GROUP HIGHLIGHTS

The Maersk Group delivered a profit of USD 925m (USD 5.2bn) and an underlying profit of USD 3.1 bn (USD 4.5bn). After a satisfactory result in the first half of the year with a ROIC of 10.2%, Maersk Group was severely impacted by a widening supply-demand gap across most of our businesses, leading to significant oil price and freight rate reductions. ROIC for the second half of the year was negative 6.3%, impacted by impairments of USD 2.5bn after tax in Maersk Oil and for Q4 there was an underlying loss of USD 9m (profit of USD 1.0bn).

The Group delivered a strong cash flow from operating activities of USD 8.0bn (USD 8.8bn) for the year and USD 2.0bn (USD 2.4bn) in Q4, despite a significant decline in container freight rates and oil prices.

The demand for transportation of goods was significantly lower than expected, especially in the emerging markets as well as the Group's key Europe trades, where the impact was further accelerated by de-stocking of the high inventory levels. At the same time, the container transportation industry experienced a significant increase in new tonnage ordered two to four years ago on the back of higher economic growth expectations and a focus on larger and more fuel-efficient vessels. The combination of low demand and high supply increase led to sharp freight rate declines in the second half of 2015.

The Group's oil related businesses were similarly impacted by the increasing oil supply-demand gap combined with a significant increase in oil supply from especially US shale and OPEC production. This resulted in a continued oil price decline in the second half of 2015, leading to significant layoffs and reduction of activities across the global oil industry.

The Group reacted to the unexpected challenges by trimming our businesses through accelerating and initiating further cost-reduction initiatives across all our businesses, cancelling sailings and laying up vessels in our shipping businesses, reducing our oil exploration activities as well as reviewing, postponing and cancelling investments across our businesses. We further strengthened our focus on delivering value to our customers and ensuring our fair share of activities.

With six out of eight businesses, equal to more than 93% of the Group's invested capital, delivering top quartile performance in their industries end of Q2 2015, we have executed on our strategy, and we will continue to do so, even in difficult times. Our global network of businesses, strong global brand, highly skilled workforce and strong balance sheet, gives us an excellent platform to benefit from the current downturn and thereby augment our winning position in the industries in which we compete. We continue to pursue value creating investment opportunities within and adjacent to our present industries, however only when we believe that we can create sufficient value.

In 2015, global economic conditions remained unpredictable and our businesses and long-term assets were significantly impacted by large short-term volatility. Predicting the value and future income streams from our assets in such volatile times remains uncertain, but on the basis of our current market position and historical performance we continue to believe in our ability to outperform competition in our businesses and we remain confident in our aspiration to be a premium conglomerate.

The Group delivered a profit of USD 925m (USD 5.2bn) and a ROIC of 2.9% (11.0%) in 2015, negatively impacted by post tax impairments of USD 2.6bn on oil assets due to the low oil price expectations as well as the revenue impact from the lower oil price and lower average container freight rates. The impairments of USD 80m in Q2 and USD 2.5bn in Q4 were primarily related to production assets with short lifetime such as Kazakhstan, Kurdistan and the UK as well as our deepwater development assets in Angola and Brazil, where the current conditions do not allow for viable projects. While we have fully impaired the assets and significantly reduced our on-site activities in Angola and Brazil, we continue our efforts to seek solutions in Angola through concept changes and negotiations with authorities, partners and contractors, and in Brazil we are pursuing extensions of the Wahoo and Itaipu licences which expired in Q4 2015.

The underlying profit of USD 3.1bn was within our expectations of around USD 3.4bn. Compared to last year, profits were lower in Maersk Line, Maersk Oil and APM Terminals and higher in Maersk Drilling and APM Shipping Services.

The Group's cash flow from operating activities remained at a high level of USD 8.0bn (USD 8.8bn) and net cash flow used for capital expenditure came at USD 6.3bn (USD 6.2bn), excluding the sale of shares in Danske Bank of USD 4.9bn.

With an equity ratio of 57.3% (61.3%) and a liquidity reserve of USD 12.4bn (USD 11.6bn), the Group maintains its strong financial position.

Maersk Line made a profit of USD 1.3bn (USD 2.3bn) and a ROIC of 6.5% (11.6%). The underlying profit declined to USD 1.3bn (USD 2.2bn) due to poor market conditions leading to significantly lower freight rates, in particular in the second half of the year, only partially offset by lower bunker prices, USD appreciation and cost efficiencies.

Maersk Oil made a loss of USD 2.1bn (loss of USD 861m) and a ROIC of negative 38.6% (negative 15.2%). The result was negatively affected by impairments after tax of USD 2.6bn due to the low oil price expectations. The underlying profit was USD 435m (USD 1.0bn) negatively impacted by lower average oil prices but positively impacted by a higher average entitlement production and lower operating and exploration costs.

APM Terminals made a profit of USD 654m (USD 900m) and a ROIC of 10.9% (14.7%). The underlying profit declined to USD 626m (USD 849m) due to lower volumes particularly in West Africa, Russia and Brazil only partly offset by revenue improvement and cost saving initiatives. APM Terminals accelerated their global growth ambition with several significant acquisitions and new projects.

Maersk Drilling made a profit of USD 751m (USD 478m) and an underlying profit of USD 732m (USD 471m) positively impacted by good contract coverage, fleet growth, cost savings and strong operational performance. Furthermore, the result benefitted from fewer yard stays and additional gain from the sale of the Venezuela business partly offset by increased idle time and Maersk Endurer being decommissioned and recycled. ROIC was 9.3% (7.1%).

APM Shipping Services made a profit of USD 446m (loss of USD 230m) and a ROIC of 9.5% (negative 4.2%). The underlying profit increased to USD 404m (USD 185m). **Maersk Tankers** made an underlying profit of USD 156m (USD 139m), **Maersk Supply Service** saw a decreasing underlying profit of USD 117m (USD 189m), **Svitzer** improved underlying profit to USD 116m (USD 82m) and **Damco** improved from an underlying loss of USD 225m in 2014 to an underlying profit of USD 15m in 2015.

DEVELOPMENTS IN THE YEAR

Maersk Line placed three newbuilding orders for a total of 27 vessels with a total capacity of 367,000 TEU. Further investments have been postponed due to the weak market conditions.

During the first part of 2015, the implementation of the Vessel Sharing Agreement (VSA) with Mediterranean Shipping Company (MSC) on the East-West network was completed successfully with the phase-in of 193 vessels.

For **Maersk Oil**, the unmanned Tyra South East platform in the Danish North Sea delivered first oil as planned in Q1.

Qatar Petroleum initiated a tender process for the selection of a partner to undertake the future development of the Al Shaheen field, when the current agreement expires in mid-2017.

The Norwegian Ministry of Petroleum and Energy approved the field development plan for the first phase in the Norwegian Johan Sverdrup field, where Maersk Oil is expected to invest around USD 1.8bn. First oil is expected in 2019. The Norwegian Authority changed Maersk Oil's share of the Johan Sverdrup field from 8.12% to 8.44% with a final ruling from the King in Council in December 2015.

Underlying result reconciliation

	Result for the year – continuing operations		Gain on sale of non-current assets, etc., net[1]		Impairment losses, net[1]		Tax on adjustments		Underlying result	
USD million	**2015**	2014	**2015**	2014	**2015**	2014	**2015**	2014	**2015**	2014
Maersk Group	925	2,339	482	600	-3,163	-2,951	535	158	**3,071**	**4,532**[2]
Maersk Line	1,303	2,341	40	89	-17	72	-7	-19	**1,287**	**2,199**
Maersk Oil	-2,146	-861	5	4	-3,131	-2,208	545	308	**435**	**1,035**
APM Terminals	654	900	15	374	14	-181	-1	-142	**626**	**849**
Maersk Drilling	751	478	46	82	-27	-85	-	10	**732**	**471**
APM Shipping Services	446	-230	45	13	-1	-426	-2	-2	**404**	**185**
Maersk Tankers	160	132	5	-4	-1	-4	-	1	**156**	**139**
Maersk Supply Service	147	201	30	12	-	-	-	-	**117**	**189**
Svitzer	120	-270	5	5	-	-354	-1	-3	**116**	**82**
Damco	19	-293	5	-	-	-68	-1	-	**15**	**-225**

[1] Including the Group's share of gains on sale of non-current assets.etc, net and impairments, net, recorded in joint ventures and associated companies.

[2] USD 4,083m excluding the underlying result from Danske Bank of USD 449m.

The Maersk Oil operated Culzean gas field was sanctioned by the UK government in Q3 with a total field development capex programme of around USD 4.5bn. Maersk Oil is expected to contribute with USD 2.3bn of this. First gas from Culzean is expected in 2019.

