

Definition of terms 2015

DEFINITION OF TERMS

Technical terms, abbreviations and definitions of key figures and financial ratios.

2C – Contingent resources

Contingent resources are less certain than reserves. These are resources that are potentially recoverable but not yet considered mature enough for commercial development due to technological or business hurdles. For contingent resources to move into the reserves category, the key conditions, or contingencies, that prevented commercial development must be clarified and removed.

2P – Proved and probable reserves

Proved reserves: Quantity of energy sources estimated with reasonable certainty, from the analysis of geologic and engineering data, to be recoverable from well-established or known reservoirs with the existing equipment and under the existing operating conditions.

Probable reserves: Unproved reserves which analysis of geological and engineering data suggests are more likely than not to be recoverable.

AHTS

Anchor Handling Tug Supply vessel especially suited to dealing with the extreme forces of deepwater anchor handling.

Appraisal well

Additional wells drilled after a discovery to confirm the size of a hydrocarbon deposit.

Backlog

The value of future contract coverage (revenue backlog).

boepd

Barrels of oil equivalent per day.

Brent

Sweet light crude oil produced in the North Sea.

Bunker

Type of oil used in ship engines.

capex

Capital expenditure is the amounts spent to acquire or upgrade productive assets (eg. buildings, machinery and equipment and vehicles) in order to increase the capacity or efficiency of a company for more than one year.

Contract coverage

Percentage indicating the part of ship/rig days that are contracted for a specific period.

Dividend yield

The dividend yield is equal to the proposed dividends of the year divided by the shares price.

Drewry

Drewry is a leading international provider of research and consulting services to the maritime and shipping industry.

Drillship

A vessel that has been fitted with drilling equipment, mainly used for deepwater drilling.

EBIT margin gap to peers

Peer group includes CMA CGM, APL, Hapag Lloyd, Hanjin, ZIM, Hyundai MM, K Line, OOCL, NYK, MOL, COSCO, CSCL. Peer average is TEU-weighted.

EBIT margins are adjusted for gains/losses on sale of assets, restructuring charges, income/loss from associates. Maersk Line's EBIT margin is also adjusted for depreciations to match industry standards (25 years).

Economic utilisation

The number of contracted days in percentage of total days in the calendar year.

FFE

Forty Foot Equivalent unit container.

Idle time

A period of time when a unit is not being used but could be (non-productive time).

Jack-up rig

A drilling rig resting on legs that can operate in waters of 25–150 metres.

MPV vessel

Multi-purpose vessel designed to carry both containerised and dry bulk cargoes.

MR vessel

Medium range vessel.

Net interest-bearing debt (NIBD)

Equals interest-bearing debt less cash and bank balances less other interest-bearing assets.

NOPAT

Net operating profit or loss after tax.

Product tanker

Vessel transporting refined oil products.

ROIC

Return on invested capital after tax.

Semi-submersible rig

Semi-submersible rigs are capable of operating in ultra-deep water up to 3,000 m.

TEU

Twenty Foot Equivalent Unit container.

Time charter

Hire of a vessel for a specified period.

Total shareholder return

Total shareholder return is equal to the price appreciation rate (price variance from the beginning to the end of the year) and the dividend yield.

Triple-E

Triple-E stands for Economy of scale, Energy efficiency and Environmentally improved.

Uptime

A period of time when a unit is functioning and available for use.

VLCC

Very Large Crude Carrier.