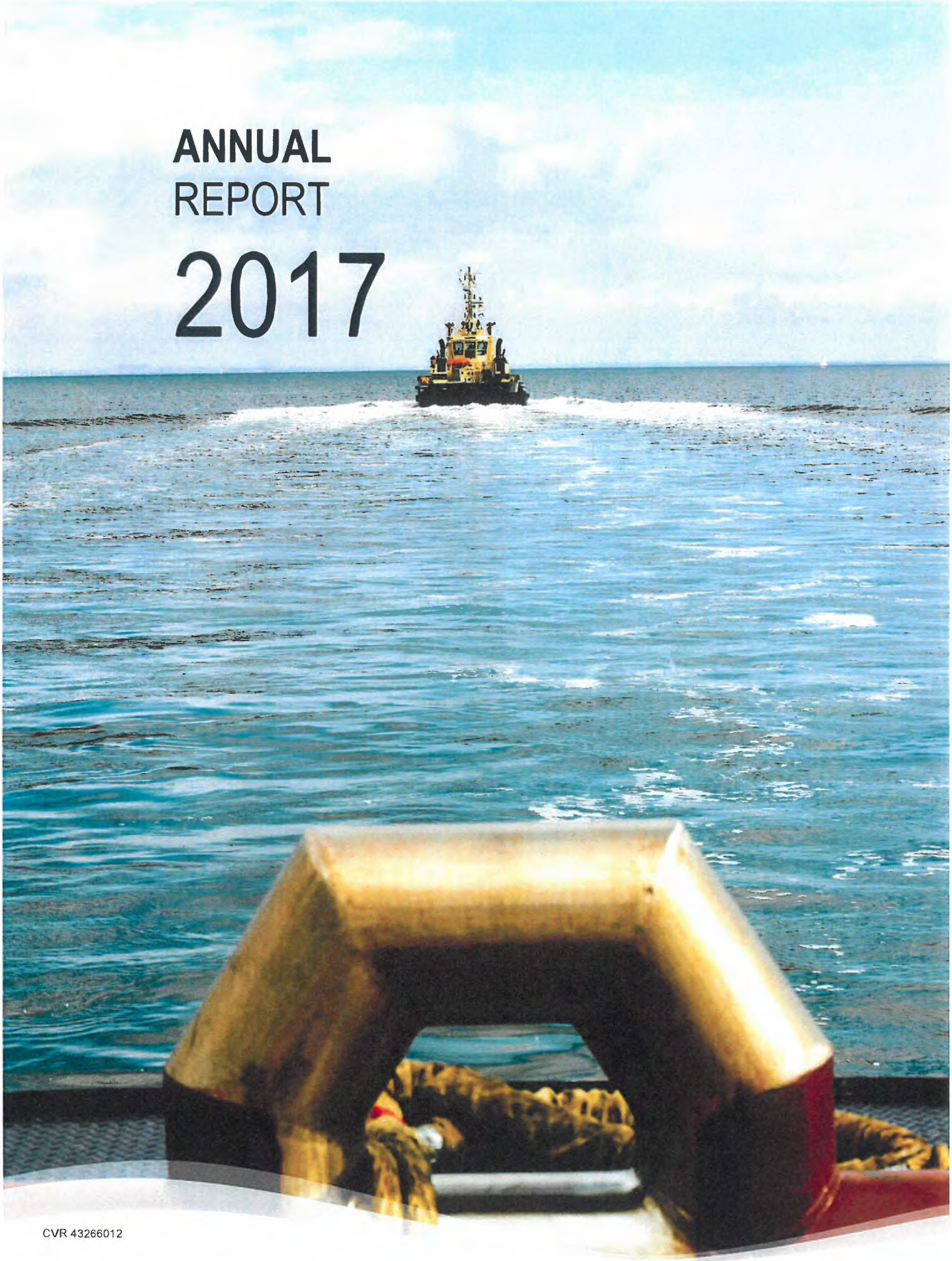
ANNUAL REPORT 2017



CVR 43266012

The Annual Report was presented and adopted at the Annual General Meeting of the Company on 25/5 2018

Jacob Sune Ulrik
Chairman

SVITZER

Svitzer A/S
Pakhus 48, Sundkaj 9
2150 Nordhavn
Denmark


BW GDF SUEZ BRUSSELS

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DIRECTORS' REPORT

Svitzer Group is the leading towage operator with activities within both Harbour and Terminal towage and with a fleet of 356 vessels (2016: 343) in more than 100 ports across 37 countries. Svitzer's customers are ship owners and operators within all shipping segments as well as national and international Oil & Gas companies.

