



 **APM TERMINALS**

2007 Annual Review
Redefining the Industry

apmterminals.com



Supervising operations at APM Terminals Oakland, California

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On the cover: Redefining the industry

Our new 291 acre APM Terminals Virginia facility, the third-largest container terminal in the US (and the largest privately-owned) opened in September 2007, heralding a new era in environmentally-friendly container terminal development and design. The USD 450 million state-of-the-art terminal has a current capacity of 1 million TEUs, with the potential for expansion to 2 million TEUs annually.



The port of Rotterdam, Netherlands

The CEO's perspective

Delivering value to our customers



2007 was a year of major achievement for APM Terminals, as we consolidated our position in a rapidly growing market at the heart of world commerce. Since 2001, we have achieved double-digit growth rates taking us to a position as one of the world's leading container terminal operators in just seven years.

This report examines the advances we made in 2007 by focusing operations on customer service and financial performance. The drivers behind this momentum were the passion and talent of our people, our investment in developing outstanding facilities around the globe, and a re-dedicated focus on our customers to ensure we deliver the service they need, wherever they need it.

Global container trade volumes are on course to double again within the next ten years according to industry analysts. As you will see in this report, APM Terminals is responding vigorously to these exciting developments.

We are engaged in a comprehensive program of investment in both new and existing terminals to address the pressure this rapid growth places on port and landside infrastructures worldwide.

.....
"2007 was a year of major achievement for APM Terminals as we consolidated our position in a rapidly growing market at the heart of world commerce."
.....

We have also increased the speed of execution of new projects. For example, in Luanda, Angola, we achieved operational control of the terminal in just 90 days. Equally important, we have introduced process excellence initiatives in targeted locations to achieve productivity gains. Looking ahead, there are more exciting developments afoot across all our seven regions – you'll read more about these in the words of our regional executives later in this report.

Looking further ahead, our dedicated team of world-class experts in port development, operations and business planning are working closely with our customers to anticipate their future needs. That is why today we are proud to offer the only truly global terminal network in the industry, providing access to every market, and why we are confident of meeting the projected needs of our customers over future decades.

We are very well positioned for 2008. We are working hard to become the partner of choice for the container industry. We have developed strong relationships with strategic customers and will continue to build more. We have put together a team that is passionate about our business and determined to offer superior value to all of our customers.

**This is our future.
We hope you find it as exciting as we do.**

Kim Fejfer, CEO, APM Terminals
The Hague, Netherlands, March 1, 2008

Financial performance

2007 saw revenue grow by 22% over 2006's performance to USD 2.52 billion. This revenue growth has been driven mainly by increased volume.

Earnings before interest, taxes, depreciation and amortization (EBITDA) increased to USD 404 million in 2007. The net profit of USD 111 million is also an improvement compared to 2006. This is, however, affected by the increased financing costs for our continued high growth, with the development of many new terminals and their start up costs.

Net profit from terminals that have been in operation for more than a year increased by 30% compared to 2006. There was significant improvement in the net profit, especially for the Asian terminals, although the net profit for the terminals in North America was lower than in 2006 as a result of lower utilization of capacity. The improved profitability for the Asian terminals made the recognition of a deferred tax asset possible, which positively affected the net profit for the year.

The EBITDA margin remained at 16%. In addition to the continued high growth, the margin is affected by capacities in some terminals being committed to Maersk Line on long term contracts with low risk and therefore low returns.

Volumes rose by 13% to 31.4 million TEU in 2007, equating to a global market share of 6.4%. Although volumes in North America decreased by 9%, they increased by 20% for the rest of the world giving us an average increase of 13% in 2007. The external turnover from customers other than Maersk Line grew in 2007 to 34% of the total volumes.

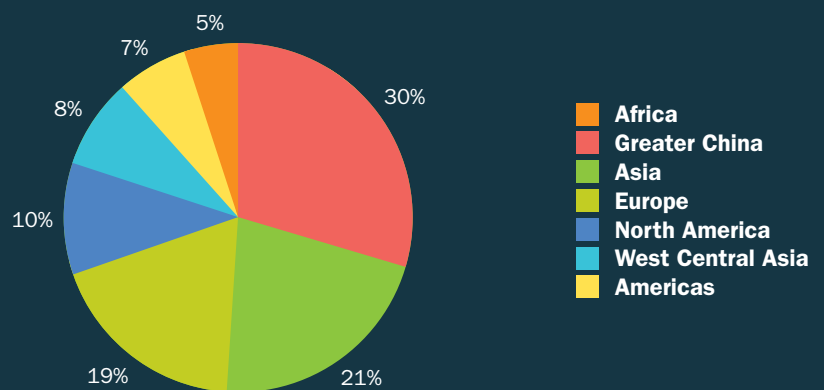
APM Terminals 2007 financial performance (USD million)

	2007	2006
Turnover	2.519	2.065
EBITDA	404	333
EBIT	172	174
Net profit for the year	111	99
Fixed Assets	3.737	2.802
Cash flow from operations	259	226
Cash flow from investments	-853	-1.096

APM Terminals operates globally through joint venture agreements with local business partners. Although 51% of all crane lifts on container terminals are performed in China and Asia, when the market is pro rated by ownership share, the market is skewed towards Europe and North America, as shown in the pie charts. This is partially due to the fact that terminals in China and Asia are generally joint ventures with ownership shares that are lower than in Europe and North America where terminals are often 100% owned.

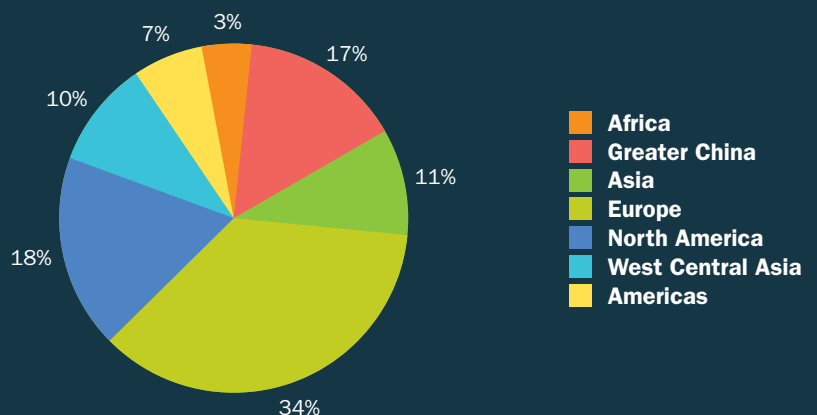
APM Terminals also seeks to develop container terminals in direct co-operation with its customers. The partnership with Cosco for the expansion of the terminal in Port Said, Egypt, is an example of this. Further details of our expansion plans and the new terminals we are developing can be found in the section 'developing our business' on page 17.

