A.P. Møller - Mærsk A/S

Annual Report 2010

MAERSK

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A.P. Moller - Maersk Group

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Forward-looking statements

This 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.

Governing text

The 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.

Annual Report 2010

(Figures for 2009 in parenthesis)

2010 Highlights

- Revenue USD 56.1 billion (USD 48.6 billion)
- Profit before depreciation, amortisation and impairment losses (EBITDA) USD 15.9 billion (USD 9.2 billion)
- Impairment losses USD 0.7 billion (USD 0.5 billion)
- Gain on sale of non-current assets, net USD 0.7 billion (USD 0.2 billion)
- Profit before financial items (EBIT) USD 10.6 billion (USD 3.8 billion)
- Profit before tax USD 9.7 billion (USD 2.8 billion)
- Tax for the year USD 4.7 billion (USD 3.8 billion)
- Profit for the year USD 5.0 billion (loss of USD 1.0 billion). In Danish kroner (DKK) the profit amounted to 28.2 billion (loss of DKK 5.5 billion)
- Cash flow from operating activities USD 10.1 billion (USD 4.7 billion)
- Cash flow used for capital expenditure USD 4.6 billion (USD 7.9 billion)
- Return on invested capital (ROIC) 12.2% (negative by 0.3%)

- The profit for the year of USD 5.0 billion was in line with the Group's last announced expected profit as stated on 10 November 2010.

- The Group's result was positively affected by recovery in world trade and continued improvement of competitiveness through further cost savings and alignment of activities.

- The average freight rate for the Group's container activities increased by 29% in 2010 after a decline of 28% in 2009. Volumes increased by 5% from 2009, and freight rates as well as volumes were close to the 2008 level. Unit costs excluding bunker costs declined by 4%, corresponding to USD 0.8 billion, whereas the profit was USD 2.6 billion (loss of USD 2.1 billion).

- The Group's oil and gas activities generated a profit of USD 1.7 billion. The result was positively affected by an increase in oil prices of 29%, to an average of USD 80 per barrel, and negatively affected by a continued declining production share, primarily in Qatar. During 2010, the Group maintained a high level of exploration activity with share in 14 exploration and appraisal wells which resulted in several new discoveries. The Group has obtained new licenses in Greenland, Great Britain, USA, Brazil and Norway. Furthermore, the Group has invested in significant and promising oil fields in the US Gulf of Mexico and in Brazil.

- APM Terminals' profit of USD 793 million in 2010 was impacted by continued optimisation of the terminal portfolio by gain from divestment of certain non-strategic port terminals and improved competitiveness through productivity increases and savings. The Group's inland activities, including trucking and container depots, etc. were integrated into APM Terminals. APM Terminals continues to focus on emerging markets and entered into agreements to establish port terminals in Santos, Brazil and in Monrovia, Liberia.

- The tanker market rates were generally low throughout 2010, which is reflected in Maersk Tankers' loss of USD 118 million. The result was furthermore negatively affected by impairment losses of USD 111 million.

- Maersk Drilling's profit was USD 399 million which was significantly higher than in 2009, primarily due to operation of new semi-submersible rigs and a generally higher activity level. Maersk Drilling completed a large newbuilding programme with the delivery of the most recent semi-submersible rig.

- Maersk FPSOs and Maersk LNG had a loss of USD 242 million due to lower production for FPSOs and lower rates for LNG as well as impairment losses in both segments of USD 271 million.

- Maersk Supply Service generated a profit of USD 201 million, negatively affected by declining spot rates.

- Svitzer achieved a profit of USD 130 million, positively affected by cost savings and sales gains, etc.

- The Dansk Supermarked Group generated a profit of DKK 2,215 million.

- Generally positive market conditions and the Group's continued streamlining and cost savings improved the cash flow from operating activities which at USD 10.1 billion was up 117% compared to 2009. At USD 4.6 billion, cash flow used for capital expenditure was somewhat lower than the preceding year. The reasons for the decrease were the completion of the field development in Qatar as well as a generally lower contracting level during the crisis. The Group's free cash flow was USD 5.5 billion, and the Group's net interest-bearing debt was reduced by USD 5.7 billion to USD 12.4 billion.

Outlook for 2011

The **A.P. Moller - Maersk Group** expects a result lower than the 2010 result. Cash flow from operating activities is expected to develop in line with the result, while cash flow used for capital expenditure is expected to be significantly higher than in 2010.

The Group expects the global demand for seaborne containers to grow by 6-8% in 2011. The global supply of new tonnage is expected to match or grow more than the freight volume especially on the Asia to Europe trade. The Group's **container activities** expect a satisfactory result, but below the 2010 result.

Maersk Oil expects a higher level of exploration activities than in 2010. The Group's share of the oil and gas production is expected to decline to around 125 million barrels. Maersk Oil's result for 2011 is expected to be lower than in 2010 based on an average oil price around USD 90 per barrel.

APM Terminals expects continued growth in volumes and a result somewhat above 2010 excluding sales gains.

Maersk Tankers operates under very difficult market conditions and freight rates are below breakeven for most segments at the beginning of 2011. Maersk Tankers expects the result excluding impairments to be weak, however, better than in 2010.

At the end of 2010, **Maersk Drilling** had high contract coverage at attractive rates and expects to contribute with a result above 2010.

Maersk LNG and **Maersk FPSOs** expect an improved result excluding impairments compared to 2010, primarily due to the start-up of the FPSO Maersk Peregrino offshore Brazil.

Maersk Supply Service expects a lower result than in 2010 due to lower contract coverage and weaker spot market rates than at the beginning of 2010.

Svitzer expects a result above 2010.

The **Dansk Supermarked Group** expects a result at the level of 2010 excluding expected gain of USD 0.7 billion from the sale of Netto Foodstores Limited, UK.

The outlook for 2011 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 an expected earnings level and all other things equal, the sensitivities for the four most important factors are illustrated in the table below:

Factors	Change	Effect on the Group's net result
Oil price	+/-10 USD/barrel	+/-USD 0.2 billion
Share of oil production	+/-10 million barrel	+/-USD 0.3 billion
Container freight rate	+/-100 USD/FFE	+/-USD 0.8 billion
Container freight volume	+/-100,000 FFE	+/-USD 0.2 billion

Financial highlights

Amounts in DKK million

	2010	2009	2008	2007	2006
Revenue	315,396	260,336	312,122	279,201	260,463
Profit before depreciation, amortisation and impairment losses, etc.	89,218	49,262	83,945	64,895	50,458
Depreciation, amortisation and impairment losses	33,822	30,317	26,092	26,226	19,357
Gain on sale of non-current assets, net	3,792	852	4,656	6,062	4,227
Associated companies – share of profit/loss for the year	461	360	-1,882	3,081	2,881
Profit before financial items	59,649	20,157	60,627	47,812	38,209
Financial items, net	-5,263	-5,253	-7,808	-4,111	-2,219
Profit before tax	54,386	14,904	52,819	43,701	35,990
Tax	26,174	20,393	35,287	24,537	19,935
Profit/loss for the year – continuing operations	28,212	-5,489	17,532	19,164	16,055
Profit/loss for the year – discontinued operations	3	–	106	-533	131
Profit/loss for the year	28,215	-5,489	17,638	18,631	16,186
A.P. Møller - Mærsk A/S' share	26,455	-7,027	16,960	17,809	15,557
Total assets	374,723	345,199	343,110	328,098	313,695
Total equity	192,962	158,868	158,394	146,688	136,711
Cash flow from operating activities	56,972	25,098	43,422	39,820	23,697
Cash flow used for capital expenditure	-26,078	-42,195	-52,375	-49,003	-34,321
Investment in property, plant and equipment	26,683	42,161	61,078	57,998	44,316
Return on invested capital after tax (ROIC)	12.7%	-0.3%	9.9%	10.3%	9.7%
Return on equity after tax	16.0%	-3.5%	11.6%	13.1%	12.4%
Equity ratio	51.5%	46.0%	46.2%	44.7%	43.6%
Earnings per share (EPS), DKK	6,061	-1,674	4,122	4,328	3,781
Diluted earnings per share, DKK	6,058	-1,674	4,122	4,328	3,781
Cash flow from operating activities per share, DKK	13,052	5,980	10,553	9,678	5,759
Dividend per share, DKK	1,000	325	650	650	550
Share price (B share), end of year, DKK	50,510	36,600	28,100	54,400	53,200
Total market capitalisation, end of year	217,464	156,901	116,281	223,177	214,284

Financial highlights

Amounts in USD million

	2010	2009	2008	2007	2006
Revenue	56,090	48,580	61,270	51,278	43,798
Profit before depreciation, amortisation and impairment losses, etc.	15,867	9,193	16,478	11,919	8,487
Depreciation, amortisation and impairment losses	6,015	5,658	5,122	4,816	3,255
Gain on sale of non-current assets, net	674	159	914	1,113	711
Associated companies – share of profit/loss for the year	82	67	-369	566	484
Profit before financial items	10,608	3,761	11,901	8,782	6,427
Financial items, net	-936	-980	-1,533	-755	-374
Profit before tax	9,672	2,781	10,368	8,027	6,053
Tax	4,655	3,805	6,927	4,507	3,352
Profit/loss for the year – continuing operations	5,017	-1,024	3,441	3,520	2,701
Profit/loss for the year – discontinued operations	1	–	21	-98	22
Profit/loss for the year	5,018	-1,024	3,462	3,422	2,723
A.P. Møller - Mærsk A/S' share	4,705	-1,311	3,329	3,271	2,617
Total assets	66,756	66,511	64,925	64,648	55,409
Total equity	34,376	30,610	29,972	28,903	24,148
Cash flow from operating activities	10,132	4,679	8,524	7,313	3,987
Cash flow used for capital expenditure	-4,638	-7,874	-10,281	-9,000	-5,771
Investment in property, plant and equipment	4,745	7,867	11,990	10,652	7,452
Return on invested capital after tax (ROIC)	12.2%	-0.3%	10.1%	10.1%	9.7%
Return on equity after tax	15.4%	-3.4%	11.8%	12.9%	12.4%
Equity ratio	51.5%	46.0%	46.2%	44.7%	43.6%
Earnings per share (EPS), USD	1,078	-312	809	795	636
Diluted earnings per share, USD	1,077	-312	809	795	636
Cash flow from operating activities per share, USD	2,321	1,115	2,072	1,777	969
Dividend per share, USD	178	63	123	128	97
Share price (B share), end of year, USD	8,998	7,052	5,317	10,719	9,397
Total market capitalisation, end of year	38,741	30,231	22,002	43,973	37,849

The Executive Board functions as the day-to-day management and consists of (from left):

Kim Fejfer
Søren Skou (sitting)
Eivind Kolding

Nils S. Andersen (Group CEO)
Jakob Thomasen
Claus V. Hemmingsen (sitting)
Trond Westlie

A.P. Moller - Maersk Group

Directors' report

The Group achieved its best profit so far in 2010 after a loss in 2009. The development in the Group's profit reflects the improved competitiveness and the correlation between the Group's revenue and the development in world trade and global oil consumption.

In 2010, the world economy grew by a total of 4.1%, however, with major regional differences. The recovery was slow and weak in Europe and North America despite stimulus packages and inventory replenishment. Growth in emerging markets positively influenced world trade and, accordingly, the Group's profit.

The Group transports around 15% of the world's seaborne containers. In combination with logistics and terminal activities, the Group delivers an efficient infrastructure for world trade and thus economic growth and wealth.

The management's priorities for 2010 were to improve the Group's competitiveness, strengthening the funding position, seize market opportunities in the wake of the crisis and restoring Maersk Line profitability.

IMPROVED COMPETITIVENESS

The improvement programmes for 2008 and 2009 continued in 2010. With a profit improvement of around USD 1 billion, the Group strengthened its competitiveness markedly, particularly through further streamlining and by phasing out loss-making activities or making them profitable. The Group further reduced its costs in 2010, partly through better procurement.

STRENGTHENED FUNDING POSITION

The Group strengthened its funding position, providing the basis for considerable additional growth. In 2010, the Group generated cash flow from operating activities of USD 10.1 billion and a free cash flow of USD 5.5 billion after investments. The Group has USD 14.5 billion in liquidity buffer, and financing of committed investments has been established.

In November 2010, the Group issued bonds for EUR 500 million. The gross proceeds from the Group's four bond series issued in 2009 and 2010 total USD 2.3 billion, with maturities of four to seven years. At the end of the year, bonds totalled 13% of the Group's gross interest-bearing debt.

SEIZE MARKET OPPORTUNITIES

In 2010, the Group invested with focus on long-term growth within the oil and terminal segments.

At the end of the year, Maersk Oil entered into an agreement to acquire an ownership interest in three oil licences offshore Brazil for an amount of USD 2.4 billion. The acquisition comprises a field with a minor production whereas two other fields may generate a considerable production from 2016 and 2018, respectively. In addition, Maersk Oil acquired an interest in another block at the beginning of the year and now participates in eight licences in Brazil. At the beginning of 2010, Maersk Oil acquired an ownership interest in the Jack Field in the US Gulf of Mexico at a price of USD 300 million with expected oil production from 2014.

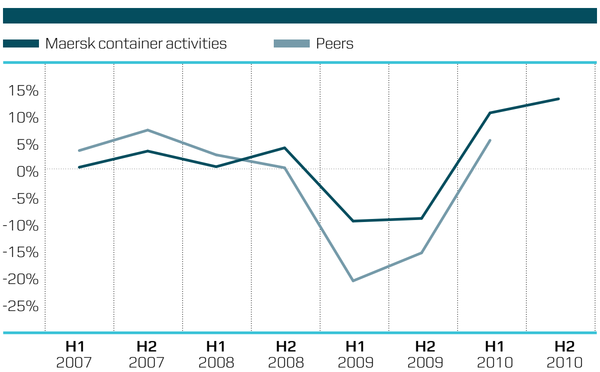
In 2010, APM Terminals entered into a joint venture agreement to establish a new terminal in Santos, Brazil. The terminal is expected to open in 2012 and will, when completed, have capacity to handle 2.2 million containers a year. APM Terminals also concluded a concession agreement to operate the port terminal in Monrovia, Liberia, with an expected investment requirement in the order of USD 120 million.

RESTORING MAERSK LINE PROFITABILITY

In the wake of the worst year ever for container activities, the Group continued its focus on strengthening Maersk Line's competitiveness. In 2010, the Group's container shipping companies shipped practically the same number of containers with the same average rate as in 2008, but nevertheless generated a profit that was USD 2.2 billion higher than in 2008, primarily due to streamlining and cost savings. Maersk Line set a new industry standard for on-time delivery, and customer satisfaction reached the highest level ever measured by Maersk Line.

The efforts to standardise and simplify processes that started in 2008 continued in 2010. The objective was to simplify the customers' interaction with the Group and to save costs and provide a higher level of transparency internally.

Maersk container activities EBIT vs. 11 selected peers



SUSTAINABILITY

The Group implemented a new sustainability strategy in 2010. The Group is active in central elements of the global economy and as a responsible enterprise, the A.P. Moller - Maersk Group is obliged to bring its influence to bear. However, the Group also sees business opportunities in integrating this mindset in its operating activities. For container shipping, slow steaming has been a decisive factor in reducing the Group's total CO_2 emissions and already in 2010, the Group achieved the reduction target set in 2009 for 2012. Slow steaming has become a new standard for the container shipping industry, thereby positively contributing to the global environment. Maersk Tankers also introduced the slow steaming concept in the tanker industry.

EMPLOYEES

There is every reason to thank the employees for their dedicated and targeted effort in a year of many challenges and continued changes and adjustments. More than anything, the employees' attitude and ability to adapt themselves and the business created the best profit in the history of the Group, while at the same time the employee engagement grew even stronger. That is encouraging and promises well for the Group's future.

The Group reduced the number of full-time employees to 108,000 (115,000), primarily due to the gradual closure of the Group's shipbuilding activities and divestment of Norfolk Holdings B.V. and the activities in Rosti.

PRIORITIES FOR 2011

Customers first

For the past few years, special focus has been on a number of internal factors such as costs, organisation and processes. With a regained and strengthened competitiveness, the Group now increases its focus on markets and customers, where the Group can add value.

Emerging markets

2011 will also be the year when the Group intensifies its focus on emerging markets. The Group has a historical strong position and organisation in a number of developing countries with considerable growth potential and will target its efforts at further developing its activities in these markets.

Transformation of Maersk Oil

Maersk Oil has initiated a number of activities, the purpose of which is to ensure top ranking in terms of safety, operation of mature fields, and innovation. The Group will also invest in building reserves and strengthening the organisation as well as further developing the technical expertise.

Win again

The most significant streamlining processes have been implemented but focus will still be on improvement as well as phasing out or developing activities with low profitability.

INVESTMENT IN NEW, INNOVATIVE VESSELS

In line with the Group's drive to increase competitiveness and environmental leadership, Maersk Line has signed a contract for ten new, innovative container vessels with Korean shipyard Daewoo in 2011 with an option for an additional 20 vessels. The vessels are scheduled for delivery between 2013-2015.

The 'Triple-E' vessels (Economy of scale, Efficiency, Environment) will set new standards for size, fuel and cost efficiency as well as reduction of CO_2 emissions. The capacity of the new vessels is 18,000 TEU, exceeding the capacity of the world's largest container vessels at the moment, Maersk Line's PS-class vessels of 15,550 TEU.

'TRIPLE-E' VESSELS

- Capacity: 18,000 TEU
- Fuel Consumption: 35% lower than standard 13,100 TEU vessel
- CO_2 emission per TEU: 50% lower than current industry average on the Asia-Europe trades
- Unit Cost: 26% lower than standard 13,100 TEU vessel
- Price: USD 190 million per vessel

Business areas

The A.P. Moller - Maersk Group comprises approximately 1,100 companies. Major companies and activities are listed on pages 161–165 so that all countries and all activities in which the A.P. Moller - Maersk Group has a presence are represented. The Group's invested capital was USD 47.0 billion (USD 48.7 billion) and return on invested capital (ROIC) was 12.2% (negative by 0.3%).

			Invested capital USD million	ROIC % 2010	ROIC % 2009
Container activities	Maersk Line, Safmarine og MCC	Global container services	16,782	15.3	-12.1
	Damco	Logistic and forwarding activities	190	22.2	4.3
Oil and gas activities	Maersk Oil	Oil and gas production and exploration activities	4,917	32.6	22.9
Terminal activities	APM Terminals	Container terminal activities inland transportation, repair of containers and container depots, etc.	4,749	16.0	10.0
Tankers, offshore and other shipping activities	Maersk Tankers	Tanker shipping of crude oil, oil products and gas	3,344	-3.4	-8.2
	Maersk Drilling	Offshore drilling activities and operation of land rigs through 50% ownership of Egyptian Drilling Company	3,713	11.0	6.5
	Maersk FPSOs Maersk LNG	Floating oil and gas production units Natural gas transportation	2,843	-8.0	0.1
	Maersk Supply Service	Supply vessel activities with anchor handling and platform supply vessels, etc.	1,900	10.5	18.4
	Svitzer	Towing and salvage activities, etc.	1,884	7.2	5.4
	Ro/Ro and related activities	39% ownership of Höegh Autoliners and 31% ownership of DFDS A/S (associated companies)	606	-17.5	-6.9
			DKK billion	**ROIC % 2010**	**ROIC % 2009**
Retail activity	The Dansk Supermarked Group	Supermarkets (Føtex and Bilka) and department stores (F. Salling) and discount supermarkets (Netto), etc.	15,485	15.4	17.2
Other businesses	The Odense Steel Shipyard Group	Shipyard in Denmark	21,241	4.5	-2.2
	Danske Bank	20% ownership Danske Bank A/S (associated company)			
	Maersk Container Industry	Production of dry and reefer containers			
	Other	Star Air, Danbor Service, etc.			

Segment overview

	DKK million		USD million	
	2010	2009	**2010**	2009
Revenue				
Container activities	146,415	106,796	26,038	19,929
Oil and gas activities	57,634	48,362	10,250	9,025
Terminal activities	23,906	22,723	4,251	4,240
Tankers, offshore and other shipping activities	31,679	29,559	5,634	5,516
Retail activity	59,250	57,247	10,537	10,683
Other businesses	8,181	8,031	1,455	1,498
Total reportable segments	**327,065**	**272,718**	**58,165**	**50,891**
Unallocated revenue (Maersk Oil Trading)	3,035	1,609	540	300
Eliminations	-14,704	-13,991	-2,615	-2,611
Total	**315,396**	**260,336**	**56,090**	**48,580**
Profit/loss for the year				
Container activities	14,855	-11,396	2,642	-2,127
Oil and gas activities	9,327	6,239	1,659	1,164
Terminal activities	4,457	2,651	793	494
Tankers, offshore and other shipping activities	1,362	1,467	240	275
Retail activity	2,215	2,128	394	397
Other businesses	953	-448	170	-83
Total reportable segments	**33,169**	**641**	**5,898**	**120**
Unallocated loss	-5,006	-6,154	-890	-1,149
Eliminations	49	24	9	5
Discontinued operations, after elimination	3	–	1	–
Total	**28,215**	**-5,489**	**5,018**	**-1,024**

The presentation of the profit/loss for reportable segments has been changed as from 1 January 2010. As a result, the trucking and container depot activities previously part of Container activities are now included in Terminal activities, and the container production activities previously part of Container activities are now included in Other businesses.The change has no impact on the Group's profit for the year. Comparative figures have been restated.

Container activities

Key figures	DKK million 2010	DKK million 2009	USD million 2010	USD million 2009
Revenue	146,415	106,796	26,038	19,929
Profit/loss before depreciation, amortisation and impairment losses, etc. (EBITDA)	25,877	-1,622	4,602	-303
Depreciation, amortisation and impairment losses	9,717	9,133	1,728	1,705
Gain on sale of non-current assets, net	131	272	23	51
Associated companies – share of profit/loss for the year	-12	8	-2	2
Profit/loss before financial items (EBIT)	16,279	-10,475	2,895	-1,955
Financial items, net	-112	-271	-20	-50
Profit/loss before tax	16,167	-10,746	2,875	-2,005
Tax	1,312	650	233	122
Profit/loss	14,855	-11,396	2,642	-2,127
Cash flow from operating activities	23,619	704	4,200	131
Cash flow used for capital expenditure	-5,484	-7,133	-975	-1,331
Non-current assets	100,691	97,087	17,938	18,707
Current assets	20,126	16,408	3,585	3,161
Non-interest bearing liabilities	25,549	23,500	4,551	4,528
Invested capital, net	95,268	89,995	16,972	17,340
Return on invested capital after tax (ROIC)	16.0%	-12.2%	15.4%	-11.9%
Transported volumes (FFE in million)			7.3	6.9
Average rate (USD per FFE)			3,064	2,370
Average fuel price (USD per tonne)			458	342

Container activities

2010 Highlights

- The Group's container activities transported a total of 7.3 million FFE, an increase of 5% compared to 2009. The overall container market increased by approximately 13%
- Average freight rates, including bunker surcharges, totalled USD 3,064 per FFE, up 29% compared to 2009
- Write-downs to expected sales price for seven container vessels were USD 168 million (USD 147 million)
- Gain on sale of non-current assets, net USD 23 million (USD 51 million)
- Bunker consumption was reduced by 10% per FFE
- Unit costs excluding bunker declined by 4% (10%)
- Profit USD 2.6 billion (loss of USD 2.1 billion)
- Cash flow from operating activities USD 4.2 billion (USD 0.1 billion)
- Return on invested capital (ROIC) 15% (negative by 12%)

THE CONTAINER ACTIVITIES MARKET

The container market developed positively in 2010. The global demand for container transportation increased faster than expected by 13% compared to 2009 where demand declined by 13%. Improved market balance and shortage of containers in the second and third quarters formed the basis for considerably higher freight rates than in 2009.

All main trades showed positive development in container volumes and freight rates. Rates peaked in the third quarter with normal seasonal decline towards the end of the year.

The increase in the container market reduced the number of laid up vessels over the year. At year-end 2010, around 2% of the global container fleet was laid up, compared to approximately 12% at the beginning of the year.

Slow steaming, which was implemented by Maersk Line in 2009 for the Group's container vessels to reduce bunker consumption and environmental impacts, became standard in 2010 for major container shipping companies. Maersk Line expects to continue slow steaming in the future.

Container shipping

USD million

Key figures	2010	2009
Revenue	24,022	18,288
Profit/loss before depreciation, amortisation and impairment losses, etc. (EBITDA)	4,507	-347
Depreciation, amortisation and impairment losses	1,708	1,682
Gain on sale of non-current assets, net	23	50
Associated companies – share of profit/loss for the year	-2	2
Profit/loss before financial items (EBIT)	2,820	-1,977
Financial items, net	-16	-48
Profit/loss before tax	2,804	-2,025
Tax	206	112
Profit/loss	2,598	-2,137
Cash flow from operating activities	4,116	81
Cash flow used for capital expenditure	-947	-1,304

CONTAINER SHIPPING

The Group's container shipping activities comprise Maersk Line, Safmarine, with a primary focus on container transportation to and from the Middle East and Africa, as well as MCC, which operates the Group's Intra-Asia routes. The Group's global network comprises 570 owned and chartered container vessels with a total capacity of 2.2 million TEU (twenty foot equivalent container units) at 31 December 2010. Furthermore, the fleet comprises 15 owned and chartered multi-purpose vessels.

The container activities were positively affected by the improved market conditions, and revenue increased by 31% to USD 24.0 billion in 2010. Total volumes transported by the Group increased by 5% to 7.3 million FFE, and average freight rates increased by 29% to USD 3,064 per FFE. Capacity utilisation was generally higher in 2010 than in 2009.

The Group lost market shares in 2010, primarily due to the unexpected pick-up of demand and the consequent lack of capacity and prioritisation of high profitability. The Group increased its market share during the fourth quarter in 2010.

Head haul volumes from **Asia** to **Europe** increased by 1%, while back haul volumes declined by 2% compared to 2009. Average head haul freight rates increased by 58% and 37% on back haul.

New contracts on the **Pacific Ocean** with higher freight rates were effective from 1 May 2010. Transported volumes developed positively in 2010.

	Rates 2010/ 2009	Volumes 2010/ 2009	Distribution on volumes across routes 2010	Distribution on volumes across routes 2009
Asia – Europe	52%	0%	38%	40%
Africa	11%	8%	15%	14%
Transpacific	33%	2%	13%	13%
Latin America	21%	14%	13%	12%
Transatlantic	23%	2%	9%	10%
Oceania	15%	-1%	6%	6%
Intra-Asia	19%	37%	6%	5%
Total	29%	5%	100%	100%

2010 was another successful year for **Intra-Asia** where the Group's shipping company, MCC, significantly increased its market share. MCC's transported volumes increased considerably, amounting to 6% (5%) of the Group's total transported volumes.

Overall, freight rates and volumes increased on **other routes** compared to 2009.

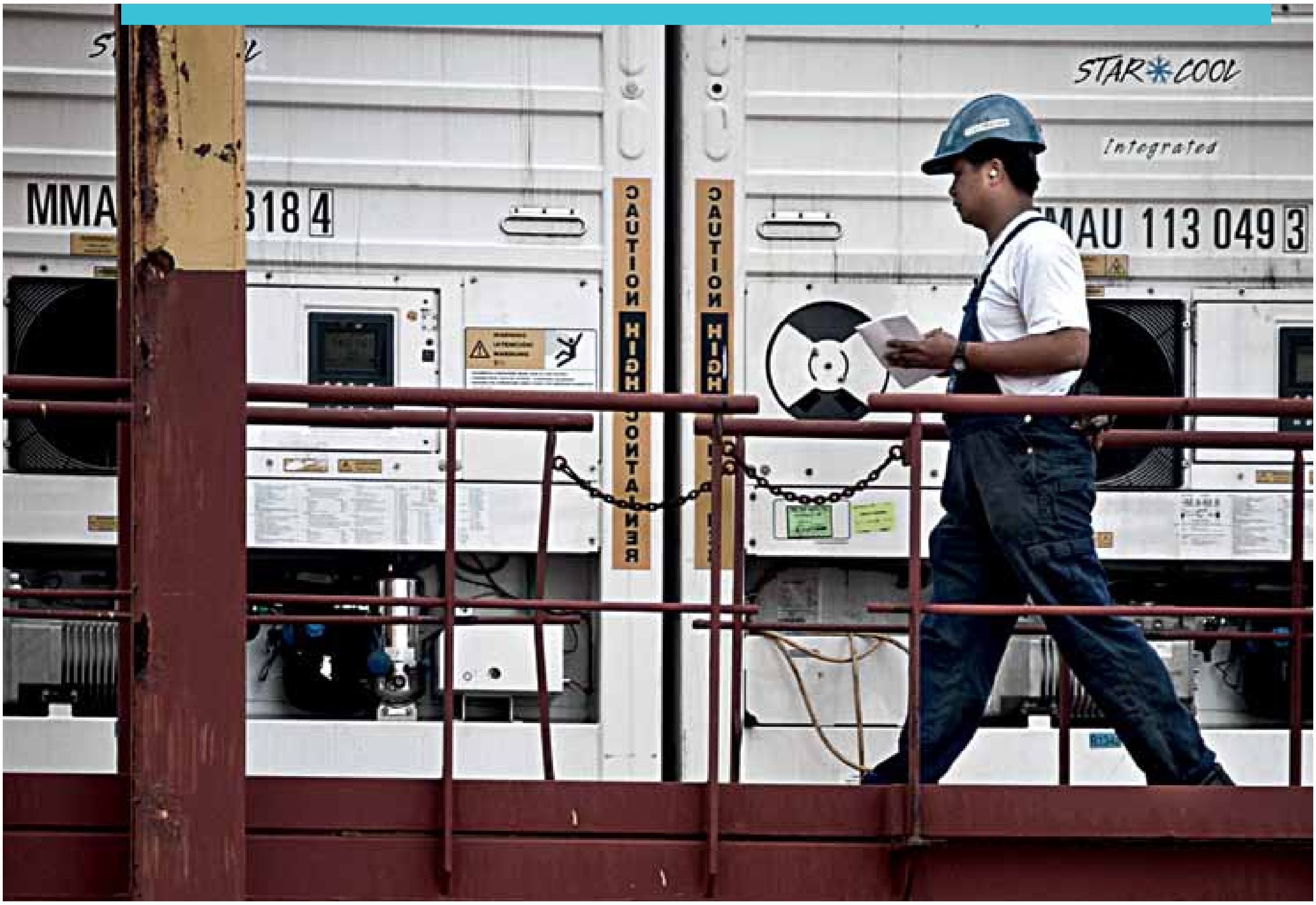
The route network is constantly being changed to adjust capacity to demand. In 2010, changes were made in connection with the reintroduction of routes temporarily suspended in 2009 and the change of port calls with the introduction of new direct calls. In addition to these routine changes, additional capacity was deployed between Asia and Europe and on direct routes from Asia to West Africa. Furthermore, a direct route from Asia to East Africa and from Asia to Chennai on the East Coast of India were introduced.

In the second half of 2010, container activities registered the highest customer satisfaction so far, thereby continuing the positive development from previous years. The Group's focus on increased reliability was a significant reason for this, and in nine out of the ten most recent quarters, Maersk Line has been the most reliable global container shipping company (Drewry). With an internal objective to reach 95% reliability, Maersk Line wishes to stand out even further from its competitors by ensuring better customer service.

The cost savings and rationalisation measures that were implemented in 2008 are now fully incorporated into the daily routines, contributing positively to the Group's earnings. Total unit costs per FFE transported were at the same level as in 2009. Unit costs excluding bunker costs declined by 4%.

To reduce bunker costs and CO_2 emissions, slow steaming was implemented in 2009 on both the Group's own and chartered vessels. Slow steaming continued in 2010. As a result of this and a number of other measures, bunker consumption was reduced by 10% per FFE from 2009 to 2010.

Despite lower consumption, total bunker costs increased by 26% compared to 2009 due to higher bunker prices. A bunker surcharge almost fully neutralises the effect from fluctuating bunker costs.



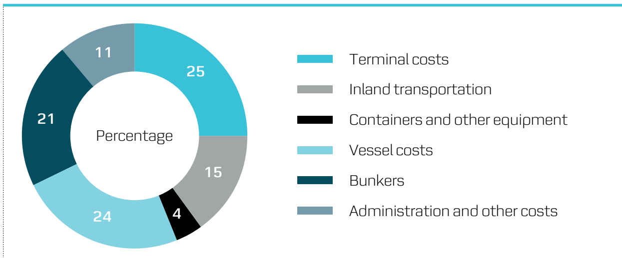
Two of the Group's vessels were laid up by the end of the year corresponding to 1% of the fleet compared to 19 at the end of 2009.

In 2010, the Group took delivery of four vessels totalling 8,300 TEU, eight vessels totalling 33,000 TEU held under finance leases were returned, one vessel of 1,800 TEU was sold, while three older container vessels totalling 10,500 TEU were scrapped in an environmentally responsible manner. At the end of the year, the Group had a total of 40 container vessels and five multi purpose vessels on order for delivery in 2011-2013.

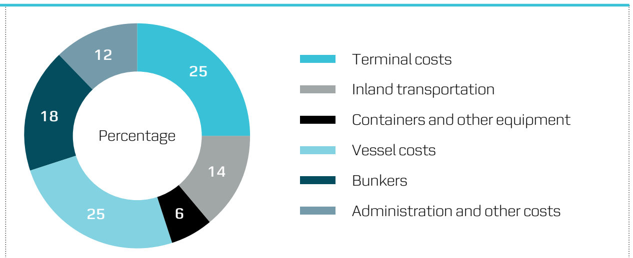
At year-end 2010, the total chartered capacity was 0.9 million TEU (0.7 million TEU) corresponding to 40% (36%) of the total capacity.

Distribution of container shipping unit costs

2010



2009



In November 2010, Maersk Line decided to divest seven of the Group's container vessels which are not included in the future strategy plans. These vessels were written down by USD 168 million in the fourth quarter to the expected sales price.

The Group's container shipping activities' earnings (EBIT) per FFE totalled USD 395 (loss of USD 267), excluding gains on sale of ships, etc.

The profit was USD 2.6 billion (loss of USD 2.1 billion), corresponding to a return on invested capital (ROIC) of 15.3% (negative by 12.1%).

In 2010, cash flow from operating activities was influenced by an increase in working capital of USD 421 million, while 2009 had a decrease in working capital of USD 532 million. The difference in working capital was primarily caused by development in freight rates and volumes.

