Nedlloyd Container Line Limited

Directors' Report and Financial Statements

31 December 2010

Company No: 3279820

Contents

DIRECTORS' REPORT

The directors present their report together with the financial statements for the year ended 31 December 2010

Results

The statement of comprehensive income for the year is set out on page 5

Dividends

A interim dividend of USD 170 million was paid to the shareholders during 2010 The Directors do not recommend the payment of a final dividend in respect of the year ended 31 December 2010 (2009 USDnil)

Principal activities

The Company is a guarantor for debt owed by Maersk Line UK Ltd (a fellow group company)

Directors

The Directors of the company during the year were

J Kilby	
J Burridge	resigned 1 August 2010
M C Allen	appointed 1 August 2010

Statement of disclosure of information to the auditors

The directors who held office at the date of approval of this directors' report confirm that, so far as they are each aware, there is no relevant audit information of which the Company's auditors are unaware, and each director has taken all the steps that he might have taken as a director to make himself aware of any relevant audit information and to establish that the Company's auditors are aware of that information

Auditors

KPMG LLP were re-appointed auditors during the year, in accordance with Section 487 of the Companies Act 2006, and will therefore continue in office

By order of the Board

J Kilby

J Kilby
Secretary
20th June 2011

Maersk House
Braham Street
London
E1 8EP

STATEMENT OF DIRECTORS' RESPONSIBILITIES IN RESPECT OF THE DIRECTORS' REPORT AND THE FINANCIAL STATEMENTS

The directors are responsible for preparing the Directors' Report and the financial statements in accordance with applicable law and regulations

Company law requires the directors to prepare financial statements for each financial year Under that law they have elected to prepare the financial statements in accordance with IFRSs as adopted by the EU and applicable law

Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period In preparing these financial statements, the directors are required to

select suitable accounting policies and then apply them consistently,
make judgments and estimates that are reasonable and prudent,
state whether they have been prepared in accordance with IFRSs as adopted by the EU,
prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006 They have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the company and to prevent and detect fraud and other irregularities

REPORT OF THE INDEPENDENT AUDITOR
TO THE MEMBERS OF NEDLLOYD CONTAINER LINE LIMITED

We have audited the financial statements of Nedlloyd Container Line Limited for the year ended 31 December 2010 set out on pages 5 to 12 The financial reporting framework that has been applied in their preparation is applicable law and International Financial Reporting Standards (IFRSs) as adopted by the EU

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of part 16 of the Companies Act 2006 Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members, as a body, for our audit work, for this report, or for the opinions we have formed

Respective responsibilities of directors and auditor
As explained more fully in the Directors' Responsibilities Statement set out on page 3, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view Our responsibility is to audit, and express an opinion on, the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland) Those standards require us to comply with the Auditing Practices Board's (APB's) Ethical Standards for Auditors

Scope of the audit of the financial statements
A description of the scope of an audit of financial statements is provided on the APB's website at www frc org uk/apb/scope/private cfm

Opinion on financial statements
In our opinion the financial statements

- give a true and fair view of the state of the company's affairs as at 31 December 2010 and of its profit for the year then ended,
- have been properly prepared in accordance with IFRSs as adopted by the EU, and
- have been prepared in accordance with the requirements of the Companies Act 2006

Opinion on other matter prescribed by the Companies Act 2006
In our opinion the information given in the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements

Matters on which we are required to report by exception
We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us, or
- the financial statements are not in agreement with the accounting records and returns, or
- certain disclosures of directors' remuneration specified by law are not made, or
- we have not received all the information and explanations we require for our audit

23 June 2011

Ian Griffiths (Senior Statutory Auditor)
For and behalf of KPMG LLP, Statutory Auditor
Chartered Accountants
15 Canada Square
London
E14 5GL

STATEMENT OF COMPREHENSIVE INCOME

For the year ended 31 December 2010

	Notes	2010 $'000	2009 $'000
Revenue		-	-
Operating expense	3	(72)	(16)
Financial income	4	31,469	42,442
Profit before taxation		31,397	42,426
Income tax expense	5	(7,054)	(10,931)
Profit for the financial year		24,343	31,495
Attributable to			
Equity holders of the company		24,343	31,495