Maersk Oil agreed to acquire half of Africa Oil Corporation's ownership in three onshore exploration licences in Kenya and two in Ethiopia. The licences include nine recent oil discoveries with ongoing exploration and appraisal activities. The acquisition price is split between an upfront payment of USD 365m including committed exploration costs and future contingent payments of up to USD 480m for the Lokichar Project depending on the resource volume after final appraisal and the timing for first oil. The transaction is expected to be completed in 2016.

APM Terminals agreed to acquire 100% of the shares in Grup Marítim TCB (TCB), the leading Spanish container terminal operator, with terminals located in Spain, Colombia, Brazil, Mexico, Guatemala and Turkey. APM Terminals' global terminal network will grow from 63 to 74 terminals in 37 countries across five continents and with additional seven terminals under implementation. The 11 acquired TCB terminals add an additional 4.3m TEU in capacity and 3.5m TEU in estimated annual container volumes (2.6m TEU throughput when weighted with APM Terminals' ownership interest in the individual terminals). The acquisition has an implied enterprise value of USD 1.1bn with additional capex investments of USD 400m over the next five years. Subject to regulatory approvals, the transaction is expected to be completed in Q1 2016.

APM Terminals agreed to invest around USD 800m in a new-built container terminal and connected road infrastructure next to its present facility in Tema, Ghana, with 3.5m TEU annual throughput capacity. During 2015, APM Terminals also agreed to invest in a greenfield grain terminal in Qingdao, China and acquired a terminal in Cartagena, Colombia as well as a reefer terminal in Vado, Italy. Additionally, APM Terminals upgraded and expanded a number of its terminals globally.

Maersk Drilling took delivery of one drillship, Maersk Voyager, and one ultra harsh environment jack-up rig, Maersk Integrator. Maersk Drilling has one ultra harsh jack-up rig under construction to be delivered in 2016. Maersk Drilling signed seven new contracts during 2015, among which the drillship Maersk Voyager secured a long-term contract of 3.5 years offshore Ghana, Maersk Resilient secured a three-year contract and Mærsk Giant received a contract for 150 days, both for work in the Danish sector of the North Sea. Furthermore, Maersk Drilling signed five contract extensions, including a five-year extension for Heydar Aliyev working in the Caspian Sea, and a three-year extension for Maersk Discoverer working offshore Egypt. Although at significantly lower day rates compared to previous contracts, the new contracts and extensions added USD 2.0bn to Maersk Drilling's revenue backlog and 8,700 contracted rig days.

As part of the fleet renewal, **Maersk Tankers** signed a new-building contract for nine MR vessels with a contract value of approximately USD 300m. The order book totals 17 MR new-buildings to be added to the fleet over the next three years. With the re-delivery of three VLCCs in 2015, Maersk Tankers has two chartered VLCC vessels left in the fleet.

MAJOR PORTFOLIO DECISIONS

The sale of **Danske Bank** shares was finalised with 85% ordered by A.P. Møller Holding A/S and 7% by other shareholders, at an offer price of DKK 177.27 per Danske Bank share. The Group's retained 1.6% ownership in Danske Bank is classified as held for trading. With the completed sale of the Dansk Supermarked Group in 2014 and Danske Bank in 2015, the Maersk Group has finalised its major portfolio adjustments.

ISSUE OF BONDS IN USD AND EUR

A.P. Møller - Mærsk A/S issued bonds in USD and in EUR in the second half of 2015 at principal amounts of USD 500m, USD 500m, and EUR 600m with maturities in 2020, 2025, and 2022, respectively. All bonds are rated BBB+ by S&P and Baa1 by Moody's and the proceeds are for general corporate purposes.

QUARTERLY FIGURES

Quarterly figures for the Group for 2010-2015 are available on http://investor.maersk.com/financials.cfm

SUSTAINABILITY AND GENDER COMPOSITION OF MANAGEMENT

An independently assured Sustainability Report for 2015 is published which provides detailed information on the Group's sustainability performance and new sustainability strategy. The report serves as the Group's Communication on Progress as required by the UN Global Compact, and ensures compliance with the requirements of Section 99a of the Danish Financial Statements Act (Årsregnskabsloven) on corporate social responsibility and reporting on the gender composition of management. The report is available on: http://www.maersk.com/en/the-maersk-group/sustainability/reports/

GUIDANCE FOR 2016

The Maersk Group expects an underlying result significantly below last year (USD 3.1bn). Gross cash flow used for capital expenditure is expected to be around USD 7bn in 2016 (USD 7.1bn).

Forward-looking statements
The 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 Annual Report.

Maersk Line expects an underlying result significantly below last year (USD 1.3bn) as a consequence of the significantly lower freight rates going into 2016 and the continued low growth with expected global demand for seaborne container transportation to increase by 1-3%.

Maersk Oil expects a negative underlying result (profit of USD 435m). Breakeven is reached with oil prices in the range USD 45-55 per barrel.

Maersk Oil's entitlement production is expected to be around 315,000 boepd (312,000 boepd). Exploration costs are expected to be in line with 2015 (USD 423m).

APM Terminals expects an underlying result around the 2015 level (USD 626m).

Maersk Drilling expects an underlying result significantly below last year (USD 732m) mainly due to lower dayrates and more idle days.

APM Shipping Services expects the underlying result to be significantly below the 2015 result (USD 404m) predominantly due to significantly lower rates and activity in Maersk Supply Service.

SENSITIVITY GUIDANCE

The Group's guidance for 2016 is subject to considerable uncertainty, not least due to developments in the global economy, the container freight rates and the oil price.

The Group's expected underlying result depends on a number of factors. Based on the expected earnings level and all other things being equal, the sensitivities for the calendar year 2016 for four key value drivers are listed in the table below:

Factors	Change	Effect on the Group's underlying profit
Oil price for Maersk Oil	+/-10 USD/barrel	+/-USD 0.35bn
Bunker price	+/-100 USD/tonne	-/+USD 0.3bn
Container freight rate	+/-100 USD/FFE	+/-USD 1.0bn
Container freight volume	+/-100,000 FFE	+/-USD 0.1bn

FIVE YEAR SUMMARY

AMOUNTS IN USD MILLION

INCOME STATEMENT	**2015**	2014	2013	2012	2011
Revenue	40,308	47,569	47,386	49,491	49,917
Profit before depreciation, amortisation and impairment losses, etc. (EBITDA)	9,074	11,919	11,372	11,797	14,104
Depreciation, amortisation and impairment losses, net	7,944	7,008	4,628	5,065	5,292
Gain on sale of non-current assets, etc., net	478	600	145	610	210
Share of profit/loss in joint ventures	165	-6	152	130	-
Share of profit/loss in associated companies	97	412	295	222	122
Profit before financial items (EBIT)	1,870	5,917	7,336	7,694	9,144
Financial items, net	-423	-606	-716	-780	-862
Profit before tax	1,447	5,311	6,620	6,914	8,282
Tax	522	2,972	3,237	3,161	5,932
Profit for the year – continuing operations	925	2,339	3,383	3,753	2,350
Profit for the year – discontinued operations	-	2,856	394	285	1,027
Profit for the year	925	5,195	3,777	4,038	3,377
A.P. Møller - Mærsk A/S' share	791	5,015	3,450	3,740	2,836

BALANCE SHEET					
Total assets	62,408	68,844	74,509	72,396	70,444
Total equity	35,739	42,225	42,513	39,324	36,190
Invested capital	43,509	49,927	54,630	53,814	51,753
Net interest-bearing debt	7,770	7,698	11,642	14,489	15,317
Investments in property, plant and equipment and intangible assets	7,647	9,368	7,087	7,826	10,901

CASH FLOW STATEMENT					
Cash flow from operating activities[1]	7,969	8,761	8,909	7,041	6,665
Cash flow used for capital expenditure[1]	-1,408	-6,173	-4,881	-5,822	-10,285

FINANCIAL RATIOS					
Return on invested capital after tax (ROIC)	2.9%	11.0%	8.2%	8.9%	8.3%
Return on equity after tax	2.4%	12.3%	9.2%	10.7%	9.6%
Equity ratio	57.3%	61.3%	57.1%	54.3%	51.4%

STOCK MARKET RATIOS	**2015**	2014	2013	2012	2011
Earnings per share (EPS), USD	37	230	158	171	130
Diluted earnings per share, USD	37	230	158	171	130
Cash flow from operating activities per share, USD[1]	372	401	408	323	305
Ordinary dividend per share, DKK[2]	300	300	280	240	200
Ordinary dividend per share, USD	44	49	52	42	35
Share price (B share), end of year, DKK	8,975	12,370	11,770	8,520	7,584
Share price (B share), end of year, USD	1,314	2,021	2,175	1,506	1,320
Total market capitalisation, end of year, USD m	27,587	42,848	46,305	31,876	28,018

GROUP BUSINESS DRIVERS					
Maersk Line					
Transported volumes (FFE in '000)	9,522	9,442	8,839	8,493	8,111
Average freight rate (USD per FFE)	2,209	2,630	2,674	2,881	2,828
Unit cost (USD per FFE incl. VSA income)	2,288	2,584	2,731	3,054	3,108
Average fuel price (USD per tonne)	315	562	595	661	620
Maersk Line fleet, owned	285	274	275	270	254
Maersk Line fleet, chartered	305	336	299	326	391
Fleet capacity (TEU in '000)	2,962	2,946	2,631	2,625	2,521
Maersk Oil					
Average share of oil and gas production (thousand barrels of oil equivalent per day)	312	251	235	257	333
Average crude oil price (Brent) (USD per barrel)	52	99	109	112	111
APM Terminals					
Containers handled (measured in million TEU and weighted with ownership share)	36.0	38.3	36.3	35.4	33.5
Number of terminals	63	64	65	62	55
Maersk Drilling					
Operational uptime	97%	97%	97%	92%	96%
Contracted days	7,086	6,275	5,840	5,574	5,586
Revenue backlog (USD bn)	5.4	6.0	7.9	7.2	3.8

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[1] From continuing operations.