2007: The world market in APM Terminals' regions - total world market throughput* split to APM Terminals' regions (source: Drewry)



*The container terminal market is defined as total throughput in container terminals worldwide including empty/full/load/discharge/transfer moves (in million TEU)

2007: APM Terminals' volume % by regions (equity weighted) - throughput per APM Terminals' region divided by total APM Terminals throughput (in million TEU)



The global economic context...

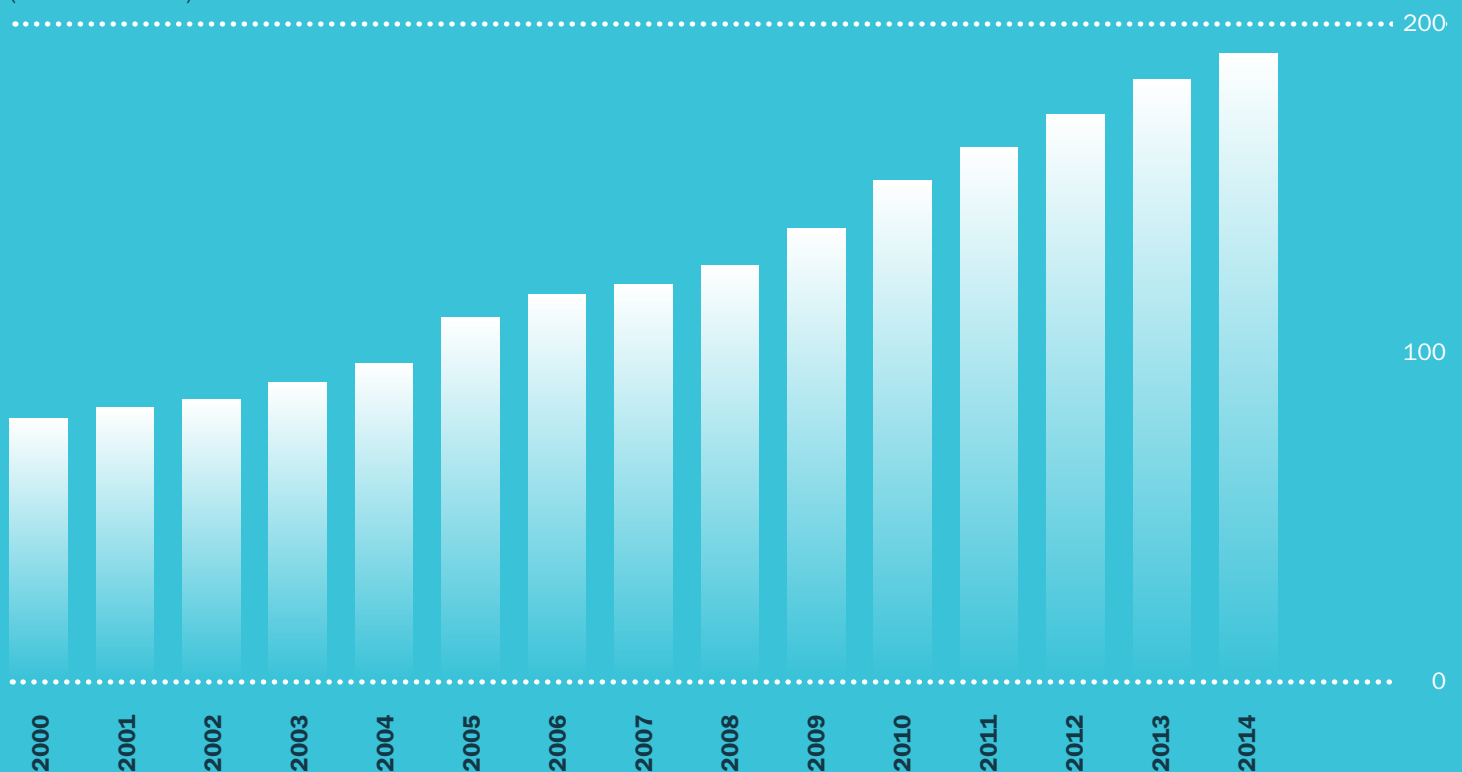
According to the World Bank's "Global Economic Prospects 2008" report, overall global economic expansion was 3.6% in 2007, spurring an increase in world trade volume of 9.2%. Despite an anticipated slowdown in the USA, this growth trend is expected to continue in the future.

In addition to the strong growth in world trade, more and more cargo is being transported in containers, with containerized shipping offering a safe, efficient and affordable alternative to other means of transport. Over 95% of all trade is carried by ocean vessels - increasingly in containerized shipments - creating strong growth in the port sector with volumes expected to double over the next decade.

We have a comprehensive and well-balanced global portfolio of terminals designed to thrive in both up and down market cycles while meeting the needs of the future growth of world trade.

Container ports around the world experienced strong growth in 2007: Five large Chinese ports experienced growth rates above 20% - Guangzhou (39%), Ningbo Zhoushan (32%), Tianjin (19%), Qingdao (23%) and Shanghai (20%) - reaffirming the rapidly escalating importance of the Chinese economy on the world stage. Confidence in this strong, vibrant sector is reflected by significant and high profile investment, merger and acquisition activity in the last year with strong equity interest for terminal assets.

Global deepsea container trade
(millions of TEUs)



