

# Tallink is the leading short cruise and ferry operator



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## 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:**

- Most modern fleet
- Wide route network
- Strong market share & brand awareness
- High safety level & environmental standards

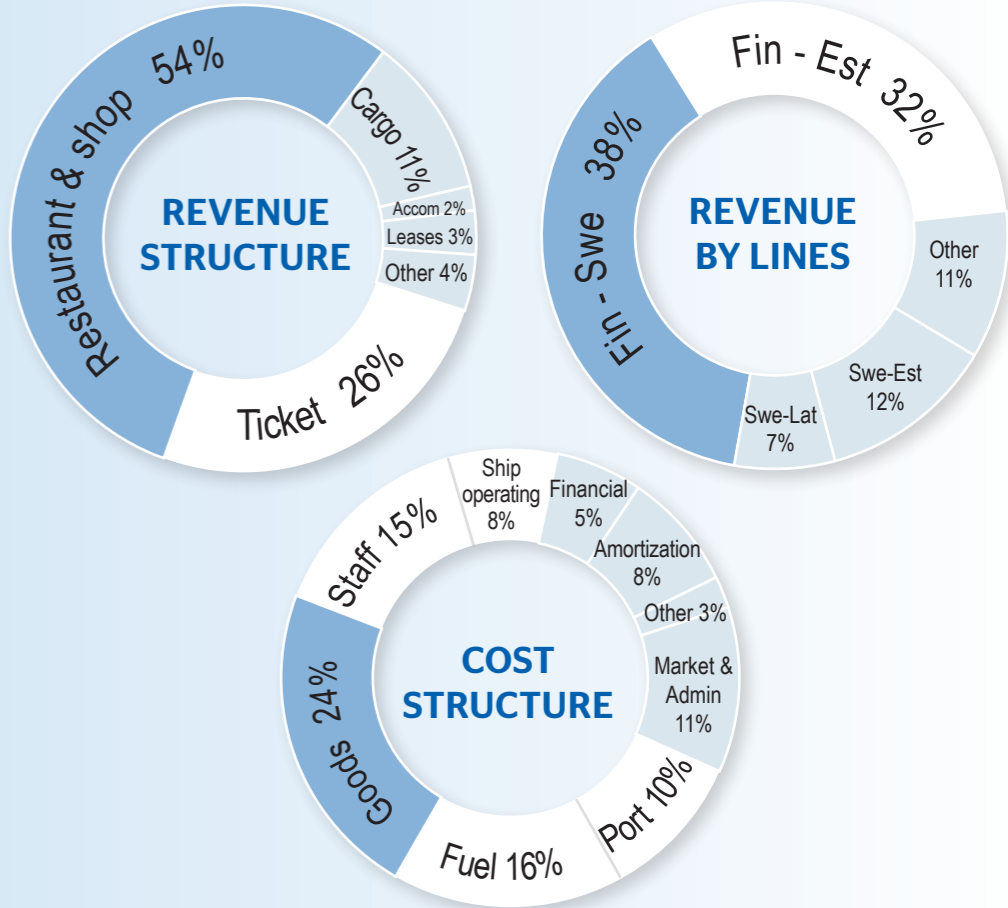
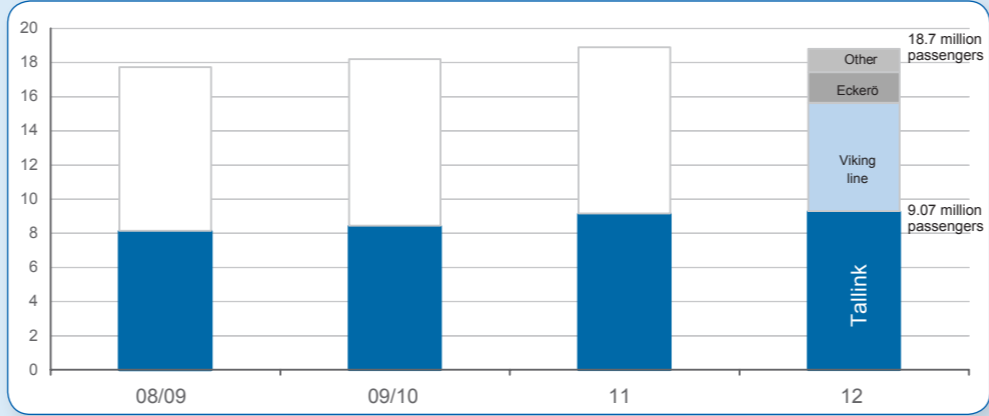
## Key Information 2012