There was no other comprehensive income other than the profit for the year

The notes on pages 9 to 12 form part of these accounts

BALANCE SHEET
As at 31 December 2010

	Notes	2010 $'000	2009 $'000
ASSETS			
Long term loans receivable	6	500,000	500,000
Total non-current assets		500,000	500,000
Trade and other receivables	7	1,085,212	1,234,292
Total current assets		1,085,212	1,234,292
TOTAL ASSETS		1,585,212	1,734,292
EQUITY			
Share capital	8	1,600	1,600
Share premium		1,543,152	1,543,152
Retained earnings		21,638	167,295
Total equity		1,566,390	1,712,047
Trade and other payables	9	18,822	22,245
Total current liabilities		18,822	22,245
TOTAL LIABILITIES		18,822	22,245
TOTAL EQUITY AND LIABILITIES		1,585,212	1,734,292

The notes on pages 9 to 12 form part of these accounts

These financial statements were approved by the board of directors on the 20th day of June 2011 and were signed on its behalf by

C Allen

Director
C Allen

STATEMENT OF CHANGES IN EQUITY

As at 31 December 2010

	Share capital $'000	Share premium $'000	Retained earnings $'000	Total equity $'000
Balance at 1 January 2009	1,600	1,543,152	135,800	1,680,552
Total comprehensive income	-	-	31,495	31,495
Balance at 31 December 2009	1,600	1,543,152	167,295	1,712,047
Balance at 1 January 2010	1,600	1,543,152	167,295	1,712,047
Total comprehensive income	-	-	24,343	24,343
Dividend paid	-	-	(170,000)	(170,000)
Balance at 31 December 2010	1,600	1,543,152	21,638	1,566,390

The notes on pages 9 to 12 form part of these accounts

CASH FLOW STATEMENT
For the year ended 31 December 2010

	2010 $000	2009 $000
CASH FLOW FROM OPERATING ACTIVITIES		
Profit before tax for the year	31,397	42,426
Adjustments for		
Financial income	(31,469)	(42,442)
Operating loss before changes in working capital and provisions	(72)	(16)
Decrease in trade and other receivables	148,424	466,863
Increase/(decrease) in trade and other payables	72	(20)
Cash generated from operations	148,424	466,827
Tax paid	(10,220)	(7,801)
Net cash from operating activities	138,204	459,026
CASH FLOW FROM INVESTING ACTIVITIES		
Loans advanced	-	(500,000)
Interest received	31,796	40,974
Net cash from investing activities	31,796	(459,026)
CASH FLOW FROM FINANCING ACTIVITIES		
Dividend paid	(170,000)	-
Net cash from financing activities	(170,000)	-
Net increase/(decrease) in cash and cash equivalents	-	-
Cash and cash equivalents at beginning of year	-	-
Cash and cash equivalents at end of year	-	-

Notes (forming part of the financial statements)

1. Accounting Policies

Statement of compliance
Nedlloyd Container Line Limited (the "Company") is a Company incorporated in the UK The Company's registered office and principal place of business is Maersk House, Braham Street, London, E1 8EP The Company's financial statements have been prepared and approved by the directors in accordance with International Financial Reporting Standards as adopted by the EU("Adopted IFRSs") The accounting policies set out below have, unless otherwise stated been applied consistently to all periods presented in these financial statements

Functional and presentation currency
The Company's functional currency is US dollars

Basis of preparation
The financial statements are prepared on the historical cost basis

Going concern
The Company is expected to continue to generate positive cash flows on its own account for the foreseeable future Hence the Company's directors have a reasonable expectation that the Company will be able to continue in operational existence for the foreseeable future Thus they continue to adopt the going concern basis of accounting in preparing the annual financial statements

Loans
Interest bearing loans are recognised initially at fair value less attributable transaction costs Subsequent to initial recognition, interest-bearing loans are stated at amortised cost with any difference between cost and redemption value being recognised in the income statement over the period of the loans on an effective interest basis

Trade and other receivables
Trade and other receivables are stated at amortised cost less allowance for doubtful debts

2 New standards and interpretations not yet adopted

A number of new standards, amendments to standards and interpretations are effective for annual periods beginning after 1 January 2010 These have not been applied in preparing these financial statements and none of these are expected to have a significant effect on the financial statements of the Company

3 Results before financial income.

	2010	2009
	$'000	$'000
Other operating cost	(72)	(16)
	(72)	(16)

The audit fees for the Company are borne by the Company's parent company The Company's share of these is estimated at £1,527 (2009 £1,527)

The Company has no employees other than the directors The directors received no emoluments for their services to the Company Nil (2009 nil)

Notes (continued)

4 Financial income

	2010 $'000	2009 $'000
Interest income received from group loans and receivables	31,140	41,710
Foreign exchange gains	329	732
	31,469	42,442

5. Income tax expense

	2010 $'000	2009 $'000
Recognised in the statement of comprehensive income	7,054	10,931