...our platform for growth

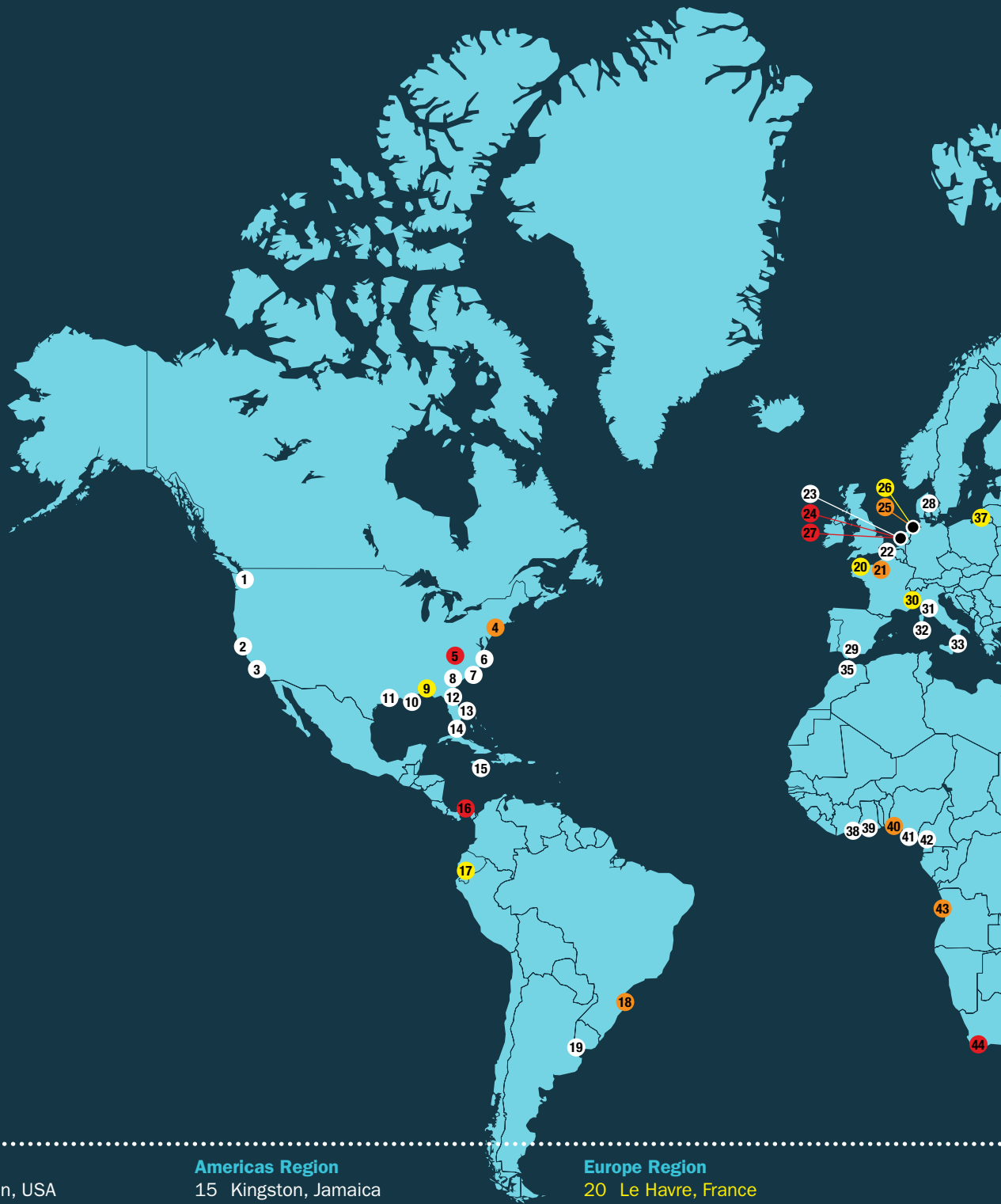
APM Terminals will maintain its commitment to investment and expansion to support our customers in capitalizing upon this economic expansion. As one of the world's largest terminal operators in terms of volume and capacity, with more than 50 terminals in 31 countries and on five continents, we are well-positioned to meet the needs of projected global container traffic growth.

World's top container ports (Throughput volume in millions of TEUs)

2006 Ranking	2005 Ranking	Port	Country	Throughput 2006	Throughput 2005	% Change
1	1	Singapore	Singapore	24,792,400	23,199,252	7
2	2	Hong Kong	China	23,539,000	22,480,000	5
3	3	Shanghai	China	21,710,000	18,080,000	20
4	4	Shenzhen	China	18,468,890	16,197,000	14
5	5	Busan	S. Korea	12,030,000	11,840,000	2
6	6	Kaohsiung	Taiwan	9,774,670	9,470,000	3
7	7	Rotterdam	Netherlands	9,603,000	9,286,757	3
8	9	Dubai	UAE	8,923,456	7,619,000	17
9	8	Hamburg	Germany	8,861,545	8,087,545	10
10	10	Los Angeles	USA	8,469,853	7,484,624	13
11	13	Qingdao	China	7,702,000	6,307,000	22
12	11	Long Beach	USA	7,289,365	6,709,818	9
13	15	Ningbo	China	7,068,000	5,208,000	36
14	12	Antwerp	Belgium	7,018,799	6,488,029	8
15	18	Guangzhou	China	6,600,000	4,684,000	41
16	14	Port Klang	Malaysia	6,300,000	5,540,000	14
17	16	Tianjin	China	5,950,000	4,801,000	24
18	17	New York/NJ	USA	5,092,806	4,785,318	6
19	19	Tanjung Pelepas	Malaysia	4,770,000	4,177,000	14
20	21	Bremerhaven	Germany	4,400,000	3,735,574	18

Source: Container Management July/August 2007

Our global reach



North America Region

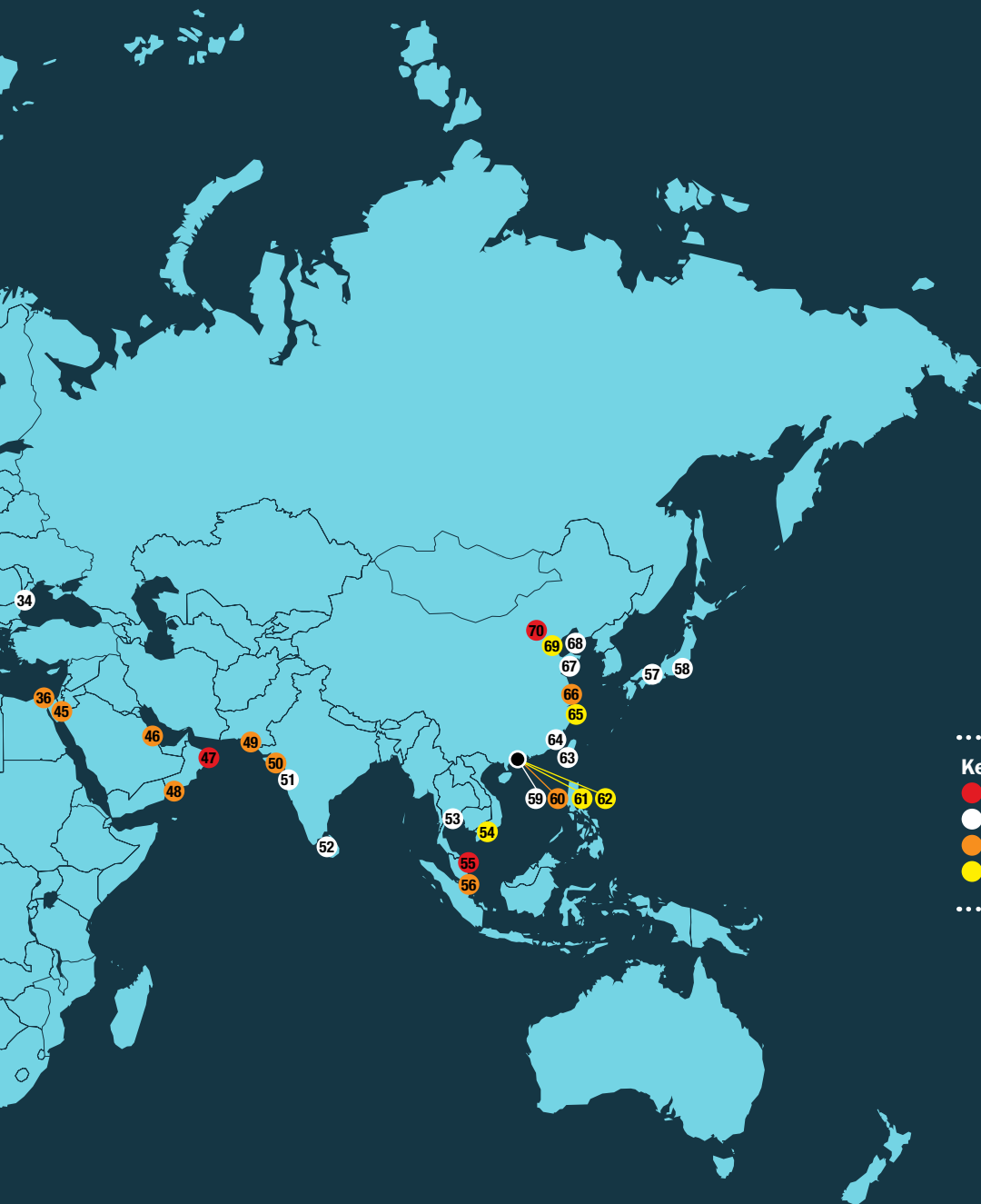
- 1 Tacoma, Washington, USA
- 2 Oakland, California, USA
- 3 Los Angeles, California, USA
- 4 Port Elizabeth, New Jersey, USA
- 5 North America Regional Head Office
Charlotte, North Carolina, USA
- 6 Portsmouth, Virginia, USA
- 7 Charleston, South Carolina, USA
- 8 Savannah, Georgia, USA
- 9 Mobile, Alabama, USA
- 10 New Orleans, Louisiana, USA
- 11 Houston, Texas, USA
- 12 Jacksonville, Florida, USA
- 13 Port Everglades, Florida, USA
- 14 Miami, Florida, USA