[2] An extraordinary cash dividend equal to DKK 1,671 per share of nominally DKK 1,000 was declared in connection with the sale of Danske Bank A/S.

THE GROUP STRATEGY

Maersk Group is executing on the strategy to be a premium conglomerate with six of our eight businesses, representing more than 93% of the Group's invested capital, being top quartile performers in their industries.

We have focused the Group's portfolio by divesting non-core assets, and we continue to apply a rigorous and disciplined methodology for allocating capital to our businesses.

We will continue to build a premium conglomerate through active portfolio and performance management, disciplined capital allocation and a clear financial strategy. The Group's financial ambition is to develop its businesses and achieve above 10% ROIC over the cycle.

OUR SUCCESS FACTORS

As a group, our business success is built on a number of strengths: our size and global reach, our financial flexibility, our talented employees, our time-honoured values, our commitment to safety and sustainability and our drive to innovate.

We use our global network, skilled people and financial flexibility to enable customers and countries to create wealth and fulfil their economic potential. Our existing strong position in growth markets will remain a focus area going forward, as the Group is in a good position to profit from growth when it returns.

THE GROUP STRATEGY PROCESS

The Board of Directors performs an annual strategy review to ensure that the Group's strategy is regularly assessed according to market developments. The integrated Group strategy review, portfolio actions and capital prioritisation process starts at the beginning of the year. The Board of Directors have their annual strategy conference in June at which the Board discusses proposals put forward by the Executive Board and decides on the strategy.

Strategies, including detailed plans and opportunities for the coming years, are developed for each business. The total capital requirement across businesses is prioritised with a view to optimise the portfolio of the Group in line with financial policies. Evaluation parameters include industry attractiveness, financial return forecasts, business performance and overall strategic aspirations. The resulting plan provides the framework for each business unit. Portfolio adjustments are integrated into the plan.

The outcome of the Board of Directors' annual strategy conference will, as in previous years, be communicated in connection with the Group's Interim Report for Q2 2016. The outcome will be available for download from:
http://investor.maersk.com/financials.cfm

Between each strategy session, Management and the Board evaluate the development compared to expectations, and these evaluations give rise to short-term tactical adjustments of our investment plans and key focus areas.

STRATEGY UPDATE

The low global economic growth with resulting low container freight rates and oil price has fundamentally changed the short-term outlook of almost all of our businesses. As a consequence, we updated our business unit strategies during 2015 to provide more flexibility on the short-term financial targets as we maintain our key focus on competitiveness and our customers.

The changed market conditions unfortunately also necessitated a change to the Group's priorities for 2015, as all business units were required to accelerate on cost and efficiency programmes in order to improve profitability and remain ahead of competitors, while at the same time revising the targets for short-term organic growth.

In October, we downgraded our expectations for Maersk Line's and the Group's results for 2015, and consequently Maersk Line adjusted the plans for short-term growth by postponing further investments beyond our firm commitments to ship yards.

The competitiveness of our businesses instills confidence in our ability to weather the storm and we will continue to work on further strengthening our strong foothold in our industries.

Difficult times also present opportunities and given our strong financial position, we are making focused investments to pursue growth.

In order to maintain and grow our businesses and thereby achieve our ambition of a ROIC above 10% over the cycle, we have to accept that in a low interest environment we have to also opt for investments that at present do not on a stand-alone basis fully comply with our 10% ROIC target.

Net interest-bearing debt is managed in line with the Maersk Group's current Baa1/BBB+ credit rating. The Group generally intends to centralise funding at parent company level and to raise funds from diversified sources, including bonds.

Focusing the Group's portfolio

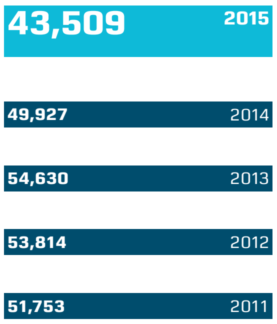
After the sale of our shares in Danske Bank, the Group's remaining businesses are all related to shipping or energy markets. The proceeds from the sale were returned to shareholders as an extraordinary dividend.

We maintain our focus on active portfolio and performance management and we have created a strong platform for future investment, growth and innovation.

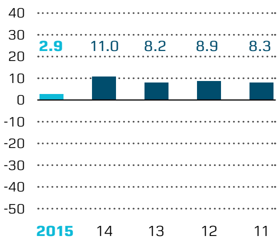
INVESTED CAPITAL AND ROIC

The Maersk Group is a conglomerate of worldwide businesses focusing on the shipping and energy industries. The Group operates in some 130 countries and is headquartered in Copenhagen, Denmark.

Invested capital USD million



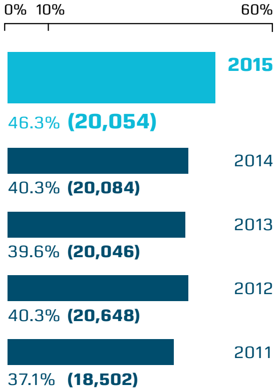
ROIC %



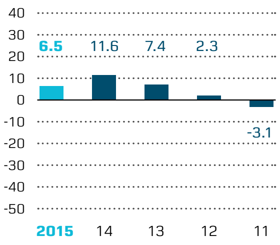
The Group's financial ambition is to achieve a return on invested capital (ROIC) above 10% over the cycle.

Maersk Line is the world's largest container shipping company.

Invested capital USD million

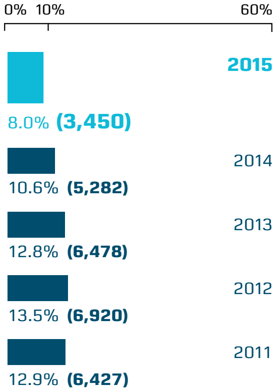


ROIC %

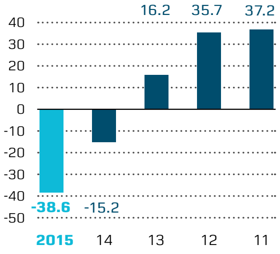


Maersk Oil is an international oil and gas company with a track record spanning more than 40 years.

Invested capital USD million

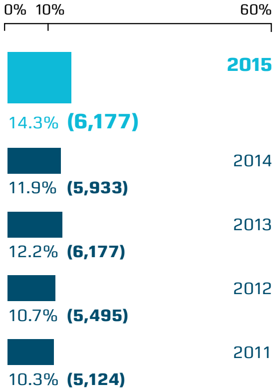


ROIC %

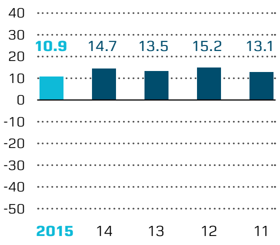


APM Terminals provides port and inland infrastructure to drive global commerce.

Invested capital USD million

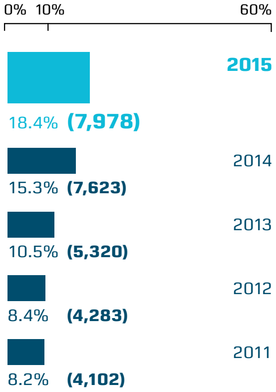


ROIC %

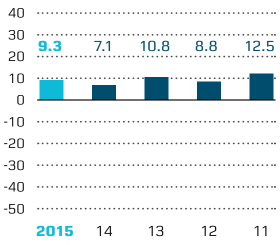


Maersk Drilling supports global oil and gas production by providing drilling services to oil companies around the world.

Invested capital USD million

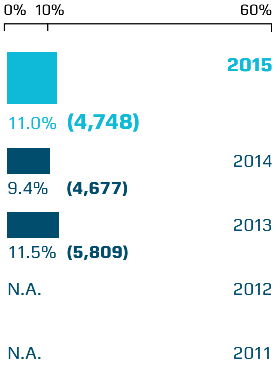


ROIC %

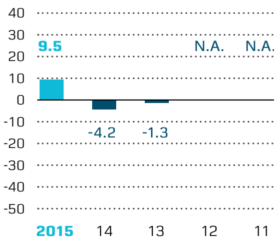


APM Shipping Services comprises four businesses; Maersk Tankers, Maersk Supply Service, Svitzer and Damco.

