

PRESS RELEASE

Maersk reports Q2 with increased earnings momentum

Copenhagen, Denmark – A.P. Moller - Maersk continued to build momentum in the second quarter reporting volume growth across all segments and improved financial performance with EBIT margin reaching 7.5% compared to 1.4% in the first quarter. Results were driven by increased profitability in Ocean, solid growth in Logistics & Services and excellent performance in Terminals. Based on the prolonging of the crisis in the Red Sea and a continued robust market demand, Maersk upgraded its guidance for 2024 on August 1st.

“Our results this quarter confirm that performance in all our businesses is trending in the right direction. Market demand has been strong, and as we have all seen, the situation in the Red Sea remains entrenched, which leads to continued pressure on global supply chains. These conditions are now expected to continue for the remainder of the year. We have invested in additional equipment in all our businesses to adapt to the situation and continue supporting our customers through the disruptions. As we look ahead, our focus remains on leveraging organic growth while exploring opportunities for value-accretive acquisitions particularly in Logistics. We will maintain tight cost control and high asset utilization, and further execute on our fleet renewal program,” says Vincent Clerc, CEO at Maersk.

Ocean saw strong volume growth and higher freight rates, primarily in Asia exports, reflecting the increased supply chain pressure, while the situation in the Red Sea and rerouting south of Cape of Good Hope continued to lead to higher operating costs. Profitability returned to positive territory, and while below the same quarter last year, performance was significantly better compared to Q1 2024 and Q4 2023.

Logistics & Services grew by 7% compared to the year prior and increased volumes across all product families more than offset low rates. Profitability improved both sequentially and year on year, positively impacted by increased asset utilization, good cost control, and progress on initiatives to address customer implementation challenges in the ground freight business in North America.

Terminals continued to deliver volume growth, particularly in North America. Revenue per move increased significantly due to higher tariffs and higher storage, while cost per move increased slightly. Effective cost management and robust revenue growth supported profitability, leading to one of the highest EBITDA levels ever.

Financial guidance for 2024

As announced on August 1st, due to continued supply chain disruptions caused by the ongoing situation in the Red Sea/Gulf of Aden and robust container market demand, Maersk raises its financial guidance as seen in the table below. Maersk now expects global container market growth to be between 4-6% and to grow in line with the market compared to the previous expectations of towards the upper end of 2.5-4.5%.

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In addition, Maersk now expects CAPEX to be between USD 10.0-11.0bn for 2024-2025 (previously USD 9.0-10.0bn) due to continuous fleet renewal.

USDbn

EBITDA Underlying (Previously: 7.0-9.0)	EBIT Underlying (Previously: 1.0-3.0)	Free cash flow (Previously 1.0 or higher (FCF) or higher)
9.0-11.0	3.0-5.0	2.0
CAPEX (Unchanged) 2023-2024	CAPEX (Previously 9.0-10.0) 2024-2025	
8.0-9.0	10.0-11.0	

Sensitivity guidance

Financial performance for A.P Moller - Maersk for 2024 depends on several factors subject to uncertainties related to the given uncertain macroeconomic conditions, bunker fuel prices and freight rates. All else being equal, the sensitivities for 2024 for four key assumptions are listed below:

Factors	Change	Effect on EBIT (Rest of 2024)
Container freight rate	+/- 100 USD/FFE	+/- USD 0.6bn
Container freight volume	+/- 100,000 FFE	+/- USD 0.1bn
Bunker price (net of expected BAF coverage)	+/- 100 USD/tonne	+/- USD 0.2bn
Foreign exchange rate (net of hedges)	+/- 10% change in USD	+/- USD 0.1bn

Highlights Q2

USD million

	Revenue		EBITDA		EBIT		CAPEX	
	2024	2023	2024	2023	2024	2023	2024	2023
Ocean	8,370	8,703	1,407	2,259	470	1,205	578	314
Logistics & Services	3,632	3,386	348	311	126	115	159	223
Terminals	1,089	950	408	331	353	269	135	97
Unallocated activities, eliminations, etc.	-320	-51	-19	4	14	18	32	104
A.P. Moller - Maersk consolidated	12,771	12,988	2,144	2,905	963	1,607	904	738

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About Maersk:

A.P. Moller - Maersk is an integrated logistics company working to connect and simplify its customers' supply chains. As a global leader in logistics services, the company operates in more than 130 countries and employs about 100,000 people world-wide. Maersk is aiming to reach net zero emissions by 2040 across the entire business with new technologies, new vessels, and green fuels.