Svitzer A/S is the parent company in the Svitzer Group and its activities mainly relate to Svitzer's global head office which supports Svitzer's regions and subsidiaries.

2017 IN REVIEW

Financials

The loss in 2017 was mainly due to an impairment of DKK 60 million on its investment in Svitzer Salvage Holding A/S as earnings are not expected to cover the negative equity in the foreseeable future. Also, the 2017 result is impacted by a write-down of Svitzer A/S' deferred tax asset as it is not expected to be utilised in the foreseeable future.

Sustainability

The global safety performance improved to a lost time incidents frequency ('LTIF') of 0.28 in 2017 against 0.5 in 2016. Overall there was a good safety performance driven by an extensive focus on safety throughout the organisation. The work of implementing and simplifying the safety management system HMS, Harmonized Management System, continued throughout 2017.

Statement on Corporate Social Responsibility in accordance with section 99a of the Danish Financial Statement Act

Please refer to the separate Sustainability Report 2017 of the parent company A.P. Møller – Mærsk A/S on the website: www.maersk.com/business/sustainability.

Statement regarding the underrepresented gender in accordance with section 99b of the Danish Financial Statement Act

The Board believes that its members should be elected on the basis of their combined qualifications and at the same time recognise the advantages of a Board comprising a wide range of backgrounds such as global experience, style, culture and gender.

As of 31 December 2017, there are two women among the four board members appointed at the general meeting. Consequently, the Company's board is considered having equal representation of genders among the Company's shareholder-appointed board members.

A.P. Møller - Mærsk A/S has adopted a group policy for the complete group with the aim to increase the share of the under-represented gender on the company's other management levels. In accordance with this policy the Company has taken steps to look into how the Company can attract qualified women to relevant management positions. In addition, this is a focus area when identifying candidates to key positions. A description of the policy and reporting on the gender composition can be found in A.P. Møller - Mærsk A/S' sustainability report on the website: www.maersk.com/business/sustainability.

Environment

Environmental impact in 2017 for Svitzer A/S is unchanged compared to 2016 due to unchanged location and no material change in number of employees. Globally, CO_2 emissions relative to tug jobs in harbor towage activity were 1.23 tons per tug job (2016: 1.28). Environmental efficiency is one of the core operational elements and is of high focus for the Company.

Expectations for 2018

The expectations for 2018 profit/loss before financial items are at level with 2017.

Risks

The main risk for Svitzer A/S is fluctuations in foreign exchange rates and interest rates. Svitzer A/S has investments in subsidiaries and are therefore indirectly subject to the risks related to the overall development in the world economy, number of ship calls, number of tug operators in particular ports, development in fuel prices and fluctuations in foreign exchange rates which will have an impact on subsidiaries' activities and results.

FIVE YEAR SUMMARY

Amounts in DKK thousands

	2017	2016	2015	2014	2013
Revenue	95,887	88,739	97,845	94,721	107,933
Profit/loss before financial items (EBIT)	-29,512	-55,113	-41,757	-6,585	-23,243
Financial income and financial expenses	-106,204	-145,505	-146,971	-14,675	52,262
Profit/loss before tax	-199,303	-180,661	41,404	-1,917,980	29,019
Tax	-3	42,103	-30,741	-6,043	-5,951
Profit/loss for the year	-199,306	-138,558	72,145	-1,911,937	34,971
Total assets	6,696,021	6,346,453	5,870,306	3,315,214	5,272,263
Total equity	884,388	1,083,694	1,222,252	1,116,148	3,027,913
Profit (EBIT) margin	-30.8%	-62.1%	-42.7%	-7.0%	-21.5%
Return on equity after tax	-20.3%	-12.0%	6.2%	-92.3%	1.2%
Equity ratio	13.2%	17.1%	20.8%	33.7%	57.4%

Definitions of key figures are included under Accounting Policies.

The financial statements of Svitzer A/S for 2017 have been prepared in accordance with the Danish Financial Statements Act.

STATEMENT OF THE BOARD OF DIRECTORS AND MANAGEMENT

The Board of Directors and the Management have today considered and adopted the Annual Report of Svitzer A/S for the financial year 1 January – 31 December 2017.

The Annual Report is prepared in accordance with the Danish Financial Statements Act.

In our opinion, the Annual Report gives a true and fair view of the Company's assets and liabilities, financial position at 31 December 2017 and of the results of the Company's operations for 2017.

In our opinion, the Director's report includes a fair review of the Company's operations and financial conditions, the results for the year and financial position as well as a description of the most significant risks and uncertainty factors that the Company faces.

We recommend that the Annual Report be approved at the Annual General Meeting.