Invested capital USD million



ROIC %



FINANCIAL REVIEW

The Group's profit for the year was USD 925m (USD 5.2bn) and the equity totalled USD 35.7bn (USD 42.2bn).

The review of the financial statement is carried out through the presentation of the Group's businesses.

INCOME STATEMENT

Revenue decreased to USD 40.3bn (USD 47.6bn), predominantly due to lower oil price and lower average container freight rates only partly compensated by higher entitlement production. The operating expenses decreased by USD 4.4bn mainly due to lower bunker prices and cost saving initiatives.

Profit decreased by USD 4.3bn to USD 925m (USD 5.2bn). The profit for 2015 was primarily impacted by the net impairments after tax of USD 2.6bn on oil assets due to the low oil price expectations as well as the revenue impact from the lower oil price and lower average container freight rates.

The profit in 2014 was positively impacted by a USD 2.8bn gain from the sale of the majority share of Dansk Supermarked Group and other divestment gains of USD 600m partly offset by net impairments after tax of USD 2.2bn primarily related to the Brazilian oil assets of USD 1.7bn, UK oil assets of USD 188m and goodwill in Svitzer of USD 357m.

Further comments to the profit development are provided per segment below.

MAERSK LINE

Maersk Line made a profit of USD 1.3bn (USD 2.3bn) and a ROIC of 6.5% (11.6%). The underlying profit was USD 1.3bn (USD 2.2bn).

Revenue of 23.7bn was 13.2% lower than in 2014 (USD 27.4bn). The development was driven by a 16.0% decline in average freight rates to 2,209 USD/FFE (2,630 USD/FFE) and only partially offset by a 0.8% increase in volumes to 9,522 FFE (9,442 FFE).

The freight rate decline was largely attributable to bunker price savings being passed through to customers and to deteriorating market conditions. Container freight rates declined across all trades except North America, especially in Maersk Line's key trades to/from Europe and Latin America. Recognised freight revenue was USD 21.3bn (USD 25.0bn) and other revenue was USD 2.4bn (USD 2.4bn).

To minimise the impact of declining freight rates, Maersk Line accelerated further network rationalisations and operating cost reduction programmes. In response to the weakening demand, Maersk Line also reduced capacity by closing down four services and adjusted the network over the course of 2015.

Global container demand is expected to have grown between 0-1% in 2015 compared to 2014 while the global container fleet grew by almost 8%. The low growth is primarily due to weaker imports into Europe as well as slowdown in emerging economies.

The EBIT margin gap to peers is estimated at around 6.6% for the full year (Q4 2014 to Q3 2015) and around 5% for the last quarter (Q3 2015), on par with the 5% ambition level. The EBIT margin gap to peers narrowed considerably compared to 2014 (9%) as a consequence of the sharp decline in bunker prices, as well as Maersk Line's relatively higher exposure to the key Europe trades which was more impacted by the freight rate decline than other trades. Maersk Line responded to the challenging market conditions by accelerating its cost focus, and in November, Maersk Line announced its plans to reduce the organisation by more than 4,000 staff positions by 2017.

Unit cost decreased by 11.5% to 2,288 USD/FFE benefitting from decreased bunker prices and USD appreciation. Bunker cost decreased 42.8% compared to 2014 driven by lower bunker prices. Bunker efficiency deteriorated by 1.0% to 931 kg/FFE (921 kg/FFE). Maersk Line's fleet utilisation was lower than expected in 2015 as reduction initiatives were only taken late in the year to adapt to the weaker than expected market demand.

By the end of 2015, the Maersk Line fleet consisted of 285 owned vessels (1.8m TEU) and 305 chartered vessels (1.1m TEU) with a total capacity of 3.0m TEU, an increase of 0.5% compared to the end of 2014. Idle capacity at the end of 2015 was 32,733 TEU (four vessels) versus 18,138 TEU (three vessels) at the end of 2014. Maersk Line's idle capacity corresponds to around 2% of total idle capacity in the market.

The global container fleet grew by around 8% compared to 2014. At the end of 2015, it stood at 20m TEU of which 7.0% were idle. Deliveries amounted to 1.7m TEU (214 vessels) and 203,000 TEU (107 vessels) were scrapped during 2015. New ordering amounted to 2.3m TEU (254 vessels), keeping the order book close to 20% of the fleet (Alphaliner).

In Q4, Maersk Line entered into an agreement to divest its five Multi Purpose Vessels (MPV). Maersk Line will exit the MPV segment during Q1 2016.

Cash flow from operating activities decreased by USD 848m to USD 3.3bn compared to 2014. Cash flow used for capital expenditure was USD 169m higher at USD 2.1bn primarily related to delivery of five Triple-E vessels and ordering of 27 new vessels during 2015. In spite of challenging market conditions, Maersk Line delivered a positive free cash flow of USD 1.1bn (USD 2.1bn) in 2015.

MAERSK OIL

Maersk Oil reported a loss of USD 2.1bn (loss of USD 861m due to Brazilian impairment) and a ROIC of negative 38.6% (negative 15.2%) with an underlying profit of USD 435m (USD 1.0bn).

The result was negatively affected by net impairments after tax of USD 2.6bn due to the low oil price expectations. The impairments were primarily related to production assets with short lifetime such as Kazakhstan, Kurdistan and the UK as well as our deepwater development assets in Angola and Brazil, where the current conditions do not allow for viable projects. While we have fully impaired the assets and significantly reduced our on-site activities in Angola and Brazil, we continue our efforts to seek solutions in Angola through concept changes and negotiations with authorities, partners and contractors, and in Brazil we are pursuing extensions of the Wahoo and Itaipu licenses which expired in Q4 2015.

The underlying profit of USD 435m was negatively affected by the lower average oil price of USD 52 per barrel versus USD 99 per barrel in 2014. This was partly offset by 24% higher entitlement production of 312,000 boepd (251,000 boepd), deferred tax income of USD 170m due to reduction of the UK tax rate and 45% lower exploration costs of USD 423m (USD 765m).

Cash flow from operating activities was USD 1.8bn (USD 2.6bn). Cash flow used for capital expenditure of USD 2.0bn was 8.2% lower than 2014 (USD 2.2bn) with the recent sanctioned Johan Sverdrup in Norway, and Culzean in the UK contributing the most.

The increased entitlement production came primarily from the UK increase of 76% where Golden Eagle came on stream in Q4 2014, from Qatar with an increase of 29% where the decreased oil prices give more barrels for cost recovery as well as from Jack in the US coming on stream in Q4 2014 delivering a Maersk Oil entitlement production of 6,000 boepd. The increases were partly offset by the natural field decline in Denmark by 7%.

Maersk Oil reduced operating expenses, excluding exploration costs, by 12% to USD 2.5bn (USD 2.8bn). This is in line with the targeted 20% reduction by the end of 2016 compared to the 2014 baseline. As a consequence, the total number of positions was reduced by approximately 1,250 during 2015.

Maersk Oil completed nine exploration and appraisal wells. The East Swara Tika-1 well in Kurdistan found hydrocarbons in commercial volumes whereas four wells encountered hydrocarbons in sub-commercial volumes and four wells were dry.

The 2012 development project at the Al Shaheen field offshore Qatar is progressing as planned and more than 80% of the drilling programme is now completed.

Recent acquisitions to be completed in 2016 include interest in exploration licences in Kenya and Ethiopia. The Kenyan authorities have approved the transaction whereas Ethiopia is still pending. Shortly after the acquisition, an exploration well encountered oil and commercial viability of the discovery is being assessed.

The yearly update of Maersk Oil's reserves and resources as per end of 2014 showed entitlement reserves and resources (2P+2C) of 1.31bn barrels of oil equivalent (1.47bn) including proved and probable (2P) reserves of 0.50bn barrels of oil equivalent (0.60bn). 2015 reserves and resources numbers will be released in connection with the Interim Report for Q1 2016.

APM TERMINALS

APM Terminals made a profit of USD 654m (USD 900m) and a ROIC of 10.9% (14.7%) with an underlying profit of USD 626m (USD 849m). The low oil price resulted in a sharp decline in import volumes into oil producing countries in West Africa, Russia and Brazil. Along with divestments in 2014, this caused revenue to decrease by 4.8% and the EBITDA-margin to decrease by 2.7% compared to last year (22.7%). Operating business generated a profit of USD 696m (USD 931m) while projects under implementation had a loss of USD 42m (loss of USD 31m) stemming from their upstart costs.

The 2014 result was positively impacted by net divestment gains after tax of USD 232m and negatively affected by USD 181m impairments related to European activities of which USD 154m was related to joint venture companies. The result for 2015 does not include any impairment but includes net divestment gains of USD 10m and positive impact from reversed impairments of USD 14m.