Americas Region

- 15 Kingston, Jamaica
- 16 Americas Regional
Head Office Panama
- 17 Posorja, Ecuador
- 18 Itajai, Brazil
- 19 Buenos Aires, Argentina

Europe Region

- 20 Le Havre, France
- 21 Dunkirk, France
- 22 Zeebrugge, Belgium
- 23 Rotterdam, Netherlands
(also new terminal project)
- 24 Europe Regional Head Office
Rotterdam, Netherlands
- 25 Bremerhaven, Germany
- 26 Wilhelmshaven, Germany
- 27 Global Head Office
The Hague, Netherlands
- 28 Aarhus, Denmark
- 29 Algeciras, Spain
- 30 Vado, Italy
- 31 Genoa, Italy
- 32 Cagliari, Italy
- 33 Gioia Tauro, Italy
- 34 Constantza, Romania
- 35 Tangier, Morocco
- 36 Port Said (SCCT), Egypt
- 37 Kaliningrad, Russia



Key

- Head Offices
- Operational terminals
- Terminals with expansion projects
- New terminal projects

Africa Region

- 38 Abidjan, Ivory Coast
- 39 Tema, Ghana
- 40 Apapa, Nigeria
- 41 Onne, Nigeria
- 42 Douala, Cameroon
- 43 Luanda, Angola
- 44 Africa Regional Head Office
Cape Town, South Africa

West Central Asia

- 45 Aqaba, Jordan
- 46 Mina Salman, Bahrain
- 47 West Central Asia Regional
Head Office Muscat, Oman
- 48 Salalah, Oman
- 49 Port Qasim, Pakistan
- 50 Pipavav, India
- 51 Mumbai, India
- 52 Colombo, Sri Lanka

Asia

- 53 Laem Chabang, Thailand
- 54 Cai Mep, Vietnam
- 55 Asia/Oceania Regional
Head Office Singapore
- 56 Tanjung Pelepas, Malaysia
- 57 Kobe, Japan
- 58 Yokohama, Japan

Greater China

- 59 Guangzhou, China
- 60 Yantian, China
- 61 Dachan Bay, China
- 62 Nansha, China
- 63 Kaohsiung, Taiwan
- 64 Xiamen, China
- 65 Yangshan, China
- 66 Shanghai (SECT), China
- 67 Qingdao, China
- 68 Dalian, China
- 69 Tianjin, China (2 ports)
- 70 Greater China Regional
Head Office Beijing, China



An Evergreen container departing the port of Qingdao, China

Providing customers access to world markets

APM Terminals provides worldwide coverage via a global terminal network of more than 50 container facilities in 31 countries across five continents. We provide operational expertise and logistics solutions to more than 60 liner operators that depend on our efficient terminal operations for their global supply chain management needs.

As our customers evolve and expand, we work in partnership with them - not just to meet their requirements but also to provide insight so they can take advantage of future opportunities. We build our customer relationships on a platform of trust and professionalism.

Our diverse customer portfolio includes liner operators such as APL, CMA-CGM, COSCO, Evergreen, Hanjin, Horizon, K-Line, Maersk Line, MSC and Zim.

Our expanding global terminal network at ports in every major trade lane provides customers such as these with greater options and flexibility to serve the global supply chain. This advantage can be crucial in regions in which logistics bottlenecks are forming, or where container volumes are particularly high. Our strategic investments in China and India in 2007 were specifically designed to address these issues.

Our customers operate in a highly competitive market with narrow margins. While world container trade may be growing dramatically, our customers face increasing cost and service pressures every year. We work closely together with customers to offer them new and innovative ways to access expanding global

Our customer-centric approach was fundamental to our achievements in 2007

markets. Strategic port locations and the integrated APM Terminals' global terminal network provide access and opportunity for business growth in the shipping industry. Globally, our key account teams are dedicated to supporting customers' long-range planning and investments.

Regionally, we coordinate with customers to optimize vessel scheduling and utilization, reduce costs, and enter new markets. Locally, our terminal managers respond effectively to customers' operational needs and provide solutions for the weekly, daily and hourly requirements of our customers for availability of berths, cranes and gates.

Our customer-centric approach was fundamental to our achievements in 2007. We know that our future success depends on ever-higher standards of world-class customer service. We are ready to meet this challenge in 2008 and going forward.



The port of Zeebrugge, Belgium

APM Terminals: Proud history - bright future

Today, APM Terminals is one of the largest terminal operators in the world in terms of its capacity - 78 million TEUs. Our market share is expanding rapidly as we continue to grow faster than the market as a whole.