Passengers	9 264 561	P/E	10
Sales	944 mil EUR	ROA	5.4%
EBITDA	166 mil EUR	ROE	7.8%
Net Profit	56 mil EUR	Equity Ratio	44%
Average number of employees	6 799	EBITDA Margin	18%
EPS	0.08	Book value per share	1.14 EUR

## We operate 6 routes



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

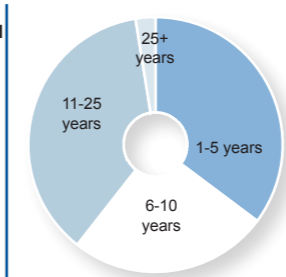


<b>History</b>	<b>1883</b>	<b>1910</b>	<b>1928</b>	<b>1957</b>	<b>1965</b>	<b>1989</b>	<b>1990</b>	<b>1996</b>	<b>2001</b>	<b>2002</b>	<b>2003</b>	<b>2004</b>	<b>2005</b>	<b>2006</b>	<b>2008</b>	<b>2009</b>	<b>2010</b>	<b>2011</b>	<b>2012</b>
	Finnish Steamship Co founded	Service between Turku & Stockholm	Service between Helsinki & Stockholm	Silja Line established	Tallinn-Helsinki route	Tallink founded	One vessel	Management buyout	Tallinn-Stockholm route	First newbuilt cruise ferry	Private placement	Hotel operation starts	IPO	Rights Issue		Over 1.3 billion euros invested during the fleet investment program	Tallink Hotel Riga		
							166 th passengers							Tallink and Silja Line merged	7M passengers reached	8M passengers reached		9M passengers 1.3M Club One members	1.5M Club One members

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

 <b>Star</b> Built: 2007 Length: 186 m Passengers: 1860 Lanemeters: 2000 Helsinki-Tallinn	 <b>Baltic Queen</b> Built: 2009 Length: 212m Passengers: 2800 Lanemeters: 1130 Tallinn-Stockholm	 <b>Silja Europa</b> Built: 1993 Length: 202m Passengers: 3123 Lanemeters: 932 Helsinki-Tallinn	 <b>Silja Symphony</b> Built: 1991 Length: 203m Passengers: 2852 Lanemeters: 950 Helsinki-Stockholm	 <b>Regina Baltica</b> Built: 1980 Length: 145m Passengers: 1500 Lanemeters: 840 Chartered out	 <b>Stena Superfast VIII</b> Built: 2001/2002 Length: 203m Passengers: 717 Lanemeters: 1900 Chartered out
 <b>Superstar</b> Built: 2008 Length: 177m Passengers: 2080 Lanemeters: 1930 Helsinki-Tallinn	 <b>Victoria I</b> Built: 2004 Length: 193m Passengers: 2500 Lanemeters: 1030 Tallinn-Stockholm	 <b>Galaxy</b> Built: 2006 Length: 212m Passengers: 2800 Lanemeters: 1130 Turku-Stockholm	 <b>Silja Serenade</b> Built: 1990 Length: 203m Passengers: 2852 Lanemeters: 950 Helsinki-Stockholm	 <b>Regal Star</b> Built: 1999 Length: 157m Passengers: 80 Lanemeters: 2087 Paldiski-Kapellskär	 <b>Stena Superfast IX</b> Built: 2002 Length: 203m Passengers: 728 Lanemeters: 1900 Chartered out
 <b>Baltic Princess</b> Built: 2008 Length: 212m Passengers: 2800 Lanemeters: 1130 Turku-Stockholm	 <b>Romantika</b> Built: 2002 Length: 193m Passengers: 2500 Lanemeters: 1030 Riga-Stockholm	 <b>Silja Festival</b> Built: 1986 Length: 171m Passengers: 2023 Lanemeters: 885 Turku-Stockholm	 <b>Sea Wind</b> Built: 1972 Length: 155.0m Passengers: 260 Lanemeters: 1100 Turku-Stockholm	 <b>Atlantic Vision</b> Built: 2001/2002 Length: 203.3m Passengers: 717 Lanemeters: 1900 Chartered out	 <b>Isabelle</b> Built: 1989 Length: 171m Passengers: 2480 Lanemeters: 850 Riga-Stockholm

