

INTERIM MANAGEMENT STATEMENT

(Trading update)



The A.P. Moller - Maersk Group

Highlights (comparative figures for the corresponding period 2007 in parenthesis)

Main figures for the period 1/1 – 30/9 (Unaudited)	DKK million		USD million	
	2008	2007	2008	2007
Revenue	231,360	205,418	47,176	36,970
Profit before depreciation, amortisation, etc.	65,873	45,940	13,432	8,268
Depreciation, amortisation and impairment losses	17,849	18,345	3,640	3,302
Gains on sale of ships and rigs, etc.	4,024	4,635	820	835
Profit before financial items and tax	53,498	34,559	10,908	6,221
Net profit	17,685	14,425	3,606	2,596
Cash flow from operating activities	37,454	31,968	7,657	5,748
Cash flow used for capital expenditure	-38,537	-36,333	-7,858	-6,539

Revenue (in USD) increased by 28%, mainly due to significantly higher average oil prices and a higher share of oil production, as well as higher freight rates and volumes in the container activities. The net profit for the period was USD 3.6 billion, compared to USD 2.6 billion in the corresponding period of 2007.

- The result for the oil and gas activities was considerably above that of the same period of 2007, primarily due to on average 65% higher oil prices and a higher share of oil and gas production.
- Improved result in the container activities, partly due to 5% increased volumes and 11% higher rates due to compensation for higher fuel costs. Excluding non-recurring costs related to the streamLINE initiatives and gains on sale of ships, the result for the period was negative at USD 64 million (negative USD 202 million).
- A result for tankers, offshore and other shipping activities slightly below the same period of 2007 due to lower gains on sale of ships and rigs, etc. Excluding sales gains the result increased, mainly impacted by high activity in the offshore markets.
- Taxes increased from USD 3.1 billion to USD 6.2 billion, especially due to higher pre-tax earnings in the oil and gas activities.
- A USD exchange rate that measured in DKK on average was 12% lower than that of the corresponding period in 2007. In the third quarter of 2008, however, the USD exchange rate increased by 10% against DKK.
- The net profit for the period is negatively affected by a lower result from Danske Bank, negative value adjustment of the Group's holdings of shares and bonds, and exchange rate adjustment due to the rising USD in the third quarter.

Outlook for 2008

The profit for the year is now expected to be in the order of USD 4.0-4.3 billion (USD 3.4 billion) corresponding to about DKK 20-22 billion (DKK 18.7 billion), against previously announced expectations as of 27 August 2008 in the order of USD 4.0-4.6 billion corresponding to about DKK 20-23 billion. The narrowing of the range compared to the previously announced is mainly caused by the negative development in financial items and lower result from Danske Bank.

Revenue is now expected in the order of USD 62 billion (USD 51 billion), corresponding to about DKK 310 billion (DKK 279 billion), against previously announced expectations in the order of USD 65 billion corresponding to about DKK 320 billion.

The outlook for 2008 is still subject to uncertainty, not least due to the development in the world economy and the financial markets. Specific uncertainties relate to the development in container freight rates, transported volumes, exchange rates, oil prices and prices of securities.

The world economy grew by 1.6% p.a. in the first nine months of 2008 compared to 3.8% in the same period of 2007, most significantly due to lower growth in the USA and Europe. The current world economic trends have a negative impact on several of the Group's business areas via falling oil prices, a slow-down in growth in container activities, and a reduction of growth in private consumption in Europe. In the period after 1 July 2008 the Group has seen significant fluctuations in key factors such as oil prices and exchange rates, accompanied by strong negative movements in the financial markets.

The result for the first nine months of 2008 is negatively affected by exchange rate adjustment on receivables, bank deposits, etc. mainly due to the rising USD, and by value adjustment of the Group's securities holdings as a consequence of falling stock market prices. The total negative effect hereof exceeds USD 300 million.

Container shipping and related activities

Maersk Line and Safmarine transported 5.3 million FFE (Forty-Foot Equivalent container units) in the first nine months of 2008, which was an increase of 5% compared to the corresponding period of 2007 (5.1 million FFE). On the trades between Asia and Europe volumes were unchanged from the same period of 2007. In the third quarter volumes fell by 3% compared to the same period of 2007. On the trades between the Far East and North America volumes increased by 1% in the first nine months compared to the corresponding period of 2007. In the third quarter, volumes increased by 16% mainly due to increasing exports from North America. For the Africa trades, volumes increased by 15%, while volumes in the Latin America and Transatlantic trades increased by 4% and 19% respectively. Safmarine's volumes increased by 20% compared to the same period of 2007.