APM Terminals offers the most geographically balanced and comprehensive terminal network of any terminal operating company, in combination with fully integrated services to shippers and shipping companies. Present in every region in the world on major shipping routes, we are the only global terminal operator with facilities in US ports, with 12 terminals in operation and a 13th scheduled to open in Mobile, Alabama, in 2008.

We offer services for trans-Pacific and trans-Atlantic container traffic and we have large facilities in the rapidly growing Far East-Europe, and Far East-Mediterranean trade lanes. But, this is just the beginning. We will continue to invest, expand and innovate, building on our achievements of the last seven years.

Our Heritage

APM Terminals' parent company, the A.P. Moller-Maersk Group, has a proud heritage of over 100 years of excellence in transportation and energy, and opened its first general cargo terminal half a century ago in Brooklyn, New York. After years of steady growth, A.P. Moller-Maersk opened the Port of New York's first dedicated container terminal at Port Newark, New Jersey in 1975, a landmark event for the company, and the industry.

In 1999, the A.P. Moller-Maersk Group's container shipping division, Maersk Line, acquired US-based Sea-Land Services. This created a significant increase in the Group's portfolio of container terminals, and so it was decided in 2001 that APM Terminals should begin a new life as an independent company within the A.P. Moller-Maersk Group.

To further emphasize its status as a separate and distinct business concern, in 2004 APM Terminals' headquarters were relocated from Copenhagen, Denmark, to The Hague, Netherlands.

In the past seven years APM Terminals has rapidly emerged as a leader in the container industry and a world-class terminal operating and management company. We have extensive and ambitious plans to build upon this success, to provide added value for our customers by enhancing our global terminal network in 2008 and beyond.



Our new terminal at Portsmouth, Virginia, USA

Developing our business

We expect growth in demand for container terminal capacity to continue in the future - and our customers will be looking to APM Terminals to deliver capacity wherever and whenever it is needed.

To continue our success in securing necessary capacity for our customers we are focusing on strengthening the business development and project implementation organizations within our seven regions - and we are developing our expertise in market intelligence and stakeholder engagement.

The success of our business development strategy enabled APM Terminals to achieve more than 10 new wins in 2007.

Our achievements in 2007

The APM Terminals' portfolio now includes 50 terminals in 31 countries on five continents, with 13 new projects underway. New facilities were opened in:

- Portsmouth, Virginia, USA
- Tangier, Morocco
- Xiamen, Tianjin and Guangzhou, China
- Le Havre, France
- Luanda, Angola

And we took operational control of the terminal in Tema, Ghana.

2007 was a significant year of progress and development for APM Terminals. More importantly, these developments provide value for our customers through greater flexibility, greater efficiency and new opportunities.

.....
The success of our business development strategy enabled APM Terminals to achieve more than 10 wins in 2007
.....

Expansion of existing terminals

We have secured the rights to expand our existing facilities in a number of locations in order to prepare them for future volume growth. These expansions include projects in our existing facilities in:

- Salalah, Oman
- Itajai, Brazil
- Buenos Aires, Argentina
- Mumbai, India
- Shanghai, China
- Port Said, Egypt
- Qingdao, China
- Pipavav, India

In addition to these expansions, we have also increased our shareholding from 50% to 100% in the facility in Itajai, Brazil, solidifying our leadership at the facility.

New sites

Beyond the improvements to our existing portfolio, we have also secured the rights to develop a number of new projects:

- Luanda, Angola
- Posorja, Ecuador
- Dachan, China
- Shenzhen, China

These new projects will contribute to the continued growth and development of APM Terminals, to meet the demands of the future.

The boom in global infrastructure has resulted in new players entering the industry and higher port valuations. Our focus in 2008 - as part of developing our business - will include continuously reviewing and optimizing our existing portfolio of terminals to suit our customer needs.

Regional highlights



**Greater China Region,
Kim Riisom Gadegaard**

2007 saw unprecedented growth in China. The total Chinese container throughput for the year broke through the 100 million TEU mark and the total throughput for the Greater China Area (including Hong Kong and Taiwan) was expected to reach 148 million TEU.

.....
“...foundation for future expansion”
.....

APM Terminals benefited from this sharp growth and expanded its capacity with the opening of Xiamen Songyu Container Terminal (Xiamen Port) and Guangzhou South China Oceangate Container Terminal (Nansha Port) Further developments in Qingdao port were also secured and a ground breaking ceremony for the first phase of construction took place in September 2007. This laid the foundation for continued expansion.

The outlook for 2008 is strong with an expected GDP growth above 10% for China and moderate economic growth for Hong Kong and Taiwan. Overall, the container terminal markets in the Greater China Area are expected to grow 14% reaching a total throughput of 170 million TEU in 2008. Shanghai will continue as one of the main growth drivers and 2008 may be the year it overtakes Singapore as the world's largest container port. APM Terminals expects to continue its high growth pattern and to enter new ports in 2008.



**North America Region,
Eric A. Sisco**

2007 has been a year of challenges and opportunities for APM Terminals North America. The softening US economy and the unresolved sub-prime mortgage developments have reduced import demand, while the weakened US dollar has energized the export market somewhat.

.....
“...most technologically-advanced facility in North America”
.....

We expect the general market trends and our own volume development to improve in 2008 and 2009, with longer term projections indicating a terminal capacity shortage in key US markets. Accordingly, we have undertaken significant expansion projects in 2007. Most notable of these is the opening of our Virginia Terminal which is the most technologically-advanced facility in North America.

We have also significantly expanded our Elizabeth, New Jersey facility which serves the New York/New Jersey market, and we are in the final development stages of a new terminal in Mobile, Alabama, which will serve the emerging Eastern US Gulf markets. We are developing this project, which will open in mid-2008, with our joint venture partner CMA-CGM. Greenfield and terminal expansion projects in the US Pacific Northwest and Canada are also being evaluated.



**Europe Region,
Martin Poulsen**

Strong growth in trade between the Far East and Europe, reaching nearly 18% to North Europe and over 20% to the Mediterranean/Black Sea, meant solid volume increases in most of our main European and Mediterranean terminals. In particular Eastern Europe (Russia and the Black Sea area) is experiencing massive growth, albeit from a smaller base.

.....
“...high levels of service”
.....

Competition for new projects has increased, but in 2007 APMT secured a number of new concessions including Vado (Italy) and Phase 2 expansion in Port Said (Egypt). New projects that started operation in 2007 include Tangier (Morocco) and Le Havre (France). The Europe regional office in Rotterdam (The Netherlands) was established in January 2007 and is already proving successful in delivering high levels of service and value to our customers.

