Company	Country of incorporation	Owned share
A.P. Moller Finance S.A.	Switzerland	100%
A.P. Moller Singapore Pte. Ltd.	Singapore	100%
A/S Maersk Aviation Holding	Denmark	100%
Addicks & Kreye Container Service GmbH & Co. KG	Germany	51%
Anchor Storage Limited	Bermuda	51%
APM Terminals - Cargo Service A/S	Denmark	60%
APM Terminals Algeciras S.A.	Spain	100%
APM Terminals Apapa Ltd.	Nigeria	54%
APM Terminals B.V.	The Netherlands	100%
APM Terminals Bahrain B.S.C.	Bahrain	80%
APM Terminals Callao S.A.	Peru	80%
APM Terminals China Co. Limited	Hong Kong	100%
APM Terminals India Private Limited	India	100%
APM Terminals Inland Services S.A.	Peru	100%
APM Terminals Liberia Ltd	Liberia	100%
APM Terminals Management B.V.	The Netherlands	100%
APM Terminals North America B.V.	The Netherlands	100%
APM Terminals Pacific Ltd.	USA	100%
APM Terminals Rotterdam B.V.	The Netherlands	100%
APM Terminals Tangier S.A.	Morocco	90%
APM Terminals Virginia, Inc.	USA	100%
APM Terminals Yangshan Co. Limited	Hong Kong	100%
Aqaba Container Terminal Company Ltd.	Jordan	50%
Bermutine Transport Corporation Limited	Bermuda	100%
Brigantine International Holdings Limited	Hong Kong	100%
Brigantine Services Limited	Hong Kong	100%
Broström AB	Sweden	100%
Broström Tankers Singapore Pte. Ltd.	Singapore	100%
Coman S.A.	Benin	100%
Container Operators S.A.	Chile	100%
Damco A/S	Denmark	100%
Damco Belgium N.V.	Belgium	100%
Damco China Limited	China	100%
Damco France S.A.S.	France	100%
Damco India Private Limited	India	100%
Damco International A/S	Denmark	100%
Damco Italy S.R.L.	Italy	100%
Damco Logistics Uganda Ltd.	Uganda	100%
Damco Sweden AB	Sweden	100%
Damco USA Inc.	USA	100%
Danbor Service A/S	Denmark	100%
Dansk Supermarked A/S	Denmark	68%
F. Salling A/S	Denmark	38%

Company	Country of incorporation	Owned share
Farrell Lines Inc.	USA	100%
Gateway Terminals India Private Ltd.	India	74%
Lilypond Container Depot Nigeria Ltd.	Nigeria	70%
Lindø Industripark A/S	Denmark	100%
Live Oak Company Limited	Bermuda	100%
Maersk (China) Shipping Company Limited	China	100%
Maersk A/S	Denmark	100%
Maersk B.V.	The Netherlands	100%
Maersk Bangladesh Limited	Bangladesh	100%
Maersk Container Industry A/S	Denmark	100%
Maersk Container Industry Dongguan Ltd.	China	100%
Maersk Container Industry Qingdao Ltd.	China	100%
Maersk Contractors Venezuela S.A.	Venezuela	100%
Maersk Denizcilik A.S.	Turkey	100%
Maersk Drilling Deepwater A/S	Denmark	100%
Maersk Drilling Holdings Singapore Pte. Ltd.	Singapore	100%
Maersk Drilling Norge AS	Norway	100%
Maersk Drilling USA Inc.	USA	100%
Maersk Egypt For Maritime Transport (S.A.E.)	Egypt	100%
Maersk Energia Ltda	Brazil	100%
Maersk FPSOs A/S	Denmark	100%
Maersk FPSOs Australia A/S	Denmark	100%
Maersk Global Service Centres (Chengdu) Ltd	China	100%
Maersk Global Service Centres (India) Private Limited	India	100%
Maersk Holding B.V.	The Netherlands	100%
Maersk Hong Kong Limited	Hong Kong	100%
Maersk Inc.	USA	100%
Maersk Jupiter Drilling Corporation S.A.	Panama	100%
Maersk K.K.	Japan	100%
Maersk Line Agency Holding A/S	Denmark	100%
Maersk Line Peru S.A.C.	Peru	100%
Maersk Line UK Limited	Great Britain	100%
Maersk Line, Limited (State Of Delaware)	USA	100%
Maersk Mauritanie Sa	Mauritania	60%
Maersk Oil Brasil Ltda.	Brazil	100%
Maersk Oil Norway AS	Norway	100%
Maersk Oil Qatar A/S	Denmark	100%
Mærsk Olie og Gas A/S	Denmark	100%
Maersk Peregrino Pte. Ltd.	Singapore	100%
Maersk Product Tankers AB	Sweden	100%
Maersk Shipping Hong Kong Limited	Hong Kong	100%
Maersk Spain, S.L.U.	Spain	100%