The average freight rates for Maersk Line and Safmarine increased by 11% compared to the corresponding period of 2007, due to compensation for higher fuel costs. The deployment of new tonnage and the downturn in the global container shipping market led to a considerable decline in base rates in the third quarter, especially in the trades from Asia to Europe.

Despite declining fuel prices towards the end of the period, the average price of fuel consumed on the Group's container vessels in the first nine months of the year was 71% higher than for the same period of 2007. Total unit costs including depreciation were 13% higher than for the corresponding period of 2007, affected by higher fuel costs and lower average USD exchange rate.

Total capacity utilisation was at the level of the same period of 2007; affected positively by the trades between Asia and North America and the Oceania and Latin America trades, but negatively by lower capacity utilisation in the trades between Asia and Europe.

The net result for the container activities was positive at USD 92 million (negative at USD 57 million). Excluding non-recurring costs regarding the streamLINE initiatives of USD 192 million and gains on sale of ships etc. of USD 348 million, the net result was negative at USD 64 million compared to a negative result of USD 202 million in the corresponding period of 2007, after gains on sale of ships etc. of USD 145 million.

Maersk Line and Safmarine took delivery of a total of eight container vessels in the third quarter.

APM Terminals

Revenue in APM Terminals increased by 29% in the first nine months of 2008 compared to the corresponding period of 2007. The activity measured by the number of crane lifts, weighted by ownership share, increased by 10% to 25 million TEU. In North America volumes were 1% higher, while other markets rose by 13% from the corresponding period of 2007.

The profit for the period significantly exceeded the same period of 2007 and was affected positively by general increases in rates, sales gains and exchange rate fluctuations.

In the third quarter, APM Terminals secured new projects in Dinh Vu (Vietnam) and Maasvlakte (the Netherlands).

Tankers, offshore and other shipping activities

In the third quarter the rates for **Maersk Tankers'** crude oil carriers, LR2 product tankers and large gas tankers were significantly above the corresponding period of 2007, while rates for handy tankers were at the same level. The profit before financial items and gains on sale of ships for the first nine months of 2008 was above the same period of 2007. After gains on sale of ships the profit was lower.

Maersk Tankers took delivery of two crude oil carriers, one product tanker and one LNG vessel in the third quarter.

The A.P. Møller - Maersk Group has made a conditional public offer to acquire Broström Tankers AB for SEK 57 per share. On 12 November 2008, the A.P. Møller - Maersk Group owned 36.1% of the share capital, equivalent to 22.5% of the votes. In addition, the A-shareholders of Broström Tankers AB, representing 29.3% of the share capital, equivalent to 55.9% of the votes, have undertaken to accept the offer.

For **Maersk Drilling and Maersk FPSOs** the high demand for drilling rigs and FPSO solutions continued in the third quarter. Rates for jack-up rigs were significantly above the same period of 2007. The profit before financial items and gains on sale of rigs of Maersk Drilling and Maersk FPSOs was somewhat higher than for the corresponding period of 2007. The profit including gains on sale of rigs, which in 2007 were considerable, was significantly lower.

With some delay Maersk Drilling took delivery of two jack-up rigs in the third quarter and both have started on their contracts.

For **Maersk Supply Service** rates were above the same period of 2007, and the result before financial items and gains on sale of ships was also higher. Including sales gains the result was at level with the same period of 2007.

The Svitzer Group's revenue was above that of the same period of 2007, mainly due to the acquisition of Adsteam Marine Limited in 2007. The profit before gains on sale of ships was above that of the same period of 2007.

The gain on the sale of the **car carrier activities** to Høegh Autoliners is included in the result for the period at USD 206 million. In connection with this sale the A.P. Møller - Maersk Group obtained an interest of 37.5% in Høegh Autoliners, which is hereafter included as an associated company.

For the overall segment **tankers, offshore and other shipping activities** the profit before financial items and gains on sale of ships and rigs exceeded the same period of 2007. Including sales gains and financial items, the profit was slightly below the same period of 2007.

Oil and gas activities

The A.P. Møller - Maersk Group's share of oil and gas production before tax in the first nine months of 2008 was 9% above the corresponding period of 2007, positively affected primarily by an increasing share of the oil production in Qatar reflecting high investment level, but negatively affected by lower oil production from the Danish part of the North Sea, Great Britain and Algeria.

In **Qatar** the expansion of the Al Shaheen field continued as planned and production commenced from a further 11 wells in the third quarter of 2008. The Group's share of oil production was 42% above the same period of 2007.