## Age of fleet by value



World-wide ships age  
Ferry 24.4 years  
Cruise 12.5 years

## We operate 5 Hotels (1300 rooms)

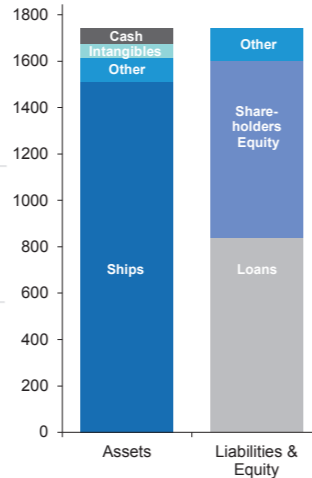
 <b>Tallink City</b> Rooms: 332 Conference Nightclub Tallinn	 <b>Pirita Top Spa</b> Rooms: 267 Wellness & MediSPA National Heritage Tallinn
 <b>Tallink Spa &amp; Conference</b> Rooms: 275 Aqua Spa Tallinn	 <b>Tallink Express</b> Rooms: 163 Express Cafe Tallinn
 <b>Tallink Hotel Riga</b> Rooms: 256 Conference GYM Riga	

60% of the hotel guests arrive with Tallink ships

## Financials

	2009/2010	2011*	2012
Revenue	814	908	944
Cost of sales	646	715	743
Marketing & GA expenses	94	101	109
EBITDA	145	163	166
EBITDA margin	18%	18%	18%
Net Profit	22	38	56
Cash flow from operations	164	160	163
Investments	6	9	9
Loan repayments	107	76	119
Cash position	57	75	66
Total assets	1 871	1 800	1 741
Ships	1 651	1 570	1 510
Interest bearing loans	1 068	960	840
Shareholders' equity	668	705	761

\*pro forma



## Our position in the world

### Ferry operator by gross tons

Rank	Company	Gross tons
1	Stena Line	927 447
2	Grimaldi Lines	740 934
3	<b>Tallink</b>	<b>512 078</b>
4	P&O Ferries	436 092
5	Scandlines	363 341

### Ferry operator by beds

Rank	Company	Beds
1	<b>Tallink</b>	<b>24 262</b>
2	Stena Line	16 562
3	Viking Line	16 192
4	Grimaldi Lines	15 003
5	Tirrenia	11 392

### Ferry operator by revenues (mEUR)

Rank	Company	Revenue
1	DFDS Group	1 569
2	Stena Line	1 197
3	<b>Tallink</b>	<b>944</b>
4	Scandlines	608
5	Finnlines	609

Source: ShipPax MARKET: 13

### The world's top duty free & travel retail shops 2012

Rank	Location	Remarks
1	Seoul - Incheon Int'l Airport, South Korea	Dubai
2	Dubai International Airport, U.A.E.	AIRPORT SHOPS
3	London - Heathrow Airport / All Shops, UK	AIRPORT SHOPS
4	Singapore - Changi Airport	AIRPORT SHOPS
5	Hong Kong - Hong Kong International Airport	AIRPORT SHOPS
6	Bangkok - Suvarnabhumi Airport, Thailand	AIRPORT SHOPS
7	Shanghai - Pudong Airport, China P.R.	AIRPORT SHOPS
8	Beijing - Capital Airport, China P.R.	AIRPORT SHOPS
9	Paris - Charles de Gaulle Airport, France	AIRPORT SHOPS
10	Frankfurt - Frankfurt-Main Airport, Germany	AIRPORT SHOPS
11	<b>Tallink</b>	<b>FERRY SHOPS</b>
12	Taipei - Taoyuan International Airport, Taiwan	AIRPORT SHOPS
13	Amsterdam - Schiphol Airport, Netherlands	AIRPORT SHOPS
14	Sao Paulo - Guarulhos Int'l Airport,	AIRPORT SHOPS
15	Tokyo - Narita Airport	AIRPORT SHOPS