Global market conditions have had an unfavourable effect on container volumes and rates in several key terminals. Specifically, key terminals in oil dependent markets have declined significantly compared to 2014. Partly mitigating this, performance in APM Terminals' North American businesses has increased compared to 2014, mainly due to increased volume and storage income.

The number of containers handled by APM Terminals (weighted with APM Terminals' ownership interest) decreased by 6.0% compared to 2014, reaching 36.0m TEU (38.3m TEU). The decrease was mainly due to divestments of terminal facilities in Charleston, Jacksonville and Houston, USA, and Gioia Tauro, Italy, in 2015 as well as APM Terminals, Virginia, USA, and Terminal Porte Océane S.A. Le Havre, France, in 2014. Excluding these divestments, like-for-like volumes decreased by 1.1%, whereas the overall global container market grew by 1.3% (Drewry).

Revenue improvement and cost saving initiatives continue to be driven across the global portfolio and have delivered approximately USD 200m to the bottom line, however the impact from the adverse market conditions was only partly mitigated.

The acquisition of the TCB portfolio will initially have a negative impact on ROIC of just over one percentage point due to the increased asset base and the amortisation of terminal rights. The acquisition has an implied enterprise value of USD 1.1bn with additional capex investments of USD 400m over the next five years. Subject to regulatory approvals, the transaction is expected to be completed in Q1 2016.

The share of profit in joint ventures and associated companies increased to USD 199m (USD 79m), mainly caused by the USD 154m impairments in joint venture companies in 2014.

Cash flow from operating activities was USD 874m (USD 925m). Cash flow used for capital expenditure was USD 774m (positive USD 2m).

MAERSK DRILLING

Maersk Drilling delivered a profit of USD 751m (USD 478m) generating a ROIC of 9.3% (7.1%), positively impacted by good contract coverage, fleet growth, cost savings and strong operational performance. The result was also positively impacted by fewer yard stays and further a gain from the sale of the Venezuela business partly offset by increased idle time and Maersk Endurer (built 1984) being decommissioned and recycled in July 2015. The underlying profit was USD 732m (USD 471m).

The economic utilisation of the fleet was 85% (90%) adversely affected by increased idle time. The average operational uptime was 98% (97%) for the jack-up rigs and 94% (96%) for the floating rigs. Maersk Drilling's safety performance saw a further improvement in the LTI frequency from 0.57 to 0.31 during the year as a result of a relentless drive towards an incident free workplace.

Although at significantly lower day rates compared to previous contracts, the new contracts and extensions signed in 2015 added 8,700 rig days and USD 2.0bn to Maersk Drilling's revenue backlog. At the end of 2015, Maersk Drilling's forward contract coverage was 77% for 2016, 52% for 2017 and 43% for 2018. The total revenue backlog by the end of the year amounted to USD 5.4bn (USD 6.0bn).

While significant uncertainty remains in the medium to long-term outlook for offshore drilling services and particularly the deepwater market, Maersk Drilling maintains a competitive advantage due to its comparatively young rig fleet, although the short-term profitability will continue to be under pressure.

The semi-submersible rig Mærsk Deliverer finalised yard stay as planned and was back on operating rate mid-September 2015.

Operating costs increased due to four new rigs entering the fleet and starting operation during the last six quarters partly offset by the divestment of the Venezuela business in Q3 2014. The initiated cost reduction and efficiency enhancement programme delivered a saving of more than 8% in 2015 compared to 2014, excluding positive effect from exchange rates.

The increased cash flow from operating activities of USD 1.3bn (USD 701m) was mainly related to three additional rigs in operation and cost savings. Cash flow used for capital expenditure declined to USD 854m (USD 2.2bn), mainly due to fewer instalments paid for the newbuild projects.

APM SHIPPING SERVICES

APM Shipping Services made a profit of USD 446m (loss of USD 230m) and a ROIC of 9.5% (negative 4.2%). The underlying profit was USD 404m (USD 185m).

Maersk Tankers made a profit of USD 160m (USD 132m) and a ROIC of 9.9% (6.8%). The underlying profit was USD 156m (USD 139m). The result was positively affected by improved rates and cost saving initiatives.

Average Time Charter Equivalent (TCE) earnings in the product segments increased by 29% compared to 2014 due to higher demand in the market for transportation of refined oil products.

Operating cost decreased mainly as a result of cost saving initiatives contributing positively by USD 16m, the divestment of the VLCC vessels, re-delivery of long-term chartered tonnage and lower bunker fuel costs.

Cash flow from operating activities was USD 291m (USD 232m). Net cash flow from capital expenditure was USD 185m (positive USD 650m), primarily driven by the acquisition of nine Product tankers and newbuilding instalments, partly offset by the sale of eight Product tankers and two VLCC vessels.

During 2015, Maersk Tankers took delivery of two MR newbuildings and placed an order for nine more vessels. The order book totals 17 vessels, of which seven will be delivered during 2016, and the last ten in the following two years.

Maersk Supply Service reported a profit of USD 147m (USD 201m) and a ROIC of 8.5% (11.9%). The underlying profit was USD 117m (USD 189m).

Revenue for the year decreased to USD 613m (USD 778m) following lower rates and lower utilisation as well as fewer vessel days available due to divestments and lay-ups. The decreased revenue was partly mitigated by significant cost reductions with total operating costs at USD 345m (USD 430m).

The continued market decline in the offshore industry led to a number of vessel lay-ups globally, including Maersk Supply Service with nine vessels laid up at the end of the year. As a consequence, Maersk Supply Service announced during the year the need to adjust the crew pool by more than 300 offshore positions and a 15% reduction in headquarter positions.

Contract coverage going into 2016 was 42% (50% for 2015) and 16% (29% for 2016) for 2017.

Cash flow from operating activities decreased to USD 250m (USD 356m) primarily caused by a lower operational result. Cash flow used for capital expenditure increased to USD 206m (USD 188m) mainly due to investment in a second hand vessel.

During the year Maersk Supply Service took delivery of a new Anchor Handling Tug Supply vessel (AHTS), acquired one second hand Subsea Support vessel and sold five AHTS. Total order book stands at 11 vessels.

Svitzer delivered a profit of USD 120m (loss of USD 270m) and a ROIC of 10.9% (negative 19.2%). The underlying profit was USD 116m (USD 82m). The 2014 result was impacted by goodwill impairment of USD 357m primarily related to the 2007 Adsteam acquisition in Australia. Disregarding goodwill impact, 2015 saw a positive development compared to 2014 due to successfully implemented cost and productivity initiatives.

Revenue decreased by USD 143m as a result of a substantially stronger USD compared to AUD and EUR, as well as salvage revenue being excluded after the activities were merged with Titan Salvage, USA (USD 80m). These effects were partly offset by higher activity in harbour towage and Svitzer's entry into Brazil.

The industry experienced significant overcapacity and slowdown in most shipping segments, not least bulk trades, but Svitzer managed to increase its market share in competitive ports in both Australia and Europe.

Underlying profitability improved through pricing, productivity and cost saving initiatives, which resulted in an EBITDA margin of 28.4% (20.9%).

Cash flow from operating activities decreased to USD 138m (USD 203m) driven by salvage activities. Cash flow from investing activities decreased by USD 83m to USD 152m.

Damco made a profit of USD 19m (loss of USD 293m) and a ROIC of 7.1% (negative 63.2%). The underlying profit was USD 15m (loss of USD 225m).

Productivity improvements, overhead cost reductions and growth in supply chain management activities were the primary drivers behind the improved result.

Revenue was USD 2.7bn (USD 3.2bn), with the reduction largely caused by rate of exchange movements. Margins in both ocean and airfreight segments saw improvements, whereas ocean freight volumes declined over the whole of 2015 and ended 9% below 2014, partly due to de-selection of less-profitable business. Airfreight volumes fell by 4% over 2015, but grew through the second half of the year. Supply chain management volumes continued to show improvements and ended 5% above 2014.

Over the past two years, Damco has been through a transformation phase and is now starting to see the planned benefits. Costs have been reduced and productivity has increased with improved bottom-line profitability and cash generation as outcome, bringing Damco to a profitable result for 2015.

Cash flow from operating activities was positive USD 127m (negative USD 201m) due to the improved operational result and reduced working capital through stricter cash management.

OTHER BUSINESSES

Other businesses made a profit of USD 316m (USD 408m). The result for 2015 includes primarily the gain from the sale of shares in Danske Bank of USD 223m and the sale of Esvagt of USD 76m, while 2014 primarily included the Group's share of profit in Danske Bank of USD 330m.

DISCONTINUED OPERATIONS

Discontinued operations included Dansk Supermarked Group in 2014, while nothing was included as discontinued operations in 2015.

UNALLOCATED ACTIVITIES

Unallocated activities comprise activities which are not attributable to reportable segments, including financial items as well as centralised purchasing and resale of bunker and lubricating oil to companies in the Group. Financial items were negative by USD 423m (negative by USD 606m); the positive development was primarily driven by value adjustment on Danske Bank shares, lower interest expenses due to lower debt and interest rates as well as currency adjustments.