In the **Danish part of the North Sea** the A.P. Møller - Maersk Group's share of oil production was 8% below the same period of 2007. This reflects the natural decline in production from older fields. Gas production was somewhat above the same period of 2007.

Maersk Oil's total share of oil production in **Great Britain** was 24% below the same period of 2007. Production from the Janice field has been shut down since the end of September to upgrade a number of safety procedures.

In **Algeria**, Maersk Oil's share of production was approx. 19% below the same period of 2007, influenced by the natural decrease in production from mature fields and the distribution of oil liftings across periods.

The average oil price (Brent) of USD 111 per barrel was 65% above the same period of 2007. During the third quarter of 2008 the oil price fell by 33% (from USD 140 per barrel to USD 94 per barrel). Subsequently the oil price has continued to fall.

With 15 exploration wells in 2008 total exploration costs were significantly higher than in the same period of 2007. In August, Maersk Oil America entered an exploration agreement with Chevron for exploration activities in the USA (Gulf of Mexico), where exploration wells are being drilled.

The overall result for the oil and gas activities was significantly above the same period of 2007, primarily due to considerably higher oil prices and higher share of oil and gas production. The taxes for the period were also significantly higher than for the same period of 2007 as a consequence of the improved result.

Retail activity

The revenue of the Dansk Supermarked Group increased moderately in the first nine months of 2008 compared to the same period of 2007, and the result before financial items was slightly below the first nine months of 2007, affected by the downturn in private consumption, mainly in the Danish market. In the third quarter the number of stores increased by 20. The result was below the same period of 2007, negatively affected by the development in securities' market values.

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

The share of result from Danske Bank A/S of DKK 1.4 billion in the first nine months of 2008 was DKK 0.9 billion below that of the corresponding period of 2007.

Odense Steel Shipyard Group realised a negative operating result, albeit somewhat lower than in the same period of 2007.

Unallocated activities

Unallocated activities comprise group costs, result of oil hedge contracts and financial items not attributable to business segments. **The result of these oil hedge contracts** (realised and unrealised value adjustment) was negative at USD 168 million for the first half of 2008. However, due to the fall in oil prices in the third quarter the net result in this quarter was positive, giving a small net gain for the first nine months of 2008.

Financial items were influenced negatively in the third quarter by the rising USD exchange rate as a result of exchange rate adjustment of bank deposits in other currencies than USD, currency hedge contracts which do not qualify for hedge accounting etc., and market value adjustment of the Group's holdings of shares and bonds.

Equity

Equity as at 30 September 2008 amounts to DKK 161 billion (USD 31 billion). During the third quarter equity is affected positively by DKK 4.1 billion (USD 0.8 billion) of value adjustment on oil price contracts which qualify for hedge accounting, due to the falling oil price, and positively by DKK 9.9 billion as a consequence of the rising USD rate.

Oil price sensitivity

Generally, the A.P. Møller - Maersk Group is in the short term inherently hedged against fluctuations in the oil price due to a reasonable balance between the income from oil production activities and the fuel costs in the shipping activities. The major oil price risk for the Group relates to the difference between the crude oil price and the bunker oil price (crack).

During the third quarter the crude oil price dropped by 33%, and in the same period the crack narrowed significantly. Subsequently the crude oil price has declined further to approx. USD 60 per barrel, whereas the crack has widened.

The A.P. Møller - Maersk Group's profit for the third quarter is affected negatively by the narrowing crack (crude oil prices have fallen more than fuel prices) and the falling oil prices, but positively by lower fuel consumption than expected in the container activities and positive value adjustment of oil hedge contracts which do not qualify for hedge accounting.

At the current oil prices and provided that the difference between the crude oil price and the bunker oil price remains unchanged, rising oil prices will for the remainder of 2008 all other things being equal continue to have a moderately positive effect and falling oil prices an equivalently negative effect on the Group's result before the effect of hedge contracts.

USD sensitivity

The Group's net result is generally affected positively by a rising USD rate. However, for the remainder of 2008 the effect of a rising USD rate will be negative, since a positive effect on primary operations in the very short term is more than outweighed by the negative effect of exchange rate adjustment of receivables, bank deposits, etc. in other currencies than USD and by hedges which do not qualify for hedge accounting. The USD/DKK rate was 5.20 as at 30 September 2008 and has since increased.

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A.P. Møller - Mærsk A/S

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The Annual Report for 2008 is expected to be released on 5 March 2008.

Forward-looking statements

This announcement contains forward-looking statements regarding expectations for 2008. 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.

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