Copenhagen, 16 May 2018

Henriette H. Thygesen
Chief Executive Officer

Board of Directors:

Morten Engelstoft Chairman	Pierre Danet	Henriette H. Thygesen	Anne Pindborg

INDEPENDENT AUDITOR'S REPORT

To the shareholders of Svitzer A/S

Opinion

In our opinion, the Financial Statements give a true and fair view of the financial position of the Company at 31 December 2017, and of the results of the Company's operations for the financial year 1 January - 31 December 2017 in accordance with the Danish Financial Statements Act.

We have audited the Financial Statements of Svitzer A/S for the financial year 1 January - 31 December 2017, which comprise income statement, balance sheet, statement of changes in equity and notes including a summary of significant accounting policies ('Financial Statements').

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) and the additional requirements applicable in Denmark. Our responsibilities under those standards and requirements are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Company in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code) and the additional requirements applicable in Denmark, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Statement on Management's Review

Management is responsible for Management's Review.

Our opinion on the Financial Statements does not cover Management's Review, and we do not express any form of assurance conclusion thereon.

In connection with our audit of the Financial Statements, our responsibility is to read Management's Review and, in doing so, consider whether Management's Review is materially inconsistent with the Financial Statements or our knowledge obtained during the audit, or otherwise appears to be materially misstated.

Moreover, it is our responsibility to consider whether Management's Review provides the information required under the Danish Financial Statements Act.

Based on the work we have performed, in our view, Management's Review is in accordance with the Financial Statements and has been prepared in accordance with the requirements of the Danish Financial Statements Act. We did not identify any material misstatement in Management's Review.

Management's Responsibilities for the Financial Statements

Management is responsible for the preparation of Financial Statements that give a true and fair view in accordance with the Danish Financial Statements Act, and for such internal control as Management determines is necessary to enable the preparation of Financial Statements that are free from material misstatement, whether due to fraud or error.

In preparing the Financial Statements, Management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting in preparing the Financial Statements unless Management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the Financial Statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs and the additional requirements applicable in Denmark will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Financial Statements.

As part of an audit conducted in accordance with ISAs and the additional requirements applicable in Denmark, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management.

- Conclude on the appropriateness of Management's use of the going concern basis of accounting in preparing the Financial Statements and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and contents of the Financial Statements, including the disclosures, and whether the Financial Statements represent the underlying transactions and events in a manner that gives a true and fair view.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Copenhagen, 16 May 2018

PricewaterhouseCoopers
Statsautoriseret Revisionspartnerselskab
CVR no 33 77 12 31

Gert Fisker Tomczyk	Søren Ørjan Jensen
State Authorised Public Accountant	State Authorised Public Accountant
mne9777	mne33226

INCOME STATEMENT

Amounts in DKK thousand

Note		2017	2016
	Revenue	95,887	88,739
2	Staff costs	51,292	58,652
	Other external expenses	70,958	71,983
	Profit/loss before depreciation, amortisation and impairment losses, etc.	**-26,363**	**-41,896**
5	Depreciation, amortisation and impairment losses	3,149	13,217
	Profit/loss before financial items	**-29,512**	**-55,113**
	Share of profit/loss in subsidiaries	57	106,748
	Impairment of financial assets	63,644	86,791
3	Financial income	48,794	20,605
3	Financial expenses	154,998	166,110
	Profit/loss before tax	**-199,303**	**-180,661**
4	Tax	-3	42,103
	Profit/loss for the year	**-199,306**	**-138,558**

Profit/loss is transferred to retained earnings under equity

BALANCE SHEET AT 31 DECEMBER

Assets at 31 December

Amounts in DKK thousand

Note		2017	2016
	Property, plant and equipment		
	Production facilities and equipment, etc.	45	3,194
5	**Total property, plant and equipment**	**45**	**3,194**
	Financial non-current assets		
	Investments in subsidiaries	6,374,344	5,737,038
	Other equity investments	258	262
6	**Total financial non-current assets**	**6,374,602**	**5,737,300**
7	Deferred tax	-	9,996
	Total non-current assets	**6,374,647**	**5,750,490**
	Receivables		
	Trade receivables	26	-
	Tax receivables	7,095	36,450
	Receivables from subsidiaries	154,166	470,896
	Receivables from joint ventures	134,995	70,050
	Receivables to group enterprises	1,254	-
	Other receivables	8,702	5,091
	Prepayments	3,804	3,408
	Total receivables, etc.	**310,042**	**585,895**
	Cash and bank balances	**11,332**	**10,068**
	Total current assets	**321,374**	**595,963**
	Total assets	**6,696,021**	**6,346,453**