	TEU		No.	
Fleet	**2010**	2009	**2010**	2009
Own container vessels				
0 – 2,999 TEU	106,963	109,046	58	58
3,000 – 4,699 TEU	320,209	350,124	80	87
4,700 – 7,999 TEU	227,398	232,456	38	39
8,000 – TEU	642,525	642,525	69	69
Total	**1,297,095**	**1,334,151**	**245**	**253**
Chartered container vessels				
0 – 2,999 TEU	481,770	364,866	259	206
3,000 – 4,699 TEU	64,333	66,575	16	16
4,700 – 7,999 TEU	242,490	293,665	43	53
8,000 – TEU	80,644	16,800	7	2
Total	**869,237**	**741,906**	**325**	**277**
Own and chartered container vessels	**2,166,332**	**2,067,057**	**570**	**530**
Own and chartered multi purpose vessels			**15**	**17**
Newbuilding programme (own vessels)				
0 – 2,999 TEU	3,608	7,216	2	4
3,000 – 4,699 TEU	99,000	102,075	22	23
4,700 – 7,999 TEU	119,200	119,200	16	16
8,000 – TEU	–	–	–	–
Container vessels total	**221,808**	**228,491**	**40**	**43**
Multi purpose vessels			**5**	**4**

Damco

Damco is the 10th largest global supplier of Supply Chain Management (SCM) and forwarding services and has offices in more than 90 countries.

In 2010, the global logistics market was positively affected by the increase in world trade, and Damco handled 610,000 TEU of sea freight as well as 48 million m^3 SCM, corresponding to approximately 2 million TEU, up 18% and 13%, respectively, compared to 2009, which was slightly above market average. Air freight volumes increased by 24% to 75,000 tonnes, which was above market average. The increased volumes resulted in an increase in revenue to USD 2.7 billion (USD 2.2 billion).

Following the difficult market conditions in 2009, Damco refocused on growth and investments in targeted customer segments in 2010, including air freight and emerging markets. Damco continued to focus on turn around or phasing out non-profitable activities and implementing cost savings, and the process optimisations and offshoring of functions initiated during 2010 will continue in 2011. In the second quarter of 2010, Damco opened the largest customer service centre in the industry in Chengdu, China, with approximately 1,000 employees servicing Damco's operations across China.

The profit was USD 44 million (USD 10 million). The profit was positively impacted by volume increases and negatively by restructuring costs and higher freight expenses. The continued cost savings positively influenced the EBIT margin, which increased to 2.8% (1.0%).

Cash flow from operating activities increased by 79% to USD 84 million (USD 47 million).

Return on invested capital (ROIC) was 22.2% (4.3%).

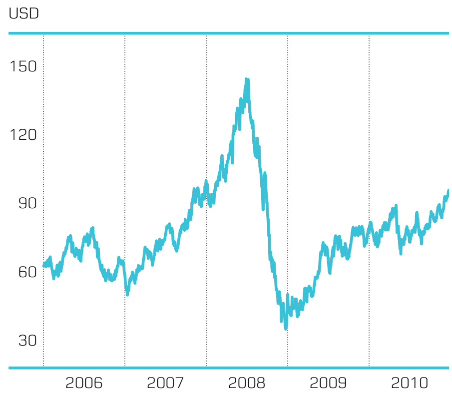
Damco	USD million	
Key figures	**2010**	2009
Revenue	2,691	2,223
Profit before depreciation, amortisation and impairment losses, etc. (EBITDA)	95	44
Depreciation, amortisation and impairment losses	20	23
Gain on sale of non-current assets, net	–	1
Profit before financial items (EBIT)	75	22
Financial items, net	-4	-2
Profit before tax	71	20
Tax	27	10
Profit	44	10
Cash flow from operating activities	84	47
Cash flow used for capital expenditure	-28	-26

Oil and gas activities

Key figures	DKK million 2010	DKK million 2009	USD million 2010	USD million 2009
Revenue	57,634	48,362	10,250	9,025
Profit before exploration costs	49,896	41,402	8,873	7,726
Exploration costs	3,403	3,624	605	676
Profit before depreciation, amortisation and impairment losses, etc. (EBITDA)	46,493	37,778	8,268	7,050
Depreciation, amortisation and impairment losses	13,594	12,565	2,418	2,346
Gain on sale of non-current assets, net	20	121	4	23
Profit before financial items (EBIT)	32,919	25,334	5,854	4,727
Financial items, net	-296	-375	-52	-70
Profit before tax	32,623	24,959	5,802	4,657
Tax	23,296	18,720	4,143	3,493
Profit	9,327	6,239	1,659	1,164
Cash flow from operating activities	22,231	17,100	3,954	3,191
Cash flow used for capital expenditure	-11,033	-12,601	-1,962	-2,351
Non-current assets	43,020	43,722	7,664	8,424
Current assets	7,741	5,685	1,379	1,095
Non-interest bearing liabilities	23,159	22,154	4,126	4,268
Invested capital, net	27,602	27,253	4,917	5,251
Return on invested capital after tax (ROIC)	34.0%	23.4%	32.6%	22.9%
Share of oil and gas production (million barrels of oil equivalents)			138	156
Average crude oil price (Brent) (USD per barrel)			80	62

Oil and gas activities

Brent price fluctuations USD/barrel, 2006-2010



Source: Bloomberg

2010 highlights

- Share of oil and gas production was 12% lower than in 2009, mainly due to a lower share of the production in Qatar
- Average oil price (Brent) 29% higher than in 2009
- Exploration costs of USD 605 million were at the same level as in 2009
- Result increased to USD 1.7 billion, significantly higher than in 2009, primarily due to higher oil prices
- Cash flow from operating activities USD 4.0 billion (USD 3.2 billion)
- Return on invested capital (ROIC) 32.6% (22.9%)

Maersk Oil has production in Denmark, Qatar, Great Britain, Algeria and Kazakhstan. Maersk Oil also conducts exploration activities in these countries as well as in Angola, Brazil, Greenland, Norway, Oman and the US Gulf of Mexico.

Revenue for the Group's oil and gas activities increased by 14% to USD 10.3 billion (USD 9.0 billion), positively influenced by higher oil prices. Oil prices increased from a level of around USD 75 per barrel at the beginning of the year to around USD 90 per barrel at year-end. The average oil price for the year of USD 80 per barrel was 29% above the average price of USD 62 per barrel in 2009.

Tax on oil and gas activities increased to USD 4.1 billion (USD 3.5 billion). The profit was USD 1.7 billion (USD 1.2 billion).

Cash flow from operating activities increased to USD 4.0 billion (USD 3.2 billion).

Capital expenditure in 2010 was USD 2.0 billion (USD 2.4 billion).

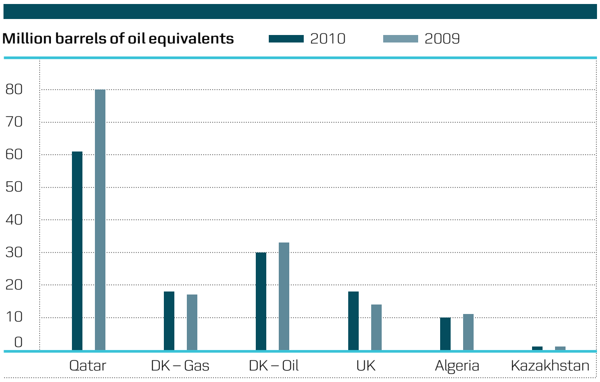
Return on invested capital (ROIC) was 32.6% (22.9%).

PRODUCTION AND DEVELOPMENT

The Group's share of production was 138 million barrels, 12% below the level of the previous year at 156 million barrels of oil equivalents.

In **Qatar** the expansion of the Al Shaheen Field continues, and the development plan from 2005, including 15 new platforms, is largely completed. Total investments for the period 2006-2010 were USD 6.2 billion. Drilling is expected to continue into 2012 and drilling results and production data have confirmed that the field continues to hold significant unexploited potential. Maersk Oil is evaluating the data together with Qatar Petroleum, aiming at developing further investment plans. While this is ongoing, Maersk Oil expects the production level to

Share of oil and gas production



continue at a level in the order of 300,000 barrels of oil per day. Maersk Oil's share of the production was 61 million barrels in 2010 (80 million barrels). The decline in the Group's share is primarily due to higher oil prices and a lower share to cover investments and costs.

The level of investments in the Danish sector of the **North Sea** was still significant and A.P. Møller - Mærsk A/S' share of investments in field development in 2010 amounted to USD 230 million (USD 394 million). During 2010, development of the Halfdan Field continued as planned with a new processing platform expected to go on-stream early 2011. Work continues on establishing a pilot installation in the Danish sector of the North Sea, combining enhanced oil recovery with CO_2 storage.

In the Danish sector of the North Sea, Maersk Oil, as operator for Dansk Undergrunds Consortium (DUC), produced a total of 77 million barrels of crude oil in 2010 (85 million barrels). A.P. Møller - Mærsk A/S' 39% share of this amounted to 30 million barrels (33 million barrels). The decrease in oil production in 2010 reflected the natural decline in production from mature fields. DUC's gas sales totalled 7.1 billion m³, the same level as in 2009.

In July 2012, the Danish state owned "Nordsøfonden" enters as partner with 20% ownership interest in DUC at no cost. The net effect on the Group result is limited, as the Danish state participation replaces a 20% profit share collected since the agreement was made in 2003.

In **Great Britain**, development activities continued at the Gryphon, Janice and Dumbarton Fields. Maersk Oil's share of the oil production was 18 million barrels (14 million barrels). The considerably higher production is due to increased production at the Lochranza, Gryphon and Affleck Fields as a result of new wells coming on-stream and completion of development activities.

In February 2011, the Gryphon production facilities were damaged during heavy storms and shut down. Assessment of the damages has not yet been finalised, however it is currently not expected to have significant impact on the Group result in 2011.

In **Algeria**, Maersk Oil participates in production activities with Anadarko as the operator in cooperation with the state-owned oil company Sonatrach. In 2010, Maersk Oil's share of oil production, which was affected by authority production restrictions, was 10 million barrels of oil (11 million barrels). The development activities for the El Merk Fields continue as planned with first oil expected at the beginning of 2012.

In **Kazakhstan**, Maersk Oil operates two fields, and the share of the oil production amounted to 1 million barrels in 2010, at the same level as the year before. A plan for further development of the Dunga Field, including drilling of 150-200 vertical wells has been approved. The sale of the other field, Saigak, is expected to be concluded in 2011, subject to authority approval.

EXPLORATION AND BUSINESS DEVELOPMENT

Exploration costs for 2010 totalled USD 605 million (USD 676 million), positively affected by reversed provisions for an onerous rig contract. In 2010, Maersk Oil was involved in 14 exploration and appraisal wells, reflecting continued high exploration activities.

In **Norway**, exploration drilling is ongoing and commercial evaluation of a gas discovery (Zidane) and an oil discovery (Avaldsnes) continues with further drilling expected during 2011. The Group was awarded a licence in the autumn and results of participation in another licence round are expected in first half of 2011.

In **Great Britain**, Maersk Oil was awarded six licences in October 2010 in an exploration licence round. In the Golden Eagle area, Maersk Oil expects a development plan mid-2011 and development options for the Flyndre/Cawdor area are under evaluation with a development plan also expected in 2011. Appraisal drillings of the Culzean gas discovery are ongoing, and Maersk Oil expects conclusions on the commercial evaluation in the first half of 2011.

Maersk Oil, production and exploration 2010

In **Angola** Maersk Oil is still evaluating the commercial potential of the Chissonga discovery in Block 16. Further drilling is planned and Maersk Oil expects a result of the ongoing assessment in the first half of 2011. In 2011, Maersk Oil increased its ownership share in Block 16 from 50% to 65%.

Maersk Oil acquired 62 operated licences as well as a 25% stake in the Jack Field, a deepwater development project in the central part of the **US Gulf of Mexico**. In the third quarter of 2010, the initial development stage of the Jack Field was approved. With subject to approval from authorities, the planned appraisal drilling (Buckskin) and an exploration well have been postponed until mid-2011 as a result of the drilling moratorium imposed by the authorities until October 2010 following the Macondo incident in the US Gulf of Mexico. Following the US authorities conclusions on the incident, requirements to operational and safety management systems and procedures have been increased. However, this is not expected to have significant impact for Maersk Oil, as the company already comply with the highest operational and safety standards.

In November 2010, Maersk Oil was awarded an operated licence in Baffin Bay, off the west coast of **Greenland** in partnership with Nunaoil, Greenland's national oil company. Maersk Oil plans to conduct seismic surveys with drilling activities expected to start three to five years from now at the earliest. If the exploration activities lead to the discovery of commercially viable hydrocarbons, production could commence in 10 to 15 years.

In December 2010, Maersk Oil concluded an agreement to acquire an interest in three blocks offshore **Brazil** at a price of USD 2.4 billion. The acquisition includes a field with a limited production and two other areas with a potential substantial production from 2016 and 2018, respectively. The acquisition is subject to authority approval and is expected to be realised in the second half of 2011. Earlier in 2010, another stake in a block was acquired which brings the total of Maersk Oil's licences in Brazil up to eight.

Terminal activities

	DKK million		USD million	
Key figures	**2010**	2009	**2010**	2009
Revenue	23,906	22,723	4,251	4,240
Profit before depreciation, amortisation and impairment losses, etc. (EBITDA)	4,884	4,810	869	898
Depreciation, amortisation and impairment losses	2,478	1,993	441	372
Gain on sale of non-current assets, net	2,580	71	459	13
Associated companies – share of profit/loss for the year	136	103	24	18
Profit before financial items (EBIT)	5,122	2,991	911	557
Financial items, net	15	218	3	41
Profit before tax	5,137	3,209	914	598
Tax	680	558	121	104
Profit	4,457	2,651	793	494
Cash flow from operating activities	4,749	4,072	845	760
Cash flow used for capital expenditure	-1,694	-3,519	-301	-657
Non-current assets	28,719	28,373	5,116	5,466
Current assets	4,321	4,456	770	859
Non-interest bearing liabilities	6,381	5,981	1,137	1,152
Invested capital, net	26,659	26,848	4,749	5,173
Return on invested capital after tax (ROIC)	16.7%	10.2%	16.0%	10.0%
Containers handled (measured in million TEU and weighted with ownership share)			31.5	30.9

Terminal activities

2010 highlights

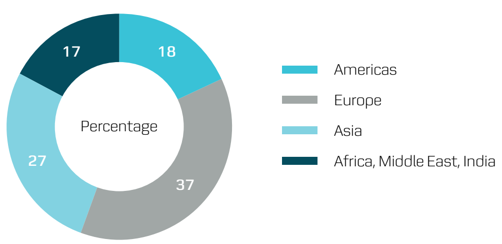
- Number of containers handled increased by 2% compared to 2009. Adjusted for discontinued terminals, volumes increased 7%
- Revenue of USD 4.3 billion was at the level of 2009
- The customer portfolio was expanded even further and volumes from customers other than Maersk Line and Safmarine increased to 44% (41%)
- EBITDA margin for the port terminal activities increased to 25.3% (24.4%), whereas total EBITDA margin was 20.4% (21.2%)
- Gain on sale of non-current assets, net USD 459 million (USD 13 million)
- Profit, excluding sales gains and impairment losses, etc. was USD 492 million, 14% higher than in 2009
- Cash flow from operating activities USD 845 million (USD 760 million)
- Return on invested capital (ROIC) 16.0% (10.0%)

APM Terminals operates a global network of 50 container terminals and 120 inland facilities in 64 countries. During 2010, APM Terminals continued to focus on development in emerging markets and portfolio management to improve performance. The integration of inland activities into APM Terminals was a strategic step designed to strengthen and expand client services. Equally important, the integration allows APM Terminals to enter new markets related to port terminal activities and offer the customers more integrated solutions, covering a larger part of the logistics chain.

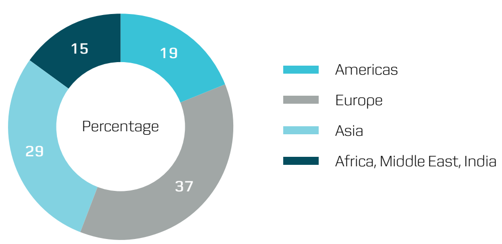
As part of the increased focus on growth and development in emerging markets, APM Terminals concluded a joint venture agreement regarding establishment of a new terminal in Santos, Brazil, and a concession agreement on the operation of the port terminal in Monrovia, Liberia. The construction of the new port terminal in

APM Terminals, crane lifts split by region, weighted by ownership share

2010



2009



Cai Mep, Vietnam is nearing completion for operations to commence early 2011. In addition, a number of terminals were expanded or upgraded during 2010 to cater for growing market demand, notably the Suez Canal Container Terminal in Port Said, Egypt, the Aqaba Container Terminal in Jordan, and the port terminals in Lagos, Nigeria and Luanda, Angola.

In 2010, the overall global container terminal market rebounded strongly from the drop in 2009. Measured in TEU, volumes grew by 13% during the period (Drewry). The number of containers handled by APM Terminals (crane lifts weighted with APM Terminals' ownership share) was up 2% compared to 2009, and 7% adjusted for discontinued operations in six locations: Oakland and Savannah in the USA, Kaohsiung in Taiwan, Yantian in China, Voltri in Italy, and Dunkirk in France.

APM Terminals continued to broaden its customer portfolio and registered increased customer satisfaction scores throughout 2010. The strong operational performance levels and service mindset demonstrated by the global organisation were in particular recognised by the customers. Volumes from customers other than Maersk Line and Safmarine increased by 12% (19% adjusted for discontinued terminals), contributing 44% (41%) of APM Terminals' total volumes. APM Terminals entered into a long term agreement with a subsidiary of Hyundai Merchant Marine in Los Angeles, and with Virginia International Terminals to operate APM Terminals Virginia under a lease agreement.

APM Terminals is an industry leader with respect to safety and was awarded the Safety at Sea International (SASI) Award in the category of Management and Operations in 2010. APM Terminals will continue its focus on further improving safety levels in future. APM Terminals is also focusing on reducing its environmental impact and recorded a reduction of more than 10% in CO_2 emissions per crane lift during 2010 compared to 2009.

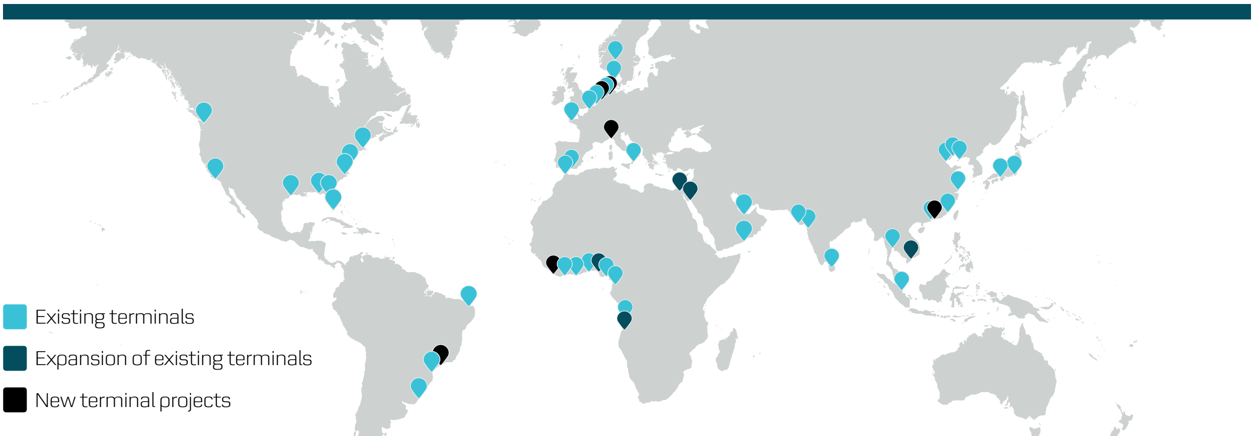
The EBITDA margin for port activities increased from 24.4% to 25.3%, primarily as a result of cost reductions. Also in 2010, APM Terminals focused on improving the operating processes and thus increasing productivity in the ports. The total EBITDA margin was negatively affected by lower earnings and restructuring costs in inland activities, declining from 21.2% to 20.4%.

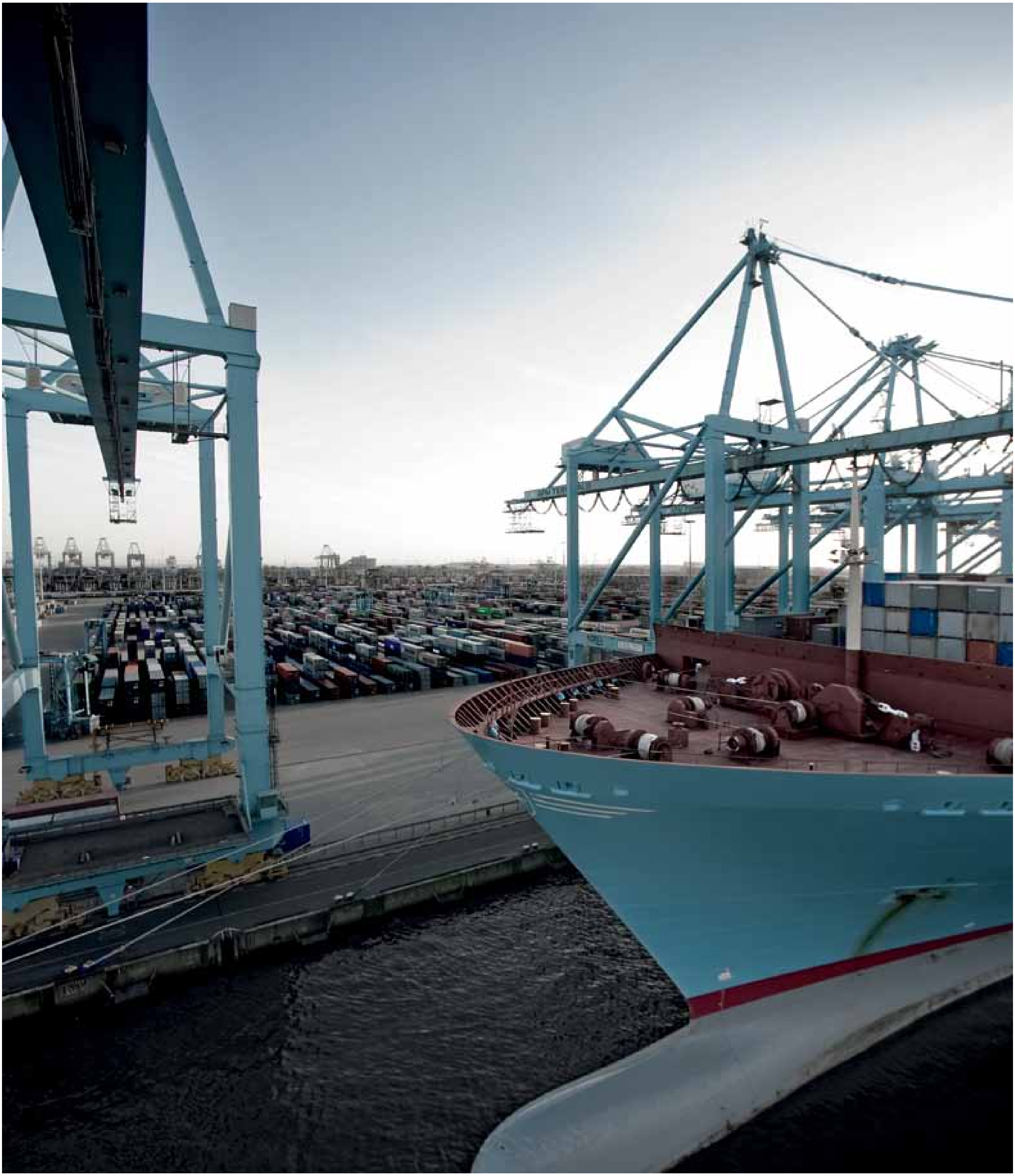
The results were positively affected by divestment of an ownership interest in Sigma Enterprises Ltd. at a gain of USD 423 million before tax and negatively affected by impairment losses and provisions made for restructuring of inland activities, etc. Excluding these amounts, the profit was USD 492 million (USD 431 million).

Cash flow from operating activities was USD 845 million (USD 760 million).

Return on invested capital (ROIC) was 16.0% (10.0%). Return before gain and impairment losses, etc. was 10.4% (8.7%).

APM Terminals' global port activities 2010





APM Terminals Rotterdam The Netherlands

Eugen Maersk is berthed at APM Terminals Rotterdam on its route from Asia to Europe. Rotterdam is the gateway to Europe and is a main hub for feeding the British, Irish, Scandinavian and Baltic Markets. APM Terminals Rotterdam covers 100 hectares of land and with 1,600 metres of quay wall it has a total capacity of 3.4 million TEU.

Tankers, offshore and other shipping activities

	DKK million		USD million	
Key figures	**2010**	2009	**2010**	2009
Revenue	31,679	29,559	5,634	5,516
Profit before depreciation, amortisation and impairment losses, etc. (EBITDA)	8,814	7,618	1,567	1,421
Depreciation, amortisation and impairment losses	6,984	5,651	1,241	1,053
Gain on sale of non-current assets, net	681	220	121	41
Associated companies – share of profit/loss for the year	-392	-97	-70	-18
Profit before financial items (EBIT)	2,119	2,090	377	391
Financial items, net	-28	11	-6	2
Profit before tax	2,091	2,101	371	393
Tax	729	634	131	118
Profit	1,362	1,467	240	275
Cash flow from operating activities	7,726	6,444	1,373	1,203
Cash flow used for capital expenditure	-5,654	-16,325	-1,006	-3,046
Non-current assets	81,134	74,492	14,453	14,353
Current assets	8,705	11,250	1,551	2,167
Non-interest bearing liabilities	10,049	10,339	1,790	1,992
Invested capital, net	79,790	75,403	14,214	14,528
Return on invested capital after tax (ROIC)	1.8%	2.1%	1.7%	2.1%

Tankers, offshore and other shipping activities

2010 Highlights

- Revenue increased 2% to USD 5.6 billion mainly driven by the start-up of new drilling rigs in Maersk Drilling
- EBITDA USD 1.6 billion (USD 1.4 billion)
- Impairments were USD 433 million (USD 308 million), primarily due to impairments of tanker and LNG vessels as well as two FPSOs
- Gain on sale of non-current assets, net USD 121 million (USD 41 million)
- Result USD 240 million (USD 275 million)
- Cash flow from operating activities increased by 14% to USD 1.4 billion (USD 1.2 billion)
- Return on invested capital (ROIC) 1.7% (2.1%)

Maersk Tankers

Maersk Tankers operates in the global market for transport of crude oil, refined oil products and petrochemical gases. Maersk Tankers is a leading global tanker shipping company and the largest operator on the product tanker market.

Most of the tanker segments were still facing loss making freight rates during 2010 as a result of a considerable net addition of both tonnage from newbuildings and redeployment of tankers previously used as floating storage units.

The gas tanker market was characterised by excess capacity despite an 11% increase in seaborne LPG (Liquefied Petroleum Gas) from the Middle East.

Maersk Tankers took delivery of two handysize gas carriers, two handysize product tankers and a small product tanker in 2010 and during the same period sold one large crude oil tanker, one large product tanker and ownership shares in two small product tankers. With the divestment of two midsize gas carriers, Maersk Tankers has pulled out of the segment.

Maersk Tankers — USD million

Key figures	2010	2009
Revenue	1,219	1,166
Profit before depreciation, amortisation and impairment losses, etc. (EBITDA)	153	134
Depreciation, amortisation and impairment losses	327	415
Gain on sale of non-current assets, net	48	24
Associated companies – share of profit/loss for the year	1	-3
Loss before financial items (EBIT)	-125	-260
Financial items, net	3	-2
Loss before tax	-122	-262
Tax	+4	+7
Loss	-118	-255
Cash flow from operating activities	121	155
Cash flow used for capital expenditure	-89	-536

In 2011, Maersk Tankers expects to take delivery of ten vessels, while another three vessels are on order for delivery in 2012. Maersk Tankers has concluded an agreement to sell a handysize product tanker in 2011.

At USD 1.2 billion, revenue was in line with 2009. The loss of USD 118 million (loss of USD 255 million) was negatively affected by impairment losses related to handysize gas carriers and intangible assets of USD 111 million (USD 187 million) as well as integration costs of USD 1 million (USD 25 million) and positively affected by gains on sale of ships of USD 48 million (USD 24 million). The profit, excluding sales gains, impairment losses and integration costs was a loss of USD 54 million (loss of USD 67 million). Maersk Tankers has continued to focus on cost savings and in 2010 further reduced operating costs per vessel by 3%.

Cash flow from operating activities was USD 121 million (USD 155 million).

Return on invested capital (ROIC) was negative by 3.4% (negative by 8.2%).

	2010		2009	
Fleet	Own	Chartered	Own	Chartered
VLCC	9	2	10	0
Product	82	59	81	53
Gas	11	13	11	9
Total	**102**	**74**	**102**	**62**
Newbuilding programme				
VLCC	4	2	4	6
Product	4	5	6	7
Gas	5	0	7	2
Total	**13**	**7**	**17**	**15**

Maersk Drilling

Maersk Drilling's fleet comprises 26 mainly modern and high efficient drilling rigs, servicing a number of oil companies with drilling of exploration and production wells worldwide.

Demand for drilling rigs increased slightly during 2010 and as oil prices continued to be high, oil companies have shown an increasing interest in additional drilling capacity for future programmes. However, the delivery of many new build rigs meant that capacity utilisation and market rates did not improve over the year.

A general shift in demand is seen as a higher complexity in drilling programmes makes more oil companies demand newer drilling rigs with a higher drilling efficiency and flexibility as well as deepwater drilling capacity. During the year, capacity utilisation of newer drilling rigs was considerably higher than for older drilling rigs, and the rates for newer and older rigs differ significantly.

Maersk Drilling expects that the Macondo incident in the US Gulf of Mexico will increase demand for newer drilling rigs as requirements for equipment and procedures become stricter. Maersk Drilling is well positioned to meet the increase in demand with many new rigs and an average fleet age that is low compared to industry average. With around 40 years of industry experience, Maersk Drilling can meet the oil companies' increasing demands for experience and documented results.

Maersk Drilling

USD million

Key figures	2010	2009
Revenue	1,627	1,282
Profit before depreciation, amortisation and impairment losses, etc. (EBITDA)	748	474
Depreciation, amortisation and impairment losses	205	188
Gain on sale of non-current assets, net	–	2
Profit before financial items (EBIT)	543	288
Financial items, net	-4	-2
Profit before tax	539	286
Tax	140	74
Profit	399	212
Cash flow from operating activities	630	320
Cash flow used for capital expenditure	-347	-772

Maersk Drilling has a semi-submersible rig under contract with Statoil in the Gulf of Mexico. The rig has been subject to the ban on deepwater drilling and as a consequence Maersk Drilling entered into an agreement with Statoil on changed terms of contract until operation can continue. Due to the continued uncertainty of the granting of new drilling authorisations, it is difficult to predict when the rig will continue operation. The contract with Statoil runs until September 2013 with an option for extension until 2015.

A few of the Group's 26 drilling rigs were partially unemployed in 2010, but Maersk Drilling's capacity utilisation was generally high, as is the contract coverage for 2011.

During the year, Maersk Drilling took delivery of the last of a series of three new build semi-submersible rigs. The rig is currently employed in West Africa and has several subsequent contracts in 2011. With this latest delivery, Maersk Drilling has completed a newbuilding programme for six jack-up rigs and three semi-submersible rigs delivered in the period 2007-2010.

In 2011, Maersk Drilling has signed a contract for two new jack-up rigs for delivery in 2013-2014. The two rigs have a contract price of USD 1.2 billion and the contract includes the option for one additional jack-up rig.

Maersk Drilling's revenue was USD 1,627 million (USD 1,282 million), and at USD 399 million (USD 212 million) the profit was 88% higher than in 2009. Both revenue and profit were positively affected by the start-up of new rigs and generally better earnings on the rigs in Norway.

Cash flow from operating activities was USD 630 million (USD 320 million).

Return on invested capital (ROIC) was 11.0% (6.5%).

Fleet	2010	2009
Jack-up drilling rigs	12	12
Semi-submersible drilling rigs	4	3
Drilling barges	10	10
Total	**26**	**25**

Newbuilding programme		
Jack-up drilling rigs	0	0
Semi-submersible drilling rigs	0	1
Total	**0**	**1**

Maersk FPSOs and Maersk LNG

Maersk FPSOs develops and operates floating oil and gas production and storage units. Maersk FPSOs' five units were fully employed in 2010 and will continue to be employed under long-term contracts. The next expiry date is in 2014. In the fourth quarter of 2010, Maersk FPSOs mobilised a new build FPSO, which from March 2011 is to operate for Statoil on the Peregrino oil field offshore Brazil.

Maersk FPSOs incurred a loss of USD 266 million (loss of USD 30 million). The result was negatively impacted by lower production, maintenance and repair programmes for two units as well as impairment losses and provisions for loss making contracts related to two FPSOs of USD 220 million.

Maersk LNG owns six and operates another two natural gas carriers. Maersk LNG's six vessels were all under contracts at the end of 2010, of which three vessels are under long-term contracts. The global LNG market was characterised by excess capacity, however, with increasing contract activity in the second half of the year, mainly within short-term contracts.

The profit for Maersk LNG was USD 24 million (USD 33 million). The profit reflects lower rates and total impairment losses of USD 75 million for three vessels, which were partly offset by total gains on sale of interests in two vessels under long-term contracts of USD 67 million and better utilisation of LNG fleet capacity.

Cash flow from operating activities for Maersk FPSOs and Maersk LNG was USD 113 million (USD 124 million).

Cash flow used for capital expenditure for Maersk FPSOs and Maersk LNG was USD 337 million (USD 749 million), primarily related to the delivery of an FPSO in the fourth quarter of 2010.

Return on invested capital (ROIC) for Maersk FPSOs and Maersk LNG was negative by 8.0% (0.1%).

Maersk FPSOs and Maersk LNG

USD million

Key figures	**2010**	**2009**
Revenue	418	386
Profit before depreciation, amortisation and impairment losses, etc. (EBITDA)	42	150
Depreciation, amortisation and impairment losses	404	138
Gain on sale of non-current assets, net	67	–
Associated companies – share of loss for the year	-1	–
Profit/loss before financial items (EBIT)	-296	12
Financial items, net	-6	-4
Profit/loss before tax	-302	8
Tax	+60	5
Profit/loss	-242	3
Cash flow from operating activities	113	124
Cash flow used for capital expenditure	-337	-749

Operated fleet	**2010**	**2009**
Floating production units (FPSO/FGSO)	6	5
LNG carriers	8	7
Total	**14**	**12**

Newbuilding programme		
Floating production units (FPSO/FGSO)	0	1
LNG carriers	0	1
Total	**0**	**2**

Maersk Peregrino Brazil

Maersk Peregrino, the Group´s largest single investment, is after mobilisation in the fourth quarter now properly hooked up at the oil field in the Campos Basin offshore Brazil. Maersk Peregrino is planned to stay in position and produce oil for the coming up to 30 years.

