

Oil and gas activities

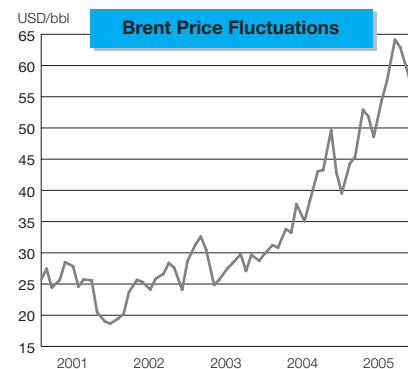
Highlights:	DKK million		USD million	
	2005	2004	2005	2004
Revenue	27,433	20,166	4,580	3,348
Profit before depreciation, amortisation and impairment losses	23,641	17,632	3,947	2,928
Depreciation, amortisation and impairment losses	5,331	2,719	862	451
Profit before financial items	18,310	14,913	3,085	2,477
Financial items, net	211	- 353	35	- 56
Profit before tax	18,521	14,560	3,120	2,421
Tax	11,533	7,761	1,936	1,289
Profit for the year	6,988	6,799	1,184	1,132
Cash flow from operating activities	11,012	8,891	1,838	1,476
Cash flow used for investing activities	- 19,378	- 2,761	- 3,075	- 458
Fixed assets	39,384	9,632	6,228	1,762
Current assets	11,210	7,763	1,773	1,420
Total assets	50,594	17,395	8,001	3,182
Non-current liabilities	28,730	2,205	4,543	403
Current liabilities	6,962	3,935	1,101	720
Total liabilities	35,692	6,140	5,644	1,123

The overall result in 2005 for the Danish and international oil and gas activities was USD 1,184 million (USD 1,132 million). The result was affected positively by higher oil prices, counterbalanced by forward sale of oil, increased government share of the production in Qatar, write-down on activities acquired in the UK and highly increased taxes. Total investments in 2005 amounted to USD 3,075 million, considerably higher than in 2004 (USD 458 million). Of these USD 2,787 million pertains to purchase of oil interests in the British sector of the North Sea from Kerr-McGee Corporation.

The year's activities were carried out with focus on continuing improvement of safety and consideration for the environment.

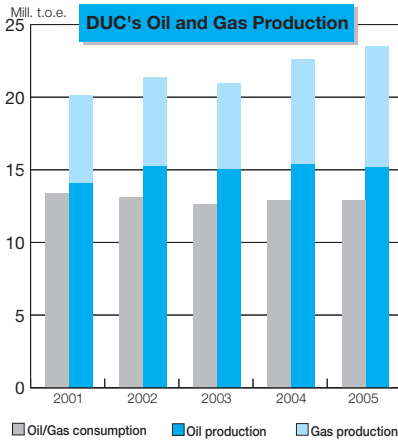
In the Danish sector of the North Sea Mærsk Olie og Gas AS produced 113 million barrels of crude oil in 2005 (112 million) as operator for Dansk Undergrunds Consortium (DUC). A.P. Moller - Maersk's 39% interest in this amounted to 44 million barrels. Overall gas sales amounted to 8.9 billion m³ (7.9 billion m³). A.P. Moller - Maersk's interest in this amounted to 3.5 billion m³. The increase in gas sales was due particularly to delivery to the Dutch distribution system through the new gas pipeline from Tyra West which was put into use in 2004. The average price for the year of Brent crude oil, the marker price for DUC's oil, was about USD 54 per barrel in 2005 (USD 38). In the realised oil price the higher prices did not have full effect due to forward sale of oil.

During 2005, a total of 12 wells, primarily production wells, were drilled, and several well overhauls were made. Two new platforms, Dan FG and Valdemar AB, were installed on the Dan and Valdemar Field in 2005 with bridge connections to existing facilities.



In the Danish sector of the North Sea, DUC invested about USD 570 million (USD 430 million) in 2005, mainly in further develop-

ment of the Halfdan, Dan and Tyra Fields. A.P. Moller - Maersk's share of this amounted to USD 222 million (USD 170 million).



The graph shows DUC's production of crude oil and natural gas as well as total consumption in Denmark in tons of oil equivalents (t.o.e.).

On an international level, Maersk Oil participates in production activities in Qatar, Algeria, Great Britain and Kazakhstan. In addition, Maersk Oil participates in exploration activities in the North Sea (Norway, Great Britain, Germany), North Africa (Algeria and Morocco), West Africa (Angola), Central Asia (Turkmenistan), the Middle East (Qatar and Oman), and South America (Brazil, Colombia and Surinam). New agreements were concluded in 2005 on acquisition of production and exploration activities in Great Britain and offshore exploration in Norway and Angola as well as onshore Colombia.

In Qatar, where Maersk Oil has the concession and is operator, Maersk Oil's share of oil production amounted to 26 million barrels (33 million). The decline in Maersk Oil's share compared with 2004 is due to increased government share in accordance with existing agreements. In December 2005 an agreement was

concluded with Qatar Petroleum on further development of the Al Shaheen Field. The development plan, which is expected to result in total Maersk Oil investments in the order of USD 5 billion during the period 2006-2011, includes drilling more than 160 production and water injection wells and establishing three more offshore platform complexes with production and accommodation facilities. The total oil production from the Al Shaheen Field is planned to be gradually increased from 240,000 barrels per day at the beginning of 2006 to 525,000 barrels per day from the end of 2009.

In Algeria, Maersk Oil participates in a group operated by Anadarko in co-operation with the state-owned oil company Sonatrach. In 2005 Maersk Oil's share of production was about 11 million barrels (11 million). Further development of producing fields and new fields is proceeding.

In Great Britain, Maersk Oil acquired the majority of Kerr-McGee Corporation's British oil and gas interests with takeover on 17 November 2005. The purchase includes rights for 10 production fields, a number of minor oil and gas finds and an exploration portfolio. In 2005, Maersk Oil's share of the oil production amounted to 1.9 million barrels and a small volume of natural gas. In 2005, there was a write-down of assets, ref. the Financial Report page 29.

In Kazakhstan, where Maersk Oil is an operator in two licences, the share of the oil production in 2005 amounted to about 0.9 million barrels (1.3 million).