BALANCE SHEET AT 31 DECEMBER

Liabilities at 31 December

Amounts in DKK thousand

Note		2017	2016
	Equity		
8	Share capital	420,953	420,953
	Reserves	463,435	662,741
	Total equity	**884,388**	**1,083,694**
	Non-current liabilities		
	Other provisions	1,186	1,436
	Payables to group enterprises	5,730,606	5,129,058
	Total non-current liabilities	**5,731,792**	**5,130,494**
	Current liabilities		
	Payables to subsidiaries	32,005	85,391
	Payables to group enterprises	22,034	19,811
	Trade payables	865	4,463
	Bank overdraft	563	-
	Derivatives	-	2,378
9	Other payables	24,374	20,222
	Total current liabilities	**79,841**	**132,265**
	Total liabilities	**5,811,633**	**5,262,759**
	Total equity and liabilities	**6,696,021**	**6,346,453**

10 Commitments and contingent liabilities
11 Related parties

STATEMENT OF CHANGES IN EQUITY

Amounts in DKK thousand

	Share capital	Reserve for hedges	Retained earnings	Total equity
Equity 1 January 2017	420,953	-	662,741	1,083,694
Profit/loss for the year	-	-	-199,306	-199,306
Equity 31 December 2017	**420,953**	**-**	**463,435**	**884,388**

Amounts in DKK thousand

	Share capital	Reserve for hedges	Retained earnings	Total equity
Equity 1 January 2016	420,953	1,040	800,259	1,222,252
Cash flow hedges	-	-1,040	1,040	-
Profit/loss for the year	-	-	-138,558	-138,558
Equity 31 December 2016	**420,953**	**-**	**662,741**	**1,083,694**

Share capital

The Company's share capital amounts to DKK 420,953 thousand with shares of DKK 250 or multiples hereof.

NOTES

Contents

1 Accounting policies

Basis of preparation

The financial statements for Svitzer A/S ('the Company') for 2017 have been prepared in accordance with the Danish Financial Statements Act for medium sized enterprises of reporting class C.

In accordance with the Danish Financial Statements Act section 112, the Company does not prepare consolidated financial statements as the Company and its subsidiaries are part of the consolidated financial statements prepared for A.P. Moller – Maersk, incorporated in Denmark under registration no. 22756214.

Also, in accordance with section 86, par. 4 of the Danish Financial Statements Act, the Company does not prepare a cash flow statement, as the Company and its subsidiaries are included in the consolidated cash flow statements of A.P. Moller - Maersk Group.

There has not been made any changes to the accounting policies applied.

The financial statements for 2017 are presented in Danish Kroner.

Recognition and measurement

Revenue is recognised in the income statement as earned. Furthermore, value adjustments of financial assets and liabilities measured at fair value or amortised cost are recognised.

All expenses incurred to achieve the earnings for the year are recognised in the income statement.

Assets are recognised when it is probable that future economic benefits attributable to the asset will flow to the Company and the value of the asset can be measured reliably.

Liabilities are recognised when it is probable that future economic benefits will flow out of the Company and the value of the liability can be measured reliably.

Assets and liabilities are initially measured at cost. Subsequently, assets and liabilities are measured as described for each item below.

Recognition and measurement take into account any predictable losses and risks occurring before the presentation of the annual report which confirm or invalidate affairs and conditions existing at the balance sheet date.

Translation policies

Danish Kroner is used as the measurement currency. All other currencies are regarded as foreign currencies.

Transactions in foreign currencies are translated at the exchange rates at the dates of transaction. Gains and losses arising due to differences between the transaction date rates and the rates at the dates of payment are recognised in financial income and expenses in the income statement. Where foreign exchange transactions are considered hedging of future cash flows, the value adjustments are recognised directly in equity.

Receivables, payables and other monetary items in foreign currencies that have not been settled at the balance sheet date are translated at the exchange rates at the balance sheet date. Any differences between the exchange rates at the balance sheet date and the transaction date rates are recognised in financial income and expenses in the income statement. Fixed assets acquired in foreign currencies are measured at the transaction date rates.

Derivative financial instruments

Derivative financial instruments are initially recognised in the balance sheet at cost and are subsequently remeasured at their fair values. Positive and negative fair values of derivative financial instruments are classified as derivatives.

Changes in the fair values of derivative financial instruments are recognised in the income statement unless the derivative financial instrument is designated and qualify as hedge accounting, see below.

Hedge accounting

Changes in the fair values of financial instruments that are designated and qualify as fair value hedges of a recognised asset or a recognised liability are recognised in the income statement as are any changes in the fair value of the hedged asset or the hedged liability related to the hedged risk.