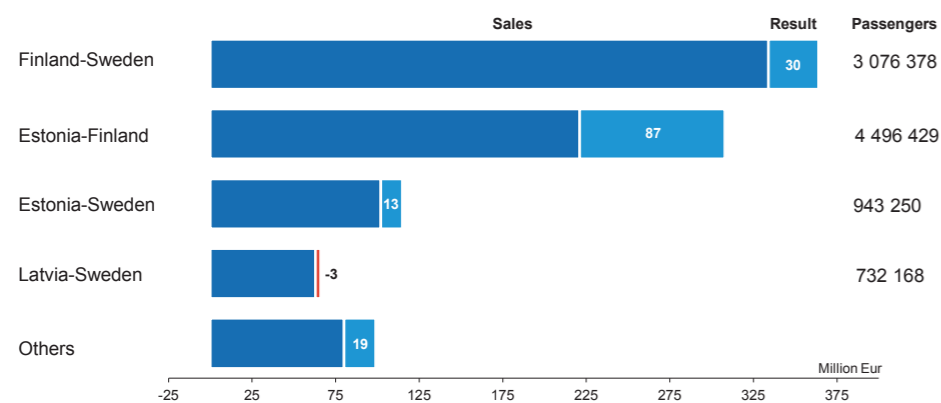
Source: Generation Research 2013

## Share price development



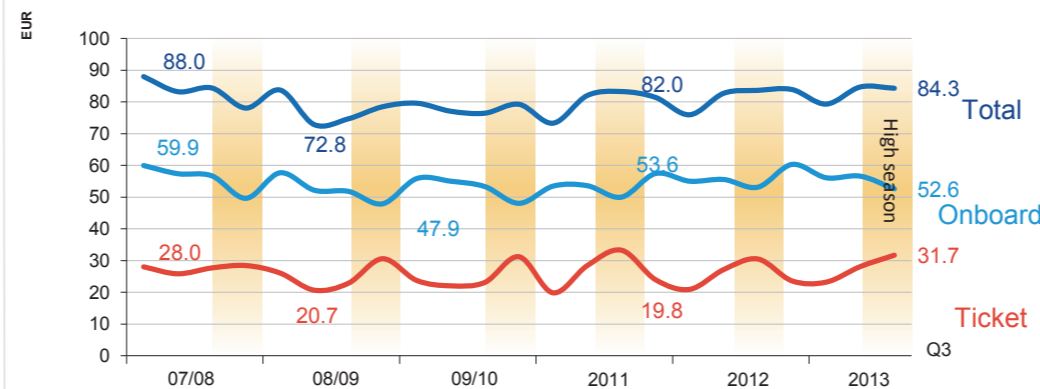
Tallink has been a leading stock on the Baltic market in liquidity, market capitalization and has a retail shareholder base over 11 000 shareholders

## Segment result by routes 2012



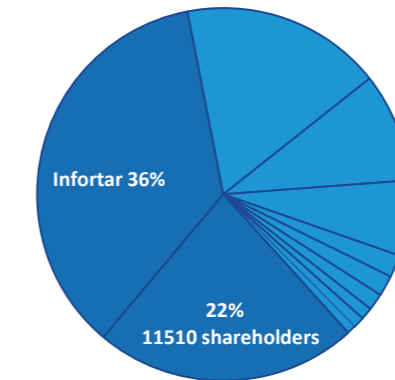
The segment result is the result before administrative expenses, financial expenses and taxes