TAX

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

Generally, 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.

The total tax charge for the Group in 2015 was USD 0.5bn (USD 3.0bn) of which taxes payable to Denmark were USD 0.2bn (USD 0.8bn). The amounts related to the special hydrocarbon tax were USD 0.1bn (USD 0.5bn) and USD 0.1bn (USD 0.3bn) represented corporate tax on oil activities. The decrease in the special hydrocarbon tax was largely due to the drop in oil prices. The shipping activities' tax payment to Denmark was USD 12m (USD 13m).

TOTAL COMPREHENSIVE INCOME

Total comprehensive income for the year was USD 540m (USD 3.6bn) and includes the profit for the year of USD 925m (USD 5.2bn) and other comprehensive income, which was negative by USD 385m (negative by USD 1.6bn). 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 2015, total assets amounted to USD 62.4bn (USD 68.8bn).

Property, plant and equipment of USD 44.0bn (USD 44.7bn) decreased by USD 672m. Investments in the year amounted to USD 7.3bn (USD 8.9bn). Depreciation for the year was USD 4.6bn (USD 4.2bn) and net impairment losses of USD 2.1bn (loss of USD 421m) were recognised. Sale of property, plant and equipment amounted to USD 773m (USD 512m) including the assets held for sale. Currency adjustments resulted in a decrease of USD 435m (decrease of USD 399m).

For further description of significant accounting estimates and judgements see note 25.

Derivatives were as of 31 December 2015 a net liability of USD 837m (net liability of USD 500m). The movement was primarily related to the USD appreciating against main hedging currencies.

Cash and bank balances totalled USD 4.0bn (USD 3.5bn) at 31 December 2015, including offsetting bank overdrafts of USD 12m (USD 102m).

Equity totalled USD 35.7bn (USD 42.2bn). The decrease was related to the extraordinary dividend related to the sale of the Danske Bank shares of USD 5.2bn, the share buy-back of USD 780m, ordinary dividend paid of USD 1.0bn (USD 1.3bn) and other comprehensive income is negative of USD 385m. The reduction was partly offset by the profit for the year of USD 925m.

The actuarial net liability for pensions, etc. in relation to defined benefit plans recognised totalled USD 131m (USD 217m) at 31 December 2015. Developments in the actuarial assumptions as well as changes to the minimum funding requirements resulted in actuarial gains of USD 68m (loss of USD 9m), which are included in other comprehensive income. In 2015, the Group paid USD 116m (USD 81m) to defined benefit plans.

Deferred tax liabilities totalled USD 280m (USD 701m) at 31 December 2015, and recognised deferred tax assets totalled USD 891m (USD 536m). Furthermore, deferred tax assets of USD 1.9bn (USD 1.5bn) have not been recognised, cf. note 9 in the consolidated financial statements.

Net interest-bearing debt remained at the same level as at the end of 2014 positively impacted by free cash flows of USD 6.6bn offset by ordinary dividend of USD 1.0bn, extraordinary dividend of USD 5.2bn and share buy-back of USD 780m. In 2015, the Group issued bonds for USD 1.0bn in the US market and EUR 600m in the euro market. USD 1.8bn of revolving credit facilities were signed in 2015 while USD 687m of undrawn financing commitments were either cancelled or expired during 2015 due to the Group's strong liquidity position.

CASH FLOW

Cash flow from operating activities USD 8.0bn (USD 8.8bn) was negatively impacted by the lower result which was partly offset by decreased tax payments of USD 1.8bn and improved working capital as well as lower interest payments.

Cash flow used for capital expenditure was USD 1.4bn (USD 6.2bn). The decrease was mainly due to the sale of Danske Bank of USD 4.9bn.

OPERATING LEASE COMMITMENTS

The present value of the operating lease commitments totalled USD 7.0bn at 31 December 2015 (USD 7.7bn at 31 December 2014) using a discount rate of 6% (6%). The amount is divided into the following main items:

- Maersk Line and Maersk Tankers of USD 3.3bn (USD 3.8bn) primarily relating to vessels on time charter
- APM Terminals of USD 2.9bn (USD 3.1bn) primarily related to future concession fees for port facilities
- Other commitments of USD 0.8bn (USD 0.8bn).

About one third of the time charter payments in Maersk Line and in Maersk Tankers is estimated to relate to operational costs for the assets, cf. note 19 in the consolidated financial statements.

CONSOLIDATION

The consolidated financial statements of the Maersk Group are included in the consolidated financial statements of A.P. Møller Holding A/S.

PARENT COMPANY FINANCIAL STATEMENTS

After transferring the global container services in Maersk Line into Maersk Line A/S in 2015, the activities of the parent company comprise the oil and gas activities in the Danish sector of the North Sea and parts of offshore and other shipping activities. In addition, activities include the holding of shares in subsidiaries and associated companies as well as funding, procurement and cash management.

In the parent company financial statements, shares in subsidiaries and associated companies are recognised at cost, cf. note 21, less impairment losses, and in the income statement, dividends from subsidiaries and associated companies are recognised as income.

Profit for the year was USD 2.4bn (USD 8.0bn), primarily impacted by impairments of USD 310m and lower result of the oil and gas activities as well as lower sales gains.

Cash flow from operating activities was USD 0.7bn (USD 0.6bn). Total assets amounted to USD 48.6bn (USD 54.2bn) and equity totalled USD 22.6bn (USD 27.2bn) at 31 December 2015.

RISK MANAGEMENT

An established Enterprise Risk Management (ERM) framework is embedded in the Group. This enables and supports a consistent, robust and focused approach to assessing the three main categories comprising the Group's risk universe, namely the Known Risks, the Emerging Risks and the Portfolio Risks. The three categories are explored through a combination of risk reporting, internal analyses and external expert input. The main findings are reviewed by the Executive Board as well as the Board of Directors, and serve as input to the annual strategy and capital allocation processes. The Audit Committee annually reviews the process for adequacy and potential improvements.

KNOWN RISKS

Known Risks are considered actual risks to business objectives within the planning period 2016-2021. While some risks are integral in the industries we operate in and therefore are accepted and managed as part of our operations, several risks continue to have the potential of adversely impacting our business in the short to medium term, such as:

A **sharp and prolonged drop in oil prices** continues to constitute a key risk, as we are increasingly targeting technologically demanding and costly industry segments. The declined and persistently subdued oil price observed since end 2014 has led to reduced cash flows and revised forecasts from our oil and oil related businesses. The market developments and the duration of the downturn exert pressure on securing commercially viable contracts for Maersk Drilling, Maersk Supply Service and the oil production pipeline in Maersk Oil. Ultimately this could, in the long run, impact our ability to meet our financial targets or moreover our investment and growth ambitions. Conversely, the current environment, coupled with the Group's financial strength, could also present investment opportunities within oil and oil related businesses. The Group is seeking to mitigate this risk by continuing to be top quartile performer through cost reduction programmes as well as by renegotiating terms with authorities, partners and contractors to make projects more attractive.

A **major accident or oil spill** remains an inherent risk in the Group's operations, particularly in the oil and gas, offshore and tanker businesses. A high severity incident would first and foremost present a risk to our employees as well as potentially to the marine environment, wildlife and local communities. Additionally it could result in large scale impact on assets, liquidity position and reputation and put our license to operate at risk. The Group is proactively building and supporting incident free operations to mitigate this risk.

A **major cyber-attack** could prove detrimental to our ability to operate and deliver on our commitments, as the Group is involved in complex and wide ranging global services, making it highly dependent on well-functioning IT systems. Business disruptions could be as severe as lasting several months, impacting our fleet's and offshore equipments' ability to safely continue operations. The Group is monitoring this threat closely and proactively addresses it through enhancements of our cyber resilience and focus on business continuity management in the event that IT systems are affected.

A larger than expected **downturn in the container market** underscores the severity of the threat that a potential widening of the container liner business supply-demand imbalance could be in an environment characterised by low global demand growth. A structural gap and overcapacity, coupled with the significant exposure that Maersk Line has to the Asia-Europe trade where the larger vessels are increasingly deployed, leave the Group vulnerable to substantial fluctuations in freight rates and the risk of sustaining commercial losses. The Group is mitigating this risk by designing a competitive network, being a cost leader in the industry, continuing to simplify the organisation and optimising the network utilisation through alliances and vessel sharing agreements.

The Board of Directors performs an annual strategy review to ensure a regular assessment of the Group's strategy in accordance with market dynamics, including developments in the oil price and the fundamentals of the container freight markets.