Changes in the fair values of derivative financial instruments that are designated and qualify as hedges of expected future transactions are recognised in retained earnings under equity as regards the effective portion of the hedge. The ineffective portion is recognised in the income statement. If the hedged transaction results in an asset or a liability, the amount deferred in equity is transferred from equity and recognised in the cost of the asset or the liability, respectively. If the hedged transaction results in an income or an expense, the amount deferred in equity is transferred from equity to the income statement in the period in which the hedged transaction is recognised. The amount is recognised in the same item as the hedged transaction.

Changes in the fair values of financial instruments that are designated and qualify as hedges of net investments in independent foreign subsidiaries or associates are recognised directly in equity as regards the effective portion of the hedge, whereas the ineffective portion is recognised in the income statement.

Incentive schemes

The value of share option plans offered to the management is not recognised in the income statement. The most significant conditions of the plans are disclosed in the notes.

Revenue

Revenue from the sale of goods is recognised in the income statement when transfer of risk to the buyer has been made before year end.

Revenue comprise of management fee and is recognised if delivery and transfer of risk took place before end of year.

Revenue is recognised exclusive of VAT and net of discounts relating to sales.

Other external expenses

Other external expenses comprise indirect production costs and expenses for premises, sales and distribution as well as office expenses, etc.

Staff expenses
Staff expenses comprise wages and salaries as well as payroll expenses.

Amortisation, depreciation and impairment losses
Amortisation, depreciation and impairment losses comprise amortisation, depreciation and impairment of intangible assets and property, plant and equipment.

Other operating income and expenses
Other operating income and other operating expenses comprise items of a secondary nature to the core activities of the enterprise, including gains and losses on the sale of intangible assets and property, plant and equipment.

Financial income and expenses
Financial income and expenses are recognised in the income statement at the amounts relating to the financial year.

Tax on profit/loss for the year
Tax for the year consists of current tax and deferred tax for the year. The tax attributable to the profit for the year is recognised in the income statement, whereas tax attributable to equity transactions is recognised directly in equity. Any changes in deferred tax due to changes to tax rates are recognised in the income statement.

The Company is jointly taxed with the Danish entities within the A.P. Moller - Maersk Group as well as A. P. Møller Holding A/S. The tax effect of the joint taxation with the subsidiaries is allocated to Danish enterprises showing profits or losses in proportion to their taxable incomes (full allocation with credit for tax losses). The jointly taxed enterprises have adopted the on-account taxation scheme.

Property, plant and equipment
Property, plant and equipment are measured at cost less accumulated depreciation and less any accumulated impairment losses. Cost comprises the cost of acquisition and expenses directly related to the acquisition up until the time when the asset is ready for use. Depreciation based on cost reduced by any residual value is calculated on a straight-line basis over the expected useful lives of the assets, which are:

Other fixtures and fittings, tools and equipment	3-7 years

Impairment of intangible assets and property, plant and equipment
The carrying amounts of intangible assets and property, plant and equipment are reviewed on an annual basis to determine whether there is any indication of impairment other than that expressed by amortisation and depreciation. If so, the asset is written down to its lower recoverable amount.

Investments in subsidiaries
Investments in subsidiaries are measured at cost or a lower value in use. Dividends from subsidiaries are recognised as income at the time of declaration. On disposal of such investments, the difference between net disposal proceeds and their carrying amounts is included in profit or loss.

Receivables
Receivables are measured in the balance sheet at the lower of amortised cost and net realisable value which corresponds to nominal value less provisions for bad debts. Provisions for bad debts are determined on the basis of an individual assessment of each receivable.

Prepayments
Prepayments comprise prepaid expenses concerning rent, insurance premiums, subscriptions and interest.

Provisions
Provisions are recognised when - in consequence of an event occurred before or on the balance sheet date - the Company has a legal or constructive obligation and it is probable that economic benefits must be given up to settle the obligation.

Deferred tax assets and liabilities
Deferred income tax is measured using the balance sheet liability method in respect of temporary differences arising between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes on the basis of the intended use of the asset and settlement of the liability, respectively.

Deferred tax assets, including the tax base of tax loss carry-forwards, are measured at the value at which the asset is expected to be realised, either by elimination in tax on future earnings or by set-off against deferred tax liabilities within the same legal tax entity. Deferred tax is measured on the basis of the tax rules and tax rates that will be effective under the legislation at the balance sheet date when the deferred tax is expected to become current tax. Any changes in deferred tax due to changes to tax rates are recognised in the income statement.

Current tax receivables and liabilities
Current tax liabilities and receivables are recognised in the balance sheet as the expected taxable income for the year adjusted for tax on taxable incomes for prior years and tax paid on account. Extra payments and repayment under the on-account taxation scheme are recognised in the income statement in financial income and expenses.