Subsidiaries

Company	Country of incorporation	Owned share
Maersk Supply Service A/S	Denmark	100%
Maersk Supply Service Canada Ltd.	Canada	100%
Maersk Supply Service Holdings UK Limited	Great Britain	100%
Maersk Supply Service International A/S	Denmark	100%
Maersk Supply Service UK Limited	Great Britain	100%
Maersk Tankers Singapore Pte. Ltd	Singapore	100%
Maersk Tunisie S.A.	Tunisia	48%
Maersk Vietnam Ltd.	Vietnam	100%
Mercosul Line Navegacao E Logistica Ltda.	Brazil	100%
Mobile Container Terminal, LLC.	USA	100%
Nedlloyd Container Line Limited	Great Britain	100%
NTS International Transport Services Co. Ltd.	Hong Kong	100%
Odense Staalskibsværft A/S	Denmark	100%
Poti Sea Port Corporation	Georgia	80%

Company	Country of incorporation	Owned share
PT Damco Indonesia	Indonesia	100%
Rederiaktieselskabet Kuling	Denmark	100%
Rederiet A.P. Møller A/S	Denmark	95%
Safmarine (Pty) Limited	South Africa	100%
Safmarine Container Lines N.V.	Belgium	100%
SATI Container Services (Pty) Ltd.	South Africa	75%
Sogester - Sociedade Gestora De Terminais, S.A.	Angola	51%
Suez Canal Container Terminal	Egypt	55%
Svitzer A/S	Denmark	100%
Terminal 4 S.A.	Argentina	100%
Universal Maritime Service Corporation	USA	100%
West Africa Container Terminal Nigeria Ltd.	Nigeria	41%

Definitions

Technical terms, abbreviations and definitions of key figures and financial ratios

All-in rate – Freight rate including all surcharges and bunker costs

Appraisal well – Additional wells drilled after a discovery, to confirm the size of a hydrocarbon deposit

Backhaul – The return leg of the vessel trip

BAF – Bunker Adjustment Factor – Fuel surcharge to customers to compensate for fluctuations in bunker prices

Bid round – An occasion when a governmental body offers exploration acreage to oil companies

boepd – Barrels of oil equivalent per day

Brent – Sweet light crude oil produced in the North Sea

Bulk vessel – A ship specially designed to transport unpackaged bulk cargo, such as grains, coal, ore and cement

Bunker fuel – Type of fuel oil used in ship engines

Contract coverage – Percentage indicating the part of ship/rig days that are contracted for a specific period

Daily Maersk – Maersk Line product offering daily departures and guaranteed delivery times between main ports in Asia and Europe

Double hull vessel – A vessel design with both inner and outer hull

Drillship – A vessel that has been fitted with drilling equipment, mainly used for deepwater drilling

DUC – Danish Underground Consortium – Operator of oil and gas fields in the Danish part of the North Sea

DWT – Dead Weight Tonnes

FFE – Forty Foot Equivalent – Forty foot container unit

FGSO – Floating Gas Storage and Offloading vessel

Floater – A mobile offshore drilling unit that floats and is not secured to the seabed (except for anchors)

FPSO – Floating Production Storage and Offloading vessel

Free float – Share of share capital that is readily available for trading

Green field – An undeveloped site

Handytanker – Smaller product tanker

Headhaul – The main leg of the vessel trip

Hospitality book – Database containing register of gifts received by employees

Hypermarket – A superstore combining a supermarket and a department store

IMF – International Monetary Fund

Jack-up – A mobile platform resting on a number of supporting legs

Lay-up – Vessel taken out of service, typically due to excess capacity in the market