Maersk Supply Service

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

The market for offshore vessels was negatively affected by a lower activity level in 2010, and combined with the addition of new tonnage, this put rates and employment under pressure, not least in the fourth quarter.

Maersk Supply Service had considerable contract coverage going into 2010, although the exposure to the spot market increased as newbuildings were delivered. In 2010, Maersk Supply Service took delivery of three anchor handling vessels and one platform supply vessel. The comprehensive newbuilding programme of 18 vessels is now complete.

Revenue was USD 772 million (USD 749 million), positively affected by the addition of new vessels, but negatively by declining spot rates.

Profit amounted to USD 201 million (USD 275 million), reflecting declining spot rates and employment in the fourth quarter.

Cash flow from operating activities was USD 395 million (USD 349 million).

Return on invested capital (ROIC) was 10.5% (18.4%).

Maersk Supply Service	USD million	
Key figures	**2010**	2009
Revenue	772	749
Profit before depreciation, amortisation and impairment losses, etc. (EBITDA)	384	397
Depreciation, amortisation and impairment losses	140	100
Gain on sale of non-current assets, net	–	10
Profit before financial items (EBIT)	244	307
Financial items, net	–	5
Profit before tax	244	312
Tax	43	37
Profit	201	275
Cash flow from operating activities	395	349
Cash flow used for capital expenditure	-150	-851

Fleet	**2010**	2009
Anchor handling vessels	51	48
Supply vessels	13	12
Other vessels	3	3
Total	**67**	**63**

Newbuilding programme		
Anchor handling vessels	0	3
Supply vessels	0	1
Total	**0**	**4**

Svitzer

Svitzer has activities within towage, salvage and other offshore support. Globally, Svitzer is represented in more than 100 ports and operates around 500 tugboats, standby vessels, etc.

Activity within Svitzer's main business area, harbour towage, was lower in 2010 than the year before. This is primarily due to the exposure towards ports with declining activity in mainly Great Britain and Central Europe. Activity increased at the end of the year but still below the level of the past three years. During the year, demand for Svitzer's standby vessels and salvage activities increased.

During the year, Svitzer implemented terminal towage projects in Peru, Panama and Chile and acquired 50% of Remolcadores Dominicanos, a Dominican towage company. In Australia, Svitzer successfully salvaged the West Atlas drilling rig in the fourth quarter. Svitzer's safety improved further in 2010, and the work-related injury frequency declined from an already low level to the lowest level ever recorded.

Revenue increased by 14% to USD 890 million (USD 779 million) whereas the result for 2010 was USD 130 million (USD 85 million). The result was positively impacted by a strong Australian dollar, the sale of an ownership interest in Flinders Ports in Australia and cost savings.

Cash flow from operating activities was USD 147 million (USD 201 million).

Return on invested capital (ROIC) was 7.2% (5.4%).

Svitzer	USD milion	
Key figures	**2010**	2009
Revenue	890	779
Profit before depreciation, amortisation and impairment losses, etc. (EBITDA)	235	193
Depreciation, amortisation and impairment losses	119	113
Gain on sale of non-current assets, net	23	10
Associated companies – share of profit for the year	2	2
Profit before financial items (EBIT)	141	92
Financial items, net	1	4
Profit before tax	142	96
Tax	12	11
Profit	130	85
Cash flow from operating activities	147	201
Cash flow used for capital expenditure	-124	-137

	2010		2009	
Fleet	Own	Chartered	Own	Chartered
Tugboats	341	15	333	12
Standby vessels	34	0	32	0
Other vessels	138	9	137	9
Total	**513**	**24**	**502**	**21**
Newbuilding programme				
Tugboats	28		37	
Standby vessels	3		4	
Other vessels	5		1	
Total	**36**		**42**	

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 sale of Norfolk Holdings B.V. was effected on 12 July 2010, after which date A.P. Møller - Mærsk A/S owns 31.3% of the share capital in DFDS A/S, making DFDS A/S an associated company of A.P. Møller - Mærsk A/S.

Overall, the Group's ownership interest in DFDS A/S and Höegh Autoliners, etc. contributed a loss of USD 129 million. The loss was negatively affected by a net impairment loss and exchange rate adjustments in connection with the sale of Norfolk Holdings B.V. as well as impairment losses relating to Höegh Autoliners. A.P. Møller - Mærsk A/S' share of DFDS A/S' profit is based on an estimate from published company announcements, as DFDS A/S has not yet released its annual financial statements for 2010.

Retail activity

	DKK million		USD million	
Key figures	**2010**	2009	**2010**	2009
Revenue	59,250	57,247	10,537	10,683
Profit before depreciation, amortisation and impairment losses, etc. (EBITDA)	3,591	3,438	639	642
Depreciation, amortisation and impairment losses	827	724	147	135
Gain on sale of non-current assets, net	40	77	7	14
Profit before financial items (EBIT)	2,804	2,791	499	521
Financial items, net	67	43	12	8
Profit before tax	2,871	2,834	511	529
Tax	656	706	117	132
Profit	2,215	2,128	394	397
Cash flow from operating activities	2,493	3,713	443	693
Cash flow used for capital expenditure	-2,210	-3,210	-393	-599
Non-current assets	15,551	16,305	2,771	3,142
Current assets	7,457	4,318	1,328	831
Non-interest bearing liabilities	7,523	7,376	1,340	1,421
Invested capital, net	15,485	13,247	2,759	2,552
Return on invested capital after tax (ROIC)	15.4%	17.2%	14.8%	16.8%
Number of stores			1,416	1,348

Retail activity

Number of stores	2010	2009
Netto Denmark	414	406
Netto Great Britain	195	195
Netto Germany	324	305
Netto Poland	212	184
Netto Sweden	128	117
Netto total	**1,273**	**1,207**
Bilka	15	15
Føtex	85	83
Other stores	40	40
F. Salling	3	3
Total	**1,416**	**1,348**

2010 Highlights

- Revenue increased with 3.5% to DKK 59.3 billion (DKK 57.2 billion)
- Result DKK 2.2 billion (DKK 2.1 billion)
- Cash flow from operating activities was DKK 2.5 billion (DKK 3.7 billion), negatively affected by lower inventory turnover rate
- Number of stores increased by 66 Netto stores and two Føtex supermarkets to a total of 1,416
- Return on invested capital (ROIC) 15.4% (17.2%)

The Dansk Supermarked Group comprises the retail concepts Bilka (hypermarkets), Føtex (supermarkets), Netto (discount supermarkets) and Salling (department stores). The major part of the retail activity is conducted from owned property.

In 2010, the total retail market increased slightly in Denmark. This development has lead to intensified competition in the form of changes in the range of goods and lower prices.

In 2010, the Dansk Supermarked Group had an increase in its Danish revenue of 1.4% and was able to increase its market share on fast moving consumer goods.

Revenue in non-Danish markets increased by 8.4%, partly due to increasing exchange rates. Measured in local currency, revenue for non-Danish units increased by 4.3%. In 2010, non-Danish markets were characterised by strengthened retail consumption, particularly in the second half of the year, with increasing revenue in existing stores and revenue from new stores.

Total revenue increased by 3.5% to DKK 59.3 billion (DKK 57.2 billion). Excluding changes in exchange rates, revenue increased by 2.3%.

Both Danish and non-Danish markets had fierce price competition with subsequent pressure on earnings. However, the Dansk Supermarked Group was able to maintain earnings at the same level as in 2009.

Dansk Supermarked's sale of its activities in Great Britain (Netto Foodstores Limited) is progressing as planned and is expected to be completed at the end of the first half year 2011.

The profit was DKK 2,215 million (DKK 2,128 million).

Cash flow from operating activities was DKK 2,493 million (DKK 3,713 million). The decrease is due to lower inventory turnover rate and a lower positive effect from the timing of supplier payments than in 2009.

Cash flow used for capital expenditure was DKK 2,210 million (DKK 3,210 million). The lower investment level was primarily due to the large investment being made during 2009 in centralised warehouses. In 2010, investments in new stores was at the same level as in 2009.

Return on invested capital (ROIC) was 15.4% (17.2%).

Other businesses

	DKK million		USD million	
Key figures	**2010**	2009	**2010**	2009
Revenue	8,181	8,031	1,455	1,498
Profit/loss before depreciation, amortisation and impairment losses, etc. (EBITDA)	257	-904	46	-168
Depreciation, amortisation and impairment losses	227	226	41	42
Gain on sale of non-current assets, net	141	50	25	9
Associated companies – share of profit for the year	735	346	131	65
Profit/loss before financial items (EBIT)	906	-734	161	-136
Financial items, net	5	-6	1	-1
Profit/loss before tax	911	-740	162	-137
Tax	+42	+292	+8	+54
Profit/loss	953	-448	170	-83
Cash flow from operating activities	1,078	-1,774	192	-331
Cash flow used for capital expenditure	451	120	80	22
Non-current assets	22,415	21,903	3,993	4,221
Current assets	1,981	2,235	353	430
Non-interest bearing liabilities	3,155	2,814	562	543
Invested capital, net	21,241	21,324	3,784	4,108
Return on invested capital after tax (ROIC)	4.5%	-2.2%	4.3%	-2.1%

Other businesses

2010 Highlights

- Revenue DKK 8.2 billion (DKK 8.0 billion)
- Result DKK 953 million (loss of DKK 448 million)
- Share of result from Danske Bank A/S DKK 734 million (DKK 346 million)
- Cash flow from operating activities was as in 2009, affected by the fact that no dividend was paid by Danske Bank as a result of the bank's participation in "Bank-Package I"
- Return on invested capital (ROIC) 4.5% (negative by 2.2%)

The **Odense Steel Shipyard Group** delivered two Ro/Ro vessels and four capesize dry cargo vessels in 2010. Furthermore, the shipyard completed a Ro/Ro vessel (L 222), which the contracting shipping company was unable to take delivery of, and attempts are now being made to sell the vessel to a third party. The vessel is valued at expected sales price.

Revenue amounted to DKK 2.8 billion (DKK 4.2 billion). The Group had a loss of DKK 0.3 billion (loss of DKK 1.1 billion), positively affected by reversal of provisions.

Shipbuilding activities are phased out in accordance with the plan made in connection with the decision to discontinue newbuilding activities in August 2009. Three frigates for the Danish navy remain to be delivered as well as three Ro/Ro vessels and the sale of the L 222 mentioned above.

In 2010, Odense Steel Shipyard sold Baltija Shipbuilding Yard.

Approximately 20% of Lindø Industrial Park has been rented out and interest in renting facilities remains positive.

The A.P. Moller - Maersk 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 for 2010 was DKK 3.7 billion (DKK 1.7 billion), of which 20%, corresponding to DKK 734 million (DKK 346 million), is included in the A.P. Moller - Maersk Group's profit. As in 2009, the bank's profit was negatively affected by loan impairment charges.

Dansk Bank A/S plans a rights issue of DKK 20 billion in April 2011. A.P. Møller - Mærsk A/S intends to participate in the issue with an investment in the order of DKK 4 billion, corresponding to the current 20% ownership share.

As in 2009, cash flow from operating activities was affected by the fact that no dividend was distributed from Danske Bank as a result of the bank's participation in the "Bank Package I".

Maersk Container Industry, which manufactures dry and reefer containers, had an increase in demand due to the recovery in global world trade. Revenue amounted to DKK 3.9 billion (DKK 1.4 billion) with a profit of DKK 230 million (loss of DKK 81 million).

The sales of the remaining **Rosti** activities were completed in 2010.

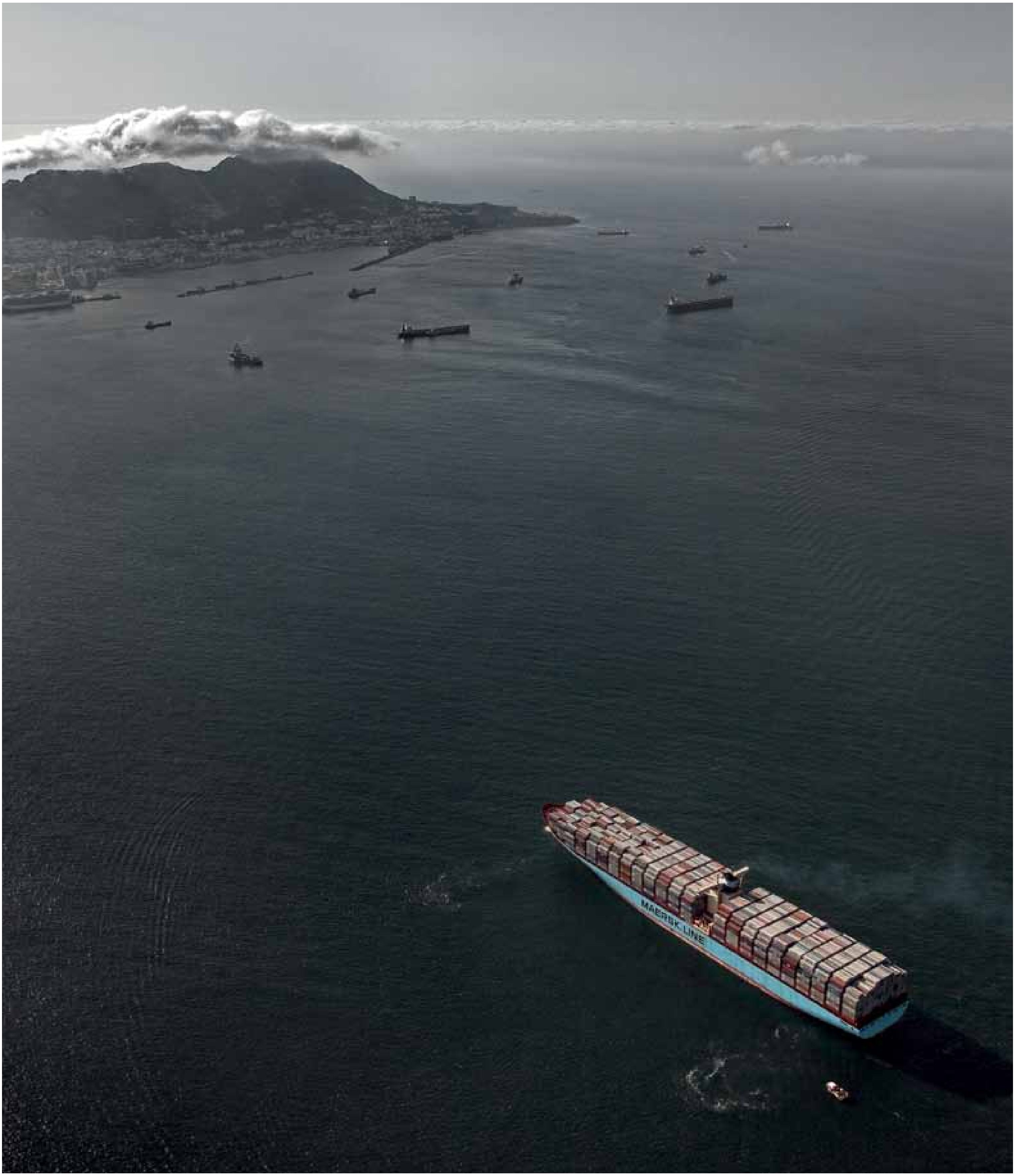
Unallocated activities

	DKK million		USD million	
Key figures	**2010**	2009	**2010**	2009
Revenue	3,035	1,609	540	300
Costs including depreciation and amortisation, etc.	3,656	2,497	651	466
Value adjustment of oil price hedges	81	-964	15	-180
Loss before financial items (EBIT)	-540	-1,852	-96	-346
Financial items, net	-4,914	-4,873	-874	-909
Loss before tax	-5,454	-6,725	-970	-1,255
Tax	+448	+571	+80	+106
Loss	-5,006	-6,154	-890	-1,149
Cash flow from operating activities	-5,014	-4,983	-891	-930

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

The loss before financial items DKK 0.5 billion was an improvement by DKK 1.3 billion compared to the prior year. The improvement primarily pertains to positive value adjustment of oil hedging contracts of DKK 81 million (negative by DKK 964 million).

Unallocated financial items were negative by DKK 4.9 billion before tax and DKK 4.4 billion after tax which was in line with 2009. This includes exchange rate gains of DKK 350 million (loss of DKK 160 million) and negative value adjustment of interest rate hedging derivatives amounting to DKK 168 million (positive by DKK 780 million).



Ebba Mærsk
Tangier, Morocco

At 15,011 TEU, Ebba Mærsk departed the port of Tangier on 19 May 2010 as the most loaded container vessel ever to have sailed the high seas.

A.P. Moller - Maersk Group

Financial report

INCOME STATEMENT

The A.P. Moller - Maersk Group improved the result for the year by DKK 33.7 billion to DKK 28.2 billion (loss of DKK 5.5 billion).

Revenue increased by 21% to DKK 315 billion (DKK 260 billion), primarily as a consequence of higher container freight rates, container volumes and oil price. Measured in USD, revenue was 56.1 billion (USD 48.6 billion).

Depreciation, amortisation and impairment losses increased by DKK 3.5 billion to DKK 33.8 billion (DKK 30.3 billion), due to addition of vessels and rigs. The Group recognised impairment losses of net DKK 4.1 billion (DKK 2.9 billion), mainly related to Maersk FPSOs, Maersk Line, Maersk Tankers and Maersk LNG.

Gain on sale of non-current assets, net, increased to DKK 3.8 billion (DKK 0.9 billion), primarily due to divestment of ownership interest in the Yantian terminal (Sigma Enterprises Ltd.).

The share of the results in associated companies increased by DKK 0.1 billion to DKK 0.5 billion (DKK 0.4 billion) due to higher result in Danske Bank partly offset by lower result in Höegh Autoliners.

Financial items were a net expense of DKK 5.3 billion (DKK 5.3 billion). The Group's net interest expense was reduced to DKK 5.0 billion (DKK 5.5 billion) as a consequence of lower average interest rate and lower 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 2010, the total tax charge for the A.P. Moller - Maersk Group was DKK 26.2 billion (DKK 20.4 billion). The increase is primarily due to higher earnings from oil and gas activities. Of the total tax charge, taxes payable to Denmark constituted DKK 9.2 billion (DKK 7.9 billion), of which DKK 6.3 billion (DKK 5.4 billion) related to the special hydrocarbon tax and profit share to the Danish State.

COMPREHENSIVE INCOME

Comprehensive income for the year was positive by DKK 36.2 billion (negative by DKK 4.5 billion) and includes the profit for the year of DKK 28.2 billion (loss of DKK 5.5 billion) and other comprehensive income with a net income of DKK 8.0 billion (net income of DKK 0.9 billion). 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 2010, total assets amounted to DKK 374.7 billion (DKK 345.2 billion). Intangible assets increased to DKK 14.6 billion (DKK 12.9 billion) mainly due to acquired oil and terminal concession rights.

Tangible assets DKK 243.7 billion increased by DKK 6.1 billion, with investments in the year of DKK 26.8 billion (DKK 47.3 billion). Depreciations for the year were DKK 26.5 billion (DKK 24.2 billion), and net impairment losses of DKK 3.1 billion (DKK 2.2 billion) were recognised. Sale of tangible assets accounted for DKK 5.4 billion (DKK 1.7 billion), primarily related to sale of vessels and non-strategic terminals. DKK 4.3 billion (DKK 5.6 billion) was transferred to assets held for sale. Currency adjustments increased by DKK 18.6 billion (reduction of DKK 3.0 billion) due to the development in USD versus DKK.

Shares in associated companies amounted to DKK 26.7 billion (DKK 23.7 billion), hereof Danske Bank DKK 21.0 billion (DKK 20.2 billion). With the divestment of Norfolk Holdings B.V., A.P. Møller - Mærsk A/S now owns 31.3% of the share capital in DFDS A/S.

Other equity investments were reduced by DKK 2.3 billion, primarily with the divestment of the Yantian terminal. Derivatives were as of 31 December 2010 a net liability of DKK 1.9 billion (DKK 2.1 billion).

Total cash and cash equivalents, consisting of securities held for trading as well as cash and bank balances totalled DKK 25.9 billion (DKK 10.7 billion) at 31 December 2010.

Assets held for sale of net DKK 3.4 billion (DKK 3.2 billion) comprised assets expected to be sold during 2011 including Netto Foodstores Limited, UK.

Equity totalled DKK 193.0 billion (DKK 158.9 billion). The increase includes comprehensive income for the year of DKK 36.2 billion (loss of DKK 4.5 billion), and dividend was deducted by DKK 2.1 billion (DKK 3.1 billion).

Deferred tax liabilities totalled DKK 4.4 billion (DKK 6.0 billion) at 31 December 2010, and recognised deferred tax assets totalled DKK 5.1 billion (DKK 5.5 billion). Furthermore, deferred tax assets of DKK 5.1 billion (DKK 3.8 billion) have not been recognised, cf. note 14.

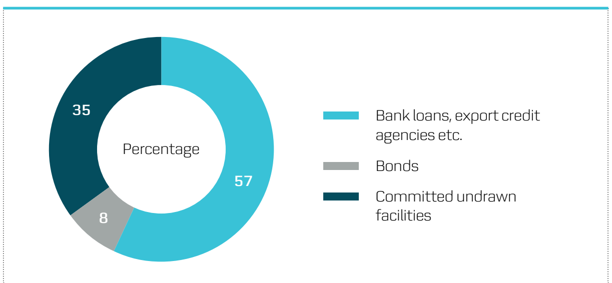
FUNDING

In September 2010, the Group refinanced and increased its primary syndicated bank facility to USD 6.75 billion maturing in 2015. In November 2010, the Group issued bonds at a value of EUR 500 million, corresponding to DKK 3.7 billion. The purpose of these transactions was to diversify the Group's funding sources and increase the maturity profile.

Due to continued uncertainty in the commercial banking market, the strategy has been to further diversify the Group's debt sources. Furthermore, the diversification may contribute to simplifying the Group's debt portfolio. At 31 December 2010, bond issues were approximately 13% (8%) of total interest-bearing debt.

Total interest-bearing debt and finance lease obligations amounted to DKK 101.1 billion (DKK 110.2 billion) or USD 18.0 billion (USD 21.2 billion) at 31 December 2010. The Group's net interest-bearing debt totalled DKK 69.7 billion (DKK 94.0 billion) or USD 12.4 billion (USD 18.1 billion). The Group has reduced its net interest-bearing debt by DKK 24.3 billion during 2010, corresponding to 26%. The average maturity of loan facilities in the Group was more than five years at 31 December 2010. 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.

Existing loan facilities at 31 December 2010



OPERATING LEASE OBLIGATIONS

The present value of the operating lease obligations totalled USD 12.2 billion (USD 12.2 billion) at 31 December 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 7.5 billion (USD 7.9 billion)
- Lease obligations for port facilities in connection with concession rights of USD 3.8 billion (USD 3.4 billion)
- Other obligations of USD 0.9 billion (USD 0.8 billion)

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 2.4 years for container vessels and 4.4 years for tankers.

INVESTMENT PROGRAMME

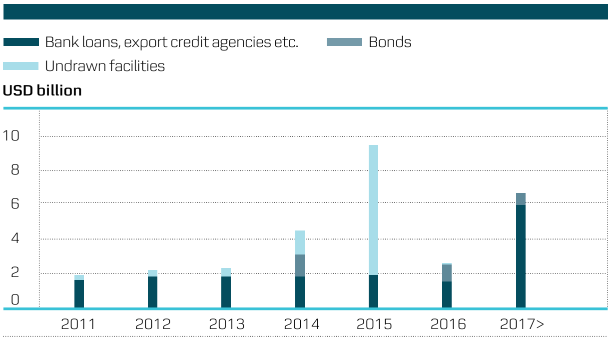
Total outstanding commitments concerning purchase of property, plant and equipment totalled USD 9.1 billion (USD 7.9 billion) at 31 December 2010. The outstanding commitments was related to 94 vessels, obligations towards concession grantors in terminals, USD 1.5 billion (USD 1.1 billion) and oil and gas activities USD 3.6 billion (USD 1.2 billion) which includes the USD 2.4 billion acquisition offer made to SK do Brasil Ltda.

FUNDING POSITION

At 31 December 2010, liquidity buffers, defined as cash and bank balances, securities and committed undrawn facilities, were USD 14.5 billion (USD 10.9 billion) at 31 December, of which total committed undrawn facilities constituted USD 9.9 billion. Added to this are a number of overdraft facilities related to the Group's daily cash management operations.

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.

Re-payment schedule for loan facilities



LEGAL DISPUTES, ETC.

The Group is involved in a number of legal disputes. Moreover, the Group is a 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 benefit plans recognised in the financial statements totalled DKK 2.1 billion (DKK 2.0 billion) at 31 December 2010. Developments in the actuarial assumptions and pension plans have resulted in actuarial losses of DKK 0.2 billion (gain of DKK 0.2 billion), which are included in other comprehensive income. In 2010, the Group paid DKK 0.5 billion (DKK 0.5 billion) to benefit plans.

CASH FLOW

Cash flow from operating activities DKK 57.0 billion (DKK 25.1 billion) was positively affected by higher earnings before depreciation and amortisation, but negatively affected by increased working capital due to the higher revenue.

Cash flow used for capital expenditure was DKK 26.1 billion (DKK 42.2 billion). The reduction was mainly caused by the finalization of the field development in Qatar and a low contracting level during the crisis.

PARENT COMPANY FINANCIAL STATEMENTS

The activities of the parent company comprise the global container services in Maersk Line, parts of Tankers, offshore and other shipping activities and the oil and gas activities in the Danish sector of the North Sea. In addition, activities include the holding of shares in subsidiaries and associated companies.

In the parent company financial statements, shares in subsidiaries and associated companies are recognised at cost, cf. note 1, less impairment losses, and in the income statement, dividends from subsidiaries and associated companies are recognised as income.

Profit for the year was DKK 13.5 billion (loss of DKK 9.6 billion), primarily affected by profits in the global container services in Maersk Line and higher oil prices in the Danish oil and gas activities, partly offset by expected loss on internal sale of vessels to Group companies.

Cash flow from operating activities was DKK 26.9 billion (DKK 6.2 billion). The increase was due to improvement in earnings.

At 31 December 2010, total assets amounted to DKK 229.4 billion (DKK 192.4 billion) and equity totalled DKK 105.6 billion (DKK 87.9 billion).

A.P. Moller - Maersk Group

Risks

The A.P. Moller - Maersk Group is exposed to many different risks due to its global presence and variety of businesses. The most important risks are described below.

CYCLICAL EXPOSURE

Many of the Group's businesses are cyclical in nature due to their dependence on developments in the world economy. Specifically supply-demand imbalances created by major financial events such as the latest recession may lead to significant changes in freight rates, oil prices and market values for the Group's assets and, hence, have a material financial impact on the Group.

POLITICAL EXPOSURE

The Group's global presence exposes the Group's assets and earnings to geopolitical events. Political decision-making processes such as trade barriers, taxes, expropriation, currency restrictions, etc. as well as pirate attacks, war or terrorist attacks could negatively impact the Group's performance.

OIL RESERVES

Oil reserves decline naturally as oil is extracted. To maintain unchanged production over time, the Group must find or acquire new oil reserves corresponding to the oil production. An unsuccessful replacement of oil reserves may significantly affect the Group's results over time.

ENVIRONMENT

Several business areas are characterised by having a significant number of jobs that involve physically challenging working conditions, increasing the risk of work-related accidents. The Group's businesses are also exposed to environmental events as a consequence of the industries in which they operate.

OPERATIONAL RISKS

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.

FINANCIAL RISKS

Financial risks include exchange rate risks, interest rate risks, oil price risks, credit risks and liquidity risks. For detailed information, see note 23 in the Group's financial statements.

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, needs, etc.

RECOMMENDATIONS FOR CORPORATE GOVERNANCE

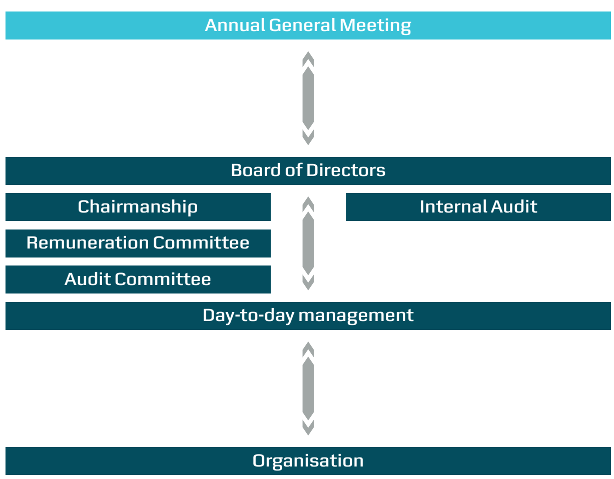
As a Danish listed company, A.P. Møller - Mærsk A/S must refer to the Recommendations for corporate governance ("Anbefalinger for god selskabsledelse") implemented by NASDAQ OMX Copenhagen in the Rules for issuers of shares ("Regler for udstedere af aktier") and section 107b of the Danish Financial Statements Act (årsregnskabsloven). The most recent version of the recommendations from April 2010 applies to financial years commencing on 1 January 2010 or later and comprises 78 recommendations.

The Board of Directors of A.P. Møller - Mærsk A/S has prepared a statement on corporate governance for the 2010 financial year which is included in the Directors' report. The statement can be reviewed and downloaded on 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. The report mentions, among other things, that the Group established a global whistleblowing scheme for confidential notification of possible or suspected offences. The scheme allows employees as well as external partners to submit online and telephone notifications in approximately 40 different languages.

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. This is illustrated below. Further information is available in the above-mentioned statement.



A.P. Moller - Maersk Group

Sustainability

The A.P. Moller - Maersk Group's vision is to act as a responsible and sustainable enterprise. The Group's values and presence in three central segments in the global economy – transport, energy and retail activities – obligate to action, even though the Group's significance in each of these segments varies from being a decisive factor in the transport segment to a medium-sized participant in oil extraction and to being only regionally present in the retail sector, however dominant in Denmark.

But sustainability is not merely an obligation. The Group also sees a number of business opportunities in integrating this mindset in its operating activities, as sustainability becomes increasingly important to the Group's many different customers.

CLIMATE CHANGE

One of the global society's biggest challenges these years is global climate change. The A.P. Moller - Maersk Group has an opportunity to create some of the required solutions. Maersk Line is the world's largest container shipping company, and together with the Group's other terminal and logistics activities, this makes the Group one of the largest players in the global transport system. Therefore, the Group's behaviour and measures may play a decisive role in the necessary transition to climate-friendly global trade. The Group intends to seize this opportunity and responsibility and live up to it.

A good example is Maersk Line's introduction of slow steaming. This practice led to lower bunker costs and lower CO_2 emissions from the vessels and is now an integrated part of Maersk Line's overall business strategy, affecting the way in which the enterprise plans its route network and the construction of new vessels. At the same time, Maersk Line's practice has led to around 50% of the world's container vessels now practicing slow steaming. Maersk Tankers also introduced the slow steaming concept in the tanker industry.

Slow steaming was also a very decisive factor in the reductions of the Group's total CO_2 emissions. Already in 2010, the Group achieved the reduction target set in 2009 for 2012. Other business areas also contributed through a wide range of streamlining processes.

NEW VIEW OF SAFETY

Every time the Group's Executive Board meets, safety is at the very top of the agenda. The Group continues to make progress with regard to work safety in the business units and the frequency of work-related accidents with absence is declining.

In 2010, the Group had 12 (13) deaths in relation to its activities, primarily within the transport and logistics segment. This is not acceptable and the Group's objective is to avoid fatal accidents altogether. Serious work-related accidents and fatal accidents are now analysed across the Group.

The number of pirate attacks on the Group's vessels also declined, despite an increase in the number of pirate attacks in general. This is particularly attributable to the increased cooperation between European naval forces in the Gulf of Aden and a partnership involving the exchange of safety procedures between Maersk Line and two competitors.

STRATEGIC FOCUS

Progress towards increased sustainability in the Group's activities in 2010 gained an important platform with the implementation of a new strategy for sustainability. It states that integration of sustainable practices and thinking in all parts of the business must be implemented by the end of 2013.

The tools to achieve this objective have been identified. The Group has implemented an anti-corruption policy and a whistle-blower system. Furthermore, the Group is implementing a set of global labour principles as well as a programme for responsible procurement, which will apply to all business units after roll-out in 2011. The Group has also introduced a number of governance mechanisms to promote the integration of sustainability. In 2011, integration of sustainability will also be a pplied to the risk management system and in investment decisions.

SUSTAINABILITY CHALLENGES IN THE MEDIA

Danish and international media show interest in the Group's activities, including in the areas in which its sustainability efforts are challenged. In 2010, the Group experienced particular attention to fatal accidents in connection with land transport in Afghanistan, subsuppliers' use of lie detectors in El Salvador, oil leaks in connection with oil production in the North Sea and occupational health and safety issues in shipyards in South Korea and China where the Group has placed orders. Further information on each of these matters is found in the Group's separate sustainability report.

FURTHER INFORMATION ON A.P. MØLLER - MÆRSK A/S AND SUSTAINABILITY

This Directors' report does not include a complete statement of the Group's social responsibility. Reference is made to the separate sustainability report which also constitutes the Group's Communication on Progress to the UN Global Compact, complying with the requirements of the Danish Financial Statements Act on corporate social responsibility reporting. The sustainability report for 2010 is available on www.maersk.com/sustainability.

A.P. Moller - Maersk Group

Organisation and information technology

MANAGEMENT CHANGES

On 1 January 2011, Kim Fejfer, CEO of APM Terminals, joined the Executive Board of the A.P. Moller - Maersk Group.

ORGANISATION

A precondition for A.P. Moller - Maersk's continued delivery of service, quality and financial results is skilled, committed staff who want to be market winners.

Having joined the charter for more women in management in 2009, the Group continued its efforts to increase diversity in 2010. Accordingly, a number of initiatives have been taken across the Group's business units and across borders to achieve a composition of employees that reflects the Group's global activities, making it even more attractive as a working place and ensuring access to a larger international talent pool.

Another decisive factor in the enterprise's efforts to attract and retain competent employees is the ability to differentiate in the payment and remuneration of employees. It must pay to make an extra effort and do well, and there must be differences in relation to skilled, efficient and less efficient employees, also in terms of salary and bonus. Therefore, the Group implemented several salary and bonus schemes in 2010 that follow the employee's ability to realise individual as well as market-related objectives.

Again in 2010, employee satisfaction and motivation increased as compared to the year before, measured in the annual employee satisfaction survey. This seems to indicate that the employees have a positive conviction that they are able to navigate through changes and contribute to the development experienced by the enterprise in these years.

In 2010, the A.P. Moller - Maersk Group had an average of approximately 108,000 employees.