Financial liabilities
Fixed interest loans, such as mortgage loans and loans from credit institutions, are recognised initially at the proceeds received net of transaction expenses incurred. Subsequently, the loans are measured at amortised cost and the difference between the proceeds and the nominal value is recognised as an interest expense in the income statement over the loan period. Other debts are measured at amortised cost substantially corresponding to nominal value.

Deferred income
Deferred income comprises payments received in respect of income in subsequent years.

Key figures

Profit (EBIT) margin:	<u>Profit before financial items</u> Revenue
Return on equity after tax:	<u>Profit/loss for the year</u> Average equity
Equity ratio:	<u>Equity</u> Total assets

2 Staff costs

Amounts in DKK thousand

	2017	2016
Remuneration of employees		
Wages and salaries	47,458	54,348
Pension costs, defined contribution plans	3,443	3,948
Other social security costs	391	356
Total remuneration	**51,292**	**58,652**
Average number of employees	46	48

With reference to section 98b paragraph 3 in the Danish Financial Statements Act, total remuneration for management personel is not disclosed.

Share-based payment/Equity settled incentive plans (excluding share options plan)

A.P. Moller - Maersk Group has two different equity-settled incentive plans. The Restricted Shares Plan was introduced in 2013 and grants have been awarded to employees on a yearly basis since 2013. In 2014, the Group established a 3-year Performance Shares Plan for the management.

The transfer of restricted and performance shares is contingent upon the employee still being employed and not being under notice of termination and takes place when three years have passed from the time of granting. Transfer of the performance shares to the management was further contingent upon the member still being employed in A.P. Moller - Maersk at the time of publishing of the Annual Report 2016 for A.P. Møller - Mærsk A/S.

The actual transfer of performance shares was further contingent upon the degree of certain financial goals being achieved. This meant that the number of shares that eventually would vest was adjusted during the vesting period.

The management is not entitled to any dividends during the vesting period. Special conditions apply regarding illness, death and resignation as well as changes in the Company's capital structure, etc.

The fair value per restricted share at the time of being granted is DKK 11,550 (DKK 8,463) which equals the volume weighted average share price on the date of being granted, i.e. 1 April 2017.

The outstanding restricted shares in 2017 were 225 (221). Total value of restricted shares recognised in the income statement in 2017 was DKK 0.7 million (DKK 0.5 million).

3 Financial income and expenses

Amounts in DKK thousand

	2017	2016
Intercompany part of financial income	16,276	16,927
Intercompany part of financial expenses	-136,136	-162,364

4 Tax

Amounts in DKK thousand

	2017	2016
Tax recognised in the income statement	-3	42,103
Total	**-3**	**42,103**
Of which:		
Current tax	7,220	35,013
Deferred tax	-9,813	2,908
Tax adjustment previous years	2,590	4,182

5 Property, plant and equipment

Amounts in DKK thousand

	Machinery, plant and equipment etc.	Total
Cost		
1 January 2016	98,430	98,430
Addition	108	108
Disposal	-	-
Transfer	-	-
31 December 2016	**98,538**	**98,538**
Addition	-	-
Disposal	-	-
Transfer	-	-
31 December 2017	**98,538**	**98,538**
Depreciation and impairment losses		
1 January 2016	82,127	82,127
Depreciation	13,217	13,217
Disposal	-	-
31 December 2016	**95,344**	**95,344**
Depreciation	3,149	3,149
Disposal	-	-
31 December 2017	**98,493**	**98,493**
Carrying amount:		
31 December 2016	**3,194**	**3,194**
31 December 2017	**45**	**45**

6 Investments in subsidiaries and other equity investments

Amounts in DKK thousand

	Invest-ment in subsi-diaries	Other equity invest-ments	Total
Cost			
1 January 2016	6,822,571	151	6,822,722
Addition	430,560		430,560
Disposal	-	-	-
31 December 2016	**7,253,131**	**151**	**7,253,282**
Addition	697,197	-	697,197
Disposal	-	-	-
31 December 2017	**7,950,328**	**151**	**7,950,479**
Value adjustment			
1 January 2016	-	-	-
Fair value adjustment	-	111	111
31 December 2016	**-**	**111**	**111**
Fair value adjustment	-	-4	-4
31 December 2017	**-**	**107**	**107**
Impairment			
1 January 2016	1,636,457	-	1,636,457
Impairment	25,600	-	25,600
Reversal of impairment losses	145,964	-	145,964
31 December 2016	**1,516,093**	**-**	**1,516,093**
Impairment	59,891	-	59,891
Reversal of impairment losses	-	-	-
31 December 2017	**1,575,984**	**-**	**1,575,984**
Carrying amount:			
31 December 2016	**5,737,038**	**262**	**5,737,300**
31 December 2017	**6,374,344**	**258**	**6,374,602**

In 2017, impairment of DKK 59.9 million relates to the investment in Svitzer Salvage Holding A/S.