Utilization rates in main ports are expected to remain high in 2008 as increased demand is expected to outpace growth in supply.



**West & Central Asia,
Jorgen Hammelsvang Madsen**

Last year was a period of remarkable growth with regional terminal container throughput nearly 40% higher than in 2006. In 2008, we expect our overall volume to increase by another million TEUs as we take steps to meet the needs of our customers.

.....
“...meeting the needs of our customers”
.....

APM Terminals assumed control of Bahrain’s Mina Salman port in December 2006, implementing significant operational improvements to enhance service levels to customers. The Port of Salalah, in Muscat, Oman, opened its fifth berth in May 2007, adding 900,000 TEUs capacity. Gateway Terminals India (GTI), inaugurated in January 2007 at the Port of Mumbai, India’s most important and largest container port, handled its one millionth TEU in just eleven months. This tremendous performance was recognized with GTI named “2007 Port of The Year” for the Middle East and South Asia by Lloyds List.

In the year ahead, we will continue to expand our services. Operations will be shifted from Mina Salman to the new Bahrain Gateway (Khalifa Bin Salman Port) in the 3rd quarter of 2008. Berth six will become operational at the Port of Salalah, and work will begin on the expansion of berths seven, eight and nine. In India, GTI’s 600,000 TEU expansion will be completed by year end, and Pipavav Port, in Gujarat, India will commission its second container berth this spring.



**Africa Region,
Richard Nicholson**

Economic growth in Africa is at its highest levels in thirty years, with continuing GDP improvement forecast over the coming five years and APM Terminals is targeting this market for our customers’ growth.

During 2007, APM Terminals emerged as a leading terminal operator in West Africa with the successful takeover of primary container handling facilities in Luanda, Angola and Tema, Ghana, along with the completion of construction of its new terminal facility in Onne (Port Harcourt), Nigeria. While productivity remains a challenge on the West African Coast, several APM Terminals facilities including Abidjan, Ivory Coast and Douala, Cameroon are being recognized as best in class.

.....
“...preferred partner”
.....

2008 will see a continued focus on both profitability and operational excellence in the existing portfolio, and on being the preferred partner of governments and port authorities across the continent.



**Americas Region,
Soren Sjostrand Jakobsen,**

2007 has seen a number of significant developments as we expanded our interests in the Americas region.

.....
“...significant developments as we expanded our interests in the Americas region”
.....

In May, we acquired the remaining 50% of the shares in Teconvi SA in Itajai Brasil and are now the sole owner of the terminal. This development was swiftly followed by the commencement of an expansion program at the terminal including a new berth, expanded yard and cranes. When completed in 2009 the terminal will have a capacity of 1.1 million TEU. Terminal 4 in Buenos Aires Argentina won the bid to handle the Hamburg Sud, NYK, Maersk Line VSA service from the Far East. In Kingston, Jamaica, the management agreement with the Port Authority of Jamaica was extended for another two years.

In August, APM Terminals acquired 51% of Alinport SA in Ecuador, a greenfield container port project south of Guayaquil. Construction will start in 2008 and the first phase of the port – a 450 meter berth with four cranes and a capacity of 700,000 TEU - is expected to be operational by early 2010.

We look forward to 2008 with confidence, excitement and expansion of our Americas’ port offerings to serve our customers in this major market.



**Asia-Oceania Region,
Martin Gaard Christiansen**

2007 has been a strong business year focusing on getting closer to customers, improving our service reliability in key hubs and building a stronger safety culture. The organization has been strengthened in the areas of business development, operations and commercial, and through global procurement agreements and best practice sharing, we have been able to respond faster to operational challenges when they arise.

.....
“...getting closer to customers”
.....

The outlook for 2008 in Asia is exciting as we upgrade our existing facilities to cater for the future demands of our customers, and place an emphasis on increasing service reliability and terminal efficiency. We will be increasing our footprint in the region through new projects in key locations and continue to build the talent pipeline needed to succeed in a fast moving and competitive environment.



Our goal is to be the clear employer of choice in the industry

The best people: The best talent and opportunities

At APM Terminals, we passionately believe that our people are the key to our success and differentiate us from our competitors. That's why our investment in the best talent is no less important than our investment in the best equipment and technology.

Customer surveys confirm that APM Terminals is renowned for the caliber of its people and the intelligent and innovative solutions they provide. We are enriching our capability over the coming years, and plan to supplement our existing talent pool by leveraging our best talent inside the company and supplementing this resource from the outside.

As we expand geographically, it is essential that we employ a diverse workforce in terms of their work experience, nationality and culture. APM Terminals attracts the best talent from the market place to join our high performance team with an emphasis on development and personal growth and exposure to some of the world's most fascinating places. This is a unique opportunity to be part of an exciting and successful global business environment.

Employer of choice

Our goal is to be the clear employer of choice in the industry. In 2007, 60 of our senior executives received training at IMD, in Lausanne, Switzerland - one of the world's top-ranked business schools. This program is now being cascaded to 250 of our top managers around the world.

Innovation and creativity is actively cultivated and our strong emphasis on values has created a collaborative and focused team at all levels in the organization. APM Terminals has an entrepreneurial spirit that energizes and motivates people. This enables us to fuel our development in 2008 and beyond.



Preparing for the future Simon Reitsma – Vice President, HR

2007 was a year of major progress for us. On January 1, we became a more independent business unit within the A.P. Moller-Maersk Group. The majority of terminals started to report directly into us, and overnight we transformed from an organization of 500 to one with 20,000 employees.

This presented a big challenge, which we met head-on to realize the opportunities it presented, in terms of true globalization and diversity of nationalities, culture, education and vocation. Crucially, throughout this growth, we have managed to preserve the culture of entrepreneurship that characterizes and differentiates APM Terminals.

The key to this has been training, alignment and APMT 'brand' loyalty throughout our staff. We retain talented and committed people through specific career development and attractive rewards and incentives.

In 2007, we laid the foundations for our talent development program with a two-pronged approach: we created specific training initiatives to develop both our current leaders and our leaders of the future, and we also implemented clear career and succession planning processes.

We have continued to develop the internal general business and terminal management training programs called MAGNUM and MAGNET. APM Terminals offers management-trainee positions to young talent as part of our global program.

In parallel, at a more local level, we have established seven regional offices. These highly empowered regional leadership teams are pivotal in leading the existing terminals and in establishing new ones.

We continue to welcome new colleagues from outside of the A.P. Moller-Maersk Group. This corporate diversity is of key importance as well. It helps us to understand the local cultures within our global organization, while diversity of views also generates richer solutions. We are an equal opportunity employer who believes diversity leads to strength.

.....
**“...a year of
major progress”**
.....