For further information on A.P. Moller - Maersk as a workplace, see www.maersk.com.

INFORMATION TECHNOLOGY

Well-functioning, efficient IT systems are a prerequisite for the creation of simple and transparent planning, work and management processes. Both at group level and in the individual business areas IT systems are subject to continuous development in order to optimise business processes. In 2010, a global Enterprise Resource Planning (ERP) system comprising financing and accounting processes was launched for Maersk Line. The system has now been implemented in more than 120 countries worldwide.

A.P. Moller - Maersk Group

Shareholders

SHARE PRICE DEVELOPMENT

A.P. Møller - Mærsk A/S' shares developed positively throughout 2010, in line with the rest of the market. During the first and second quarters, the share price was influenced by the positive development in volumes and rates for the Group's container activities, and A.P. Møller - Mærsk A/S' share price increased more than the rest of the market. In the third quarter the share fell concurrently with the container freight rates losing momentum and the increased market concern about the global economic recovery. Throughout the fourth quarter the share price developed positively and better than the general market.

The total market value of A.P. Møller - Mærsk A/S' shares at the end of 2010 was DKK 217 billion. On 5 January 2010, the B share closed at its lowest price in 2010 of DKK 38,080 (for one DKK 1,000 share) and on 8 July 2010 at its highest price of DKK 53,000. At the end of 2010, the price was DKK 50,510, corresponding to an increase of 38% as compared to the end of 2009 (39% adjusted for dividend payment).

SHARE CAPITAL

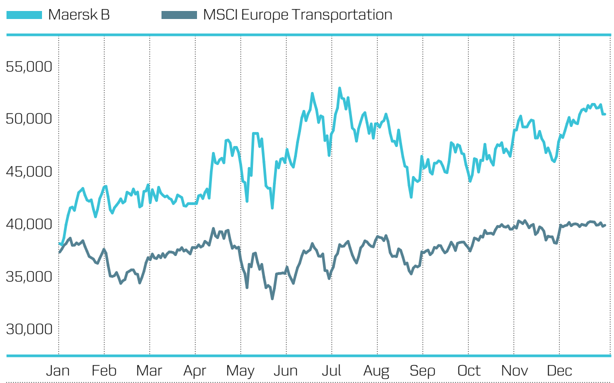
A.P. Møller - Mærsk A/S was listed on the stock exchange in 1982. The shares are listed on NASDAQ OMX Copenhagen and are divided into two classes: A shares with voting rights and B shares without voting rights. Each DKK 1,000 A share entitles the holder to two votes. At 31 December 2010, the total share capital of DKK 4,395.6 million consisted of:

- A shares, DKK 2,197.8 million divided into 2,197,596 shares of DKK 1,000 and 408 shares of DKK 500
- B shares, DKK 2,197.8 million divided into 2,197,490 shares of DKK 1,000 and 620 shares of DKK 500

No restrictions are imposed on the negotiability of the shares.

OWNERSHIP

A.P. Møller - Mærsk A/S, has around 70,000 private and institutional shareholders. 41.22% of the share capital, corresponding to 50.60% of the votes, is held by the foundation A.P. Møller og Hustru Chastine Mc-Kinney Møllers Fond til almene Formaal.



Source: Factset

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%	6.49%
Den A.P. Møllerske Støttefond, Copenhagen, DK	2.94%	5.86%

More than 90% of the shares in A.P. Møller - Mærsk A/S are registered, and the highest geographical concentration of share capital is in Denmark, USA and Great Britain.

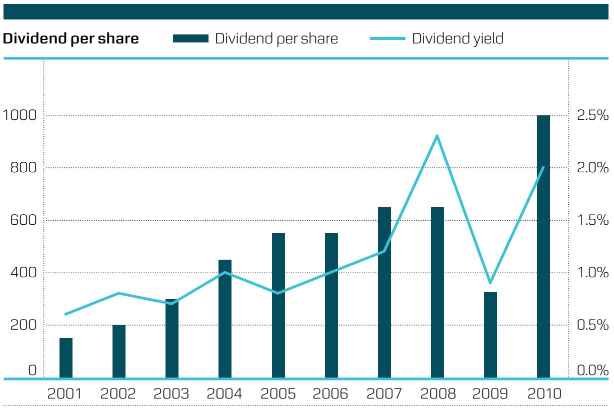
OWN SHARES

The Group's holding of own shares now comprises 0.7% of the share capital and is, among other purposes, held to cover the revolving option programme, cf. note 18 in the Group's financial statements. According to the authorisation of the Annual General Meeting, the Board of Directors may in the period up to 4 April 2011 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 4,396 million. (DKK 325 per share of DKK 1,000 – a total of DKK 1,429 million). Payment is expected to take place on 8 April 2011.

Historical dividend



FINANCIAL CALENDAR 2011

4 April:	Annual General Meeting
11 May:	Interim management statement
17 August:	Interim Report
9 November:	Interim management statement

ANNUAL GENERAL MEETING

The Annual General Meeting of the company will be held at the Bella Center, Copenhagen, at 10.30 a.m. on 4 April 2011.

INVESTOR RELATIONS

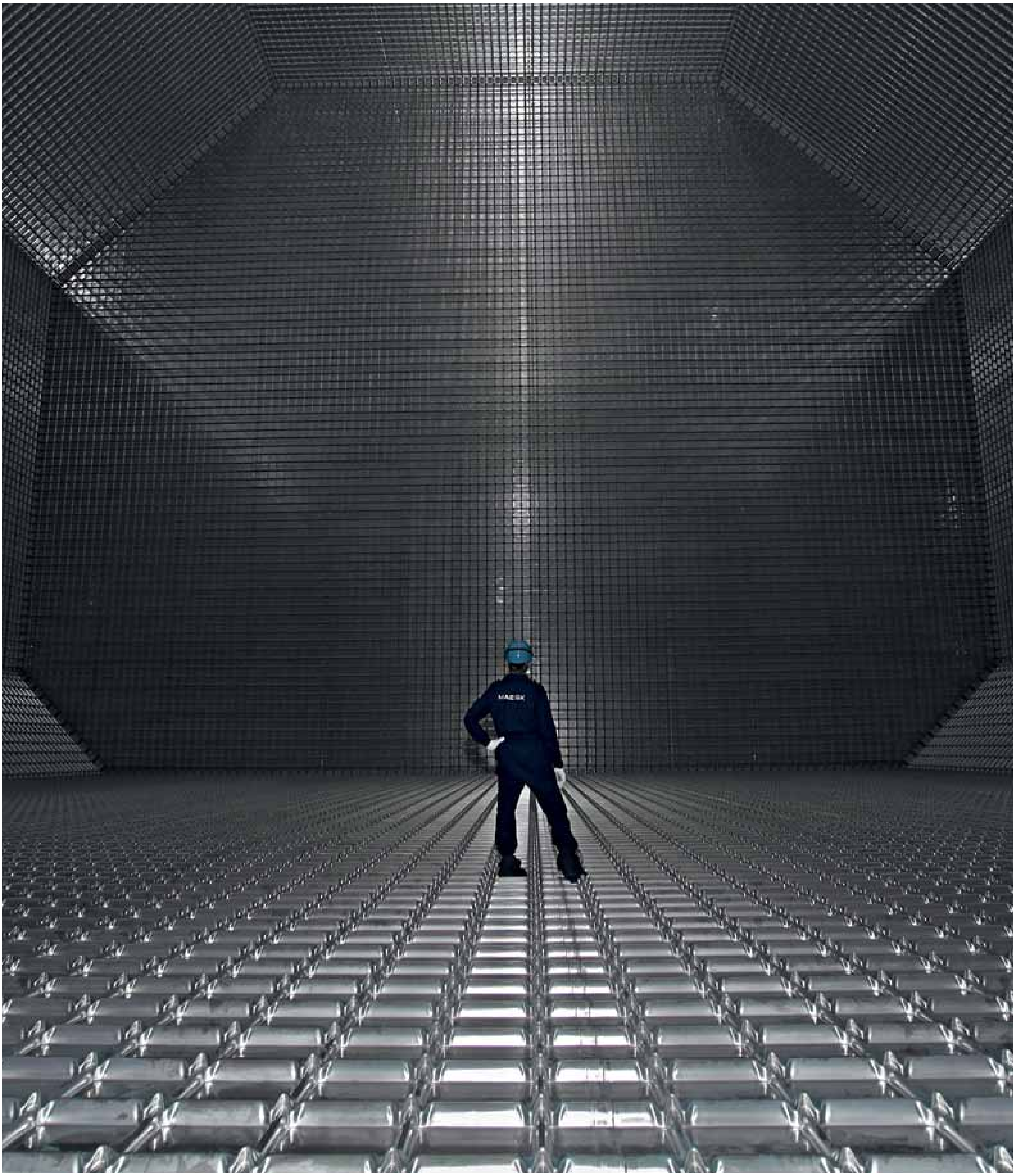
A.P. Møller - Mærsk A/S continues to develop the company's level of information and ensure a consistent, regular and relevant flow of information on the Group's activities, business objectives, strategies and results.

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 interim management statements and visits investors in Denmark, Europe and the USA. Investors and analysts are welcome to contact the company's Investor Relations office.

For a period of four weeks prior to the publication of the interim management statement, the interim report and the annual report, all communication with investors and analysts is subject to restrictions, and during this period the enterprise does not hold individual investor meetings.

ANALYSTS

A.P. Møller - Mærsk A/S is covered by approximately 20 analysts, including international investment banks, who regularly issue research reports. A list of the analysts covering the company is available on http://investor.maersk.com. The website also provides information on the company's activities, including management statements, calendar, investor presentations, annual reports, contact information, etc.



Maersk Marib Dubai

The Liquefied Natural Gas (LNG) cargo tanks are made of thin corrugated stainless steel panels which provide the necessary strength to safely hold the liquid gas at minus 160° C during the voyage. Regular inspections are carried out to ensure that the integrity of the cargo containment system is maintained at all times.

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

The annual report for 2010 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 2010 and of the results of the Group's and the Company's operations and cash flow for the financial year 2010. 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, 23 February 2011

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

Rob Routs

Jan Tøpholm

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

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

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 2010, pages 59–165, which comprise income statement, statement of comprehensive income, balance sheet, cash flow statement, statement of changes in equity and notes for the Group as well as for the 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.

In addition to the audit we have read the Directors' report, which is prepared in accordance with Danish disclosure requirements for listed companies, and provided a statement on this.

Management's Responsibility
Management is responsible for the presentation and 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. This responsibility includes: Designing, implementing and maintaining internal control relevant for the presentation and preparation of consolidated financial statements and parent company financial statements that give a true and fair view that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances. Management is also responsible for the preparation of a Directors' report that includes a fair review in accordance with Danish disclosure requirements for listed companies.

Auditors' Responsibility and Basis of Opinion
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 Danish and International Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about 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 misstatements in 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 presentation and 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 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 Company's financial position at 31 December 2010 and of the results of the Group's and the Company's operations and cash flow for the financial year 1 January to 31 December 2010 in accordance with International Financial Reporting Standards (IFRS) as adopted by the EU and Danish disclosure requirements for listed companies.

Statement on the Directors' report
Pursuant to the Danish Financial Statements Act we have read the Directors' 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, 23 February 2011

KPMG
Statsautoriseret Revisionspartnerselskab

Jesper Ridder Olsen
State Authorised Public Accountant

Grant Thornton
Statsautoriseret Revisionsaktieselskab

Mikkel Sthyr
State Authorised Public Accountant

Al-Shaheen Field
Qatar

The Al-Shaheen Field was discovered in the 1970s but at that time the technology to develop it did not exist. Maersk Oil came on board bringing its experience with challenging reservoirs and break-through horizontal well technology from the North Sea and successfully developed the field.

A.P. Moller - Maersk Group

Financial statements 2010

Income statement

Amounts in DKK million

Note		2010	2009
3	Revenue	315,396	260,336
4	Operating costs	226,308	211,058
	Other income	435	1,196
	Other costs	305	1,212
	Profit before depreciation, amortisation and impairment losses, etc.	**89,218**	**49,262**
9,10	Depreciation, amortisation and impairment losses	33,822	30,317
5	Gain on sale of non-current assets, net	3,792	852
11	Associated companies – share of profit/loss for the year	461	360
	Profit before financial items	**59,649**	**20,157**
6	Financial income	2,979	4,442
6	Financial expenses	8,242	9,695
	Profit before tax	**54,386**	**14,904**
7	Tax	26,174	20,393
	Profit/loss for the year – continuing operations	**28,212**	**-5,489**
8	Profit for the year – discontinued operations	3	–
	Profit/loss for the year	**28,215**	**-5,489**
	Of which:		
	Non-controlling interests	1,760	1,538
	A.P. Møller - Mærsk A/S' share	**26,455**	**-7,027**
17	**Earnings per share of continuing operations, DKK**	**6,060**	**-1,674**
17	**Diluted earnings per share of continuing operations, DKK**	**6,057**	**-1,674**
17	**Earnings per share, DKK**	**6,061**	**-1,674**
17	**Diluted earnings per share, DKK**	**6,058**	**-1,674**

Statement of comprehensive income

Amounts in DKK million

Note		2010	2009
	Profit/loss for the year	**28,215**	**-5,489**
	Translation from functional currency to presentation currency:		
	Differences arising during the year	10,183	-756
	Reclassified to income statement, gain on sale of non-current assets, net	264	–
	Fair value adjustment of other equity investments:		
	Fair value adjustment for the year	-85	-568
	Reclassified to income statement, gain on sale of non-current assets, net	-2,515	-10
16	Cash flow hedges:		
	Value adjustment of hedges for the year	-903	1,591
	Reclassified to income statement, revenue	117	65
	Reclassified to income statement, operating costs	-31	1,002
	Reclassified to income statement, financial expenses	974	34
	Reclassified to cost of property, plant and equipment	15	-26
	Share of other comprehensive income of associated companies, net of tax	80	142
20	Actuarial gains/losses on defined benefit plans, etc.	-177	207
	Value adjustment from the acquisition of subsidiary in stages	–	-450
7	Tax on other comprehensive income	30	-289
	Other comprehensive income, net of tax	**7,952**	**942**
	Total comprehensive income for the year	**36,167**	**-4,547**
	Of which:		
	Non-controlling interests	2,099	1,556
	A.P. Møller - Mærsk A/S' share	**34,068**	**-6,103**

Balance sheet at 31 December

Amounts in DKK million

Note		2010	2009
9	**Intangible assets**	**14,629**	**12,944**
	Ships, rigs, containers, etc.	158,673	144,603
	Production facilities and equipment, etc.	40,807	36,602
	Land and buildings	22,166	21,727
	Construction work in progress and payment on account	22,020	34,642
10	**Property, plant and equipment**	**243,666**	**237,574**
11	Investments in associated companies	26,688	23,712
12	Other equity investments	711	2,966
16	Derivatives	244	297
20	Pensions, net assets	164	–
13	Other receivables	3,488	3,797
	Financial non-current assets	**31,295**	**30,772**
14	**Deferred tax**	**5,134**	**5,542**
	Total non-current assets	**294,724**	**286,832**
15	**Inventories**	**10,417**	**9,385**
23	Trade receivables	23,695	19,545
	Tax receivables	1,175	770
16	Derivatives	901	1,111
13	Other receivables	10,384	7,249
	Prepayments	2,204	2,173
	Receivables, etc.	**38,359**	**30,848**
12	**Securities**	**1,986**	**2,365**
	Cash and bank balances	**23,896**	**8,348**
8	**Assets held for sale**	**5,341**	**7,421**
	Total current assets	**79,999**	**58,367**
	Total assets	**374,723**	**345,199**

Balance sheet at 31 December

Amounts in DKK million

Note		2010	2009
17	Share capital	4,396	4,396
	Reserves	172,764	142,954
	Dividend for distribution	4,396	1,429
	Equity attributable to A.P. Møller - Mærsk A/S	**181,556**	**148,779**
	Non-controlling interests	11,406	10,089
	Total equity	**192,962**	**158,868**
19	**Issued bonds**	**13,099**	**9,158**
19	**Bank and other credit institutions, etc.**	**75,322**	**89,000**
20	Pensions and similar obligations	2,135	1,963
21	Provisions	16,665	16,021
16	Derivatives	1,391	1,564
14	Deferred tax	4,400	6,009
	Other non-current liabilities, etc.	**24,591**	**25,557**
	Total non-current liabilities	**113,012**	**123,715**
19	**Bank and other credit institutions, etc.**	**12,641**	**12,074**
21	Provisions	4,282	2,782
	Trade payables	33,706	30,903
	Tax payables	4,320	2,571
16	Derivatives	1,643	1,899
22	Other payables	7,976	6,175
	Deferred income	1,198	1,290
	Prepayments received	1,014	696
	Other current liabilities, etc.	**54,139**	**46,316**
8	**Liabilities associated with assets held for sale**	**1,969**	**4,226**
	Total current liabilities	**68,749**	**62,616**
	Total liabilities	**181,761**	**186,331**
	Total equity and liabilities	**374,723**	**345,199**

Cash flow statement

Amounts in DKK million (In parenthesis the corresponding figures for 2009)

Note		2010	2009
	Profit before financial items	59,649	20,157
9,10	Depreciation, amortisation and impairment losses	33,822	30,317
5	Gain on sale of non-current assets, net	-3,792	-852
	Associated companies – share of profit/loss for the year	-461	-360
24	Change in working capital	-2,430	1,692
	Change in provisions and pension obligations, etc.	-600	948
24	Other non-cash items	677	1,654
	Cash from operating activities before financial items and tax	86,865	53,556
24	Financial income received	1,149	2,731
	Financial expenses paid	-5,801	-6,544
	Taxes paid	-25,241	-24,645
	Cash flow from operating activities	**56,972**	**25,098**
24	Purchase of intangible assets and property, plant and equipment	-30,958	-43,822
	Sale of intangible assets and property, plant and equipment	3,347	2,223
25	Acqusition of subsidiaries and activities	-1,240	-957
25	Sale of subsidiaries and activities	137	107
24	Other financial investments	2,636	254
	Cash flow used for capital expenditure	**-26,078**	**-42,195**
	Purchase/sale of securities, trading portfolio	515	2,863
	Cash flow used for investing activities	**-25,563**	**-39,332**
	Repayment of loans	-27,438	-30,760
	Proceeds from loans	13,061	35,249
	Dividends distributed	-1,419	-2,675
	Dividends distributed to non-controlling interests	-685	-407
	Sale of own shares	–	8,177
	Other equity transactions	153	-19
	Cash flow from financing activities	**-16,328**	**9,565**
	Net cash flow from continuing operations	**15,081**	**-4,669**
8	Net cash flow from discontinued operations	-64	-26
	Net cash flow for the year	**15,017**	**-4,695**
	Cash and bank balances 1 January	8,419	13,741
	Effect of changed presentation [1]	–	-436
	Currency translation effect on cash and bank balances	485	-191
	Cash and bank balances 31 December	23,921	8,419
	Of which classified as assets held for sale	-25	-71
	Cash and bank balances 31 December	**23,896**	**8,348**

[1] The presentation of certain joint ventures has been changed with effect from 1 January 2009.

Cash and bank balances are included in the order of DKK 4.1 billion (DKK 2.5 billion) 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.

Statement of changes in equity

Amounts in DKK million

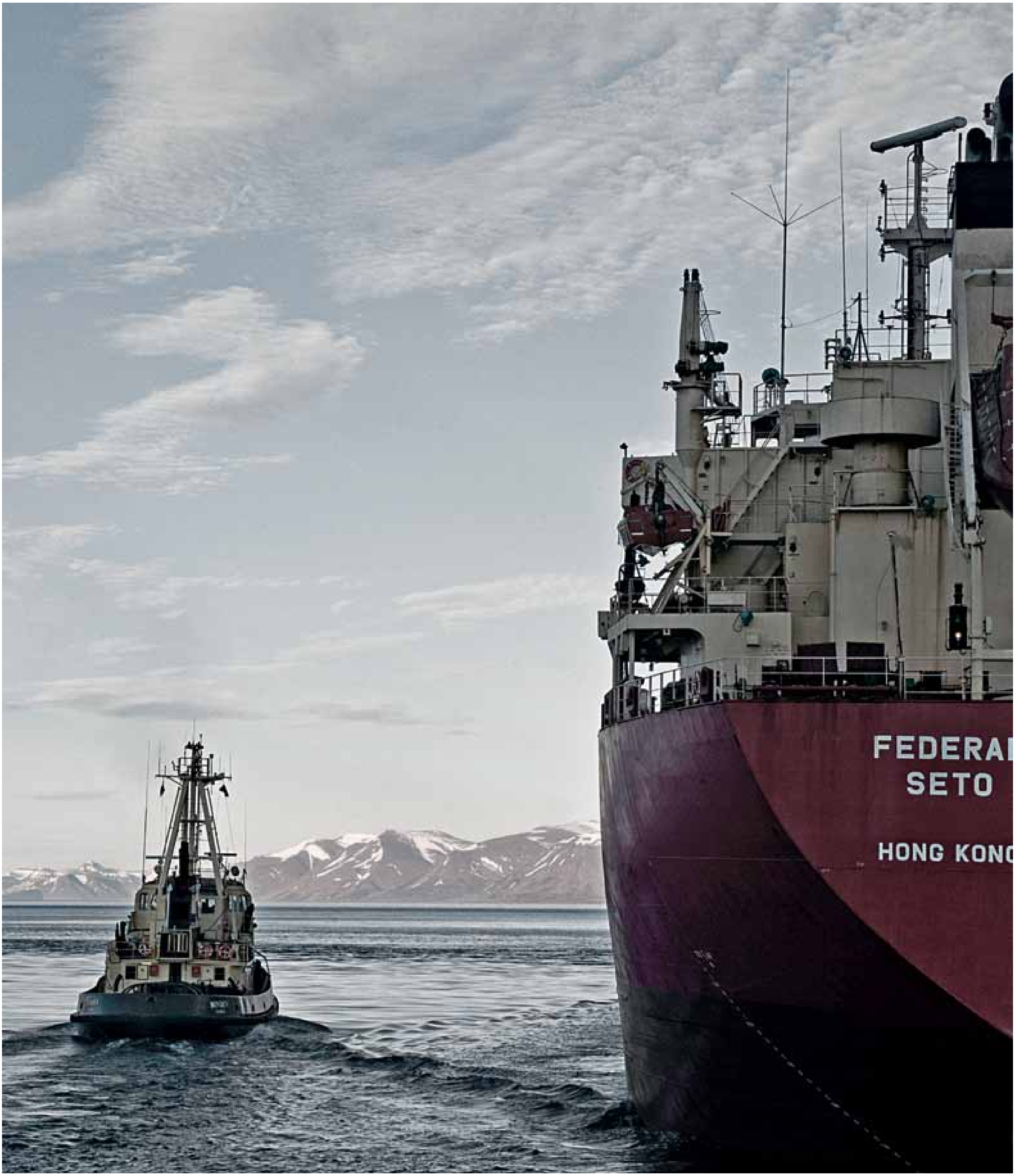
2010		A.P. Møller - Mærsk A/S								
Note		Share capital	Translation reserve	Reserve for other equity investments	Reserve for hedges	Retained earnings	Dividend for distribution	Total	Non-controlling interests	Total equity
	Equity 1 January 2010	4,396	-15,079	2,094	-1,894	157,833	1,429	148,779	10,089	158,868
	Translation from functional currency to presentation currency:									
	Differences arising during the year	–	9,223	601	79	–	–	9,903	280	10,183
	Reclassified to income statement, gain on sale of non-current assets, net	–	264	–	–	–	–	264	–	264
	Fair value adjustment of other equity investments:									
	Fair value adjustment for the year	–	–	-85	–	–	–	-85	–	-85
	Reclassified to income statement, gain on sale of non-current assets, net	–	–	-2,515	–	–	–	-2,515	–	-2,515
	Cash flow hedges:									
	Value adjustment of hedges for the year	–	–	–	-964	–	–	-964	61	-903
	Reclassified to income statement:									
	– revenue	–	–	–	117	–	–	117	–	117
	– operating costs	–	–	–	-31	–	–	-31	–	-31
	– financial expenses	–	–	–	972	–	–	972	2	974
	Reclassified to cost of property, plant and equipment	–	–	–	15	–	–	15	–	15
	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
	Tax on other comprehensive income	–	–	30	-58	56	–	28	2	30
	Other comprehensive income after 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
18	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	–	–	–	–	–	–	–	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 relates to a number of minor transactions.

Statement of changes in equity

Amounts in DKK million

Note	2009	Share capital	Translation reserve	Reserve for other equity investments	Reserve for hedges	Retained earnings	Dividend for distribution	Total (A.P. Møller - Mærsk A/S)	Non-controlling interests	Total equity
	Equity 1 January 2009	4,396	-14,284	2,729	-3,584	157,427	2,857	149,541	8,853	158,394
	Translation from functional currency to presentation currency	–	-795	-59	-765	824	–	-795	39	-756
	Fair value adjustment of other equity investments:									
	Fair value adjustment for the year	–	–	-568	–	–	–	-568	–	-568
	Reclassified to income statement, gain on sale of non-current assets, net	–	–	-10	–	–	–	-10	–	-10
	Cash flow hedges:									
	Value adjustment of hedges for the year	–	–	–	1,591	–	–	1,591	–	1,591
	Reclassified to income statement:									
	– revenue	–	–	–	65	–	–	65	–	65
	– operating costs	–	–	–	1,002	–	–	1,002	–	1,002
	– financial expenses	–	–	–	34	–	–	34	–	34
	Reclassified to cost of property, plant and equipment	–	–	–	-9	–	–	-9	-17	-26
	Share of other comprehensive income of associated companies, net of tax	–	–	–	–	142	–	142	–	142
	Actuarial gains/losses on defined benefit plans, etc.	–	–	–	–	211	–	211	-4	207
	Value adjustment from the acquisition of subsidiary in stages		–	–	–	-450	–	-450	–	-450
	Tax on other comprehensive income	–	–	2	-228	-63	–	-289	–	-289
	Other comprehensive income after tax	**–**	**-795**	**-635**	**1,690**	**664**	**–**	**924**	**18**	**942**
	Profit/loss for the year	–	–	–	–	-8,456	1,429	-7,027	1,538	-5,489
	Total comprehensive income for the year	**–**	**-795**	**-635**	**1,690**	**-7,792**	**1,429**	**-6,103**	**1,556**	**-4,547**
	Dividends to shareholders	–	–	–	–	182	-2,857	-2,675	-431	-3,106
18	Value of granted and sold share options	–	–	–	–	37	–	37	–	37
	Sale of own shares	–	–	–	–	8,177	–	8,177	–	8,177
	Acquisition/sale of non-controlling interests	–	–	–	–	-50	–	-50	61	11
	Capital increases	–	–	–	–	–	–	–	50	50
	Other equity movements	–	–	–	–	-148	–	-148	–	-148
	Total transactions with shareholders	**–**	**–**	**–**	**–**	**8,198**	**-2,857**	**5,341**	**-320**	**5,021**
	Equity 31 December 2009	**4,396**	**-15,079**	**2,094**	**-1,894**	**157,833**	**1,429**	**148,779**	**10,089**	**158,868**



Svitzer Bonden
Svalbard

The tug boat Svitzer Bonden is at work offshore Svalbard, 1,300 km from the North Pole, assisting bulk carriers through the dangerous waters. The tug is built to resist up to 80 cm of ice.

Notes to the consolidated financial statements

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Notes to the consolidated financial statements

Note 1
Accounting policies

The annual report for 2010 of the A.P. Moller - Maersk Group has been prepared in accordance with the International Financial Reporting Standards (IFRS) as adopted by the EU and Danish disclosure requirements for annual reports of listed companies.

In addition, the annual report has been prepared in compliance with IFRS issued by the International Accounting Standards Board (IASB).

The accounting policies are consistent with those applied to the financial statements for 2009 with the exception of the adjustments resulting from the implementation of IFRS 3 Business Combinations (revised 2008) and changes to IAS 27 Consolidated and Separate Financial Statements, both implemented with effect on transactions made after 1 January 2010. The Group's profit or loss and assets and equity have not been significantly affected by the changes. Comparative figures have been restated with regards to certain reclassifications in the income statement between revenue and other income etc. and in some notes. Changes in estimates can be seen in note 2. An overview of the new, revised and amended accounting standards and interpretations is given in note 31.

The Board of Directors and the Management Board have on 23 February 2011 considered and adopted the annual report for 2010 which will be presented for adoption by the shareholders at the company's Annual General Meeting on 4 April 2011.

CONSOLIDATION

The consolidated financial statements comprise the entities controlled by A.P. Møller - Mærsk A/S (subsidiaries). Intra-group income and expenses, shareholdings, intra-group balances and dividends, and gains on intra-group transactions are eliminated.

On acquisition of new entities, the acquired assets, liabilities and contingent liabilities are measured at fair value at the date of acquisition using the aquisition method. Identifiable intangible assets are recognised if they arise from a contractual right or can be separately identified. The excess of cost over the fair value of acquired identifiable net assets is recognised as goodwill under intangible assets. Transaction costs and any subsequent changes to contingent consideration in acquisitions are recognised as operating costs in the income statement.

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 maintained investment is adjusted at fair value and the value adjustment is recognised in the income statement.

Entities jointly controlled with one or more other enterprises are included by proportionate consolidation. Elimination of intra-group transactions is performed proportionally. Financial statement items related to part-owned vessels are included proportionally.

Associated companies are those entities in which the Group is able to exercise significant influence but not control over the financial and operating policies.

Investments in associated companies are recognised in the balance sheet as the Group's share of the equity value inclusive of goodwill on acquisition 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 such. Impairment losses are reversed, as the original value is regained.

In the income statement the Group's share of the net results in the associated companies is included, adjusted for the share of unrealised intra-group gains and losses.

FOREIGN CURRENCY TRANSLATION

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

Notes to the consolidated financial statements

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. 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.

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 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 used to hedge the value of recognised financial assets and liabilities is recognised in the income statement together with changes in the value of the hedged assets or liabilities.

The effective portion of changes in the value of derivative financial instruments used to hedge future transactions is recognised directly in other comprehensive income until the hedged transactions are realised. At that time, the value changes are recognised together with the hedged transactions.

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.

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 incurred, under operating costs.

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.

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 Group entities' financial statements into presentation currency, adjustment of certain 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 financial items of 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.

Notes to the consolidated financial statements

Intangible assets in connection with acquired oil reserves (concession rights, etc.) are amortised over the fields' expected production periods of up to 15 years. For acquired exploration rights the amortisation period is 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 over the concession period.

Goodwill is not amortised, but impairment tests are prepared at least annually, starting in the year of acquisition. Goodwill is attributed to cash-generating units.

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.

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.

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 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.

Securities, including shares, bonds and similar securities, are recognised upon acquisition at cost 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 under IAS 39) are classified as current assets and value adjustments are recognised in the income statement under financial items. Certain financial investments are classified as non-current assets (the category Available-for-sale under IAS 39) 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.

Notes to the consolidated financial statements

Receivables are generally recognised at nominal value. Non-current receivables are recognised at discounted value. 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.

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.

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 the proceeds received. Any premium or discount is amortised over the term of the liabilities. 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.

SEGMENT INFORMATION

Reportable segments consist of the Group's main business activities and are organised around differences in products and services. Revenue between segments is limited except for Terminal activities which delivers a large part of its services to the Group's container shipping activities. Sale of products and services between segments are based on market conditions.

Segment profit or loss, assets and liabilities comprise items directly related to or which can be allocated to segments. Financial assets and liabilities and related financial income and expenses are not attributed to business segments. Financial income and expenses directly related to a segment such as exchange rate adjustments

Notes to the consolidated financial statements

of trade receivables and trade payables are included in the segment results.

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

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 expected to be disposed of collectively, are classified as assets held for sale, when the activities to carry out such sale have been initiated and it is probable that the activities will 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

Note 2
Significant accounting estimates and judgements

When preparing the annual report of the A.P. Moller - Maersk 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 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 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 end-2010 level. 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 entire activities are considered to be cash-generating units. For 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. In 2010, Maersk Tankers estimated that on the basis of fleet composition, order distribution and follow-up on earnings, cash flows for individual assets are no longer independent. Vessels in cash-generating units are therefore grouped according to type, size, etc. in accordance with the structure governing the management's ongoing follow-up. This change has not resulted in further impairment losses or reversals.

DEPRECIATION PERIODS

The total depreciation and amortisation is a considerable cost to the A.P. Moller - Maersk 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 fluctuation, 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.

LEASING

Lease contracts are classified as operating or finance leases at the inception of the lease. Once determined, the classification is not subsequently changed.

To a certain extent, the classification depends on estimates based on conditions in the contract. In the judgement, a "substance over form" approach is used.

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 conditional lease

Notes to the consolidated financial statements

payments are included and the value can therefore be determined with relative certainty. 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. Other tax assets are deemed to be uncertain and are not recognised.

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 20.

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

The consolidated financial statements comprise the entities controlled by the Group (subsidiaries) and jointly controlled entities proportionate consolidated.

Associated companies are those entities in which the Group is able to exercise significant influence but not control over the financial and operating policies. These are recognised according to the equity method.

To a certain extent, the classification of entities partly owned by other enterprises depends on the individual conditions and clauses in shareholders' agreements etc.

Notes to the consolidated financial statements

Amounts in DKK million (in parenthesis the corresponding figures for 2009)

3 Segment information

	Container activities 2010	Container activities 2009	Oil and gas activities 2010	Oil and gas activities 2009
External revenue	146,052	106,629	57,634	48,362
Inter-segment revenue	363	167	–	–
Total revenue	**146,415**	**106,796**	**57,634**	**48,362**
Profit/loss before depreciation, amortisation and impairment losses, etc.	25,877	-1,622	46,493	37,778
Depreciation and amortisation	8,789	8,335	13,226	11,891
Impairment losses	942	811	368	674
Reversal of impairment losses	14	13	–	–
Gain on sale of non-current assets, net	131	272	20	121
Associated companies – share of profit/loss for the year	-12	8	–	–
Profit/loss before financial items	**16,279**	**-10,475**	**32,919**	**25,334**
Financial items, net	-112	-271	-296	-375
Profit/loss before tax	**16,167**	**-10,746**	**32,623**	**24,959**
Tax	1,312	650	23,296	18,720
Profit/loss	**14,855**	**-11,396**	**9,327**	**6,239**
Cash flow from operating activities	23,619	704	22,231	17,100
Cash flow used for capital expenditure	-5,484	-7,133	-11,033	-12,601
Free cash flow	**18,135**	**-6,429**	**11,198**	**4,499**
Investments in non-current assets[1]	**7,429**	**7,819**	**9,634**	**12,424**
Investments in associated companies	42	30	–	–
Other non-current assets	100,649	97,057	43,020	43,722
Assets held for sale	1,776	1,269	–	–
Other current assets	18,350	15,139	7,741	5,685
Non-interest bearing liabilities	25,549	23,500	23,159	22,154
Invested capital, net	**95,268**	**89,995**	**27,602**	**27,253**

[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 has 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 activity concerns the sale of convenience goods, etc.

