

# ANNOUNCEMENT

## **A.P. Møller - Mærsk A/S – Impairment of Brazilian oil assets**

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The fully owned subsidiary of A.P. Møller - Mærsk A/S (the Company), Mærskolie og Gas A/S (Maersk Oil), completed the acquisition of stakes in three Brazilian blocks from SK Energy for USD 2.4 billion in July 2011.

Maersk Oil has revised its strategy and will no longer pursue growth or operatorship for its business in Brazil. As a consequence of this, Maersk Oil has divested its ownership share in the small producing field Polvo to the operator, Brazilian independent HRT O&G Exploracao e Producao de Petroleo Ltda., subject to regulatory approvals.

The remaining fields Wahoo and Itaipu contain significant potential resources and it is expected that the operating partners of these fields will at a later state be able to present commercially viable development plans.

Based on own assessments Maersk Oil now expects that these plans will result in a lower value than originally anticipated as the appraisal drillings performed have come out at the low end of the original expectations and additional adverse impacts from increased development costs and lower oil price also must be expected.

Consequently, the Company has decided to make an impairment to the book value of Maersk Oil's Brazilian assets of USD 1.7 billion, bringing down the value to USD 0.6 billion which will be included in the Group's Q2 result.

The Group's guidance for the 2014 result will remain an underlying profit of around USD 4 billion and a Group result significantly above last year.

Maersk Oil's revised assessment of its Brazilian assets will have no impact on Maersk Oil's long term production plans since no volumes concerning the Brazilian assets have been included in these plans.

Group CEO, Nils S. Andersen, commented:

"The SK Energy investment was made at a time when the outlook for the oil industry and oil prices were more positive than today and we had growth ambitions for our Brazilian oil business. We have now adapted our strategy to the situation we see today, but it is of course clearly unsatisfactory that the oil volumes in the acquired fields Itaipu and Wahoo after appraisal drilling has proved to be in the low end of our original expectations. Going forward, this strategy adjustment and value impairment allow Maersk Oil to fully focus on its growth strategy".

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