Impairment losses in 2016 mainly related to investments in Svitzer Australasia Holdings Pty. Ltd of DKK 25.1 million, and reversal of impairment losses of DKK 146.0 million related to Svitzer Europe Holding B.V.

In addition, Svitzer A/S wrote down receivables from Svitzer Africa Pty. Ltd. And Svitzer Tugs A/S of DKK 13.7 million.

6 Investments in subsidiaries and other equity investments (continued)

Directly owned subsidiaries

	Country of incorporation	Owner-ship	Profit/loss for the period DKK '000	Equity DKK '000
SVITZER Africa (Pty) Ltd.	South Africa	100%	13,761	-14,099
SVITZER Angola Lda	Angola	60%*	1,107	2,051
SVITZER Americas Ltd.	British Virgin Islands	100%	N/A	N/A
SVITZER Asia Pte. Ltd.	Singapore	100%	-1,596	416,005
SVITZER Australasia Holdings Pty. Ltd.	Australia	100%	N/A	N/A
SVITZER Caribbean Ltd.	USA	100%	N/A	N/A
SVITZER Europe Holding B.V.	The Netherlands	100%	N/A	N/A
SVITZER Middle East Ltd.	British Virgin Islands	100%	N/A	N/A
SVITZER Salvage Holding A/S	Denmark	100%	-63,742	-66,437
SVITZER Scandinavia Holding A/S	Denmark	100%	203,569	389,844
SVITZER Towage A/S	Denmark	100%	79,294	1,014,704
SVITZER Tugs A/S	Denmark	100%	-4,695	-4,423

* Including 50% ownership through Svitzer Asia Pte. Ltd.

Only subsidiaries of direct ownership have been disclosed. All subsidiaries are consolidated in the A.P. Moller-Maersk Group's annual report for 2017.

Profit/loss for the period and equity are disclosed as per latest official financial statements in accordance with the requirements in the Danish Financial Statements Act. Not available ('N/A') indicates that no official financial statements are required to be prepared.

7 Deferred tax

Amounts in DKK thousand

Recognised deferred tax assets and liabilities are attributable to the following:

	2017	2016
Property, plant and equipment	-	8,821
Tax loss carry forwards	-	-
Small acquisitions	-	1,175
Other	-	-
Total	**-**	**9,996**
Offsets	-	-
Total	**-**	**9,996**

8 Share capital

Shareholders who own more than 5% pursuant to section 104 in the Danish Financial Statements Act:
- A.P. Møller - Mærsk A/S, Copenhagen (100%)

Svitzer A/S is included in the 2017 consolidated financial statements of A.P. Møller - Mærsk A/S and A.P. Møller Holding A/S who hold a controlling interest.

9 Other payables

Amounts in DKK thousand

	2017	2016
Interest payable	440	-
Accrued staff costs	12,414	10,478
Other payables, external	11,520	9,744
Total	**24,374**	**20,222**
Of which:		
Classified as non-current	-	-
Classified as current	24,374	20,222

10 Commitments and contingent liabilities, etc.

Commitments
Amounts in DKK thousand

	2017	2016
Within one year	852	916
Between one and two years	-	-
Between two and three years	-	-
Between three and four years	-	-
Between four and five years	-	-
After five years	-	-
Total	**852**	**916**

Through board resolution, Svitzer A/S has furthermore commited to inject DKK 98.2 million (USD 14.9 million) in additional capital into the subsidiary Svitzer Asia Pte. Ltd.

Contingent liabilities

Other financial obligations

Guarantees amount to DKK 1,137 thousand (DKK 628 thousand).