Reconciliation of effective tax rate

	2010 $'000	2009 $'000
Profit before tax	31,397	42,426
Theoretical tax thereon 28% (2009 28%)	8,791	11,879
Effect of		
Tax over provided in prior years	(1,645)	(944)
Expenses not deductible for tax purposes	(92)	(4)
Current tax charge for the year	7,054	10,931

The company has a net current liability of $18,750,000 (2009 $22,245,000 current tax liability) representing the net amount of income taxes payable in respect of current and prior periods

6. Long term loans receivable

	2010 $'000	2009 $'000
Amounts owed by group companies	500,000	500,000
	500,000	500,000

The loan is repayable in two stages in 2013 and 2014 It is on a commercial basis and the interest rate is variable The interest rate is 3 71% at balance sheet date

Notes (continued)

7. Trade and other receivables

	2010 $'000	2009 $'000
Amounts owed by group undertakings	1,085,212	1,234,292
Balance at 31 December	1,085,212	1,234,292

Included within amounts owed by group undertakings are cash deposits made with the parent entitiy The Maersk Company Limited and ultimate parent entity A P Møller-Mærsk A/S These deposits can be drawn upon as required by the company The value of the deposits included in amounts owed by group undertakings was $1,085,212,000 at an average rate of interest of 1 96% at the balance sheet

8.Share capital and premium

		Shares	2010	2009
Allotted				
Ordinary share capital	USD	1,599,999	1,599,999	1,599,999
Equity	USD	1	1	1
		1,600,000	1,600,000	1,600,000
Deferred	GBP	1	1	1

All shares in the company rank equally, save for the following rights and restrictions which attach to the equity share and the non-voting deferred share -

non-voting deferred share:
the holder shall not be entitled to any participation in the profits or assets of the Company nor to any profits available for distribution On liquidation or other return of capital, the assets of the Company available for distribution among the members shall be applied in repaying to the holder of this share an amount in aggregate not exceeding the nominal value thereof This share shall not confer on the holder thereof any further right to participate in the assets of the company on liquidation or any other return of capital This share shall not carry any right to receive notice of or to attend and vote at any general meeting of the Company

equity share.
the holder shall not be entitled to any participation in the profits or assets of the Company nor to any profits available for distribution On liquidation or other return of capital, the assets of the Company available for distribution among the members shall only be applied to repaying the holder of this share once the holders of the ordinary shares have received an amount equal to US$ 30 million from such distribution, with any surplus above that distributed among the holders of the ordinary shares and the holders of this share rateably according to the nominal amounts paid up or credited as paid up on such shares held by them respectively This share shall not carry any right to receive notice of or to attend and vote ay any general meeting of the company

Furthermore, the rights attaching to the equity share and the non-voting deferred share shall not be deemed to be varied or abrogated by the creation or issue of any new shares ranking in priority to or pari passu with or subsequent to such shares

Capital management
The Board's policy is to maintain a strong capital base as to sustain future operations of the business Capital consists of share capital and retained earnings The Board of Directors monitors the return on capital as well as the level of dividends to ordinary shareholders

Notes (continued)

9. Trade and other payables

	2010 $'000	2009 $'000
Amounts owed to fellow group undertakings	72	-
Corporate tax payable	18,750	22,245
	18,822	22,245

10 Related parties

The Company has a related party relationship with its parent and ultimate holding parent company and fellow subsidiaries All transactions are on an arm's length basis and other than purchases of goods and services are interest bearing The transactions and outstanding balances are as follows

	2010 $'000	2009 $'000
Transaction values		
Purchases of goods and service - parent	(72)	(16)
Interest income - parent	2,608	22,934
Interest income - ultimate parent	8,848	1,243
Interest income - fellow group subsidiaries	19,684	17,533
Balances outstanding		
Amounts owed to parent	(72)	-
Amounts owed from parent	211,061	277,952
Amounts owed from ultimate parent	873,929	865,080
Amounts owed from fellow group subsidiaries	500,222	591,260

All outstanding balances with related parties are unsecured There are no provisions against related party debtors (2009,nil) and there have been no write offs of related party items in the year (2009,nil)

11. Immediate and ultimate Parent Company

The immediate parent company at 31 December 2010 is The Maersk Company Limited

The ultimate parent company into which the results of the company are consolidated is A P Møller-Mærsk A/S Copies of the group financial statement of A P Møller-Mærsk A/S are available from the registered office at 50 Esplanaden, DK-1098, Copenhagen, Denmark

12. Contingent liabilities

Guarantees on behalf of A P Møller-Mærsk A/S subsidiaries of USD 1,075,470,343 have been provided in respect of finance commitments entered into by these entities