Like-for-like – Measure of growth in sales, adjusted for new or divested businesses

Technical terms, abbreviations and definitions of key figures and financial ratios

LNG – Liquefied Natural Gas

LPG – Liquefied Petroleum Gas

LR2 – Long Range 2 - Product tanker

LTIF – The Lost Time Injury Frequency is the number of lost time injuries per million man-hours worked

Mature field – Oil producing field that has passed its peak production

Multi purpose – A vessel designed to carry both containerized and dry bulk cargoes

Net interest bearing debt = interest bearing debt - cash and bank balances - other interest bearing assets

NOPAT = EBIT + segment specific financial items - tax (related to these items) (only used at business unit level)

Pool partnership – Group of vessels with different owners but commercially operated together

Product tanker – Vessel transporting refined oil products

Production Sharing Agreement – A contract between a government and an oil company concerning how much of the oil extracted from the country each will receive

Reefer – A refrigiated container used in intermodal freight transport

Ro/Ro – Roll On/Roll Off – A vessel that transports vehicles

SAMMAX – Maersk Line's specially designed container vessels for the South American trade

Segment specific financial items = Discounting effect of provisions + exchange gain/loss on working capital, provisions, etc. + dividends from non-current securities

Semi-submersible – A floating platform moored on location by anchors to the seabed

Slow steaming – Reduction of vessel speed from 22-24 knots to 18 knots

Spot rate – Price quoted for immediate service

Super slow steaming – Reduction of vessel speed below 18 knots

TEU – Twenty Foot Equivalent Unit – Twenty foot container

Time Charter – Hire of a vessel for a specified period

Uptime – A period of time when a unit is functioning and available for use

VLCC – Very Large Crude Carrier

VLGC – Very Large Gas Carrier

WAFMAX – Maersk Line's specially designed container vessel for the West African trade

Whistleblower system – A whistleblower scheme for confidential notification of possible or suspected offences

Company announcements 2011

Date	Title
23 February	Annual Report 2010 for A.P. Møller - Mærsk A/S
23 February	Press Release, Annual Report 2010
8 March	Notice convening Annual General Meeting 2011
4 April	Development of the Annual General Meeting on 4 April 2011
13 April	Completion of the sale of Netto Foodstores Limited
11 May	Interim Management Statement
21 July	Completion of Maersk Oil's acquisition of Brazilian assets for USD 2.4 billion
17 August	A.P. Møller - Mærsk A/S – Interim Report 2011
12 October	A.P. Møller - Mærsk A/S – Sale of Maersk LNG A/S
26 October	Interim Management Statements to be replaced by Quarterly Reports
9 November	A.P. Møller - Mærsk A/S – Interim Report 3rd Quarter 2011
9 November	A.P. Møller - Mærsk A/S – Financial Calendar 2012
19 December	A.P. Møller - Mærsk A/S – Management change

Colophon

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 Uggla, 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

Audit Committee:
Jan Tøpholm, Chairman
Lars Pallesen
Leise Mærsk Mc-Kinney Møller

Remuneration Committee:
Michael Pram Rasmussen, Chairman
Niels Jacobsen
Ane Mærsk Mc-Kinney Uggla

Auditors:
KPMG
Statsautoriseret revisionspartnerselskab

PricewaterhouseCoopers Danmark
Statsautoriseret revisionsaktieselskab

Print
This publication is printed by Cool Gray A/S,
environmentally certified printing agency, on Galerie Art Matt

Editors
Hans Christian Aagaard
Jesper Cramon
Trine Gram
Henrik Lund

Design and layout
e-Types & India

ISSN: 1604-2913

Printed in Denmark 2012

MIX
Paper from responsible sources
FSC® C009089

This printed matter is carbon compensated according to ClimateCalc.
Offsets purchased from: DONG Energy
www.climatecalc.eu
Cert. no. CC-000004/DK

NORDIC ECOLABEL
541 492
Printer

MAERSK