EMERGING RISKS

Emerging Risks are potential future threats, looking over a time horizon beyond that of the planning period. Most of our industries are capital intensive and investments often have long return periods. As a consequence, we need to proactively consider future uncertainties that may affect our earnings. This is done through a comprehensive process aimed at identifying emerging trends with the potential of posing long-term risks. Some of the identified Emerging Risks are addressed through deep dive studies. These studies facilitate a better understanding of the key drivers, components and underlying dynamics of the trend and the associated risks and opportunities. In selecting the risks for further analysis, emphasis is put on their assessed severity in terms of likelihood and impact, as well as the velocity with which they may be approaching. Additionally, the potential for action ability and support of informed decision-making stemming from the gained insights are considered to optimise the use and focus of the Group's efforts and resources in undertaking such studies.

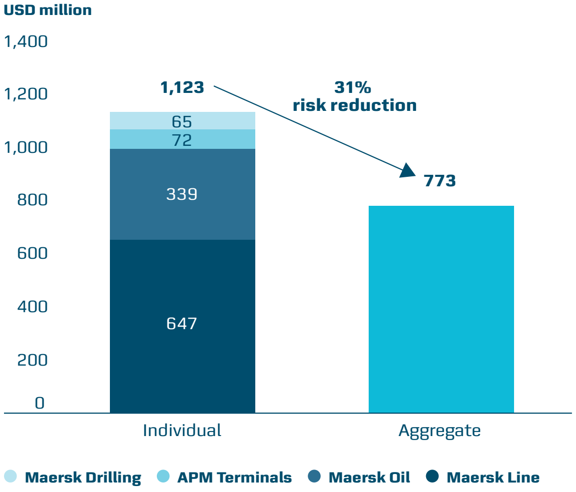
In 2014, **large vessel disasters** surfaced as a potential significant risk. Driven by rapid technological expansion in vessel capacity and capability, the risk picture was considered relevant for further analysis. Therefore, a deep dive study was conducted to unveil the nature of the risk when considering the tail risk scenarios, the triggers, the potential impacts as well as existing key mitigations and possible future remedies to further limit the exposure. Worst case scenarios and incidents considered in the study were, among others, a vessel colliding with an offshore installation or a total wreck removal. Technical, operational and process related perspectives were covered during the analysis. The study was a wide collaboration within the Group and has allowed for a deeper understanding of the risks accompanying the inevitable technological progress. The findings underscored the necessity of the already increased focus and constant care, which the Group applies to the safety of our seafarers and assets, as well as attention to all aspects, including potential new risks, stemming from pursuing technological excellence.

Looking ahead, the Group continues to monitor developments with the potential of impacting our business. Examples of such dynamics surfacing as Emerging Risks in 2015 are the prospects of shifts in trade flows from reshoring/nearshoring, developments in the digital economy and its long-term effect on shipping, as well as the projections of shale oil/gas reservoirs development expansion outside North America and the resulting impact on the global supply of hydrocarbons.

PORTFOLIO RISKS

Being a global conglomerate spanning multiple geographies and industries, the Group also considers risks associated with its composition of businesses and countries of operation. This means that when managing our portfolio, both dimensions are assessed, i.e. the balances in our industry exposure and our geographical presence. A depiction of the correlation between our businesses, see the graph "Impact of diversification", suggests that managing them as a portfolio in a conglomerate, as opposed to standalone business areas, reduces the associated risks. It also implies a well-diversified portfolio of businesses capable of absorbing shocks inflicting volatility within single businesses, evidenced by the Group's combined NOPAT volatility being 31% lower than the aggregated volatility of the four main individual businesses (those comprising solely one industry). This combined volatility broadly remains unaffected by recent portfolio concentration. From a geographic risk point of view, the portfolio on average remains in the relatively low risk category. The Group's agreed investments may modestly increase this exposure, but it will overall remain well-balanced by substantial investments in a number of low risk countries.

Impact of diversification



Based on the underlying result Q1 2007 – Q4 2015.

CORPORATE GOVERNANCE

Corporate governance is a matter 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 comply with or explain deviations from the "Recommendations for Corporate Governance" (Anbefalinger for god selskabsledelse) implemented by NASDAQ Copenhagen in the Rules for issuers of shares (Regler for udstedere af aktier) and Section 107b of the Danish Financial Statements Act (Årsregnskabsloven).

The Board of Directors of A.P. Møller - Mærsk A/S has prepared a statement on corporate governance for the financial year 2015.

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 each of the recommendations in the "Recommendations for Corporate Governance" as well as a description of the Company's management structure and the main elements of the Group's internal control and risk management systems related to the Group's financial reporting process.

MANAGEMENT STRUCTURE

A.P. Møller - Mærsk A/S has a two-tier management structure consisting of the Board of Directors and the Executive Board (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 Group. Furthermore, the Board of Directors decides the strategy and the risk policies and supervises the performance of the Company and its Management. The Board of Directors shall consist of 4–13 members elected by the Annual General Meeting. The Board members are selected for a two-year term. There are Board members up for election every year to ensure continuity in the work of the Board of Directors. Board members are eligible for re-election.

The Executive Board functions as the day-to-day management. The members of the Executive Board are Nils S. Andersen, Kim Fejfer, Claus V. Hemmingsen, Søren Skou, Jakob Thomasen and Trond Westlie. Further information is available in the statement on corporate governance for 2015.

Framework for corporate governance

SHAREHOLDER INFORMATION

The Group continued to distribute value to its shareholders in 2015. The Group paid an extraordinary dividend of DKK 36.7bn equal to the value of the Group's Danske Bank shares in addition to the ordinary dividend of DKK 6.6bn. The Group's first share buy-back was completed and a new share buy-back program of up to DKK 6.7bn was initiated.

SHARE PRICE DEVELOPMENT

Maersk B share price decreased by 27.4% from its 2014 close of DKK 12,370 to its 2015 close of DKK 8,975. Total shareholder return for the Maersk B share was -11.5% in 2015. As a comparison the benchmark indices MSCI Europe Transportation and OMX Nordic 40 increased by 8.0% and 12.9% respectively. The Maersk B share reached its highest price of DKK 16,410 on 30 March 2015 and its lowest price of DKK 8,805 on 18 December 2015. Total market value of the Group was USD 27.6bn at the end of 2015.

OWNERSHIP

The total number of registered shareholders increased by 12,000 to around 94,000 during 2015. Shareholders with more than 5% of share capital or votes held 53.1% of the share capital, while the 20 largest institutional shareholders together owned around 12.4% of the share capital.

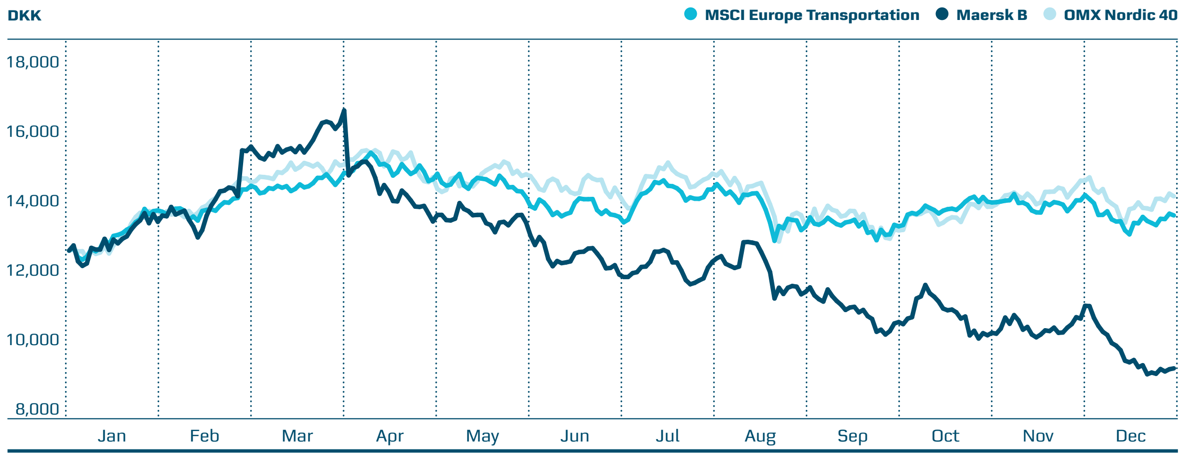
SHARE CAPITAL

Maersk 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.

The shareholders decided at the Annual General Meeting on 30 March 2015 on the cancellation of treasury shares. The company's share capital was reduced with nominally DKK 432,618,000 in total, divided between 86,500 A shares of DKK 1,000 and 346,118 B shares of DKK 1,000 to nominally DKK 21,545,382,000 in Q2 2015.

The total share capital of nominally DKK 21,545,382,000 is divided into A share capital of nominally DKK 10,902,500,000 and B share capital of nominally DKK 10,642,882,000.

Share price development



Source Factset, numbers are rebased.