Oil and gas activities include assets and liabilities of DKK 2,779 million (DKK 1,858 million) and DKK 1,173 million (DKK 1,733 million), which relate only to exploration. Intangible assets totalled DKK 784 million (DKK 436 million) of the total assets. Cash flow from exploration activities totalled DKK -3,909 million (DKK -2,760 million) from operations and DKK -1,194 million (DKK -691 million) used for capital expenditure.

Notes to the consolidated financial statements

Amounts in DKK million

Terminal activities		Tankers, offshore and other shipping activities		Retail activity		Other businesses		Total reportable segments	
2010	2009	**2010**	2009	**2010**	2009	**2010**	2009	**2010**	2009
12,901	10,885	31,069	29,157	59,250	57,247	5,580	6,447	312,486	258,727
11,005	11,838	610	402	–	–	2,601	1,584	14,579	13,991
23,906	**22,723**	**31,679**	**29,559**	**59,250**	**57,247**	**8,181**	**8,031**	**327,065**	**272,718**
4,884	4,810	8,814	7,618	3,591	3,438	257	-904	89,916	51,118
2,163	2,091	4,547	4,000	827	724	197	367	29,749	27,408
315	149	2,493	1,651	–	–	30	49	4,148	3,334
–	247	56	–	–	–	–	190	70	450
2,580	71	681	220	40	77	141	50	3,593	811
136	103	-392	-97	–	–	735	346	467	360
5,122	**2,991**	**2,119**	**2,090**	**2,804**	**2,791**	**906**	**-734**	**60,149**	**21,997**
15	218	-28	11	67	43	5	-6	-349	-380
5,137	**3,209**	**2,091**	**2,101**	**2,871**	**2,834**	**911**	**-740**	**59,800**	**21,617**
680	558	729	634	656	706	+42	+292	26,631	20,976
4,457	**2,651**	**1,362**	**1,467**	**2,215**	**2,128**	**953**	**-448**	**33,169**	**641**
4,749	4,072	7,726	6,444	2,493	3,713	1,078	-1,774	61,896	30,259
-1,694	-3,519	-5,654	-16,325	-2,210	-3,210	451	120	-25,624	-42,668
3,055	**553**	**2,072**	**-9,881**	**283**	**503**	**1,529**	**-1,654**	**36,272**	**-12,409**
4,908	**4,126**	**7,338**	**21,824**	**2,411**	**3,321**	**68**	**225**	**31,788**	**49,739**
2,099	1,390	3,546	2,109	–	–	20,999	20,182	26,686	23,711
26,620	26,983	77,588	72,383	15,551	16,305	1,416	1,721	264,844	258,171
164	735	107	4,550	3,066	–	17	621	5,130	7,175
4,157	3,721	8,598	6,700	4,391	4,318	1,964	1,614	45,201	37,177
6,381	5,981	10,049	10,339	7,523	7,376	3,155	2,814	75,816	72,164
26,659	**26,848**	**79,790**	**75,403**	**15,485**	**13,247**	**21,241**	**21,324**	**266,045**	**254,070**

Notes to the consolidated financial statements

Amounts in DKK million (in parenthesis the corresponding figures for 2009)

3 – continued

	2010	2009
Revenue		
Reportable segments	327,065	272,718
Unallocated revenue (Maersk Oil Trading)	3,035	1,609
Eliminations	-14,704	-13,991
Total	**315,396**	**260,336**

The revenue of the Group includes sale of goods including sale of oil and gas with DKK 124 billion (DKK 114 billion). Other revenue is related to rendering of services.

	2010	2009
Profit/loss for the year		
Reportable segments	33,169	641
Financial items, net of tax	-4,401	-4,392
Maersk Oil Trading	77	-738
Costs in group functions, etc.	656	936
Unallocated tax	26	88
Eliminations	49	24
Total continuing operations	28,212	-5,489
Discontinued operations, after elimination	3	–
Total	**28,215**	**-5,489**
Assets		
Reportable segments	341,861	326,234
Unallocated assets	36,855	23,300
Eliminations	-4,204	-4,581
Total continuing operations	374,512	344,953
Discontinued operations, after elimination	211	246
Total	**374,723**	**345,199**
Liabilities		
Reportable segments	75,816	72,164
Unallocated liabilities	110,189	118,929
Eliminations	-4,344	-4,926
Total continuing operations	181,661	186,167
Discontinued operations, after elimination	100	164
Total	**181,761**	**186,331**

Geographical information

For the shipping activities revenue is based on the destination. The majority of the Group's ships, drilling rigs and containers are registered in Denmark, Singapore, Great Britain and the 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

	External revenue		Non-current assets[1]	
Geographical split	**2010**	2009	**2010**	2009
Denmark	64,452	61,746	101,821	91,371
Great Britain	28,645	21,318	28,370	37,346
USA	37,146	25,742	11,568	10,239
Singapore	1,087	1,391	39,897	35,530
Qatar	27,020	24,948	15,768	18,018
Other countries	157,046	125,191	60,871	58,014
Total	**315,396**	**260,336**	**258,295**	**250,518**

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

Amounts in DKK million

4 Operating costs

	2010	2009
Costs of goods sold	50,472	44,022
Bunker costs	26,701	20,859
Exploration costs	3,403	3,624
Rental and leasing costs	16,541	19,707
Staff costs	34,764	33,132
Integration and restructuring costs	714	1,390
Other operating costs	93,713	88,324
Total operating costs	**226,308**	**211,058**
Remuneration of employees		
Wages and salaries	31,071	29,759
Severance payments	545	1,081
Pension costs, defined benefit plans	240	333
Pension costs, defined contribution plans	1,784	1,777
Other social security costs	2,244	2,129
Total remuneration	**35,884**	**35,079**
Of which:		
Recognised in the cost of assets	354	570
Included in exploration costs	341	342
Included in integration and restructuring costs	425	1,035
Expensed as staff costs	**34,764**	**33,132**
Average number of employees excluding jointly controlled entities and discontinued operations	108,110	115,386

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 18.

Notes to the consolidated financial statements

Amounts in DKK million (in parenthesis the corresponding figures for 2009)

4 – continued

Fees and remuneration to the Board of Directors and the Managing Director
The Board of Directors has received fees of DKK 18 million (DKK 16 million).

Remuneration of the Managing Director, Firmaet A.P. Møller, is expensed with DKK 99 million (DKK 111 million), including remuneration DKK 0 million (DKK 30 million) in connection with resignation.

Contract of employment for Executive Board 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 of A.P. Møller - Mærsk A/S	2010	2009
KPMG, Statsautoriseret Revisionspartnerselskab		
Statutory audit	31	22
Other assurance services	–	–
Tax and VAT advisory services	5	5
Other services	6	7
Total fees	**42**	**34**
Grant Thornton, Statsautoriseret Revisionsaktieselskab		
Statutory audit	9	13
Other assurance services	1	1
Tax and VAT advisory services	2	3
Other services	2	4
Total fees	**14**	**21**

Amounts in DKK million

5 Gain on sale of non-current assets, net

	2010	2009
Gains	4,296	907
Losses	504	55
Gain on sale of non-current assets, net	**3,792**	**852**

Sale of other equity investments results in a gain of DKK 2,494 million and relates primarily to Sigma Enterprises Ltd. and Flinders Ports.

Gains also include DKK 454 million related to Gujarat Pipavav Port Ltd., K/S Membrane 1 and K/S Membrane 2 where control is lost and the non-controlling investments are retained at estimated fair value.

Notes to the consolidated financial statements

Amounts in DKK million (in parenthesis the corresponding figures for 2009)

6 Financial income and expenses

	2010	2009
Interest income	918	921
Dividends received	30	241
Exchange rate gains	1,735	2,852
Fair value adjustment of interest rate derivatives	200	133
Fair value adjustment of fixed-term issued bonds	–	42
Change in fair value of securities	96	253
Total financial income	**2,979**	**4,442**
Interest expenses	5,940	6,454
Unwind of discount on provisions	361	310
Exchange rate losses	1,392	2,718
Fair value adjustment of interest rate derivatives	368	–
Fair value adjustment of fixed-term issued bonds	61	–
Change in fair value of securities	88	176
Impairment losses on financial non-current receivables	32	37
Total financial expenses	**8,242**	**9,695**

Dividends received include DKK 18 million (DKK 210 million) from securities classified as non-current assets (available-for-sale).

Exchange rate gains/losses include exchange rate adjustments of bank deposits, loans and working capital at a total gain of DKK 401 million (a loss of DKK 437 million).

The ineffective part of interest rate and currency derivatives is recognised in fair value and exchange rate adjustments by DKK 34 million (DKK 8 million).

Notes to the consolidated financial statements

Amounts in DKK million

7 Tax

	2010	2009
Tax recognised in the income statement	26,174	20,393
Of which regarding Danish and foreign tonnage tax, freight tax, etc.	-675	-709
Total	**25,499**	**19,684**
Current tax	**26,706**	**20,624**
Adjustment of deferred tax		
Adjustment of temporary differences including tax assets, previously not recognised	-1,207	-940
Total adjustment of deferred tax	-1,207	-940
Total	**25,499**	**19,684**
Current and deferred tax arise as follows:		
Profit before tax	54,386	14,904
Income subject to Danish and foreign tonnage taxation, etc.	-14,100	13,304
Associated companies – share of profit/loss for the year	-461	-360
Profit before tax, adjusted	39,825	27,848
Calculated 25% tax	9,956	6,962
Tax rate deviations in foreign entities, net	-704	-789
Additional tax in the oil segment in excess of 25%	14,827	12,739
Gains related to shares, dividends, etc.	36	42
Adjustment to prior years' taxes	-324	-305
Deferred tax assets, not previously recognised	-376	-642
Tax losses for which no deferred tax asset was recognised	1,001	1,325
Other permanent differences, net	1,083	352
Total	**25,499**	**19,684**
Tax recognised in other comprehensive income		
Fair value adjustment of securities	+30	+2
Cash flow hedges	58	228
Actuarial gains/losses on defined benefit plans, etc.	+58	63
Tax recognised in other comprehensive income, net	**+30**	**289**
Of which:		
Current tax	5	+22
Deferred tax	+35	311

Notes to the consolidated financial statements

Amounts in DKK million (in parenthesis the corresponding figures for 2009)

8 Discontinued operations and assets held for sale

Discontinued operations primarily comprise Maersk Aviation, which leases three aircraft. Efforts to sell the aircraft, with respect for the existing contracts, continue.

Assets held for sale primarily relate to the sale of Netto Foodstores Limited. On 27 May 2010, Dansk Supermarked A/S concluded an agreement with Walmart (Asda Stores Limited) to sell Netto UK (Netto Foodstores Limited). The sale is expected to be completed at the end of the first half year 2011 and is subject to approval by the British competition authorities.

Assets held for sale also include seven container vessels, of which four are owned and three are held under finance leases , as well as one handysize product tanker. Impairment losses of DKK 1,190 million (DKK 1,058 million) have been recognised in relation to the reclassification to assets held for sale.

In 2010, impairment losses of DKK 260 mio. (DKK 0 mio.) have been recognised for assets held for sale relating to Norfolk Holdings B.V.

Two tanker vessels were sold and seven container vessels, classified as assets held for sale at year-end 2009, were returned. Furthermore, the sales of Norfolk Holdings B.V and the remaining Rosti activities were completed in 2010.

Profit for the year – discontinued operations	**2010**	2009
Revenue	34	26
Costs, etc.	-41	-18
Profit before tax, etc.	**-7**	**8**
Tax	8	8
Profit	**-15**	**–**
Gain/loss	18	–
Tax hereof	–	–
Profit for the year – discontinued operations	**3**	**–**
A.P. Møller - Mærsk A/S' share hereof	3	–
Earnings and diluted earnings per share, DKK	1	–
Cash flows from discontinued operations for the year		
Cash flow from operating activities	42	36
Cash flow used for investing activities	-19	1
Cash flow from financing activities	-87	-63
Net cash flow from discontinued operations	**-64**	**-26**
Balance sheet items comprise:		
Non-current assets	4,765	6,071
Current assets	576	1,350
Assets held for sale	**5,341**	**7,421**
Provisions	70	96
Other liabilities	1,899	4,130
Liabilities associated with assets held for sale	**1,969**	**4,226**

Notes to the consolidated financial statements

Amounts in DKK million (in parenthesis the corresponding figures for 2009)

9 Intangible assets

	Goodwill	IT software	Oil concession rights	Other rights	Total
Cost					
1 January 2009	2,350	1,349	21,301	8,789	33,789
Addition	4	473	636	365	1,478
Acquired in business combinations	584	–	–	193	777
Disposal	–	58	–	2,186	2,244
Disposal on sale of businesses	–	–	–	21	21
Transfer, assets held for sale	–	-33	–	–	-33
Exchange rate adjustment	419	-68	-403	247	195
31 December 2009	**3,357**	**1,663**	**21,534**	**7,387**	**33,941**
Addition	–	309	2,732	1,672	4,713
Acquired in business combinations	51	–	–	57	108
Disposal	1	1	–	1,742	1,744
Disposal on sale of businesses	–	–	–	774	774
Exchange rate adjustment	524	137	1,751	722	3,134
31 December 2010	**3,931**	**2,108**	**26,017**	**7,322**	**39,378**
Amortisation and impairment losses					
1 January 2009	16	741	14,678	4,122	19,557
Amortisation	–	181	2,265	761	3,207
Impairment losses	238	–	674	66	978
Reversal of impairment losses	–	–	–	247	247
Disposal	–	58	–	2,181	2,239
Transfer, assets held for sale	–	-2	–	–	-2
Exchange rate adjustment	-9	-32	-355	139	-257
31 December 2009	**245**	**830**	**17,262**	**2,660**	**20,997**
Amortisation	–	293	2,224	738	3,255
Impairment losses	291	4	136	288	719
Disposal	1	1	–	1,706	1,708
Disposal on sale of businesses	–	–	–	289	289
Exchange rate adjustment	18	95	1,404	258	1,775
31 December 2010	**553**	**1,221**	**21,026**	**1,949**	**24,749**
Carrying amount:					
31 December 2009	**3,112**	**833**[1]	**4,272**	**4,727**	**12,944**
31 December 2010	**3,378**	**887**[1]	**4,991**	**5,373**	**14,629**

[1] Hereof DKK 410 million (DKK 517 million) relating to ongoing development of software.

Other rights include service concessions rights, terminal rights, etc.

Notes to the consolidated financial statements

Amounts in DKK million (in parenthesis the corresponding figures for 2009)

9 – continued

At 31 December 2010, goodwill primarily relates to Adsteam Marine Limited DKK 2.8 billion (DKK 2.3 billion) and Retail activity DKK 0.5 billion (DKK 0.5 billion) and is allocated to cash-generating units based on the management structure.

The impairment test regarding goodwill 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. In the calculations discount rates of 7-10% (7-10%) p.a. after tax have been used. Furthermore, the development in earnings is a significant parameter.

Impairment losses for the year of DKK 719 million primarily relate to Broström Group goodwill, which is now fully impaired based on weak market conditions for small and intermediate product tankers . Also, impairment losses on time charter contracts, oil concession rights and terminal rights are recognised based on estimated value in use. A discount rate of 10% (10%) p.a. after tax has been used in the calculation of the goodwill impairment.

Impairment losses for 2009 of DKK 978 million primarily related to oil concession rights on certain fields in the Gulf of Mexico, which were written down to estimated value in use. Discount rates of 8% p.a. after tax, and for oil concession rights the forward curve for oil prices at 31 December 2009, were used in the calculations. Reversal of impairment loss for 2009 of DKK 247 million was related to terminal rights.

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 2009	196,087	91,515	31,185	39,757	358,544
Addition	3,959	4,144	2,536	31,522	42,161
Acquired in business combinations	5,082	11	47	30	5,170
Disposal	2,959	812	367	176	4,314
Disposal on sale of businesses	16	110	88	–	214
Transfer	20,093	8,952	162	-29,207	–
Transfer, assets held for sale	-7,296	-616	-743	-783	-9,438
Exchange rate adjustment	-3,276	-1,400	216	-573	-5,033
31 December 2009	**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**
Depreciation and impairment losses					
1 January 2009	60,399	56,513	10,432	4,402	131,746
Depreciation	11,342	9,177	906	2,801	24,226
Impairment losses	1,718	58	114	466	2,356
Reversal of impairment losses	13	150	40	–	203
Disposal	2,146	482	80	–	2,708
Disposal on sale of businesses	2	99	67	1	169
Transfer	–	1,643	–	-1,643	–
Transfer, assets held for sale	-3,148	-585	-152	-	-3,885
Exchange rate adjustment	-1,079	-993	108	-97	-2,061
31 December 2009	**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**
Carrying amount:					
31 December 2009	**144,603**	**36,602**	**21,727**	**34,642**	**237,574**
31 December 2010	**158,673**	**40,807**	**22,166**	**22,020**	**243,666**
Hereof carrying amount of finance leased assets					
31 December 2009	**19,234**	**17**	**44**	**–**	**19,295**
31 December 2010	**15,898**	**19**	**47**	**1,768**	**17,732**

Notes to the consolidated financial statements

Amounts in DKK million (in parenthesis the corresponding figures for 2009)

10 – continued

Impairment losses for the year of DKK 3,169 million primarily relate to FPSOs and LNG carriers which are written down to estimated value in use and container vessels transferred to assets held for sale. Discount rates of 8-10% p.a. after tax are used in the calculations of estimated value in use.

Impairment losses for 2009 of DKK 2,356 million primarily related to vessels transferred to assets held for sale and tanker vessels, which were written down to estimated value in use. Discount rates of 8-13% p.a. after tax were applied.

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

Property, plant and equipment includes assets that are leased out as part of the Group's activities. The future lease payments are DKK 36.5 billion (DKK 29.8 billion) whereof DKK 3.6 billion (DKK 2.3 billion) are payable within one year, DKK 11.1 billion (DKK 9.1 billion) between one and five years and DKK 21.8 billion (DKK 18.4 billion) in more than five years.

Ownership of production facilities

Ownership of production facilities, etc. relating to oil production in Qatar and Algeria with a carrying amount of DKK 17.9 billion (DKK 19.2 billion) 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 57.3 billion (DKK 51.0 billion) have been pledged as security for loans of DKK 45.7 billion (DKK 40.9 billion).

Notes to the consolidated financial statements

Amounts in DKK million (in parenthesis the corresponding figures for 2009)

11 Investments in associated companies

In aggregate, the associated companies listed on page 165 have the following revenue, profit/loss, assets and liabilities (100%):

	Banking activities		Other activities	
	2010	2009	**2010**	2009
Revenue	120,463	157,861	18,238	10,569
Profit/loss	3,664	1,713	-557	-29
Assets	3,213,886	3,098,477	48,657	29,662
Liabilities	3,109,144	2,997,818	29,438	17,340

The market value of listed shares in associated companies totalled DKK 23.8 billion (DKK 16.9 billion). The carrying amount of these is DKK 23.6 billion (DKK 20.3 billion). Revenue from banking activities includes gross interest income, trading income, fees received and insurance income.

Contingent liabilities in associated companies totalled DKK 53.1 billion (DKK 52.3 billion) proportionally and are mainly related to Danske Bank A/S' guarantees and other liabilities.

Banking activities
Profit for 2010 in Danske Bank was DKK 3.7 billion (DKK 1.7 billion). The A.P. Moller - Maersk Group's share of this was DKK 0.7 billion (DKK 0.3 billion).

Ro/Ro activities
Overall, the Group's ownership interest in DFDS A/S and Höegh Autoliners, etc., contributed a loss of DKK 399 million (DKK 92 million). The loss was negatively affected by impairment losses relating to Höegh Autoliners. A.P. Møller - Mærsk A/S' share of DFDS A/S' profit is based on an estimate from published company announcements, as DFDS A/S has not yet presented its annual financial statements for 2010. The purchase price allocation for DFDS A/S is provisional.

Notes to the consolidated financial statements

Amounts in DKK million

12 Securities and other equity investments

	2010	2009
Other equity investments (available-for-sale)		
Listed shares	133	78
Non-listed shares	578	2,888
Total	**711**	**2,966**
Securities (current)		
Bonds	1,644	1,661
Other securities	266	415
Total interest-bearing	**1,910**	**2,076**
Listed shares	1	13
Non-listed shares	75	276
Total shares	**76**	**289**
Total securities (current)	**1,986**	**2,365**
Total securities and other equity investments	**2,697**	**5,331**

For information about currencies, effective interest rates and duration reference is made to note 23.

Amounts in DKK million

13 Other receivables

	2010	2009
Loans	4,704	4,177
Deposits provided as security for lease obligations, etc.	858	1,666
Total interest-bearing	5,562	5,843
Tax and VAT receivables, etc.	643	1,746
Other receivables	7,667	3,457
Total	**13,872**	**11,046**
Hereof:		
Classified as non-current	3,488	3,797
Classified as current	10,384	7,249

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

The A.P. Moller - Maersk Group does not have any particular credit risks in regard to other receivables. Reference is made to note 23 for a description of currency and interest rate risks.

Notes to the consolidated financial statements

Amounts in DKK million (in parenthesis the corresponding figures for 2009)

14 Deferred tax

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

	Assets		Liabilities		Net	
	2010	2009	**2010**	2009	**2010**	2009
Intangible assets	198	99	1,431	1,984	1,233	1,885
Property, plant and equipment	1,681	2,116	6,496	6,849	4,815	4,733
Investments	1	8	17	145	16	137
Derivatives	502	490	2	–	-500	-490
Receivables, etc.	165	25	38	56	-127	31
Liabilities	3,828	3,888	285	266	-3,543	-3,622
Tax loss carry forwards	2,267	1,920	40	88	-2,227	-1,832
Other	586	434	185	59	-401	-375
Total	9,228	8,980	8,494	9,447	-734	467
Offsets	-4,094	-3,438	-4,094	-3,438	–	–
Total	**5,134**	**5,542**	**4,400**	**6,009**	**-734**	**467**

Change in deferred tax, net during the year	**2010**	2009
1 January	467	1,025
Recognised in the income statement	-1,207	-940
Recognised in other comprehensive income	-35	311
Change from acquisition/sale of businesses	5	246
Transfer, assets held for sale	-4	14
Exchange rate adjustments	40	-189
31 December	**-734**	**467**

Unrecognised deferred tax assets

Under the special hydrocarbon tax, the Group has field loss carry forwards and unused tax allowances with a tax value of DKK 0.2 billion (DKK 0.4 billion). No tax value is recognised as it is not considered likely that the deferred tax assets can be realised in the foreseeable future.

Other unrecognised deferred tax assets relate to:	**2010**	2009
Deductible temporary differences	1,161	1,208
Tax loss carry forwards	3,694	2,247
Total	**4,855**	**3,455**

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

15 Inventories

	2010	2009
Raw materials and consumables	1,834	1,551
Work in progress	178	167
Finished goods and goods for resale	4,428	4,264
	6,440	5,982
Bunkers	3,977	3,403
Total	**10,417**	**9,385**

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

Amounts in DKK million (in parenthesis the corresponding figures for 2009)

16 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.

Fair values 31 December	2010	2009
Non-current receivables	244	297
Current receivables	901	1,111
Non-current liabilities	1,391	1,564
Current liabilities	1,643	1,899
Liabilities, net	**1,889**	**2,055**

	Fair value	Recog-nised	For future re-cognition	Fair value	Recog-nised	For future re-cognition
	2010	2010	2010	2009	2009	2009
Currency derivatives	467	44	423	268	148	120
Interest rate derivatives	-2,402	-232	-2,170	-2,177	-381	-1,796
Price hedge derivatives	46	46	–	-146	-57	-89
Total	**-1,889**	**-142**	**-1,747**	**-2,055**	**-290**	**-1,765**

Value adjustments of derivatives used for hedging future cash flows are recognised in other comprehensive income until such time when the hedged cash flow is realised.

Interest rate derivatives swap primarily floating to fixed rate on loans and are recognised in the income statement concurrently with the hedged interest expenses. The fair value to be recognised in future periods is expected to be realised within seven years (six years). Furthermore, interest rate derivatives are used to swap fixed rate loans to floating interest rates.

Notes to the consolidated financial statements

Amounts in DKK million (in parenthesis the corresponding figures for 2009)

16 – continued

Currency derivatives hedge future revenue, costs and investments and are recognised on an ongoing basis in the income statement and the cost of hedged assets respectively. The fair value to be recognised in future periods is expected to be realised within one year (one year).

Price derivatives comprise:

	Fair value		Principal Purchase/sale (-), net	
	2010	2009	**2010**	2009
Oil price hedges	-1	-138	-451	-6,993
Raw materials hedges	50	-7	-147	-114
Forward freight agreements	-3	-1	-20	-7
Total	**46**	**-146**		

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

Amounts in DKK million (in parenthesis the corresponding figures for 2009)

17 Share capital and earnings per share

The share capital 31 December 2010 comprises:
A shares DKK 2,197.8 million divided into 2,197,596 shares of DKK 1,000 and 408 shares of DKK 500
B shares DKK 2,197.8 million divided into 2,197,490 shares of DKK 1,000 and 620 shares of DKK 500

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 4 April 2011 allow the Company to acquire own shares within 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.

	No. of shares of DKK 1,000		Nominal value		% of share capital	
Own shares (B shares)	**2010**	2009	**2010**	2009	**2010**	2009
1 January	30,619	280,959	31	281	0.70%	6.40%
Disposal	–	250,340	–	250	0.00%	5.70%
31 December	**30,619**	**30,619**	**31**	**31**	**0.70%**	**0.70%**

Proceeds from sale of own shares was in 2009 DKK 8.2 billion net of transaction costs of DKK 85 million.

Notes to the consolidated financial statements

Amounts in DKK million (in parenthesis the corresponding figures for 2009)

17 – continued

The Board of Directors proposes a dividend to the shareholders of DKK 1,000 per share of DKK 1,000 – a total of DKK 4,396 million (DKK 325 per share of DKK 1,000 – a total of DKK 1,429 million). Payment is expected to take place on 8 April 2011.

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

Basis for calculating earnings per share is the following:

	2010	2009
Issued shares 1 January	4,395,600	4,395,600
Average number of own shares	30,619	198,903
Average number of shares	**4,364,981**	**4,196,697**

A.P. Møller - Mærsk A/S' share of:	2010	2009
Profit/loss for the year of continuing operations	26,452	-7,027
Profit for the year of discontinued operations	3	–
Profit/loss for the year	**26,455**	**-7,027**

At 31 December 2010, there is a dilution effect on earnings per share of 6,783 (0) issued share options, while there is no dilution effect of 7,507 (10,661) issued share options. This corresponds to 0.15% (0.00%) and 0.17% (0.24%) of the share capital, respectively.

Amounts in DKK million (in parenthesis the corresponding figures for 2009)

18 Share-based payment

The A.P. Moller - Maersk 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 125 (123) employees was DKK 34 million (DKK 31 million) at the time of such grant. Total value of granted share options is recognised in the income statement at DKK 31 million (DKK 26 million). In addition to this, four (six) partners in Firmaet A.P. Møller bought share options corresponding to a fair value of DKK 9 million (DKK 12 million).

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. Special conditions apply regarding illness, death and resignation as well as changes in the Company's capital structure etc.

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.

Notes to the consolidated financial statements

Amounts in DKK million (in parenthesis the corresponding figures for 2009)

18 – continued

The share option 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 million
1 January 2009	1,120	2,709	3,829	53,500	
Granted	–	4,960	4,960	27,237	31
Sold	1,939	–	1,939	27,237	12
Forfeited	–	67	67	37,429	–
Outstanding 31 December 2009	**3,059**	**7,602**	**10,661**	**36,606**	
Exercisable 31 December 2009	**–**	**–**	**–**	**–**	
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**	

[1] At the time of the grant

No share options were exercised during 2010.

The average remaining contractual life as per 31 December 2010 is 3.7 years (3.9 years) and the exercise price for outstanding share options is in the range from DKK 27,237 to DKK 53,500 (DKK 27,237 to DKK 53,500).

The fair value per option at the time of grant is calculated at DKK 11,451 (DKK 6,155) based on Black & Scholes' options pricing model.

The following principal assumptions are used in the valuation:

	2010	2009
Share price, five days average, DKK	42,808	24,761
Exercise price, DKK	47,089	27,237
Expected volatility (based on four years historical volatility)	35.0%	35.0%
Expected term	4.5 years	4.5 years
Expected dividend per share, DKK	650	650
Risk free interest rate (based on the five years swap interest curve)	1.7%	3.1%

Notes to the consolidated financial statements

Amounts in DKK million

19 Bank, other credit institutions and issued bonds, etc.

	Carrying amount	Fair value	Carrying amount	Fair value
	2010	2010	2009	2009
Bank, other credit institutions and issued bonds, etc.	86,391	91,045	94,048	97,637
Finance lease liabilities	14,671	16,837	16,184	18,050
Total	**101,062**	**107,882**	**110,232**	**115,687**
Of which:				
Non-current liabilities	88,421		98,158	
Current liabilities	12,641		12,074	
Bank, other credit institutions and finance lease liabilities associated with assets held for sale	1,273	1,268	2,828	2,871

Fair value of issued bonds are 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.

For information about currencies, interest rates and maturity reference is made to note 23.

Finance lease liabilities are payable as follows:

	Minimum lease pay-ments	Interest	Carrying amount	Minimum lease pay-ments	Interest	Carrying amount
	2010	2010	2010	2009	2009	2009
Within one year	2,723	862	1,861	1,955	693	1,262
Between one and five years	6,935	2,578	4,357	7,015	2,406	4,609
After five years	11,673	3,220	8,453	13,566	3,253	10,313
Total	**21,331**	**6,660**	**14,671**	**22,536**	**6,352**	**16,184**

Lease agreements are described in note 10.

Notes to the consolidated financial statements

Amounts in DKK million

20 Pensions and similar obligations

As employer, the A.P. Moller - Maersk 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 A.P. Moller - Maersk 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.

	2010	2009
Recognised net liability		
Present value of funded plans	11,519	10,742
Fair value of plan assets	-10,410	-9,505
Net liability of funded plans	1,109	1,237
Present value of unfunded plans	763	681
Net liability	1,872	1,918
Assets not recognised due to limit of the asset ceiling	96	94
Income for future recognition	3	2
Funded plans with surplus, transfer to assets	164	–
Transferred to liabilities associated with assets held for sale	–	-51
Net liability recognised 31 December	**2,135**	**1,963**
Change in gross liability		
Gross liability 1 January	11,423	10,140
Current service costs, etc.	199	194
Computed interest costs	647	615
Actuarial gains/losses	391	625
Change from acquisition/sale of businesses	-431	18
New plans, etc.	79	77
Curtailments and settlements	-3	-111
Benefits paid	-661	-585
Exchange rate adjustment	638	450
Gross liability 31 December	**12,282**	**11,423**
Change in plan assets		
Fair value 1 January	9,505	7,764
Expected return	582	442
Actuarial gains/losses	216	926
Change from acquisition/sale of businesses	-384	–
New plans	20	64
Settlements	–	-83
Benefits paid	-584	-564
Contributions from the Group	507	473
Contributions from employees	22	28
Exchange rate adjustment	526	455
Fair value 31 December	**10,410**	**9,505**

In 2011, the Group expects to pay contributions totalling DKK 427 million to funded defined benefit plans (DKK 420 million in 2010).

Notes to the consolidated financial statements

Amounts in DKK million

20 – continued

	2010	2009
Specification of plan assets		
Shares	4,882	4,828
Bonds	4,750	3,983
Real estate	184	198
Cash and bank balances	232	132
Other assets	362	364
Fair value 31 December	**10,410**	**9,505**

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

	2010	2009
Cost recognised in the income statement		
Current service costs, etc.	199	194
Employee contributions	-22	-28
Computed interest costs	647	615
Expected return of plan assets	-582	-442
Gain on curtailments and settlements	-3	-27
Other costs	1	21
Cost, net	**240**	**333**
Return on plan assets		
Expected return	582	442
Actuarial gains/losses	216	926
Actual return	**798**	**1,368**
Gains/losses (-) recognised in other comprehensive income		
Actuarial gains/losses on gross liability	-391	-625
Actuarial gains/losses on plan assets	216	926
Effect of the asset ceiling	-2	-94
Total	**-177**	**207**
Accumulated actuarial gains/losses (-)		
Accumulated losses 1 January	-101	-383
Actuarial gains/losses for the year	-175	301
Settlements	24	6
Exchange rate adjustment	-14	-25
Accumulated losses 31 December	**-266**	**-101**

Notes to the consolidated financial statements

Amounts in DKK million (in parenthesis the corresponding figures for 2009)

20 – continued

	2010	2009
Actuarial assumptions		
Actuarial assumptions 31 December expressed as weighted averages:		
Discount rate	5.4%	5.7%
Inflation rate	3.1%	3.1%
Expected return on plan assets	5.4%	5.9%
Future salary increase	4.1%	4.1%
Future pension increase	3.1%	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 longterm risk profile for each asset category. The risk premium has been fixed at 3.5% (3.5%) above the risk-free interest rate for shares, 1.3% (0.0%) for corporate bonds and 2.0% (2.0%) for real estate. Return on cash and bank balances is fixed based on the three-month spot rate.

Historical overview	2010	2009	2008	2007	2006
Gross liability	12,282	11,423	10,140	12,839	13,650
Plan assets	-10,410	-9,505	-7,764	-11,128	-10,518
Net liability	**1,872**	**1,918**	**2,376**	**1,711**	**3,132**
Experience adjustments to liabilities	**104**	**107**	**-188**	**-63**	**-382**
Experience adjustments to plan assets	**216**	**926**	**-2,275**	**-30**	**-15**

Multi-employer plans

Due to collective agreements, some entities in the A.P. Moller - Maersk Group participate together with other enterprises in defined benefit pension and health insurance schemes for current and retired employees (multi-employer plans). In 2010, the Group's contribution is estimated at DKK 596 million (DKK 617 million). The contributions to be paid in 2011 are expected to be DKK 664 million.

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 available from the plans' trustees, the plan assets totalled DKK 36.1 billion (DKK 31.7 billion) and the actuarial value of obligations approximately, DKK 52.8 billion (DKK 46.2 billion). Net obligations in the plans with deficits totalled DKK 17.7 billion (DKK 16.1 billion). In general, the contributions to the schemes are based on man hours worked or cargo tonnage handled, or a combination hereof.

