Tallink is the leading short cruise and ferry operator

Key points

- Tallink’s vision is to be the market pioneer in Europe by offering excellence in leisure and business travel and sea transportation services.
- Long term objectives toward increasing the company value and profitability:
  - Strive for the highest level of customer satisfaction
  - Increase volumes and strengthen the leading position on our home markets
  - Develop a wide range of quality services directed at different customers and pursue new growth opportunities
  - Reach a optimal debt level that will allow sustainable dividends
- Current focus is on core operations to realize past investments. Along with the optimal fleet deployment the emphasis is on the profitability improvement and deleveraging.
- Current strategic cornerstones and competitive advantages:
  - Leverage.
  - Current focus is on core operations to realize past investments.
  - Pursue new growth opportunities
  - Develop a wide range of quality services directed at different customers.
  - Increase volumes and strengthen the leading position on our home markets.
  - Strive for the highest level of customer satisfaction.

We operate 6 routes

The passenger market share of Tallink is 49% in the northern Baltic Sea

Key Information 2012

- Passengers: 9,264,561
- Sales: 944 million EUR
- EBITDA: 166 million EUR
- EBITDA Margin: 18%
- Equity Ratio: 44%
- ROE: 7.8%
- Average number of employees: 6,799
- Book value per share: 134 EUR

History

- 1883: Co-founded with Steamship
- 1910: Founded
- 1928: Service between Helsinki & Stockholm
- 1957: Tallinn-Helsinki route
- 1965: Tallinn-Stockholm route
- 1989: First newbuilt cruise ferry
- 1990: Operation starts
- 2001: Talink and Silja Line merged
- 2002: 7 million passengers reached
- 2003: 8 million passengers reached
- 2004: 9 million passengers reached
- 2005: 10 million passengers reached
- 2006: 11 million passengers reached
- 2007: 12 million passengers reached
- 2008: 13 million passengers reached
- 2009: 14 million passengers reached
- 2010: 15 million passengers reached
- 2011: 16 million passengers reached
- 2012: 17 million passengers reached

Our fleet consists of 19 ice class ships and has a value of 1.5 billion EUR

Age of fleet by value

We operate 5 Hotels (1300 rooms)

- Tallink City Riga
- Tallink Spa & Conference Riga
- Tallink Hotel Riga
- Pirita Top Spa Rooms: 261
- Tallinn Express Rooms: 163

60% of the hotel guests arrive with Tallink ships
### Financials

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
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</thead>
<tbody>
<tr>
<td>Revenue</td>
<td>914</td>
<td>908</td>
<td>944</td>
</tr>
<tr>
<td>Cost of sales</td>
<td>646</td>
<td>715</td>
<td>743</td>
</tr>
<tr>
<td>Marketing &amp; GA expenses</td>
<td>94</td>
<td>101</td>
<td>109</td>
</tr>
<tr>
<td>EBITDA</td>
<td>145</td>
<td>163</td>
<td>168</td>
</tr>
<tr>
<td>EBITDA margin</td>
<td>18%</td>
<td>18%</td>
<td>18%</td>
</tr>
<tr>
<td>Net Profit</td>
<td>22</td>
<td>38</td>
<td>56</td>
</tr>
<tr>
<td>Cash flow from operations</td>
<td>164</td>
<td>160</td>
<td>163</td>
</tr>
<tr>
<td>Investments</td>
<td>6</td>
<td>9</td>
<td>9</td>
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<tr>
<td>Loan repayments</td>
<td>107</td>
<td>76</td>
<td>119</td>
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<tr>
<td>Cash position</td>
<td>57</td>
<td>75</td>
<td>66</td>
</tr>
<tr>
<td>Total assets</td>
<td>1,871</td>
<td>1,800</td>
<td>1,741</td>
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<tr>
<td>Ships</td>
<td>1,651</td>
<td>1,570</td>
<td>1,510</td>
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<tr>
<td>Interest bearing loans</td>
<td>1,068</td>
<td>960</td>
<td>840</td>
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<tr>
<td>Shareholders’ equity</td>
<td>668</td>
<td>705</td>
<td>761</td>
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</tbody>
</table>

*pro forma

### Ownership & Management

- Joonas Stalmeister: Member of the Management Board, CFO
- Janis Rink: Member of the Management Board, CTO
- Peter Roose: Member of the Management Board
- Andres Hunt: Vice Chairman of the Management Board
- Enn Pant: Chairman of the Management Board, CEO
- Janek Stalmeister: Member of the Management Board
- Peter Rose: Member of the Management Board
- Kadri Land: Member of the Management Board

Baltic Cruises Holding 17%
Nonlife Bank Finland PLC / non-resident legal entities 10%
ING Luxembourg S.A. 7%
Skandinaviska Enskilda Banken Ab Clients 2%
JP Morgan Chase London Clients account, Vanguard Marketing Corporation 2%
State Street Bank and Trust Omnibus fund 2%
Mellon Treaty Omnibus 1%
Firebird Republics fund Ltd. 1%
Skandinaviska Enskilda Banken Finnish Clients 1%

### Corporate factsheet

**Revenue**

<table>
<thead>
<tr>
<th>Quarter</th>
<th>2008/09</th>
<th>2009/10</th>
<th>2011</th>
<th>2012</th>
<th>2013</th>
</tr>
</thead>
<tbody>
<tr>
<td>Q1</td>
<td>116,300</td>
<td>118,241</td>
<td>118</td>
<td>117</td>
<td>116</td>
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<tr>
<td>Q2</td>
<td>133,145</td>
<td>132,478</td>
<td>132</td>
<td>131</td>
<td>130</td>
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<tr>
<td>Q3</td>
<td>145,163</td>
<td>145,786</td>
<td>146</td>
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<tr>
<td>Q4</td>
<td>117,042</td>
<td>116,722</td>
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<td>115</td>
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</tbody>
</table>

**EBITDA**

<table>
<thead>
<tr>
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**Quarterly seasonality**

- Typical to the Tallink business model is that most of the result is made in the summer high season