OWN SHARES

The DKK 5.6bn share buy-back program initiated on 1 September 2014 was concluded on 27 February 2015. The Board of Directors decided to initiate a new share buy-back program of up to DKK 6.7bn (approximately USD 1bn) to be executed during a 12 months period beginning 1 September 2015. The purpose of the share buy-back program is to adjust the capital structure of the company. At the company's annual general meeting in 2016, a resolution will be proposed that shares acquired be cancelled. The Group's holding of own shares comprised 2.0% of the share capital end of 2015, cf. note 11 to the consolidated financial statements.

DIVIDEND

Dividend is the Group's primary distribution of capital to our shareholders. The nominal dividend has increased steadily over the last decade. The Group's objective is to increase the nominal dividend per share over time; supported by underlying earnings growth.

The Maersk share: Key figures	**2015**	2014	2013	2012	2011
Year-end share price (DKK, B share)	8,975	12,370	11,770	8,520	7,584
Share price range (DKK, B share)	7,605	4,100	3,778	2,564	4,334
Market capitalisation at year-end (USD bn, A and B share)	27,6	42,8	46,3	31,9	28,0
Earnings per share (USD)	37	230	158	171	130
Dividend per share (DKK, A and B share)[1]	300	300	280	240	200
Extraordinary dividend per share (DKK, A and B share)[1]	0	1,671	0	0	0
Dividend yield (B share)	3.3%	15.9%[2]	2.4%	2.8%	2.6%
Share buy-back (DKK bn)[3]	5,2	3,9	0	0	0

[1] Dividend in proposed year.
[2] Including extraordinary dividend.
[3] Actual payments on a cash basis.

The Board of Directors proposes an ordinary dividend to the shareholders of DKK 300 per share of DKK 1,000 (DKK 300 per share of DKK 1,000). The proposed dividend payment represents an ordinary dividend yield of 3.3% (2.4%), based on the Maersk B share's closing price as of 30 December 2015. Payment is expected to take place on 15th April 2016.

The Group paid an extraordinary dividend of DKK 1,671 per share equal to the value of the Group's Danske Bank shares in 2015.

FINANCIAL CALENDAR 2016

12 April	Annual General Meeting
4 May	Interim Report Q1 2016
12 August	Interim Report Q2 2016
20 September	Capital Markets Day
2 November	Interim Report Q3 2016

ANNUAL GENERAL MEETING

The Annual General Meeting will be held on 12 April 2016 in Copenhagen, Denmark.

Shareholders with more than 5% of share capital or votes

Shareholders according to the Danish Companies Act § 55 are	Share capital	Votes
A.P. Møller Holding A/S, Copenhagen, Denmark	41.51%	51.23%
A.P. Møller og Hustru Chastine Mc-Kinney Møllers Familiefond, Copenhagen, Denmark	8.54%	12.94%
Den A.P. Møllerske Støttefond, Copenhagen, Denmark	3.00%	5.91%

INVESTOR RELATIONS

Investor Relations had around 250 meetings with participation of more than 600 investors and analysts in Europe, US, and Asia in 2015.

The Group is covered by 30 analysts, predominantly from international investment banks, who regularly publish research reports. A list of the analysts and other relevant information, including financial reports, investor presentations, share and bond information, is available on http://investor.maersk.com.

OUR EMPLOYEES

During 2015, the Group introduced a new job levelling structure, which applies across all business units. MyCareer means that all parts of the Group have a single, consistent approach to both job grading and career principles. It creates transparency and visibility of different job opportunities and is a platform for career development.

In 2015, we saw continued actions and progress towards our diversity goals. More information on diversity can be obtained from the Group's Sustainability Report.

The business units each have their key priorities and focus areas to support their respective strategies; below are some examples.

Maersk Line is progressing with the transformation to reduce transactional work through standardisation and digitisation of key processes. This transformation will result in a leaner, more agile and more focused organisation.

At the same time, Maersk Line continues to invest in developing our employees' world-class leadership capabilities by bringing Maersk Line leaders together to align on strategic direction and vision and to accelerate personal development and help our leaders to become more effective in driving the Maersk Line strategy.

Maersk Oil is operating in a materially changed oil price environment, which has led to necessary decisions to reduce activity levels through 2015. This has resulted in a reduction of positions by 1,250, affecting both employees and contractors. The business remains focused on long-term growth opportunities, and the staff reductions were done in a manner ensuring that we safeguarded Maersk Oil's technical strengths and its good demographic profile compared to industry peers.

The local content programmes in strategically important countries like Qatar, Kazakhstan and Angola, continue to drive development of the local workforce, and in May 2015 Maersk Oil Qatar won the award for the 'Overall Best Support to Qatarization' at the annual Qatarization Review Meeting of the Energy and Industry Sector.

APM Terminals continue its drive towards safe operations across the business and achieved a substantial reduction in high severity accidents, via the "Fatal 5" campaign focussing on the five highest risk areas in terminal activities. APM Terminals unfortunately suffered four fatal accidents in 2015.

For **Maersk Drilling**, all crews on the newbuildings delivered in 2014 and 2015 were hired well in advance, up to six months prior to operation start, in order to participate in top class training and performance enhancement, establish good teamwork and ensure a safe and efficient operation of the new fleet.

Maersk Drilling aims to remain at the forefront of innovation in safety, environment and operational efficiency within the offshore oil and gas industry. The training conducted for all new employees in Maersk Drilling has so far been very successful, which is also why Maersk Drilling today has one of the best safety and operational performance track records in the industry. At the same time, ongoing competence building is taking place for onshore staff, in technical, operational and support functions, to enhance the overall performance in Maersk Drilling and safeguard the internal talent pipeline for the future.

INNOVATION

Maersk Maritime Technology successfully manages a significant portion of the business units' innovation. Furthermore, the Group Innovation Board aims to identify and fund projects, which are not directly related to the business units' daily operations. Here are examples from the Group's business units.

Maersk Line finalised the roll out of its Remote Container Management (RCM) solution. Over 250,000 reefer containers have now been equipped with a dedicated GPS unit, 3G high temperature SIM card and two GSM antennas and terminals have been trained in the new RCM processes. With near-real time visibility into the conditions of each reefer container at almost any part of the journey, RCM will optimise the operational processes leading to improved tracking and control of high value reefer cargo.

Maersk Line also further invested in its data analytics and digital capabilities. This will enable Maersk Line to optimise and modernise its processes and improve the usage of the vast amount of data generated. Maersk Line continues to invest in improving the quality and transparency of operational vessel data. Improved fuel efficiency, voyage planning and operational efficiency continue to be an important innovation focus area.

During 2015, Maersk Line continued its retrofit programme to upgrade its fleet with the latest energy efficiency technologies. Based on a technology screening, each vessel (class) is retrofitted with a tailored package of technology improvements. Maersk Line is working together with key partners to prepare for upcoming regulations such as ballast water and air emission abatement technologies. Maersk Line is also working with the industry and regulators to find technologies to ensure effective enforcement of recent sulphur regulations. Effective enforcement of current and future sulphur regulations is an important prerequisite to ensure a level playing field in the maritime industry.

Maersk Oil is seeking to enhance business competitiveness by developing further knowledge at extracting hydrocarbons from complex reservoirs such as tight chalk reservoirs in the North Sea and high-pressure, high-temperature fields like the Culzean field. An example of this effort is Maersk Oil's and the other Danish Underground Consortium partners' investment in the Danish Hydrocarbon Research & Technology Centre, launched in September 2014, where the first major technology programme has been initiated encompassing advanced water flooding of the Dan, Halfdan and Kraka fields. Other focus areas are enhanced reservoir modelling, enhanced oil recovery mechanisms and cost-effective well completions.

In addition, Maersk Oil is protecting own developed technology with patent applications for new inventions, which in 2015 has resulted in patent applications for new methods for improved data and signal transmission in wells.

APM Terminals' new Maasvlakte II facility is the world's first fully-automated and emissions-free, sustainably-powered container terminal. The facility has in 2015 transitioned from its testing phase into operation, and despite start-up challenges, the volume ramp-up continues.

Many of the systems and technologies applied in Maasvlakte II will also be utilised at APM Terminals' project at Lazaro Cardenas, Mexico. The terminal is expected to open late 2016, and will be the first automated container terminal in Latin America and will feature fully automated electric yard stacking cranes, and shuttle carriers will be used for transport between the yard cranes and ship to shore cranes.

Maersk Drilling is currently planning a test of Big Data analytic tools for two applications: drilling productivity in order to increase drilling efficiency as well as maintenance improvement in order to reduce cost and to increase reliability. This will support Maersk Drilling's drive to reduce the overall maintenance cost, including five-year survey cost, while maintaining uptime and reliability. The tests are planned to be completed in 2016 and will form the basis for an overall Big Data strategy in Maersk Drilling.

Maersk Drilling has designed the next generation drillship. Together with key industry equipment and technology providers the technical specification of the 20K™ drillship has been finalised. The 20K™ rigs will be able to safely and efficiently operate in high-pressure, high-temperature reservoirs up to 20,000 pounds per square inch and 350 degrees Fahrenheit. It will however require higher oil prices before the new drillship can be realised commercially.