Notes to the consolidated financial statements

Amounts in DKK million

21 Provisions

	Abandon-ment	Restruc-turing	Legal dis-putes, etc.	Other	Total
1 January 2010	7,290	662	6,451	4,400	18,803
Provision made	141	282	2,367	2,313	5,103
Amount used	10	513	259	958	1,740
Amount reversed	268	175	1,010	1,396	2,849
Disposal on sale of businesses	–	–	39	11	50
Unwind of discount	356	–	1	4	361
Exchange rate adjustment	596	43	377	303	1,319
31 December 2010	**8,105**	**299**	**7,888**	**4,655**	**20,947**
Classified as non-current	8,105	101	5,609	2,850	16,665
Classified as current	–	198	2,279	1,805	4,282
	8,105	**299**	**7,888**	**4,655**	**20,947**
Non-current provisions expected to be realised after more than five years	7,085	50	880	1,188	9,203

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. includes tax and duty disputes. 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

22 Other payables

	2010	2009
Interest payable	1,018	1,071
VAT and duties payable	2,443	897
Accrued staff costs	2,772	2,858
Other	1,743	1,349
Total	**7,976**	**6,175**

Notes to the consolidated financial statements

Amounts in DKK million (in parenthesis the corresponding figures for 2009)

23 Financial instruments and financial risks

Currency risk

The A.P. Moller - Maersk Group's income from shipping and oil-related activities is mainly denominated 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. Other activities, including land-based container activities, Terminal activities and Retail activities, are often locally based, so that income and expenses are mainly denominated in the same currency, thus reducing the Group's exposure to the currencies in question. Overall, however, the Group has net income in USD and net expenses in most other currencies. Due to the net earnings in USD, it is also the primary financing currency. Consequently, the Group's loans are mainly denominated in USD.

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 earnings. 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
- Future significant investment commitments in other currencies than USD are hedged
- Most non-USD debt is hedged, however, depending on asset-liability match and cash flow generating currency

Currency hedging reduces the economic exposure. From an accounting perspective, certain hedge contracts qualify for hedge accounting in accordance with IAS 39 and are treated as such. Other hedge contracts do not qualify for hedge accounting and the income statement will be affected accordingly, which will have accounting consequences that do not match the timing of economic exposure.

As a main rule and all other things being equal, a stronger USD exchange rate will have a positive effect on the net profit and cash flow from operating activities. A stronger USD exchange rate will also have a positive effect on the Group's equity measured in DKK, but a negative effect in USD. In the very short term, an appreciating USD exchange rate can have a negative effect on the net result due to value adjustment of receivables and hedge contracts that do not qualify for hedge accounting.

An increase in the USD exchange rate of 10% against all other significant currencies to which the Group is exposed, is estimated to affect the net profit positively by DKK 1.5 billion corresponding to USD 0.3 billion, excluding effect of translation from USD to DKK and DKK 3.7 billion including this effect. An increase in the USD exchange rate of 10% against all other significant currencies to which the Group is exposed is, all other things being equal, estimated to have a positive effect of DKK 12 billion (DKK 12 billion) in equity including effect of translation from USD to DKK.

Currency position of net interest-bearing debt	**Cash and bank balances**	**Other interest-bearing assets**	**Interest-bearing debt**	**Net position**	**Cash and bank balances**	**Other interest-bearing assets**	**Interest-bearing debt**	**Net position**
	2010	**2010**	**2010**	**2010**	2009	2009	2009	2009
USD	3,938	2,025	67,652	-61,689	2,633	1,459	80,179	-76,087
EUR	6,123	142	11,648	-5,383	1,070	244	7,654	-6,340
DKK	8,285	4,818	5,141	7,962	972	4,469	5,166	275
Other currencies	5,550	487	16,621	-10,584	3,673	1,747	17,233	-11,813
Total	**23,896**	**7,472**	**101,062**	**-69,694**	**8,348**	**7,919**	**110,232**	**-93,965**

Interest rate swaps entered into for the purpose of hedging interest rate risks on loans are mainly in USD. Fair values are disclosed in note 16.

Notes to the consolidated financial statements

Amounts in DKK million (in parenthesis the corresponding figures for 2009)

23 – continued

Foreign exchange forwards and option contracts for hedging currency risks	Fair value		Principal Purchase/sale (-), net	
	2010	2009	2010	2009
USD	-38	-4	105	137
EUR	-58	18	5,113	707
DKK	39	16	1,687	12,675
CNY	6	-26	560	2,809
GBP	175	247	-1,426	2,385
NOK	-2	-104	5,612	3,517
Other currencies	345	121	6,656	6,122
Total	**467**	**268**		

Credit risk

The A.P. Moller - Maersk Group has no particular concentration of customers or suppliers, is not significantly dependent on specific customers or suppliers, and has 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	2010	2009
Receivables not due	17,787	14,207
Less than 90 days overdue	5,841	5,574
More than 90 days overdue	2,613	1,617
Receivables, gross	26,241	21,398
Provision for bad debt	2,546	1,853
Carrying amount	**23,695**	**19,545**
Change in provision for bad debt		
1 January	1,853	1,949
Disposal on sale of businesses	6	–
Provision made	1,324	1,304
Amount used	537	226
Amount reversed	232	1,109
Exchange rate adjustment	144	-65
31 December	**2,546**	**1,853**

Work in progress for third parties of DKK 27 million (DKK 290 million) net of prepayments of DKK 2,509 million (DKK 2,538 million) is included in trade receivables.

Notes to the consolidated financial statements

Amounts in DKK million (in parenthesis the corresponding figures for 2009)

23 – continued

Interest rate risk

The A.P. Moller - Maersk Group has most of its debt denominated in USD, but also some debt (e.g. issued bonds) in other currencies such as DKK, EUR, NOK, GBP and AUD. 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 2.6 years (3.1 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 USD 13 million (USD 21 million), equivalent to DKK 73 million (DKK 110 million). The effect on equity, excluding tax effect, of an increase in interest rates as mentioned above is estimated to be negative by USD 11 million (positive by USD 62 million), equivalent to DKK 64 million (positive by DKK 331 million).

Borrowings by interest rate levels inclusive of interest rate swaps:	2010	2009
0-3%	23,642	22,635
3-6%	63,167	70,325
6%-	14,253	17,272
Total	**101,062**	**110,232**
Hereof:		
Fixed interest	70,959	80,168
Floating interest	30,103	30,064

	Effective interest rate		Average duration/years	
Key figures for bonds	**2010**	2009	**2010**	2009
DKK	4.6%	4.9%	2.3	2.6

Notes to the consolidated financial statements

Amounts in DKK million

23 – continued

Fair value measurement of financial instruments

Financial instruments carried 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

				Level
	Carrying amount	Quoted prices	Other observable inputs	Other measurement methods
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	–	–
Other securities	266	6	175	85
Listed shares	1	1	–	–
Non-listed shares	75	–	–	75
Total securities	**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	–
Total financial liabilities	**3,034**	**104**	**2,930**	**–**
2009				
Listed shares	78	78	–	–
Non-listed shares	2,888	–	–	2,888
Total other equity investments (available-for-sale)	**2,966**	**78**	**–**	**2,888**
Bonds	1,661	1,661	–	–
Other securities	415	14	322	79
Listed shares	13	13	–	–
Non-listed shares	276	–	–	276
Total securities	**2,365**	**1,688**	**322**	**355**
Derivatives	1,408	7	1,401	–
Total financial assets	**6,739**	**1,773**	**1,723**	**3,243**
Derivatives	3,463	30	3,433	–
Total financial liabilities	**3,463**	**30**	**3,433**	**–**

Notes to the consolidated financial statements

Amounts in DKK million (in parenthesis the corresponding figures for 2009)

23 – continued

Movement during the year in level 3	Non-listed shares		Other securities	
	Available-for-sale	Trading portfolio	Trading portfolio	Total
Carrying amount 1 January 2009	3,856	247	109	4,212
Addition	9	80	63	152
Disposal	–	21	72	93
Gains/losses recognised in the income statement	–	-29	–	-29
Gains/losses recognised in other comprehensive income	-754	–	–	-754
Transfer, assets held for sale	-215	–	–	-215
Exchange rate adjustment	-8	-1	-21	-30
Carrying amount 31 December 2009	**2,888**	**276**	**79**	**3,243**
Addition	50	24	8	82
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**

Fair value of level 3 assets is primarily based on the present value of expected future cash flows, applying a 0-1% (3%) growth rate and a 8-10% (10%) discount rate, and compared with observed trading in similar assets. Changes in these assumptions will mainly affect other comprehensive income and thus equity. All other things being equal, a 0.5% (0.5%) change in the discount rate is estimated to affect other comprehensive income and equity by DKK 30 million (DKK 100 million).

Gains/losses recognised in the income statement are included under financial income/expenses, of which DKK 19 million (a loss of DKK 30 million) are related to securities held at the balance sheet date.

Notes to the consolidated financial statements

Amounts in DKK million (in parenthesis the corresponding figures for 2009)

23 – continued

Liquidity risk

The equity share of total equity and liabilities was 51.5% at the end of 2010 (46.0%). The Group's long-term objective is to maintain a conservative financial solvency profile. Capital is managed for the Group as a whole.

At 31 December 2010, the A.P. Moller - Maersk Group's total interest-bearing debt and finance lease liabilities totalled DKK 101.1 billion (DKK 110.2 billion), and the Group's net interest-bearing debt totalled DKK 69.7 billion (DKK 94.0 billion). The average term to maturity of the Group's outstanding loans was more than five years (more than five years) at 31 December 2010. Liquidity buffers, defined as bank balances, securities and committed undrawn facilities totalled DKK 81.3 billion (DKK 56.6 billion). Based on this, the maturity of the loan facilities as well as the investment profile, the Group's funding position is regarded as being satisfactory.

At 31 December 2010, the Group's total outstanding commitments concerning purchase of non-current assets, etc. totalled DKK 51 billion (DKK 41 billion). DKK 21 billion of the outstanding commitments relates to the existing newbuilding programme for ships - at a total contract price of DKK 35 billion (including owner-furnished equipment) - comprising 94 units at 31 December 2010. The financing of the Group's newbuilding programme for ships is as of 31 December 2010 considered to be in place. The remaining outstanding payments of DKK 30 billion, relating to investments mainly in terminals and Oil and gas activities, will be financed by the cash flow from operating activities, as well as existing and new loan facilities.

The intention is to maintain a strong liquidity position to be able to resist economic fluctuations and have the strength to exploit investment opportunities that may arise.

Total capital commitments are disclosed in note 26.

			No.		Contractual sum
Newbuilding programme	2011	2012	2013 -	Total	DKK Billion
Container vessels, etc.	23	18	4	45	27
Tanker vessels	10	3	–	13	6
Tugboats and standby vessels, etc.	24	12	–	36	2
Total	**57**	**33**	**4**	**94**	**35**

The Group attaches great importance to maintaining 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.

In addition to bank deposits and holdings of marketable securities, the Group's financial reserve comprises unutilised long-term loan facilities. 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.

Notes to the consolidated financial statements

Amounts in DKK million

23 – continued

Maturities of liabilities and commitments	Carrying amount	Cash flows including interest			
		0-1 year	1-5 years	5- years	Total
2010					
Bank, other credit institutions and issued bonds, etc.	86,391	12,048	50,757	37,720	100,525
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**
2009					
Bank, other credit institutions and issued bonds, etc.	94,048	12,150	56,663	37,983	106,796
Finance lease liabilities	16,184	1,955	7,015	13,566	22,536
Trade payables	30,903	30,903	–	–	30,903
Other payables	6,175	6,175	–	–	6,175
Derivatives	3,463	1,899	1,450	114	3,463
Total recognised in balance sheet	**150,773**	**53,082**	**65,128**	**51,663**	**169,873**
Operating lease commitments		12,589	34,172	44,750	91,511
Capital commitments		16,066	24,126	882	41,074
Total		**81,737**	**123,426**	**97,295**	**302,458**

Notes to the consolidated financial statements

Amounts in DKK million

23 – continued

Market risks

Oil price

Income from Oil and gas activities is sensitive to the development in the price of crude oil. The effect on earnings is, however, reduced by taxes and government shares, some of which change progressively with changes in the crude oil price or in other factors.

For the shipping activities, particularly container shipping, bunker oil is a significant expense. The main part of the exposure to changes in bunker prices is to a large extent covered by fuel surcharges (BAF). The container shipping market significantly impacts Maersk Line's opportunities to be compensated for higher bunker prices with higher fuel surcharges, wherefore the BAF ratio is affected by the general underlying market conditions. However, with the full introduction of floating BAF this dependency has been reduced somewhat.

Overall, and in the long term, an increase in oil prices will have a positive net effect on the profit of the A.P. Moller - Maersk Group, as the positive effect for the Oil and gas activities more than outweighs the negative effect for the container activities, where a larger share of the increased bunker prices is expected to be compensated through freight rates.

For the Oil and gas activities, an increase in the crude oil price by USD 10 per barrel is estimated to have a positive effect on the net profit in the order of USD 0.3 billion, based on current oil prices and all other things being equal. The effect on net profit takes outset in the total gross production. From gross production is then subtracted the volumes that will not have any effect on the Group's net profit. This includes cost oil received as payments for investments, partner shares where the Group is the operator as well as tax payments.

In view of the current market conditions and the above-mentioned BAF ratio for the Container activities, it is difficult to provide a precise overview of the A.P. Moller - Maersk Group's exposure to changes in the bunker price. Assuming that the average BAF ratio is 85% (85% of the change in bunker costs are transferred to the customers), an increase in bunker prices by USD 10 per barrel, based on current bunker prices, will have a negative effect on the net profit in the order of USD 0.1 billion. The bunker effect is calculated based on the total bunker consumption adjusted for the price effect expected to be covered by customers due to contractual obligations, e.g. BAF.

In order to limit the negative effect of changes in oil prices, the Group enters into different hedge contracts, primarily options. The current hedging policy follows a dynamic strategy intended to offset the effects of a long-lasting decline in oil prices.

Freight rates and cargo volumes

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

- Change in container freight rate of +/-100 USD/FFE: +/- USD 0.8 billion
- Change in container freight volume of +/- 100,000 FFE: +/- USD 0.2 billion

The freight rate sensitivity is calculated as a 100 USD/FFE change in the freight rate excluding bunker adjustment factor multiplied by the transported volumes, and the volume sensitivity is calculated as a 100,000 FFE change in transported volumes multiplied by the contribution from freight rate including bunker adjustment factor less direct variable costs.

Time of recognition

Financial assets and liabilities are recognised at the trading day.

Notes to the consolidated financial statements

Amounts in DKK million

24 Cash flow specifications

	2010	2009
Change in working capital		
Inventories	-1,077	-1,367
Trade receivables	-3,445	792
Other receivables and prepayments	-870	1,558
Trade payables and other payables, etc.	2,963	1,077
Exchange rate adjustment of working capital	-1	-368
Total	**-2,430**	**1,692**
Financial income received		
Dividends received	270	509
Interest and other financial income received	879	2,222
Total	**1,149**	**2,731**
Purchase of intangible assets and property, plant and equipment		
Addition	-31,396	-43,639
Addition, assets held for sale	-36	–
Of which finance leases, etc.	1,143	131
Change in payables to suppliers regarding purchase of assets	-532	-754
Change in provision for abandonment	-137	440
Total	**-30,958**	**-43,822**
Other financial investments		
Capital increases and acquisition of shares in associated companies	-252	-286
Sale of shares in associated companies	30	25
Sale of non-current assets available-for-sale	3,179	1
Payments from non-current receivables	498	1,337
Payments on non-current receivables	-819	-823
Total	**2,636**	**254**

Other non-cash items relate in 2010 primarily to changes in provision for bad debt for trade receivables and in 2009 to value adjustments of oil price hedges.

Notes to the consolidated financial statements

Amounts in DKK million (in parenthesis the corresponding figures for 2009)

25 Acquisition/sale of subsidiaries and activities

Acquisitions in 2010	
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	6
Paid in prior years	10
Deposit as security for future acquisition	1,125
Cash and bank balances assumed	117
Cash flow from acquisition of subsidiares and activities	**1,240**

No significant acquisitions were made in 2010, so if acquisitions had occurred on 1 January 2010, Group revenue and profit for the year would not have been materially different.

Acquisitions during the year

Acquisitions during the year primarily comprise investments in a towage company and a terminal. Goodwill of DKK 51 million is related to the acquisition of the towage company and is attributable to the market position.

Future acquisition

In December 2010, Maersk Oil entered into an agreement to acquire the shares in SK do Brasil Ltda. The acquisition price is USD 2.4 billion of which USD 200 million has been deposited. According to the agreement, the transaction is conditional upon certain governmental and anti-trust approvals. Due to these conditions, control will be assumed upon closing, which is expected in second half of 2011.

Notes to the consolidated financial statements

Amounts in DKK million

25 – continued

Acquisitions in 2009	Broström Group	Other	Total
Fair value at time of acquisition			
Non-current assets	5,389	121	5,510
Current assets	1,144	8	1,152
Provisions	59	12	71
Liabilities	4,614	61	4,675
Net assets acquired	**1,860**	**56**	**1,916**
Non-controlling interests	22	–	22
A.P. Møller - Mærsk A/S' share	**1,838**	**56**	**1,894**
Goodwill	536	46	582
Adjustment from stepwise acquisition recognised in other comprehensive income	450	–	450
Acquisition cost	**2,824**	**102**	**2,926**
Payable acquisition cost	70	–	70
Paid in prior years	1,189	17	1,206
Cash and bank balances assumed	688	5	693
Cash flow from acquisition of subsidiares and activities	**877**	**80**	**957**

If acquisitions during the year had occured on 1 January 2009, Group revenue and result would not have been materially different.

Broström Group
On 14 January 2009, the A.P. Moller - Maersk Group obtained control of Broström AB. The acquisition was completed in stages and accordingly goodwill is calculated as the difference between the fair value of the net assets acquired and the acquisition costs at each stage. Fair value adjustments from the acquisition completed in stages have been recognised in other comprehensive income at a negative amount of DKK 450 million. The total acquisition cost was DKK 2,824 million, including transaction costs of DKK 32 million.

The activities of the Broström Group consist of operation of small and medium-sized product tankers.

Goodwill is attributable to expected cost synergies.

In the period 14 January – 31 December 2009, the Broström Group contributed with a loss of DKK 859 million, including impairment losses on ships, goodwill, etc., and integration costs of DKK 612 million, of which DKK 236 million relates to impairment of goodwill.

Other
Other acquisitions primarily comprise investments in a tanker company and a supermarket. Goodwill of DKK 46 million is primarily related to the acquisition of the supermarket and is attributable to location and customer base.

Notes to the consolidated financial statements

Amounts in DKK million

25 – continued

Sale	Carrying amount 2010	2009
Non-current assets	7,099	100
Current assets	2,106	128
Provisions	86	–
Liabilities	6,316	77
Net assets sold	**2,803**	**151**
Non-controlling interests	250	–
A.P. Møller - Mærsk A/S' share	**2,553**	**151**
Gain/loss on sale	685	20
Sales price	**3,238**	**171**
Change in receivable sales price	249	–
Non-cash items	2,295	–
Cash and bank balances sold	557	64
Cash flow from sale of subsidiaries and activities	**137**	**107**

Sales during the year primarily comprise Norfolk Holdings B.V. as well as partial sale of Gujarat Pipavav Port Limited, K/S Membrane 1 and K/S Membrane 2 by which control of these companies is lost.

Non-cash items include shares received and the fair value of maintained investments after loss of control.

Notes to the consolidated financial statements

Amounts in DKK million (in parenthesis the corresponding figures for 2009)

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 activity	Other	Total
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
2009							
Within one year	7,360	771	1,407	2,617	255	179	12,589
Between one and two years	5,976	453	1,699	2,306	206	146	10,786
Between two and three years	4,830	399	1,303	2,060	174	129	8,895
Between three and four years	4,284	388	1,308	1,453	128	130	7,691
Between four and five years	3,526	370	1,332	1,337	104	131	6,800
After five years	9,809	954	26,799	6,759	310	119	44,750
Total	**35,785**	**3,335**	**33,848**	**16,532**	**1,177**	**834**	**91,511**
Net present value [2]	28,923	2,693	17,735	12,298	950	690	63,289

[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, including contingent payments related to volume etc., are stated in note 4.

Capital commitments

At the end of 2010, capital commitments relating to ships, rigs, terminals, etc. on order totalled DKK 30 billion (DKK 36 billion). Furthermore, the Group has investment commitments to concession grantors relating to Oil and gas activities and Terminal activities of DKK 4 billion (DKK 2 billion) and DKK 5 billion (DKK 3 billion), respectively.

In December 2010, Maersk Oil entered into an agreement to acquire the shares in SK do Brasil Ltda. The acquisition price is USD 2.4 billion of which USD 200 million has been deposited. According to the agreement, the transaction is conditional upon certain governmental and anti-trust approvals. Closing is expected in second half of 2011.

Notes to the consolidated financial statements

Amounts in DKK million (in parenthesis the corresponding figures for 2009)

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 USD 368 million (USD 368 million) 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 A.P. Moller - Maersk Group is involved in a number of legal disputes. The A.P. Moller - Maersk 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 crystalise 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 2009)

28 Related parties

	Associated companies		Jointly controlled entities		Management [1]	
	2010	2009	**2010**	2009	**2010**	2009
Revenue	587	325	107	59	–	–
Operating costs	1,395	1,476	1,672	1,630	128 [2]	172 [2]
Remuneration to management	–	–	–	–	146	143
Other income	–	21	–	33	11	21
Financial income	77	808	5	3	–	–
Financial expenses	484	139	2	–	–	–
Non-current receivables	120	297	32	31	–	–
Trade receivables	137	55	119	88	10	26
Derivatives	63	77	–	–	–	–
Other current rceivables	211	83	126	260	–	–
Securities	74	85	–	–	–	–
Cash and bank balances	2,678	1,023	–	–	–	–
Bank and other credit institutions, etc. non-current	708	1,235	–	–	–	–
Bank and other credit institutions, etc. current	191	23	77	35	34	23
Trade payables	43	4	63	22	17	5
Derivatives	245	330	–	–	–	–
Other current liabilities	46	57	2	–	–	–
Purchase of property, plant and equipment	16	–	–	–	–	244
Sale of property, plant and equipment	–	–	–	–	–	54

[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). Remuneration to management includes remuneration in connection with resignation of DKK 0 million (DKK 30 million). 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 112 million (DKK 158 million) 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 2009)

28 – continued

The A.P. Møller og Hustru Chastine Mc-Kinney Møllers Fond til almene Formaal, Copenhagen, Denmark exercises control. Related parties also include the companies in which A.P. Møller - Mærsk A/S 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. Two (two) of the vessels are time chartered to the A.P. Moller - Maersk Group and one (one) is operated directly in the market. All transactions between related parties and the A.P. Moller - Maersk Group are subject to arm's length conditions.

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

In relation to Danske Bank A/S' arrangement of payment transactions, sale and purchase of securities, etc. only the related costs are included in the above. Only the realised part of hedges is included.

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

Four (six) members of the Managing Director bought 765 (1,939) share options in total corresponding to a fair value of DKK 9 million (DKK 12 million). Further information is provided in note 18.

Dividends received and distributed are not included.

Notes to the consolidated financial statements

Amounts in DKK million

29 Jointly controlled entities

The jointly controlled entities listed on page 165 are included proportionally in the consolidated financial statements with the following amounts, before eliminations of internal transactions:

	2010	2009
Revenue	5,187	4,163
Expenses, depreciation, amortisation, interest, etc.	4,403	3,375
Profit	**784**	**788**
Non-current assets	12,941	9,559
Current assets	1,942	1,689
Non-current liabilities	4,800	3,848
Current liabilities	2,779	2,479
Net assets	**7,304**	**4,921**
Cash and bank balances	658	514

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

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

Amounts in DKK million

30 Subsequent events

In February 2011, the Gryphon oil production facilities in Great Britain were shut down due to damage caused by heavy storms. Assessment of the damages has not yet been finalised, however it is currently not expected to have significant impact on the Group's profit in 2011.

Danske Bank A/S plans a rights issue of DKK 20 billion in April 2011. A.P. Møller - Mærsk A/S intends to participate in the issue with an investment in the order of DKK 4 billion, corresponding to the current 20% ownership share.

Further, the Group has signed a contract for ten new container vessels at a price of USD 190 million per vessel with an option for an additional 20 vessels.

Note 31

New financial reporting requirements

CHANGES IN ACCOUNTING POLICIES

In the 2010 financial year, the A.P. Moller - Maersk Group implemented the following revised, amended and new standards (IAS and IFRS) and interpretations (IFRIC) issued by the International Accounting Standards Board:

- **Business combinations**
  The revised IFRS 3 Business Combinations and the consequential amendment of IAS 27 Consolidated and Separate Financial Statements comprise a number of new provisions on acquisitions effected after 1 January 2010. Acquisition costs and changes to contingent consideration in acquisitions are recognised in the income statement for the year. Stepwise acquisitions lead to value adjustments at fair value directly in the income statement of the previously owned investments. Gain and loss on the disposal of investments that result in loss of control are recognised in the income statement. At the same time, any retained investment is remeasured at fair value with value adjustment in the income statement. Recognition of goodwill related to non-controlling interests' share of acquired entities can be opted for. This option is selected on a transaction-by-transaction basis.

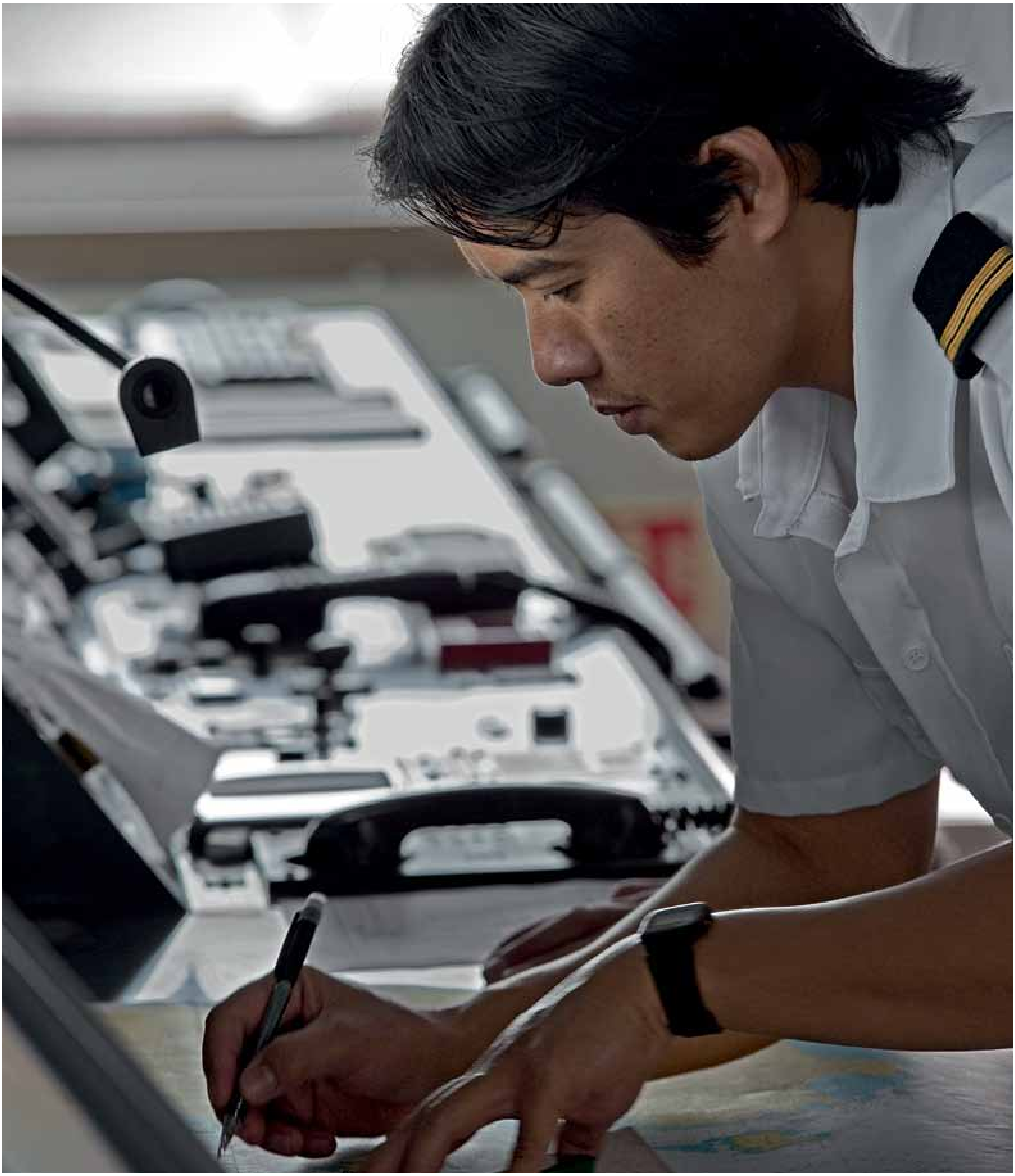
- **Other changes**
  The IASB's annual improvements project (issued 2009) has resulted in adjustments to 10 standards. In addition, amendments have been issued for IAS 32 and 39, IFRS 2, IFRIC 9 and 17-18. These issues have had little or no significance to the Group's accounting policies.

CHANGES IN COMING YEARS

For the coming years, the IASB has so far issued a new IFRS 9 and IFRIC 19 and a revised IAS 24 as well as a number of minor changes, including amendments to IAS 32 and IFRIC 14 and adjustments from the IASB's annual improvements project.

The A.P. Moller - Maersk Group expects to implement the new financial reporting standards, interpretations and amendments when they become mandatory in 2011 and 2013. Certain changes still need endorsement by the EU. The standards and interpretations endorsed by the EU with a later effective date than the corresponding effective date from the IASB are pre-implemented and thus complying with the IASB's effective date.

The changes and interpretations mentioned are expected to be of little or no significance to the Group's accounting policies.



Gulf of Thailand, Maersk Serangoon Maersk Serangoon is sailing from Laem Chabang, Thailand to Tanjung Pelepas, Malaysia. An officer on the bridge is plotting the vessel's position on the map. Maersk Segangoon is built in 2007 and has a capacity of 6,500 TEU.

A.P. Møller - Mærsk A/S

Financial statements 2010

Financial highlights

Amounts in DKK million

	2010	2009	2008	2007	2006
Revenue	143,625	108,228	145,591	135,925	137,267
Profit before depreciation, amortisation and impairment losses, etc.	32,213	1,969	23,251	19,814	17,554
Depreciation, amortisation and impairment losses	12,409	6,783	4,793	4,447	4,145
Gain/loss on sale of non-current assets, net	1,024	-1,346	2,573	2,843	2,285
Profit/loss before financial items	20,828	-6,160	21,031	18,210	15,694
Financial items, net	3,738	4,502	2,895	9,607	3,314
Profit/loss before tax	24,566	-1,658	23,926	27,817	19,008
Tax	11,026	7,919	14,234	12,208	9,772
Profit/loss for the year	13,540	-9,577	9,692	15,609	9,236
Total assets	229,447	192,399	201,806	186,889	170,542
Total equity	105,627	87,901	91,819	85,717	78,665
Cash flow from operating activities	26,864	6,204	17,035	13,846	4,485
Cash flow used for capital expenditure	-14,007	-16,468	-22,550	-10,357	-12,154
Investment in property, plant and equipment	12,999	11,612	22,853	16,048	12,758
Dividend per share, DKK	1,000	325	650	650	550

Income statement

Amounts in DKK million

Note		2010	2009
	Revenue	143,625	108,228
3	Operating costs	112,419	107,067
	Other income	1,089	983
	Other costs	82	175
	Profit before depreciation, amortisation and impairment losses, etc.	**32,213**	**1,969**
7,8	Depreciation, amortisation and impairment losses	12,409	6,783
4	Gain/loss on sale of non-current assets, net	1,024	-1,346
	Profit/loss before financial items	**20,828**	**-6,160**
5	Dividends	8,069	9,531
5	Financial income	3,776	3,037
5	Financial expenses	8,107	8,066
	Profit/loss before tax	**24,566**	**-1,658**
6	Tax	11,026	7,919
	Profit/loss for the year	**13,540**	**-9,577**
	Appropriation:		
	Dividend	4,396	1,429
	Retained earnings	9,144	-11,006
		13,540	**-9,577**
	Dividend per share, DKK	**1,000**	**325**

Statement of comprehensive income

Amounts in DKK million

Note		2010	2009
	Profit/loss for the year	**13,540**	**-9,577**
	Translation from functional currency to presentation currency	7,139	-1,198
	Fair value adjustment of other equity investments:		
	Value adjustment for the year	-93	-523
	Reclassified to income statement, gain/loss on sale of non-current assets, net	-1,396	–
14	Cash flow hedges:		
	Value adjustment of hedges for the year	-944	1,470
	Reclassified to income statement, operating costs	-46	997
	Reclassified to income statement, financial expenses	926	-57
	Reclassified to cost of property, plant and equipment	9	26
6,12	Tax on other comprehensive income	-24	-201
	Other comprehensive income, net of tax	**5,571**	**514**
	Total comprehensive income for the year	**19,111**	**-9,063**

Balance sheet at 31 December

Amounts in DKK million

Note		2010	2009
7	**Intangible assets**	**256**	**544**
	Ships, rigs, containers, etc.	60,017	51,431
	Production facilities and equipment, etc.	6,898	7,497
	Land and buildings	519	452
	Construction work in progress and payment on account	2,460	9,385
8	**Property, plant and equipment**	**69,894**	**68,765**
9	Investments in subsidiaries	55,661	44,568
9	Investments in associated companies	15,306	13,168
10	Other equity investments	380	2,022
	Interest bearing receivables from subsidiaries and associated companies	32,113	25,784
14	Derivatives	298	760
11	Other receivables	3,022	3,188
	Financial non-current assets	**106,780**	**89,490**
12	**Deferred tax**	**1,762**	**2,230**
	Total non-current assets	**178,692**	**161,029**
13	**Inventories**	**3,569**	**3,261**
19	Trade receivables	14,906	9,952
	Interest bearing receivables from subsidiaries and associated companies	5,648	4,734
14	Derivatives	1,337	1,144
11	Other receivables	2,298	1,200
	Other receivables from subsidiaries and associated companies	3,218	7,422
	Prepayments	685	607
	Receivables, etc.	**28,092**	**25,059**
10,19	**Securities**	**1,245**	**1,443**
	Cash and bank balances	**15,845**	**1,607**
8	**Assets held for sale**	**2,004**	**–**
	Total current assets	**50,755**	**31,370**
	Total assets	**229,447**	**192,399**

Balance sheet at 31 December

Amounts in DKK million

Note		2010	2009
15	Share capital	4,396	4,396
16	Reserves	96,835	82,076
	Dividend for distribution	4,396	1,429
	Total equity	**105,627**	**87,901**
17,19	**Issued bonds**	**13,099**	**9,158**
17,19	**Bank and other credit institutions, etc.**	**24,493**	**29,479**
17,19	**Interest bearing debt to subsidiaries**	**3,000**	**3,028**
18	Provisions	6,807	7,534
14	Derivatives	1,335	1,553
	Other non-current liabilities, etc.	**8,142**	**9,087**
	Total non-current liabilities	**48,734**	**50,752**
17,19	**Bank and other credit institutions, etc.**	**3,104**	**3,507**
17,19	**Interest bearing debt to subsidiaries**	**38,546**	**23,972**
18	Provisions	2,525	524
	Trade payables	17,386	14,212
	Tax payables	2,968	1,606
14	Derivatives	1,429	1,471
	Other payables	1,165	623
	Other payables to subsidiaries and associated companies	6,276	7,059
	Deferred income	419	772
	Other current liabilities, etc.	**32,168**	**26,267**
8	**Liabilities associated with assets held for sale**	**1,268**	**–**
	Total current liabilities	**75,086**	**53,746**
	Total liabilities	**123,820**	**104,498**
	Total equity and liabilities	**229,447**	**192,399**

Cash flow statement

Amounts in DKK million

Note		2010	2009
	Profit/loss before financial items	20,828	-6,160
7,8	Depreciation, amortisation and impairment losses	12,409	6,783
4	Gain on sale of non-current assets, net	-1,024	1,346
20	Change in working capital	26	5,263
	Other non-cash items	905	853
	Cash from operating activities before financial items and tax	33,144	8,085
	Financial income received	1,954	1,472
	Financial expenses paid	-3,742	-2,559
	Dividends received	4,901	9,727
	Taxes paid	-9,393	-10,521
	Cash flow from operating activities	**26,864**	**6,204**
20	Purchase of intangible assets and property, plant and equipment	-11,756	-13,028
	Sale of intangible assets and property, plant and equipment	451	5,604
	Acquisition of subsidiaries and activities	-6,120	-8,839
	Sale of subsidiaries and activities	1,913	–
	Purchase/sale of shares in associated companies etc.	-1,585	-11
20	Other financial investments	3,090	-194
	Cash flow used for capital expenditure	**-14,007**	**-16,468**
	Purchase/sale of securities, trading portfolio	229	1,300
	Cash flow used for investing activities	**-13,778**	**-15,168**
	Repayment of loans	-9,109	-15,719
	Proceeds from loans	4,571	17,171
	Dividends distributed	-1,428	-2,700
	Movements in interest bearing loans to/from subsidiaries, net	7,079	1,147
	Sale of own shares, net	–	7,809
	Cash flow from financing activities	**1,113**	**7,708**
	Net cash flow for the year	**14,199**	**-1,256**
	Cash and bank balances 1 January	1,607	2,429
	Effect of changed presentation [1]	–	241
	Currency translation effect on cash and bank balances	39	193
	Cash and bank balances 31 December	**15,845**	**1,607**

[1] The presentation of certain joint ventures has been changed with effect from 1 January 2009.