In 2008 we look to continued growth driven by the talents and professionalism of our people. We will be more closely linking reward to performance and encouraging our high potential talent to take assignments in locations that will provide unique business or cultural challenges.

APM Terminals' new and much larger organization provides fantastic career opportunities for our people. We look forward to a future where we continue to attract, retain and develop the future leaders of our business.

Health, safety, security and the environment

The health and safety of our employees, the security of our customers' cargo and managing our environmental impact are core concerns of APM Terminals.

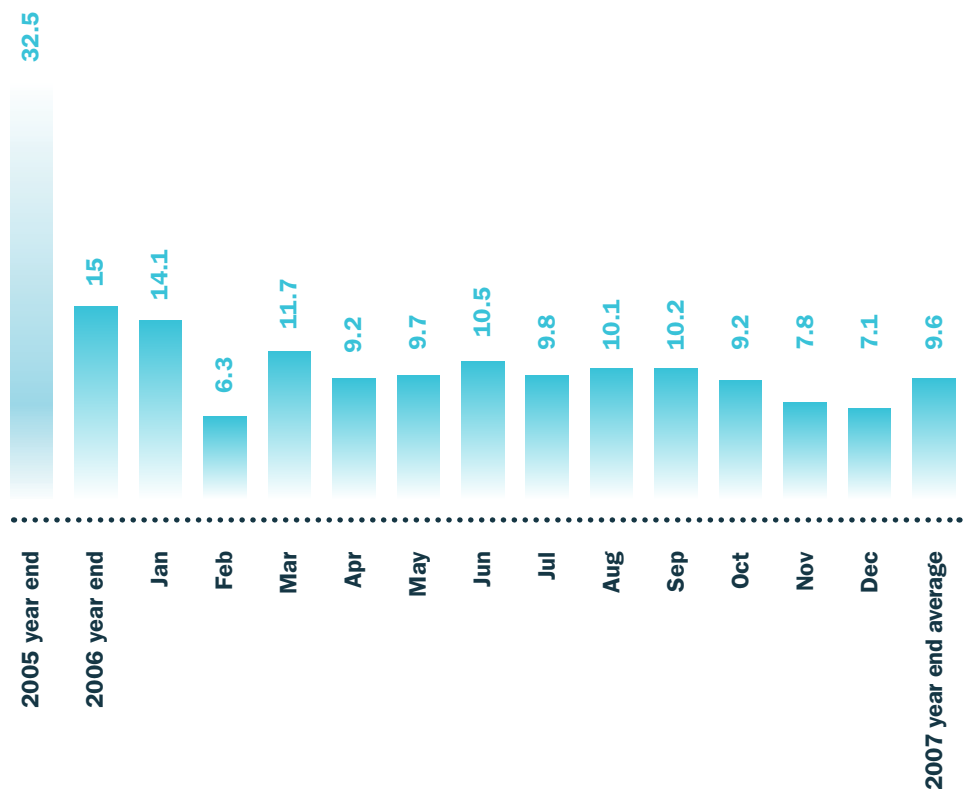
Safety

At APM Terminals we have a zero tolerance for unsafe behavior and we believe all accidents can and should be avoided. Safety is a joint effort and is an important part of how we work together at APM Terminals and with our business partners. Our ambition is to reduce the number of accidents at our terminals to zero. However, despite improvements in our safety record in 2007, regrettably, there were 10 fatalities involving vendors and truckers inside our terminals in 2007.

Led from the top, we continue to work hard to engrain the safety culture throughout the organization. Last year our Lost Time Injury Frequency (LTIF) ratio across the business declined by 33% to 9.6 LTI's per 1 million man hours, which puts us amongst the leading operators in our industry.

In 2007, we introduced health, safety, security and environmental training into the syllabus of our management programs such as MAGNUM/MAGNET, and in October we designated a "Global Safety Day". To encourage all personnel to recognize and discuss safety issues, the company stopped operations at every terminal on October 24th for 30 minutes to emphasize the importance of engagement and partnership with customers, truckers, the waterfront workforce and suppliers to make our container terminals free from accidents. Our customers, labor leaders and the industry applauded this initiative.

Lost time injury frequency 2007



In 2008 we will focus on further improvements in our safety culture – aiming to reduce our Lost Time Injuries (LTIs) in 2008 by 15% over 2007. Each terminal will implement the APM Terminals' Safety Conformance System. This forms part of the overall 'safety management system' used at our terminals and compliance with the system is internally audited to assess

the safety management at each terminal. Compliance will ensure continuous improvements, aiming to increase the safety and competencies of each of our employees and drive our safety culture. We believe continued strong improvement in policies and procedures combined with personal commitment and training will yield further reduction in LTIs in 2008.

Security

Across the business, we have increased our focus on business continuity guidelines, emergency response plans and training.

Our global terminal network is International Ship and Port Security code (ISPS) compliant, and in the United States, fully Marine Transportation Security Act (MTSA) compliant. Training of our Port Facility Security Officers is ongoing.

APM Terminals has been an active member of the US Government's Custom-Trade Partnership Against Terrorism (C-TPAT) program since May 2003, and was the first port operator in the world to sign up for the program. C-TPAT is a joint government-business initiative to build cooperative relationships that strengthen overall supply chain and border security. C-TPAT recognizes that U.S. Customs can provide the highest level of security only through close cooperation with the ultimate owners of the supply chain— importers, carriers, brokers, warehouse operators and manufacturers. Through this initiative, C-TPAT asks businesses to ensure the integrity of their security practices and communicate their security guidelines to their business partners within the supply chain.

APM Terminals' North American C-TPAT security profile, which summarizes the procedures we have in place to ensure effective supply chain security worldwide, was unconditionally validated by the US Department of Homeland Security (DHS) on December 31, 2007. APMT is also an integral partner of the US Government's global Secure Freight Initiative, specifically working with the DHS in a new comprehensive container imaging and scanning project at the Port of Salalah, Oman.

In the United States, APM Terminals is working very closely with the Transportation Security Administration (TSA) in the U.S. Government's rollout of the new Transportation Workers Identification Credential (TWIC) program. This initiative will involve conducting background, terrorist and criminal background checks and issuing ID credentials to all categories of workers (terminal employees, longshore, truckers, vendors, contractors, etc.) requiring unescorted access to/and on regulated marine facilities (MTSA) in the U.S.

APM Terminals is also joining with individual customers to conduct business continuity planning and port recovery and reopening exercises to ensure full and responsive compatibility with customer needs.



Environment

To support our goal of continually improving our environmental performance, we are investing in innovative solutions and partnering with industry pioneers. For example, we have teamed up with one of our vendors to develop the Eco-RTG, a new environmentally-friendly rubber tired gantry crane that operates with less fuel, and has the ability to cycle energy during the lift/lift off phase of operations. These advanced Eco-RTGs are now in use at our terminals in Algeciras, Tangier, Xiamen and Pipavav, which are benefiting from lower fuel costs, emissions, noise and fumes. We plan to extend this initiative to other facilities within our global terminal network.