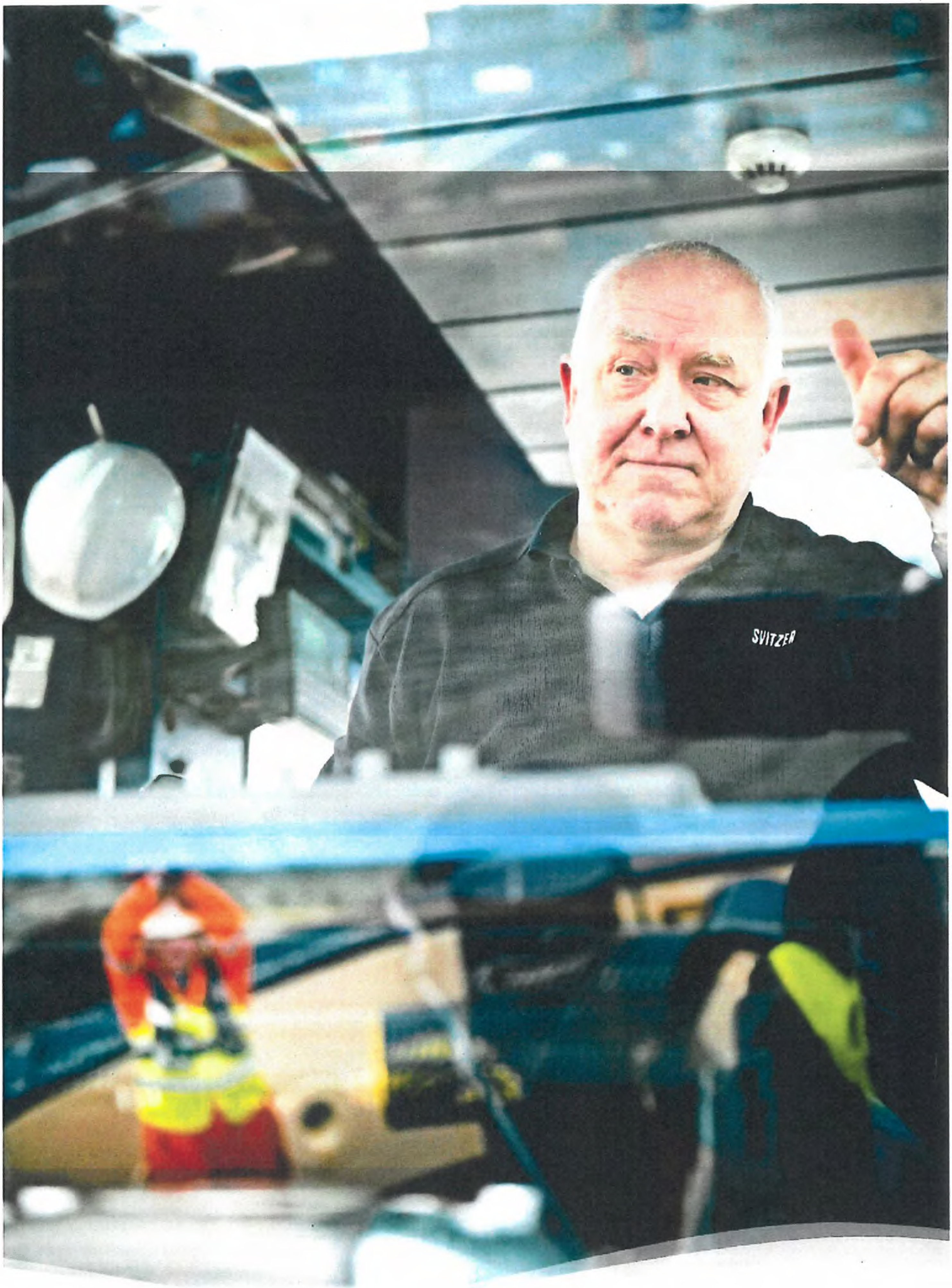
Pledged assets

Payment guarantees have been issued to Copenhagen Harbour of DKK 0.6 million and to Sines Port Administration of DKK 2.2 million.

11 Related parties

A.P. Møller - Mærsk A/S has the controlling influence through 100 % ownership. All companies in the A.P. Møller - Mærsk Group as well as A.P. Møller Holding A/S are considered as related parties.

Besides standard remuneration, Svitzer A/S has no further transactions with key management of A.P. Møller - Mærsk A/S, A.P. Møller og Hustru Chastine Mc-Kinney Møllers Fond til Almene Formaal or companies under their significant influence.


SVITZER

COMPANY DETAILS

The Company:	SVITZER A/S Pakhus 48, Sundkaj 9 2150 Nordhavn Denmark
Registration no.:	43 26 60 12
Founded:	3 March 1833
Registered office:	Copenhagen
Financial year:	1 January – 31 December
Telephone: Telefax: Website: E-mail:	+45 39 19 39 19 +45 39 19 39 09 www.svitzer.com info@svitzer.com
Board of Directors:	Morten Engelstoft, Chairman Pierre Danet Henriette H. Thygesen Anne Pindborg
Management:	Henriette H. Thygesen
Auditor:	PricewaterhouseCoopers Statsautoriseret Revisionspartnerselskab Strandvejen 44 2900 Hellerup Denmark