Statement of changes in equity

Amounts in DKK million

Note		Share capital	Retained earnings	Dividend for distri-bution	Total equity
	Equity 1 January 2010	4,396	82,076	1,429	87,901
	Translation from functional currency to presentation currency	–	7,139	–	7,139
	Fair value adjustment of other equity investments:				
	Fair value adjustment for the year	–	-93	–	-93
	Reclassified to income statement, gain/loss on sale of non-current assets		-1,396		-1,396
14	Cash flow hedges:				
	Value adjustment of hedges for the year	–	-944	–	-944
	Reclassified to income statement, operating costs	–	-46	–	-46
	Reclassified to income statement, financial expenses	–	926	–	926
	Reclassified to cost of property, plant and equipment	–	9	–	9
6,12	Tax on other comprehensive income	–	-24	–	-24
	Other comprehensive income after tax	**–**	**5,571**	**–**	**5,571**
	Profit for the year	–	9,144	4,396	13,540
	Total comprehensive income for the year	**–**	**14,715**	**4,396**	**19,111**
	Dividends to shareholders	–	1	-1,429	-1,428
16	Value of granted and sold share options	–	43	–	43
	Total transactions with shareholders	**–**	**44**	**-1,429**	**-1,385**
	Equity 31 December 2010	**4,396**	**96,835**	**4,396**	**105,627**
	Equity 1 January 2009	4,396	84,566	2,857	91,819
	Translation from functional currency to presentation currency	–	-1,198	–	-1,198
	Fair value adjustment of other equity investments:				
	Fair value adjustment for the year	–	-523	–	-523
14	Cash flow hedges:				
	Value adjustment of hedges for the year	–	1,470	–	1,470
	Reclassified to income statement, operating costs	–	997	–	997
	Reclassified to income statement, financial expenses	–	-57	–	-57
	Reclassified to cost of property, plant and equipment	–	26	–	26
6,12	Tax on other comprehensive income	–	-201	–	-201
	Other comprehensive income after tax	**–**	**514**	**–**	**514**
	Loss for the year	–	-11,006	1,429	-9,577
	Total comprehensive income for the year	**–**	**-10,492**	**1,429**	**-9,063**
	Dividends to shareholders	–	157	-2,857	-2,700
16	Value of granted and sold share options	–	36	–	36
	Sale of own shares, net	–	7,809	–	7,809
	Total transactions with shareholders	**–**	**8,002**	**-2,857**	**5,145**
	Equity 31 December 2009	**4,396**	**82,076**	**1,429**	**87,901**

Singapore, Maersk Peregrino

Rigourous testing and checking of all components of the processing plant on Maersk Peregrino, which is especially constructed for the conditions offshore Brazil.

Notes to the financial statements

Contents

Notes to the financial statements

Note 1
Accounting policies

The annual report for 2010 of A.P. Møller - Mærsk A/S has been prepared in accordance with the International Financial Reporting Standards (IFRS) as adopted by the EU and additional Danish disclosure requirements for annual reports of listed companies.

The accounting policies of the Company are consistent with the accounting policies for the A.P. Moller - Maersk Group (note 1 in the Group's financial statement) with the following exceptions:

- Shares in subsidiaries and associated companies are measured at cost or a lower value in use
- Dividends from subsidiaries and associated companies are recognised as income
- No segment information is disclosed
- Value of granted share options to employees in subsidiaries is expensed directly in the relevant subsidiary. At the time of the grant, the subsidiary settles the amount with A.P. Møller - Mærsk A/S and the counter posting is made in equity. At the time of exercising, the proceeds are included in the Company's equity.

Note 2
Significant accounting estimates and judgements

When preparing the annual report of the Company, management undertakes a number of accounting estimates and judgements to recognise, measure and classify the Company's assets and liabilities.

Estimates that are material to the Company's financial reporting are made on the basis of, inter alia, determination of the useful life and residual value of property, plant and equipment, determination of impairment of property, plant and equipment, recognition of deferred tax assets and recognition of provisions.

The accounting estimates and judgements are described in further detail in note 2 of the Group's financial statements.

Notes to the financial statements

Amounts in DKK million (in parenthesis the corresponding figures for 2009)

3 Operating costs

	2010	2009
Bunker costs	22,173	17,489
Exploration costs	64	289
Rental and leasing costs	20,776	22,774
Integration and restructuring costs	60	360
Other operating costs	69,346	66,155
Total operating costs	**112,419**	**107,067**

Fees and remuneration to the Board of Directors and the Managing Director
The Board of Directors has received fees of DKK 18 million (DKK 15 million). The company has no employees of its own as all engaged are employed by Rederiet A.P. Møller - A/S.

Remuneration of the Managing Director, Firmaet A.P. Møller, is expensed with DKK 91 million (DKK 96 million), including remuneration DKK 0 million (DKK 30 million) in connection with resignation.

Contract of employment for Executive Board 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 of A.P. Møller - Mærsk A/S	2010	2009
KPMG, Statsautoriseret Revisionspartnerselskab		
Statutory audit	8	8
Other assurance services	0	0
Tax and VAT advisory services	1	1
Other services	2	3
Total fees	**11**	**12**
Grant Thornton, Statsautoriseret Revisionsaktieselskab		
Statutory audit	6	8
Other assurance services	0	0
Tax and VAT advisory services	2	3
Other services	1	3
Total fees	**9**	**14**

Notes to the financial statements

Amounts in DKK million

4 Gain/loss on sale of non-current assets, net

	2010	2009
Gains	1,469	103
Losses	445	1,449
Gain/loss on sale of non-current assets, net	**1,024**	**-1,346**

Sale of other equity investments results in a gain of DKK 1,380 million and relates primarily to Sigma Enterprises Ltd.

Amounts in DKK million (in parenthesis the corresponding figures for 2009)

5 Financial income and expenses

	2010	2009
Interest income	1,743	1,265
Exchange rate gains	828	1,426
Reversal of impairment losses, investments in and loans ot subsidiaries and associated companies[1]	1,043	193
Fair value adjustment of interest rate derivatives	162	111
Fair value adjustment of fixed-term issued bonds	–	42
Total financial income	**3,776**	**3,037**
Interest expenses	3,600	3,271
Unwind of discount on provisions	189	176
Exchange rate losses	466	1,695
Fair value adjustment of fixed-term issued bonds	61	–
Change in fair value of securities	88	26
Impairment losses, investments in and loans to subsidiaries and associated companies[1]	3,703	2,898
Total financial expenses	**8,107**	**8,066**

[1] Impairment losses to lower value in use primarily relate to investment in Maersk Product Tankers AB and Maersk FPSO A/S (Maersk Product Tankers AB and Odense Staalskibsværft A/S).

Exchange rate gains/losses include exchange rate adjustments of bank deposits, loans and working capital at a total gain of DKK 262 million (loss of DKK 335 million).

Dividends received include DKK 0 million (DKK 141 million) from securities classified as non-current assets (available for sale).

The ineffective part of interest rate derivatives are recognised in fair value adjustments with DKK 35 million (DKK 8 million).

Notes to the financial statements

Amounts in DKK million

6 Tax

	2010	2009
Tax recognised in the income statement	11,026	7,919
Of which regarding Danish and foreign tonnage tax, freight tax, etc.	-342	-302
Total	**10,684**	**7,617**
Current tax	**10,114**	**7,582**
Adjustment of deferred tax		
Adjustment of temporary differences including tax assets, previously not recognised	570	35
Total	**10,684**	**7,617**
Current and deferred tax arise as follows:		
Profit before tax	24,566	-1,658
Income subject to Danish and foreign tonnage taxation, etc.	-4,007	17,202
Profit before tax, adjusted	20,559	15,544
Calculated 25% tax	5,140	3,886
Additional tax in the oil segment in excess of 25%	6,532	5,325
Gains related to shares, dividends, etc.	-1,034	-1,458
Adjustment to prior years' taxes	-13	46
Deferred tax assets, not previously recognised	-231	-534
Other permanent differences, net	290	352
Total	**10,684**	**7,617**
Tax recognised in other comprehensive income		
Cash flow hedges	24	201
Tax recognised in other comprehensive income, net	**24**	**201**
Of which:		
Deferred tax	24	201

Notes to the financial statements

Amounts in DKK million (in parenthesis the corresponding figures for 2009)

7 Intangible assets

	IT software	Other rights	I alt
Cost			
1 January 2009	1,013	241	1,254
Addition	158	4	162
Disposal	55	–	55
Exchange rate adjustment	-21	-4	-25
31 December 2009	**1,095**	**241**	**1,336**
Addition	54	–	54
Exchange rate adjustment	88	19	107
31 December 2010	**1,237**	**260**	**1,497**
Amortisation and impairment losses			
1 January 2009	645	14	659
Amortisation	149	54	203
Disposal	55	–	55
Exchange rate adjustment	-15	–	-15
31 December 2009	**724**	**68**	**792**
Amortisation	192	25	217
Impairment losses	5	162	167
Exchange rate adjustment	60	5	65
31 December 2010	**981**	**260**	**1,241**
Carrying amount:			
31 December 2009	**371** [1]	**173**	**544**
31 December 2010	**256** [1]	**–**	**256**

[1] Herof DKK 48 million (DKK 140 million) relating to ongoing development of software.

Impairment losses DKK 167 million (DKK 0 million) are mainly related to time charter contracts, which are written down to estimated value in use. Discount rate of 10% p.a. after tax is applied in the value in use calculations.

Notes to the financial statements

Amounts in DKK million (in parenthesis the corresponding figures for 2009)

8 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 2009	82,411	31,840	736	13,685	128,672
Addition	2,652	20	–	8,940	11,612
Disposal	1,272	166	–	6,429	7,867
Transfer	5,189	1,352	–	-6,541	–
Exchange rate adjustment	-1,684	-573	-14	-119	-2,390
31 December 2009	**87,296**	**32,473**	**722**	**9,536**	**130,027**
Addition	9,245	–	62	3,692	12,999
Disposal	5,234	211	–	1,180	6,625
Transfer	3,406	612	–	-4,018	–
Transfer, assets held for sale	-1,069	–	–	-6,364	-7,433
Exchange rate adjustment	7,105	2,480	59	794	10,438
31 December 2010	**100,749**	**35,354**	**843**	**2,460**	**139,406**
Depreciation and impairment losses					
1 January 2009	32,658	23,875	246	–	56,779
Depreciation	4,437	1,534	30	–	6,001
Impairment losses	145	–	–	434	579
Disposal	667	4	–	278	949
Exchange rate adjustment	-708	-429	-6	-5	-1,148
31 December 2009	**35,865**	**24,976**	**270**	**151**	**61,262**
Depreciation	4,716	1,613	32	–	6,361
Impairment losses	424	–	–	5,240	5,664
Disposal	2,927	–	–	253	3,180
Transfer	51	–	–	-51	–
Transfer, assets held for sale	-328	–	–	-5,099	-5,427
Exchange rate adjustment	2,931	1,867	22	12	4,832
31 December 2010	**40,732**	**28,456**	**324**	**–**	**69,512**
Carrying amount:					
31 December 2009	**51,431**	**7,497**	**452**	**9,385**	**68,765**
31 December 2010	**60,017**	**6,898**	**519**	**2,460**	**69,894**
Herof carrying amount of finance leased assets					
31 December 2009	**1,655**	**–**	**–**	**–**	**1,655**
31 December 2010	**1,602**	**–**	**–**	**–**	**1,602**

Impairment losses for the year of DKK 5,664 million (DKK 579 million) relate to tanker vessels, container vessels under finance lease as well as container vessels under construction. Tanker vessels are written down to estimated value in use and container vessels are written down to estimated sales value. Discount rates of 8-10% (8-10%) p.a. after tax are applied in the value in use calculations.

Finance lease
As part of the Company'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 Company 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.

Notes to the financial statements

Amounts in DKK million (in parenthesis the corresponding figures for 2009)

8 – continued

Operating leases
Property, plant and equipment includes assets that are leased out as part of the Company's activities. The future lease payments are DKK 1.1 billion (DKK 1.0 billion) whereof DKK 0.6 billion (DKK 0.5 billion) are payable within one year and DKK 0.5 billion (DKK 0.5 billion) between one and five years.

Pledges
Ships, containers, etc. with a carrying amount of DKK 16.6 billion (DKK 16.4 billion) have been pledged as security for loans of DKK 12.1 billion (DKK 15.1 billion).

Assets held for sale
Assets held for sale mainly consist of 32 container vessels under construction, which are expected sold to other Group companies in 2011. Furthermore three container vessels under finance lease are included as the lease contracts are terminated and the vessels will be returned to lessor during 2011.

Vessels are impaired with DKK 5,427 million (DKK 0 million) before transferred to assets held for sale.

Amounts in DKK million (in parenthesis the corresponding figures for 2009)

9 Investments in subsidiaries and associated companies

	Investments in subsidiaries	**Investments in associated companies**
Cost		
1 January 2009	40,406	16,465
Addition	8,839	11
Disposal	–	1,097
Exchange rate adjustment	-1,003	-261
31 December 2009	**48,242**	**15,118**
Addition	21,712	1,705
Disposal	6,549	91
Exchange rate adjustment	3,906	1,230
31 December 2010	**67,311**	**17,962**
Impairment losses		
1 January 2009	1,913	1,933
Reversal of impairment losses	91	–
Impairment losses[1]	1,944	54
Exchange rate adjustment	-92	-37
31 December 2009	**3,674**	**1,950**
Reversal of impairment losses	108	–
Impairment losses[1]	7,799	547
Exchange rate adjustment	285	159
31 December 2010	**11,650**	**2,656**
Carrying amount:		
31 December 2009	**44,568**	**13,168**
31 December 2010	**55,661**	**15,306**

[1] Impairment losses are based on calculated value in use applying a discount rate of 8-10% (10%) p.a. after tax.

Reference is made to pages 161-165 for a list of all significant subsidiaries and associated companies.

Notes to the financial statements

Amounts in DKK million

10 Securities and other equity investments

	2010	2009
Other equity investments (available for sale)		
Listed shares	–	–
Non-listed shares	380	2,022
Total	**380**	**2,022**
Securities (current)		
Bonds	1,239	1,222
Other securities	–	–
Total interest-bearing	**1,239**	**1,222**
Listed shares	–	–
Non-listed shares	6	221
Total shares	**6**	**221**
Total securities (current)	**1,245**	**1,443**
Total securities and other equity investments	**1,625**	**3,465**

For information about currencies, effective interest rates and duration reference is made to note 19.

Amounts in DKK million (in parenthesis the corresponding figures for 2009)

11 Other receivables

Other receivables comprise outlays and deposits, VAT receivables and other items to be reimbursed.

Other non-current receivables include interest-bearing bank deposits of DKK 1.8 billion (DKK 1.7 billion) provided as security for lease obligations.

A.P. Møller - Mærsk A/S does not have any particular credit risks regarding other receivables. Reference is made to note 19 for a description of currency and interest rate risks.

Notes to the financial statements

Amounts in DKK million (in parenthesis the corresponding figures for 2009)

12 Deferred tax

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

	Assets		Liabilities		Net assets	
	2010	2009	2010	2009	2010	2009
Property, plant and equipment	–	–	526	235	-526	-235
Derivatives	471	458	–	–	471	458
Receivables, etc.	–	–	27	25	-27	-25
Liabilities	882	1,015	–	–	882	1,015
Tax loss carry forwards	1,046	1,095	–	–	1,046	1,095
Other	–	–	84	78	-84	-78
Total deferred tax	**2,399**	**2,568**	**637**	**338**	**1,762**	**2,230**

Change in deferred tax, net during the year:	2010	2009
1 January	2,230	2,503
Recognised in income statement	-570	-35
Recognised in other comprehensive income	-24	-201
Disposal	-57	–
Exchange rate adjustment	183	-37
31 December	**1,762**	**2,230**

Unrecognised deferred tax assets

Under the special hydrocarbon tax, the Company has field loss carry forwards and unused tax allowances with a tax value of DKK 0.2 billion (DKK 0.4 billion).

Furthermore deferred tax assets of DKK 0.8 billion (DKK 0.7 billion) relating to provisions have not been recognised.

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 financial statements

Amounts in DKK million

13 Inventories

	2010	2009
Raw materials and consumables	481	398
Bunkers	3,088	2,863
Total inventories	**3,569**	**3,261**

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

Amounts in DKK million

14 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.

Fair values 31 December:	2010	2009
Non-current receivables	298	760
Current receivables	1,337	1,144
Non-current liabilities	1,335	1,553
Current liabilities	1,429	1,471
Liabilities, net	**1,129**	**1,120**

	Fair value	Recog-nised	For future recog-nition	Fair value	Recog-nised	For future recog-nition
	2010	2010	2010	2009	2009	2009
Currency derivatives	336	116	220	449	253	196
Interest rate derivatives	-1,462	436	-1,898	-1,568	82	-1,650
Price hedge derivatives	-3	-3	0	-1	-1	0
Total	**-1,129**	**549**	**-1,678**	**-1,120**	**334**	**-1,454**

Notes to the financial statements

Amounts in DKK million (in parenthesis the corresponding figures for 2009)

14 – continued

Value adjustments of derivatives used for hedging future cash flows are recognised in other comprehensive income until such time when the hedged cash flow is realised.

Interest rate derivatives swap primarily floating to fixed rate on loans and are recognised in the income statement concurrently with the hedged interest expenses. The fair value to be recognised in future periods is expected to be realised within seven years (six years). Furthermore, interest rate derivatives are used to swap fixed rate loans to floating interest rates.

Currency derivatives hedge future revenue, costs and investments and are recognised on an ongoing basis in the income statement and the cost of hedged assets respectively. The fair value to be recognised in future periods is expected to be realised within one year (one year).

Price derivatives comprise:

	Fair value		Principal Purchase/sale (-), net	
	2010	2009	**2010**	2009
Forward freight agreements	-3	-1	-20	-7
Total	**-3**	**-1**		

For information about currencies, maturities etc. reference is made to note 19.

Amounts in DKK million

15 Share capital

The share capital 31 December 2010 comprises:
A shares DKK 2,197.8 million divided into 2,197,596 shares of DKK 1,000 and 408 shares of DKK 500
B shares DKK 2,197.8 million divided into 2,197,490 shares of DKK 1,000 and 620 shares of DKK 500

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

Shareholder disclosure subject to section 104 of the Danish Financial Statements Act:

	Share capital	Votes
A.P. Møller og Hustru Chastine Mc-Kinney Møllers Fond til almene Formaal, Copenhagen, Denmark	41.22%	50.60%
A.P. Møller og Hustru Chastine Mc-Kinney Møllers Familiefond, Copenhagen, Denmark	9.85%	13.53%
Mærsk Mc-Kinney Møller, Copenhagen, Denmark	3.72%	6.49%
Den A.P. Møllerske Støttefond, Copenhagen, Denmark	2.94%	5.86%

Notes to the financial statements

Amounts in DKK million

15 – continued

Note 17 in the financial statements of the Group includes rules for changing the share capital, and information regarding the authorisation of the Board of Directors to acquire own shares as well as the total number of own shares held by the Group.

	No. of shares of DKK 1,000		Nominal value		% of share capital	
Own shares (B shares):	**2010**	2009	**2010**	2009	**2010**	2009
1 January	1,805	240,830	2	241	0.04%	5.48%
Addition	–	11,315	–	11	–	0.26%
Disposal	–	250,340	–	250	–	5.70%
31 December	**1,805**	**1,805**	**2**	**2**	**0.04%**	**0.04%**

Amounts in DKK million (in parenthesis the corresponding figures for 2009)

16 Share-based payment

The A.P. Moller - Maersk 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 125 (123) employees was DKK 34 million (DKK 31 million) at the time of such grant. Total value of granted share options is recognised in the income statement at DKK 17 million (DKK 13 million). In addition to this, four (six) partners in Firmaet A.P. Møller bought share options corresponding to a fair value of DKK 9 million (DKK 12 million).

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. Special conditions apply regarding illness, death and resignation as well as changes in the Company's capital structure etc.

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.

Notes to the financial statements

Amounts in DKK million (in parenthesis the corresponding figures for 2009)

16 – continued

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 million**
1 January 2009	1,120	2,709	3,829	53,500	
Granted	–	4,960	4,960	27,237	31
Sold	1,939	–	1,939	27,237	12
Forfeited	–	67	67	37,429	–
Outstanding 31 December 2009	**3,059**	**7,602**	**10,661**	**36,606**	
Exercisable 31 December 2009	**–**	**–**	**–**	**–**	
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**	

[1] At grant date

No share options were exercised during 2010.

The average remaining contractual life as per 31 December 2010 is 3.7 years (3.9 years) and the exercise price for outstanding share options is in the range from DKK 27,237 to DKK 53,500 (DKK 27,237 to DKK 53,500).

The fair value per option at the time of grant is calculated at DKK 11,451 (DKK 6,155) based on Black & Scholes' options pricing model.

The following principal assumptions are used in the valuation:

	2010	2009
Share price, five days average, DKK	42,808	24,761
Exercise price, DKK	47,089	27,237
Expected volatility (based on four years historical volatility)	35.0%	35.0%
Expected term	4.5 years	4.5 years
Expected dividend per share, DKK	650	650
Risk free interest rate (based on the five years swap interest curve)	1.7%	3.1%

Notes to the financial statements

Amounts in DKK million (in parenthesis the corresponding figures for 2009)

17 Bank, other credit institutions and issued bonds, etc.

	Carrying amount	Fair value	Carrying amount	Fair value
	2010	2010	2009	2009
Bank, other credit institutions and issued bonds, etc.	39,052	41,899	40,553	41,722
Finance lease liabilities	1,644	1,645	1,591	1,625
Subsidiaries [1]	41,546	41,546	27,000	27,207
Total	**82,242**	**85,090**	**69,144**	**70,554**
Of which:				
Non-current liabilities	40,592		41,665	
Current liabilities	41,650		27,479	

[1] Interest bearing debt to subsidiaries includes lease obligations of DKK 29 million (DKK 54 million).

Fair value of issued bonds are 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.

For information about currencies, interest rates and maturity reference is made to note 19.

Finance lease liabilities are payable as follows:

	Minimum lease payments	Interest	Carrying amount	Minimum lease payments	Interest	Carrying amount
	2010	2010	2010	2009	2009	2009
Within one year	231	33	198	193	16	177
Between one and five years	741	130	611	629	56	573
After five years	905	41	864	926	31	895
Total	**1,877**	**204**	**1,673**	**1,748**	**103**	**1,645**

Lease agreements are described in note 8.

Notes to the financial statements

Amounts in DKK million (in parenthesis the corresponding figures for 2009)

18 Provisions

	Abandonment	Restructuring	Legal disputes etc.	Other	Total
1 January 2010	3,809	319	1,423	2,507	8,058
Provision made	–	14	760	1,032	1,806
Amount used	–	180	–	177	357
Amount reversed	268	–	89	551	908
Unwind of discount	186	–	–	3	189
Transfer	–	-174	3	171	–
Exchange rate adjustment	311	27	118	88	544
31 December 2010	**4,038**	**6**	**2,215**	**3,073**	**9,332**
Classified as current	4,038	2	1,840	927	6,807
Classified as non-current	–	4	375	2,146	2,525
Total	**4,038**	**6**	**2,215**	**3,073**	**9,332**

Non-current provisions for abandonment of DKK 4 billion (DKK 4 billion) is expected realised after more than five years.

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. includes tax and duty disputes.

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 contractual disagreements, etc., which are recognised in the income statement under operating costs.

Notes to the financial statements

Amounts in DKK million (in parenthesis the corresponding figures for 2009)

19 Financial instruments and financial risks

General information regarding risks and hedge policies is available in note 23 in the financial report of the Group.

Currency risk

A.P. Møller - Mærsk A/S' income from shipping and oil-related activities is mainly denominated 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. Other activities, including land-based container activities, terminal activities and retail activities, are often locally based, so that income and expenses are mainly denominated in the same currency, thus reducing the Company's exposure to the currencies in question. Overall, however, the Company has net income in USD and net expenses in most other currencies. Due to the net earnings in USD, it is also the primary financing currency. Consequently, the Company's loans are mainly denominated in USD.

The main purpose of hedging the Company's currency risk is to hedge the USD value of the Company's net cash flow and reduce fluctuations in the Company's earnings. The Company 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
- Future significant investment commitments in other currencies than USD are hedged
- Most non-USD debt is hedged, however, depending on asset-liability match and cash flow generating currency

Currency hedging reduces the economic exposure. From an accounting perspective, certain hedge contracts qualify for hedge accounting in accordance with IAS 39 and are treated as such. Other hedge contracts do not qualify for hedge accounting and the income statement can be affected accordingly, which will have accounting consequences that do not match the timing of economic exposure.

As a main rule and all other things being equal, a stronger USD exchange rate will have a positive effect on the profit/loss and cash flow from operating activities. A stronger USD exchange rate will also have a positive effect on the Company's equity measured in DKK, but a negative effect in USD. In the very short term, an appreciating USD exchange rate can have a negative effect on the net result due to value adjustment of receivables and hedge contracts that do not qualify for hedge accounting.

An increase in the USD exchange rate of 10% against all other significant currencies to which the Company is exposed, is estimated to affect the profit/loss positively by DKK 1.3 billion corresponding to USD 0.2 billion, excluding effect of translation from USD to DKK and including this effect DKK 3.1 billion. An increase in the USD exchange rate of 10% against all other significant currencies to which the Company is exposed is, all other things being equal, estimated to have a positive effect of DKK 12 billion (DKK 10 billion) in equity including effect of translation from USD to DKK.

Currency position of interest-bearing net debt	Cash and bank balances	Other interest-bearing assets	Interest-bearing debt	Net position	Cash and bank balances	Other interest-bearing assets	Interest-bearing debt	Net position
	2010	2010	2010	2010	2009	2009	2009	2009
USD	1,475	35,710	57,449	-20,264	761	27,469	49,648	-21,418
EUR	5,471	578	11,915	-5,866	193	1,487	6,761	-5,081
DKK	7,829	1,361	5,788	3,402	503	1,803	6,356	-4,050
Other currencies	1,070	3,204	7,090	-2,816	150	3,178	6,379	-3,051
Total	**15,845**	**40,853**	**82,242**	**-25,544**	**1,607**	**33,937**	**69,144**	**-33,600**

Interest rate swaps entered into with the purpose of hedging interest rate risks on loans are mainly in USD. Fair values can be found in note 14.

Notes to the financial statements

Amounts in DKK million

19 – continued

Foreign exchange forwards and option contracts for hedging currency risks	Fair value		Principal Purchase/sale (-), net	
	2010	2009	2010	2009
EUR	-32	-7	5,221	457
DKK	41	135	664	10,269
CNY	6	-26	517	2,806
GBP	-4	256	679	1,589
NOK	-1	-34	3,995	3,322
Other currencies	326	125	6,883	5,754
Total	**336**	**449**		

Credit risk

A.P. Møller - Mærsk A/S has no particular concentration of customers or suppliers, is not significantly dependent on specific customers or suppliers, and has no particular credit risks. With respect to financial counterparts, the Company generally deals with well-reputed international banks with a high credit rating.

Maturity analysis for trade receivables	2010	2009
Receivables not due	11,524	7,089
Less than 90 days overdue	3,216	3,066
More than 90 days overdue	1,646	773
Receivables, gross	16,386	10,928
Provision for bad debt	1,480	976
Carrying amount	**14,906**	**9,952**
Change in provision for bad debt		
1 January	976	1,152
Provisions made	740	825
Amount used	307	102
Amount reversed	7	884
Exchange rate adjustment	78	-15
31 December	**1,480**	**976**

Notes to the financial statements

Amounts in DKK million (in parenthesis the corresponding figures for 2009)

19 – continued

Interest rate risk

A.P. Møller - Mærsk A/S has net interest expenses mostly in USD, but also in other currencies such as DKK, EUR, NOK, etc. Some loans are at fixed interest rates, while others are at floating interest rates.

The Company strives to maintain a combination of fixed and floating interest rates on its net debt that reflects expectations and risks. The interest on floating rate loans is partly hedged through interest rate swaps that fix the interest rate for a certain period. A general increase in the interest rate by one percentage point is, all other things being equal, estimated to affect profit before tax negatively by USD 14 million (negative by USD 46 million), equivalent to DKK 76 million (negative by DKK 247 million). The effect on equity excluding tax effect of an increase in the interest rate as mentioned above is estimated to be negative by USD 17 million (positive by USD 27 million), equivalent to DKK 94 million (positive by DKK 145 million).

Borrowings by interest rate levels inclusive of interest rate swaps:	**2010**	2009
0-3%	38,087	27,479
3-6%	42,088	40,266
6%-	2,067	1,399
Total	**82,242**	**69,144**
Hereof:		
Fixed interest	47,537	58,897
Floating interest	34,705	10,247

	Effective interest rate		**Average duration/years**	
Key figures for bonds:	**2010**	2009	**2010**	2009
DKK	4.8%	4.7%	2.3	2.7

Notes to the financial statements

Amounts in DKK million

19 – continued

Fair value measurement of financial instruments

Financial instruments carried 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 – Input for the asset or liability that are not based on observable market data

				Level
	Carrying amount	Quoted prices	Other observable inputs	Other measurement methods
2010				
Listed shares	–	–	–	–
Non-listed shares	380	–	–	380
Total other equity investments (available for sale)	**380**	**–**	**–**	**380**
Bonds	1,239	1,239	–	–
Non-listed shares	6	–	–	6
Total securities	**1,245**	**1,239**	**–**	**6**
Derivatives	1,635	–	1,635	–
Total financial assets	**1,635**	**–**	**1,635**	**–**
Derivatives	2,764	–	2,764	–
Total financial liabilities	**2,764**	**–**	**2,764**	**–**
2009				
Listed shares	–	–	–	–
Non-listed shares	2,022	–	–	2,022
Total other equity investments (available for sale)	**2,022**	**–**	**–**	**2,022**
Bonds	1,222	1,222	–	–
Non-listed shares	221	–	–	221
Total securities	**1,443**	**1,222**	**–**	**221**
Derivatives	1,904		1,904	–
Total financial assets	**1,904**	**–**	**1,904**	**–**
Derivative financial instruments	3,024		3,024	–
Total financial liabilities	**3,024**	**–**	**3,024**	**–**

Notes to the financial statements

Amounts in DKK million (in parenthesis the corresponding figures for 2009)

19 – continued

Movement during the year in level 3	Non-listed shares		
	Available for sale	Trading portfolio	Total
Carrying amount 1 January 2009	2,364	243	2,607
Addition	213	31	244
Disposal	–	21	21
Gains/losses recognised in the income statement	–	-29	-29
Gains/losses recognised in other comprehensive income	-523	–	-523
Exchange rate adjustment	-32	-3	-35
Carrying amount 31 December 2009	**2,022**	**221**	**2,243**
Addition	–	18	18
Disposal	1,701	259	1,960
Gains/losses recognised in the income statement	–	7	7
Gains/losses recognised in other comprehensive income	-78	–	-78
Exchange rate adjustment	137	19	156
Carrying amount 31 December 2010	**380**	**6**	**386**

Fair value of level 3 assets is primarily based on the present value of expected future cash flows, applying a 0% (3%) growth rate and a 10% (10%) discount rate, and compared with observed trading in similar assets. Changes in these assumptions will mainly affect other comprehensive income and thus equity. All other things being equal, a 0.5% (0.5%) change in the discount rate is estimated to affect other comprehensive income and equity by DKK 20 million (DKK 70 million).

Gains/losses recognised in the income statement are included under financial income/expenses, of which DKK 0 million (DKK -30 million) are related to securities held at the balance sheet date.

Liquidity risk

The Company attaches great importance to maintaining a financial reserve to cover the Company's obligations and investment opportunities, and to provide the capital necessary to offset changes in the Company's liquidity due to changes in the cash flow from operating activities.