In addition to best-practice sharing, we are also investing in other technologies and equipment including: new cleaner cargo handling equipment engines,

equipment to control idling to reduce pollution and fuel use, increased on-dock rail capacity, electrification of key operations, and equipment which will lead to more effective and efficient movement of goods, less congestion, and better air quality.

Our new container terminal in Portsmouth, Virginia, clearly demonstrates the environmental considerations that APM Terminals takes into account when developing new container terminals. We installed the most up-to-date equipment to minimize pollution and fuel use; we preserved 110 acres of woodland on the site, planted 110,000 wetland plants in a lagoon next to the dock, and contributed \$5.3 million to cleaning up the local Elizabeth River. We believe that this facility is the most environmentally-friendly terminal in North America.



Twinlift of MSC containers at port of Yangshan, Shanghai, China

Leadership perspectives



Process excellence **Martijn Van de Linde** **VP Operations**

Our process excellence initiative was formulated in the early part of 2007, and began to bear fruit during the latter part of the year with projects successfully implemented at four terminals.

In Asia, process excellence teams made significant improvements to crane efficiency, by reducing shift change idle time by up to 80% and reducing gantry crane breakdown response times.

In other parts of the world, process excellence projects include improvements to customer invoicing accuracy and cycle times, and improvements to our engineering inventory management processes, which will result in millions of dollars in savings over the next four years.

Through 2008 we will expand our process excellence initiative by increasing in-house training and creating global communities of experts to accelerate the reduction of costs from the business.

We will prioritize our process excellence activities by focusing on those terminals where we will be able to deliver maximum value for our customers. Our goal is to have process excellence in place at all facilities in the APM Terminals global terminal network by 2009. In the longer term, we intend to roll our refined processes into all new start-ups, so that they too can take advantage of the benefits realized through improved process designs.



Commercial **Tiemen Meester** **Chief Commercial Officer**

2007 was characterized by significant change within the container industry and APM Terminals has responded to these changes with passion and commitment to meet the needs of the industry now and into the future.

One important factor has been the trend for many shipping companies to move towards strategic partnerships with terminal operators rather than individual localized deals. The strength of our expanding global terminal network will be a distinct advantage as this trend accelerates. But global capabilities need to be matched by responsiveness at a local level. That is why we have created seven regional offices which are now fully staffed and receiving positive feedback from our customers.

Looking to 2008, we will be further strengthening and organizing our commercial resources to be customer-focused. We will anticipate industry trends by placing the shipping community at the heart of our business organization. Our company policy of community involvement on a local level will also help to distinguish us from our competition.

We have taken the opportunity to redefine ourselves as a company. We have the potential to redefine the industry. It is an exciting challenge, a great responsibility, and a goal we intend to meet in 2008.



Innovation **Simo Hoite** **Director for R&D and Innovation**

Innovation leadership is one of the most critical components defining success in highly successful corporations. Our focus on innovation empowers our people to deliver cutting-edge solutions to provide our customers with a competitive advantage.

Our approach: we are looking for ideas - from small ideas, to breakthrough ideas - that can help our company make continuous improvements in our efficiency, effectiveness, operations, service levels, and culture in everything we do.

We have also implemented a comprehensive research and development program which will continue to gain momentum and deliver progress in the years ahead.

APM Terminals' organization

APM Terminals' Board of Directors:

Nils Smedegaard Andersen, Chairman
Soren Thorup Sorensen
Kim Fejfer
Lars Reno Jakobsen
Anthony Scioscia

Corporate Leadership Team:

Kim Fejfer, CEO
Peder Sondergaard, COO
Christian M. Laursen, CFO
Tiemen Meester, CCO
Simon Reitsma, VP, Human Resources
Klaus R. Sejling, VP, Business Development

Strategic Leadership Team:

Kim Fejfer, CEO
Peder Sondergaard, COO
Christian M. Laursen, CFO
Tiemen Meester, CCO
Simon Reitsma, VP, Human Resources
Klaus R. Sejling, VP, Business Development
Martijn Van de Linde, VP, Operations
Helen Cowing, VP and Deputy CFO
Richard Nicholson, VP, Africa
Soren S. Jakobsen, VP, Americas
Martin G. Christiansen, VP, Asia-Oceania
Martin Poulsen, VP, Europe
Kim R. Gadegaard, VP, Greater China
Eric A. Sisco, CEO, North America
Jorgen H. Madsen, VP, West & Central Asia
Michael L. Hansen, MD, APM Terminals Apapa, Nigeria
Gary Lemke, CEO, Salalah, Oman



Front row, left to right:

Michael L. Hansen, MD, Apapa, Africa, **Kim Fejfer**, CEO, **Martijn Van de Linde**, VP, Operations, **Soren S. Jakobsen**, VP, Americas, **Helen Cowing**, VP and Deputy CFO, **Peder Sondergaard**, COO, **Kim R. Gadegaard**, VP, Greater China, **Jorgen H. Madsen**, VP, West & Central Asia

Back row, left to right:

Simon Reitsma, VP, HR, **Martin Poulsen**, VP, Europe, **Eric Sisco**, CEO, North America, **Christian M. Laursen**, CFO, **Klaus R. Sejling**, VP, Business Development, **Tiemen Meester**, CCO, **Gary Lemke**, CEO, Salalah, Oman, **Martin G. Christiansen**, VP, Asia/Oceania

2007 - a year of investment

As we look forward to 2008, we celebrate our achievements of 2007, and the spirit of innovation, partnership and community which enables APM Terminals to continue to offer the most efficient and customer-friendly service in the industry through the world's only integrated, comprehensive and geographically balanced global terminal network.

- Gateway Terminals India, Mumbai
- Meridian Port Services, Port of Tema, Ghana
- Shenzhen Dachan Bay Phase II Container Terminal, Shenzhen, China
- Terminal de Containers do Vale do Itajai, Brazil
- APM Terminals Tangier, Tangiers Med Port Complex, Tangiers, Morocco
- Sogester, Port of Luanda, Angola
- Tianjin Alliance International Container Terminal, Tianjin, China
- APM Terminals Virginia, Portsmouth, Virginia, USA
- Songyu Phase I Container Terminal, Songyu Port, Xiamen, China
- Suez Container Canal Terminal Phase II, Port Said, Egypt
- Nansha Phase 2 South China Oceangate Container Terminal, Guangzhou, China
- Alinport S.A, Port of Posorja, Ecuador
- Terminal Port Oceane, Port of Le Havre, France



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