In addition to bank deposits and holdings of marketable securities, the Company's financial reserve comprises unutilised long-term loan facilities. 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.

Notes to the financial statements

Amounts in DKK million

19 – continued

Maturities of liabilities and commitments

	Carrying amount	Cash flows including interest			
		0-1 year	1-5 years	5- years	Total
2010					
Bank, other credit institutions and issued bonds, etc.	39,052	4,412	26,879	15,053	46,344
Subsidiaries and associated companies	41,546	38,736	1,209	2,275	42,220
Finance lease liabilities	1,644	201	741	905	1,847
Trade payables	17,386	17,386	–	–	17,386
Other payables	1,165	1,165	–	–	1,165
Other payables to subsidiaries and associated companies	6,276	6,276	–	–	6,276
Derivatives	2,764	1,429	1,228	107	2,764
Total recognised in balance sheet	**109,833**	**69,605**	**30,057**	**18,340**	**118,002**
Operating lease commitments		16,743	43,326	13,543	73,612
Capital commitments		8,978	7,264	–	16,242
Total		**95,326**	**80,647**	**31,883**	**207,856**
2009					
Bank, other credit institutions and issued bonds, etc.	40,553	4,802	31,137	11,820	47,759
Subsidiaries and associated companies	27,000	24,049	1,306	2,323	27,678
Finance lease liabilities	1,591	167	601	926	1,694
Trade payables	14,212	14,212	–	–	14,212
Other payables	623	623	–	–	623
Other payables to subsidiaries and associated companies	7,059	7,059			7,059
Derivatives	3,024	1,471	1,421	132	3,024
Total recognised in balance sheet	**94,062**	**52,383**	**34,465**	**15,201**	**102,049**
Operating lease commitments		14,914	36,414	16,854	68,182
Capital commitments		3,361	14,119	–	17,480
Total		**70,658**	**84,998**	**32,055**	**187,711**

Market risks

Oil price

Income from oil and gas activities is sensitive to the development in the price of crude oil. The effect on earnings is, however, reduced by taxes.

For the shipping activities, particularly container shipping, bunker oil is a significant expense. The majority of the exposure to changes in prices is to a large extent covered by fuel surcharges (BAF). The container shipping market significantly impacts Maersk Line's opportunities to be compensated for higher bunker prices with higher fuel surcharges, whereby the BAF ratio is affected by the general underlying market conditions. However, with the full introduction of floating BAF, this dependency is somewhat reduced.

For the oil and gas activities, an increase in the crude oil price by USD 10 per barrel, based on current oil prices and all other things being equal is estimated to have a positive effect on the profit after tax, but before the effect of oil price hedges in the order of USD 0.1 billion.

Notes to the financial statements

Amounts in DKK million

19 – continued

In view of the current market conditions and the above-mentioned BAF ratio for the container activities, it is difficult to provide a precise overview of A.P. Møller - Mærsk A/S' exposure to changes in the bunker price. Assuming that the average BAF level is 85% (85% of the bunker costs are transferred to the customers), an increase in bunker prices by USD 10 per barrel, based on current bunker prices, will have a negative effect in the order of USD 0.1 billion.

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

- Change in container freight rate of +/-100 USD/FFE: +/- USD 0.7 billion
- Change in container freight volume of +/- 100,000 FFE: +/- USD 0.2 billion

The freight rate sensitivity is calculated as a 100 USD/FFE change in the freight rate excluding bunker adjustment factor multiplied by the transported volumes and the volume sensitivity is calculated as a 100,000 FFE change in transported volumes multiplied by the contribution from freight rate including bunker adjustment factor less direct variable costs.

Time of recognition
Financial assets and liabilities are recognised at the trading day.

Amounts in DKK million

20 Cash flow specifications

	2010	2009
Change in working capital		
Inventories	-43	-1,219
Trade receivables	-1,315	89
Other receivables and prepayments	471	854
Other receivables from subsidiaries and associated companies	-488	854
Trade payables and other payables, etc.	655	3,228
Other debt to subsidiaries and associated companies	803	1,845
Exchange rate adjustment of working capital	-57	-388
Total	**26**	**5,263**
Purchase of intangible assets and property, plant and equipment		
Addition	-13,053	-11,747
Of which finance leases	1,307	–
Change in payables to suppliers regarding purchase of assets	258	-1,105
Change in provision for abandonment	-268	-176
Total	**-11,756**	**-13,028**
Other financial investments		
Purchase of non-current assets available for sale	–	-213
Sale of non-current assets available for sale	1,701	–
Payments from non-current receivables	1,389	19
Total	**3,090**	**-194**

Notes to the financial statements

Amounts in DKK million (in parenthesis the corresponding figures for 2009)

21 Commitments

Operating lease commitments

As part of the Company'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 are:

	2010	2009
Within one year	16,743	14,914
Between one and two years	13,960	12,439
Between two and three years	12,061	10,022
Between three and four years	10,027	7,620
Between four and five years	7,278	6,333
After five years	13,543	16,854
Total	**73,612**	**68,182**
Net present value [1]	59,504	54,602

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

Total operating lease costs incurred, including contingent payments related to volume etc., are stated in note 3.

Capital commitments

At the end of 2010, capital commitments relating to ships, rigs, etc. on order amount to DKK 16.2 billion (DKK 17.4 billion).

Amounts in DKK million (in parenthesis the corresponding figures for 2009)

22 Contingent liabilities

Guarantees amount to DKK 23.9 billion (DKK 23.1 billion). DKK 23.3 billion (DKK 22.7 billion) relates to subsidiaries. The guarantees are not expected to be triggered, but can fall due within one year.

Except for customary agreements within the Company'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 USD 368 million (USD 368 million) 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 business has entered into certain agreements with terminals, etc. containing volume commitments including an extra payment in case minimum volumes are not met.

The Company is involved in a number of legal disputes. The Company 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 crystalise if the Company leaves the tonnage tax regime and on repatriation of dividends.

Notes to the financial statements

Amounts in DKK million (in parenthesis the corresponding figures for 2009)

23 Related parties

	Subsidiaries		Associated companies		Jointly controlled entities		Management [1]	
	2010	2009	**2010**	2009	**2010**	2009	**2010**	2009
Revenue	16,992	12,932	–	–	183	101	–	–
Operating costs	54,857	54,897	1,305	1,467	2,841	2,743	99 [2]	152 [2]
Remuneration to management	–	–	–	–	–	–	109	111
Other income	915	739	–	–	–	32	11	12
Dividends [3]	7,952	9,335	117	42	–	–	–	–
Financial income	2,552	1,120	70	791	7	3	–	–
Financial expenses	750	519	468	129	–	–	–	–
Interest bearing receivables, non-current	32,113	25,699	–	85	–	–	–	–
Trade receivables	5,817	2,334	16	–	157	73	10	26
Interest bearing receivables, current	5,492	4,392	–	–	156	342	–	–
Derivatives	1,181	1,315	63	77	–	–	–	–
Other current receivables	3,120	7,335	47	51	51	36	–	–
Prepayments	–	9	–	–	–	–	–	–
Cash and bank balances	–	–	2,299	606	–	–	–	–
Bank and other credit institutions, etc., non-current	–	–	646	1,075	–	–	–	–
Interest bearing debt, non-current	3,000	3,028	–	–	–	–	–	–
Interest bearing debt, current	38,381	23,972	165	–	–	–	22	23
Trade payables	5,419	4,400	40	1	67	33	8	5
Derivatives	167	446	219	313	–	–	–	–
Other current liabilities	6,230	7,002	46	57	–	–	–	–
Investment in companies, property, plant and equipment	9,992	2,627	16	–	–	–	–	244
Sale companies, of property, plant and equipment, net	3,226	5,603	–	–	–	–	–	32
Purchase of own shares, net	–	367	–	–	–	–	–	–

[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). Remuneration to management includes remuneration in connection with resignation of DKK 0 million (DKK 30 million). 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 83 million (DKK 137 million) as well as time charter hire to part owners.

[3] Excluding dividend from own shares.

Notes to the financial statements

Amounts in DKK million (in parenthesis the corresponding figures for 2009)

23 – continued

The A.P. Møller og Hustru Chastine Mc-Kinney Møllers Fond til almene Formaal, Copenhagen, Denmark exercises control. Related parties also include the companies in which A.P. Møller - Mærsk A/S 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 additional one (one) 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. Two (two) of the vessels are time chartered to the A.P. Moller - Maersk Group, and one (one) is operated directly in the market. All transactions between related parties and the A.P. Moller - Maersk Group are subject to arm's length conditions.

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

In relation to Danske Bank A/S' arrangement of payment transactions, sale and purchase of securities, etc. only the related costs are included in the above. Only the realised part of hedges is included.

Four (six) partners in Firmaet A.P. Møller bought 765 (1,939) share options in total corresponding to a fair value of DKK 9 million (DKK 12 million). Further information is provided in note 16.

Dividends distributed are not included.

Amounts in DKK million

24 Subsequent events

Dansk Bank A/S plans a rights issue of DKK 20 billion in April 2011. A.P. Møller - Mærsk A/S intends to participate in the issue with an investment in the order of DKK 4 billion, corresponding to the current 20% ownership share.

Further the Company has signed a contract for ten new container vessels at a price of USD 190 million per vessel with an option for an additional 20 vessels.

Notes to the financial statements

Amounts in DKK million

25 New financial reporting requirements

Changes in accounting policies

Changes in accounting policies are described in note 31 of the Group. The accounting policies and changes to standards (IAS and IFRS) and interpretations (IFRIC) are consistent with those applied to the Group.

The changes have not impacted the Company's profit, assets or equity.

Changes in coming years

Changes in standards and interpretations and amendments in coming years are stated in note 31 of the Group. The mentioned changes to accounting policy of the Group do not or only limited impact the accounting policy of the Company.

Norway Five of Maersk Supply Service's large anchor handling vessels towing Statoil's production platform "Gjøa" from Stord north of Stavanger to the production field Gjøa off the West coast of Norway.

Management duties

The Board of Directors:

Michael Pram Rasmussen, chairman (born 1955)
Joined the board in 1999. Latest re-election in 2009. Term of office will end in 2011.

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); JPMorgan Chase International Council; Louisiana Museum of Modern Art.

Considered independent.

Niels Jacobsen, vice-chairman (born 1957)
Joined the board in 2007. Latest re-election in 2009. Term of office will end in 2011.

CEO, William Demant Holding A/S.

Other management duties, etc.:
Six subsidiaries to William Demant Holding A/S (chairman); LEGO A/S (chairman); KIRKBI A/S (vice-chairman); Sennheiser Communications A/S (chairman); William Demant Invest A/S (chairman); Össur hf. (chairman); HIMPP A/S; HIMSA A/S (chairman); HIMSA II A/S; 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.:
Vodafone Group 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); 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 AB; Ratos AB; 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; CardioKine Pharmaceuticals; Epigenesis Pharmaceuticals; 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 2009. Term of office will end in 2011.

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).

Not considered independent.

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

President, Danmarks Tekniske Universitet (DTU).

Other management duties, etc.:
The Royal Danish Theatre (chairman); 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.

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

Not considered independent.

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

Technical Director.

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

Not considered independent.

Rob 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 N.V. (chairman); KPN N.V.; DSM N.V.; Canadian Utilities Group (ATCO Group); UPM Kymmene.

Considered independent.

Jan Tøpholm (born 1946)
Joined the board in 2001. Latest re-election in 2009. Term of office will end in 2011.

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 S. 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).

Partner Eivind Kolding (born 1959)
Partner since 2006.

Other management duties, etc.:
Danske Bank A/S (vice-chairman); World Liner Data Limited (WLD) (chairman); The International Council of Containership Operators (ICCO) (chairman).

Partner Søren Skou (born 1964)
Partner since 2007.

Other management duties, etc.:
Danisco A/S; DFDS A/S (vice-chairman); The International Tanker Owners Polution Federation Limited (ITOPF); Lloyd's Register; Höegh Autoliners Holdings AS (vice-chairman).

Company Overview

Group companies

Company	Country of incorporation	Owned share
A.P. Moller (Bermuda) Limited	Bermuda	100%
A.P. Moller Finance S.A.	Switzerland	100%
A.P. Moller Singapore Pte. Ltd.	Singapore	100%
A.P. Moller Terminals & Co. LLC	Oman	65%
A.P.M. Holding Australia Pty. Ltd.	Australia	100%
Anchor Storage Limited	Bermuda	51%
APM Global Logistics Argentina S.A.	Argentina	100%
APM Global Logistics Bahrain (S.P.C.)	Bahrain	100%
APM Global Logistics Bangladesh Ltd.	Bangladesh	100%
APM Global Logistics Benin S.A.	Benin	100%
APM Global Logistics Brasil Ltda.	Brasil	100%
APM Global Logistics Peru S.A.	Peru	100%
APM Global Logistics Uruguay S.A.	Uruguay	100%
APM Global Logistics Venezuela S.A.	Venezuela	100%
APM Pipelines A/S	Copenhagen, DK	100%
APM Terminals – Cargo Service A/S	Denmark	60%
APM Terminals (Jamaica) Ltd.	Jamaica	80%
APM Terminals Apapa Ltd.	Nigeria	54%
APM Terminals Argentina SA	Argentina	100%
APM Terminals B.V.	The Netherlands	100%
APM Terminals Bahrain B.S.C.	Bahrain	80%
APM Terminals Brasil Participacoes Ltda.	Brazil	100%
APM Terminals Da Amazonia Participacoes Ltda.	Brazil	100%
APM Terminals Dachan Company Limited	Hong Kong	50%
APM Terminals Dalian Company Limited	Hong Kong	100%
APM Terminals Itajaí S.A.	Brazil	100%
APM Terminals Japan K.K.	Japan	100%
APM Terminals Jordan LLC	Jordan	100%
APM Terminals Kaliningrad LLC	Russia	80%
APM Terminals Liberia Ltd.	Liberia	100%
APM Terminals Måsvlakte II B.V.	The Netherlands	100%
APM Terminals Management B.V.	The Netherlands	100%
APM Terminals North America, Inc.	USA	100%
APM Terminals Pacific Ltd.	USA	100%
APM Terminals Panama S.A.	Panama	100%
APM Terminals Romania SRL	Romania	100%

Company	Country of incorporation	Owned share
APM Terminals Rotterdam B.V.	The Netherlands	100%
APM Terminals Shanghai Company Limited	Hong Kong	100%
APM Terminals Taiwan Co., Ltd.	Taiwan	100%
APM Terminals Tangier S.A.	Morocco	90%
APM Terminals Tianjin International Co. Ltd.	China	100%
APM Terminals Vado Ligure SPA	Italy	98%
APM Terminals Virginia. Inc.	USA	100%
APM Terminals Wilhelmshaven Gmbh.	Germany	100%
APM Terminals Xiamen Company Ltd.	Hong Kong	100%
APM Terminals Yangshan Co. Limited	Hong Kong	100%
APM Terminals Zeebrügge N.V.	Belgium	75%
APM-Saigon Shipping Company Limited	Vietnam	75%
Aqaba Container Terminal Company Ltd.	Jordan	50%
Bangkok Marine Company Limited	Thailand	100%
Barkentine Insurance Company Limited	Bermuda	100%
Bermutine Transport Corporation Limited	Bermuda	100%
Bridge Terminal Transport Canada Inc.	Canada	100%
Bridge Terminal Transport, Inc.	USA	100%
Brigantine Services Limited	Hong Kong	100%
Broström AB	Sweden	100%
Corvetine Insurance Company Limited	Bermuda	100%
Damco A/S	Copenhagen, DK	100%
Damco (Cambodia) Limited	Cambodia	100%
Damco (China) Co. Ltd.	China	100%
Damco (Malaysia) Sdn. Bhd.	Malaysia	100%
Damco (UAE) FZE	United Arab Emirates	100%
Damco Australia Pty. Ltd.	Australia	100%
Damco Bel.	Belarus	100%
Damco Belgium N.V.	Belgium	100%
Damco Cameroun SA	Cameroun	100%
Damco Canada Inc.	Canada	100%
Damco Central America, S.A.	Panama	100%
Damco Chile S.A.	Chile	100%
Damco China Limited	China	100%
Damco Colombia Ltda.	Colombia	100%
Damco Costa Rica S.A.	Costa Rica	100%

Group companies

Company	Country of incorporation	Owned share
Damco Customs Services Inc.	USA	100%
Damco Czech Republic, S.R.O.	Czech Republic	100%
Damco Denmark A/S	Copenhagen, DK	100%
Damco D.O.O.	Croatia	100%
Damco Djibouti SA	Djibouti	78%
Damco Eastern Europe ApS	Denmark	100%
Damco Ecuador S.A.	Ecuador	100%
Damco Egypt Ltd.	Egypt	100%
Damco El Salvador S.A.	El Salvador	100%
Damco Finland OY	Finland	100%
Damco France S.A.S.	France	100%
Damco Georgia LLC	Georgia	100%
Damco Germany GmbH	Germany	100%
Damco Hungary KFT	Hungary	100%
Damco India Private Limited	India	100%
Damco International A/S	Copenhagen, DK	100%
Damco International B.V.	The Netherlands	100%
Damco Italy S.R.L.	Italy	100%
Damco Logistics (Mauritius) Limited	Mauritius	100%
Damco Logistics (Pty) Ltd.	South Africa	100%
Damco Logistics (Thailand) Co. Ltd.	Thailand	74%
Damco Logistics Bulgaria EOOD	Bulgaria	100%
Damco Logistics Ghana Limited	Ghana	100%
Damco Logistics Ireland Limited	Ireland	100%
Damco Logistics Israel Ltd.	Israel	100%
Damco Logistics Korea Limited	Korea	100%
Damco Logistics Limited	Nigeria	91%
Damco Logistics Madagascar S.A.	Madagascar	100%
Damco Logistics Malaysia Sdn. Bhd.	Malaysia	100%
Damco Logistics Maroc S.A.	Morocco	100%
Damco Logistics Mexico S.A. de C.V.	Mexico	100%
Damco Logistics Portugal, LDA.	Portugal	100%
Damco Logistics Services Sdn. Bhd.	Malaysia	49%
Damco Logistics Uganda Ltd.	Uganda	100%
Damco Logistika D.O.O.	Slovenia	100%
Damco Logistics Singapore Pte. Ltd.	Singapore	100%
Damco Mozambique Lda	Mozambique	100%
Damco Netherlands B.V.	The Netherlands	100%
Damco New Zealand Limited	New Zealand	100%
Damco Niger S.A.	Niger	100%
Damco Pakistan (Private) Limited	Pakistan	100%
Damco Panama S.A.	Panama	100%
Damco Philippines, Inc.	Philippines	40%
Damco Poland Sp. Zoo	Poland	100%

Company	Country of incorporation	Owned share
Damco Romania S.R.L.	Romania	100%
Damco RUS LLC	Russia	100%
Damco Sea & Air (Ireland) Ltd.	Ireland	100%
Damco Slovakia, S.R.O.	Slovakia	100%
Damco Spain, S.L.	Spain	100%
Damco Sweden AB	Sweden	100%
Damco Switzerland GmbH	Switzerland	100%
Damco Taiwan Co., Ltd.	Taiwan	100%
Damco Tanzania Limited	Tanzania	100%
Damco Togo S.A.	Togo	100%
Damco Transport Co., Ltd.	Thailand	49%
Damco UK Limited	Great Britain	100%
Damco Ukraine Ltd.	Ukraine	100%
Damco Uluslararasi Tasimacilik Ve Lojistik A.S.	Turkey	100%
Damco USA Inc.	USA	100%
Damco Zambia Limited	Zambia	100%
Danbor Service A/S	Esbjerg, DK	100%
Dania Trucking A/S	Århus, DK	100%
Dansk Supermarked A/S	Århus, DK	68%
Egyptian International Container Terminal S.A.	Switzerland	100%
Ejendomsselskabet Lindø A/S	Odense, DK	100%
Em. Z. Svitzer A/S	Copenhagen, DK	100%
ERS Railways B.V.	The Netherlands	100%
Esvagt A/S	Esbjerg, DK	75%
F. Salling A/S	Århus, DK	38%
Gateway Terminals India Private Ltd.	India	74%
Handytankers K/S	Copenhagen, DK	100%
Live Oak Company Limited	Bermuda	100%
Maersk (Angola) Lda.	Angola	100%
Maersk (Cambodia) Ltd.	Cambodia	100%
Maersk (Malawi) Limited	Malawi	100%
Maersk (Mauritius) Limited	Mauritius	100%
Maersk A/S	Copenhagen, DK	100%
Maersk Adria D.O.O.	Slovenia	100%
Maersk Agency Denmark A/S	Århus, Denmark	100%
Maersk Algerie SPA	Algeria	100%
Maersk Argentina S.A.	Argentina	100%
Maersk Australia Pty. Ltd.	Australia	100%
Maersk B.V.	The Netherlands	100%
Maersk Bahrain A/S	Copenhagen, DK	100%
Maersk Bangladesh Limited	Bangladesh	100%
Maersk Benelux B.V.	The Netherlands	100%

Group companies

Company	Country of incorporation	Owned share
Maersk Benin SA	Benin	100%
Maersk Beograd D.O.O.	Serbia	100%
Maersk Brasil (Brasmar) Ltda.	Brazil	100%
Maersk Bulgaria Limited EOOD	Bulgaria	100%
Maersk Burkina Faso S.A.	Burkina Faso	100%
Maersk Cameroun S.A.	Cameroon	90%
Maersk Canada Inc.	Canada	100%
Maersk Central America and Caribbean Ltd.	Bermuda	100%
Maersk Chile S.A.	Chile	100%
Maersk China Limited	China	100%
Maersk Colombia S.A.	Colombia	100%
Maersk Congo RDC SPRL	The Democratic Republic Congo	100%
Maersk Congo S.A.	Congo	100%
Maersk Container Industri Dongguan Ltd.	China	100%
Maersk Container Industri Qingdao Ltd.	China	100%
Maersk Container Industry A/S	Tinglev, DK	100%
Maersk Costa Rica S.A.	Costa Rica	100%
Maersk Côte d'Ivoire SA	Ivory Coast	100%
Maersk Croatia D.O.O.	Croatia	100%
Maersk Cyprus Ltd.	Cyprus	100%
Maersk Czech Republic S.R.O.	Czech Republic	100%
Maersk De Nicaragua S.A.	Nicaragua	100%
Maersk del Ecuador C.A.	Ecuador	100%
Maersk Denizcilik A.S.	Turkey	100%
Maersk Deutschland A/S & Co. KG	Germany	100%
Maersk Distribution Services Canada Inc.	Canada	100%
Maersk Distribution Services Inc.	USA	100%
Maersk Dominicana S.A.	The Dominican Republic	100%
Maersk Drilling Deepwater A/S	Copenhagen, DK	100%
Maersk Drilling Deepwater Singapore Pte.Ltd.	Singapore	100%
Maersk Drilling Norge AS	Norway	100%
Maersk Drilling Singapore Pte. Ltd.	Singapore	100%
Maersk Eastern Europe ApS	Copenhagen, DK	100%
Maersk Eesti AS	Estonia	100%
Maersk Egypt for Maritime Transport (S.A.E.)	Egypt	100%
Maersk El Salvador S.A. de C.V.	El Salvador	100%
Maersk Energy UK Ltd.	Great Britain	100%
Maersk Equipment Service Company, Inc.	USA	100%
Maersk Espana S.A.	Spain	100%
Maersk Ethiopia Private Limited Company	Ethiopia	100%
Maersk Finland OY	Finland	100%
Maersk Fluid Technology Inc.	USA	100%

Company	Country of incorporation	Owned share
Maersk FPSOs Australia A/S	Copenhagen, DK	100%
Maersk France S.A.	France	100%
Maersk Gambia Limited	Gambia	100%
Maersk Georgia LLC	Georgia	100%
Maersk Ghana Limited	Ghana	100%
Maersk Global Service Centres (Chengdu) Ltd.	China	100%
Maersk Global Service Centre (Shenzhen) Ltd.	China	100%
Maersk Global Service Centres (India) Private Limited	India	100%
Maersk Global Service Centres (Philippines) Limited	Philippines	100%
Maersk Guatemala S.A.	Guatemala	100%
Maersk Guinee S.A.	Guinea	100%
Maersk Hellas Shipping S.A.	Greece	100%
Maersk Holding B.V.	The Netherlands	100%
Maersk Holdings Limited	Great Britain	100%
Maersk Honduras S.A.	Honduras	100%
Maersk Hong Kong Limited	Hong Kong	100%
Maersk Hungary KFT	Hungary	100%
Maersk Inc.	USA	100%
Maersk India Pvt. Limited	India	100%
Maersk International Gas Marketing A/S	Denmark	100%
Maersk Israel Ltd.	Israel	100%
Maersk Italia SPA	Italy	100%
Maersk Jordan W.L.L.	Jordan	50%
Maersk Jupiter Drilling Corporation S.A.	Panama	100%
Maersk K.K.	Japan	100%
Maersk Kanoo Bahrain W.L.L.	Bahrain	49%
Maersk Kenya Ltd.	Kenya	100%
Maersk Korea Limited	South Korea	100%
Maersk Kuwait Co. W.L.L.	Kuwait	49%
Maersk Lanka (Pvt.) Ltd.	Sri Lanka	40%
Maersk Latvia SIA	Latvia	100%
Maersk Lebanon S.A.R.L.	Lebanon	49%
Maersk Liberia Limited	Liberia	100%
Maersk Line Agency Holding A/S	Copenhagen, DK	100%
Maersk Line UK Limited	Great Britain	100%
Maersk Line, Limited	USA	100%
Maersk Logistics (Private) Ltd.	Sri Lanka	100%
Maersk Logistics Algeria S.p.A.	Algeria	100%
Maersk Logistics Croatia D.O.O.	Croatia	100%
Maersk Logistics Dominicana S.A.	Dominican Republic	100%

Group companies

Company	Country of incorporation	Owned share
Maersk Logistics Guatemala, S.A.	Guatemala	100%
Maersk Logistics Honduras, S.A.	Honduras	100%
Maersk Logistics Kuwait Co. W.L.L.	Kuwait	54%
Maersk Logistics Lanka Centre (Pvt.) Ltd.	Sri Lanka	100%
Maersk Logistics Nicaragua, S.A.	Nicaragua	100%
Maersk Logistics UK Limited	Great Britain	100%
Maersk Macau Ltd.	Macau	100%
Maersk Madagascar SA	Madagascar	100%
Maersk Malaysia Sdn. Bhd.	Malaysia	100%
Maersk Mali S.A.	Mali	100%
Maersk Maritime S.A.S.	France	100%
Maersk Maroc S.A.	Morocco	100%
Maersk Mauritanie SA	Mauritania	60%
Maersk Mexico S.A. de C.V.	Mexico	100%
Maersk Mozambique Lda.	Mozambique	100%
Maersk Namibia (Pty.) Ltd.	Namibia	100%
Maersk Nepal Private Ltd.	Nepal	95%
Maersk New Zealand Limited	New Zealand	100%
Maersk Nigeria Limited	Nigeria	70%
Maersk Norge AS	Norway	100%
Maersk Oil America Inc.	USA	100%
Maersk Oil Angola A/S	Copenhagen, DK	100%
Maersk Oil Brasil Ltda.	Brazil	100%
Maersk Oil Colombia A/S	Colombia	100%
Maersk Oil GB Limited	Great Britain	100%
Maersk Oil Kazakhstan GmbH	Kazakhstan	100%
Maersk Oil North Africa A/S	Copenhagen, DK	100%
Maersk Oil Norway AS	Norway	100%
Maersk Oil Oman B.V.	The Netherlands	100%
Maersk Oil PL018C Norway AS	Norway	100%
Maersk Oil Qatar A/S	Copenhagen, DK	100%
Maersk Oil Turkmenistan B.V.	The Netherlands	100%
Maersk Oil UK Limited	Great Britain	100%
Maersk Öl und Gas Gmbh	Germany	100%
Mærsk Olie og Gas AS	Copenhagen, DK	100%
Mærsk Olie, Algeriet AS	Copenhagen, DK	100%
Maersk Österreich GmbH	Austria	100%
Maersk Pakistan (Pvt) Ltd.	Pakistan	100%
Maersk Panama S.A.	Panama	100%
Maersk Peregrino Pte. Ltd.	Singapore	100%
Maersk Peru S.A.	Peru	100%
Maersk Polska SP Z.O.O.	Poland	100%
Maersk Portugal – Agentes de Transportes Internacionais, Lda.	Portugal	100%

Company	Country of incorporation	Owned share
Maersk Product Tankers AB	Sweden	100%
Maersk Product Tankers A/S	Copenhagen, DK	100%
Maersk Qatar Maritime Services W.L.L.	Qatar	49%
Maersk Romania SRL	Romania	100%
Maersk Rwanda Limited	Rwanda	100%
Maersk Senegal SA	Senegal	50%
Maersk Shipping Company Ltd.	Sudan	51%
Maersk Shipping Hong Kong Limited	Hong Kong	100%
Maersk Shipping Services & Co. LLC	Oman	65%
Maersk Sierra Leone Ltd.	Sierra Leone	100%
Maersk Singapore Pte. Ltd.	Singapore	100%
Maersk Slovakia S.R.O.	Slovakia	100%
Maersk South Africa (Pty) Ltd.	South Africa	100%
Maersk South America Ltd.	Bermuda	100%
Maersk Spain, S.L.U.	Spain	100%
Maersk Supply Service A/S	Copenhagen, DK	100%
Maersk Supply Service Canada Ltd.	Canada	100%
Maersk Supply Service International A/S	Copenhagen, DK	100%
Maersk Supply Service UK Ltd.	Great Britain	100%
Maersk Sverige AB	Sweden	100%
Maersk Switzerland GmbH	Switzerland	100%
Maersk Taiwan Ltd.	Taiwan	100%
Maersk Togo S.A.	Togo	100%
Maersk Training A/S	Svendborg, DK	100%
Maersk Trinidad Ltd.	Trinidad	100%
Maersk Tunisie S.A.	Tunesia	50%
Maersk Ukraine Ltd.	Ukraine	100%
Maersk Uruguay S.A.	Uruguay	100%
Maersk Vietnam Ltd.	Vietnam	100%
Maersk West and Central Asia Limited	Bermuda	100%
Maersk Zanzibar Ltd.	Zanzibar	100%
Maersk-Filipinas Inc.	Philippines	100%
MCC Transport Limited	Great Britain	100%
MCC Transport Singapore Pte. Ltd.	Singapore	100%
Membrane Shipping Limited	Marshall Islands	100%
Mercosul Line Navegacao E Logistica Ltda.	Brazil	100%
Mobile Container Terminal, LLC	USA	100%
Nadiro A/S	Copenhagen, DK	80%
Nedlloyd Container Line Limited	Great Britain	100%
Odense Staalskibsværft A/S	Odense, DK	100%
P.T. Maersk Indonesia	Indonesia	100%
P.T. Damco Indonesia	Indonesia	100%
Pentalver Transport Limited	Great Britain	100%
Rail & Intermodal Terminal Holding B.V.	The Netherlands	100%

Group companies

Company	Country of incorporation	Owned share
Rederiaktieselskabet Kuling	Copenhagen, DK	100%
Rederiet A.P. Møller A/S	Copenhagen, DK	95%
Safmarine (Pty) Limited	South Africa	100%
Safmarine Container Lines N.V.	Belgium	100%
Siam Shoreside Services Ltd.	Thailand	100%
Sogester – Sociedad Gestora de Terminais, S.A.	Angola	51%
Star Air A/S	Dragør, DK	100%
Suez Canal Container Terminal SAE	Egypt	55%
Svitzer A/S	Copenhagen, DK	100%
Svitzer Australasia Holdings Pty. Ltd.	Australia	100%

Company	Country of incorporation	Owned share
Svitzer Europe Holding B.V.	The Netherlands	100%
Svitzer Marine Ltd.	Great Britain	100%
Terminal 4 S.A.	Argentina	100%
The Maersk Company (Ireland) Limited	Ireland	100%
The Maersk Company Limited	Great Britain	100%
Transporte Maritimo Maersk Venezuela S.A.	Venezuela	100%
UAB Maersk Lietuva	Lithuania	100%
Universal Maritime Service Corporation	USA	100%
West Africa Container Terminal Nigeria Ltd.	Nigeria	41%
ZAO Maersk	Russia	100%

Associated companies

Company	Country of incorporation	Owned share
Danske Bank A/S	Copenhagen, DK	20%
DFDS A/S	Denmark	31%
Gujarat Pipavav Port Limited	India	43%
Höegh Autoliners Holding AS	Norway	39%
Inttra Inc.	USA	23%
K/S Membrane 1	Copenhagen, DK	26%
K/S Membrane 2	Copenhagen, DK	26%

Company	Country of incorporation	Owned share
Medcenter Container Terminal SPA	Italy	33%
Meridian Port Services Limited	Ghana	35%
Salalah Port Services Company S.A.O.G.	Oman	30%
Société d'exploration 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
Arctic Base Supply A/S	Denmark	50%
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 S.A.	Brazil	50%
Getma Gabon S.A.	Gabon	37%
Laem Chabang Container Terminal 1 Ltd.	Thailand	35%
LR2 Management K/S	Copenhagen, DK	50%
Maersk Djibouti Sarl	Djibouti	60%
Maersk Gabon S.A.	Gabon	53%

Company	Country of incorporation	Owned share
North Sea Production Co. Ltd.	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 Logistics Company Ltd.	China	49%
Terminal Porte Océane S.A.	France	50%
Xiamen Songyu Container Terminal Co. Ltd.	China	50%

Company announcements 2010

Date	Title
22 January	A.P. Møller - Mærsk A/S – Information regarding acquisition of Devon assets in the Gulf of Mexico
10 February	Maersk Oil finalises acquisitions of the Jack field in the US Gulf of Mexico
4 March	Annual Report 2009
27 April	Annual General Meeting (minutes)
27 April	The Board of A.P. Møller - Mærsk A/S Elects a New Vice Chairman
29 April	A.P. Møller - Mærsk A/S sells interest in Yantian Terminal, China
12 May	Interim Management Statement
27 May	A.P. Møller - Mærsk A/S – Sale of Netto Foodstores Limited
8 July	Upward adjustment of expectations for the 2010 result
12 July	Completion of the sale of Norfolk Holdings B.V.
18 August	Interim Report 2010
10 November	Interim Management Statement
10 November	Financial Calendar 2011
19 November	A.P. Møller - Mærsk A/S places Eurobonds
17 December	A.P. Møller - Mærsk A/S – Management change
23 December	Maersk Oil to buy Brazilian assets for USD 2.4 billion

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

Auditors:
KPMG
Statsautoriseret revisionspartnerselskab

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Statsautoriseret revisionsaktieselskab

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