## Passenger revenue



Quarterly passenger spending, highs and lows

## Ownership & Management

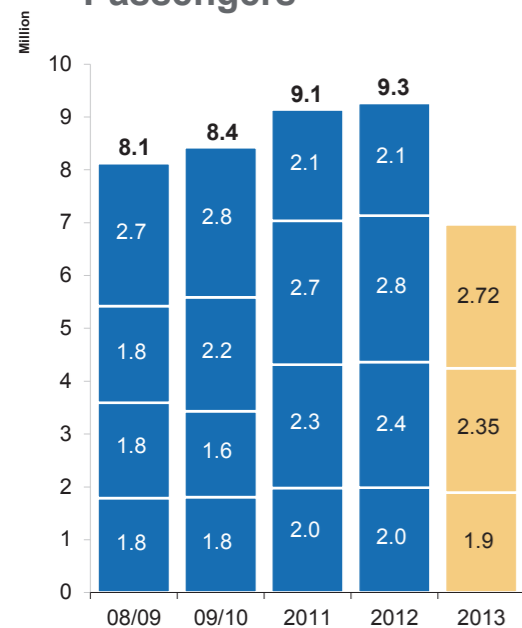


Baltic Cruises Holding 17%  
Nordea Bank Finland PLC / non-resident legal entities 9%  
ING Luxembourg S.A. 7%  
State Street Bank and Trust Omnibus fund 2%  
Skandinaviska Enskilda Banken Ab Clients 2%  
JP Morgan Chase London Clients account, Vanguard Marketing Corporation 2%  
Mellon Treaty Omnibus 1%  
Firebird Republics fund Ltd. 1%  
Luksusjaht AS 1%

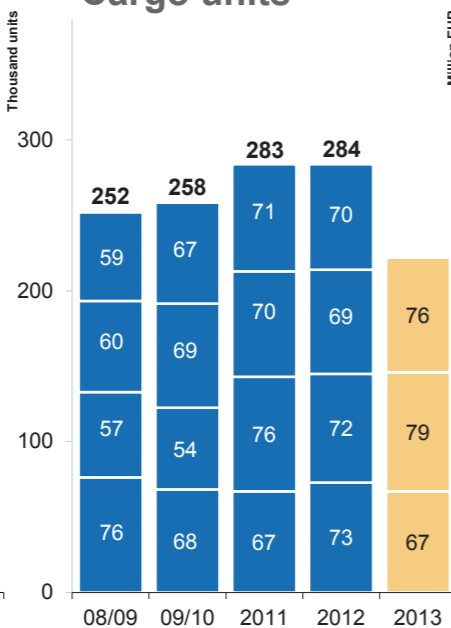
Enn Pant  
Andres Hunt  
Lembit Kitter  
Janek Stalmeister  
Peter Roose  
Kadri Land

Chairman of the Management Board, CEO  
Vice Chairman of the Management Board  
Member of the Management Board  
Member of the Management Board, CFO  
Member of the Management Board  
Member of the Management Board

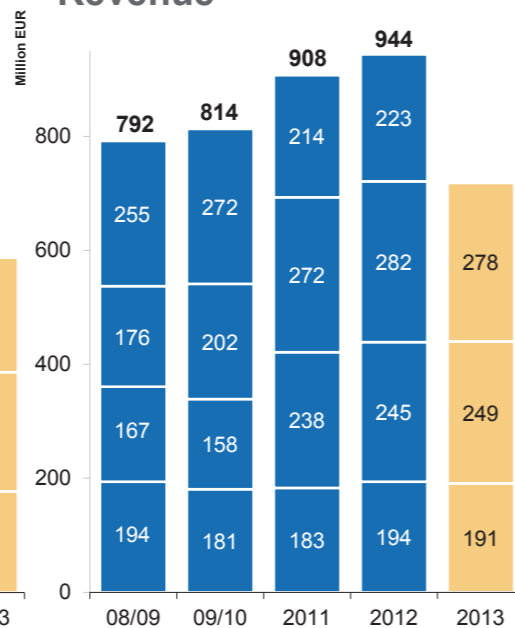
## Passengers



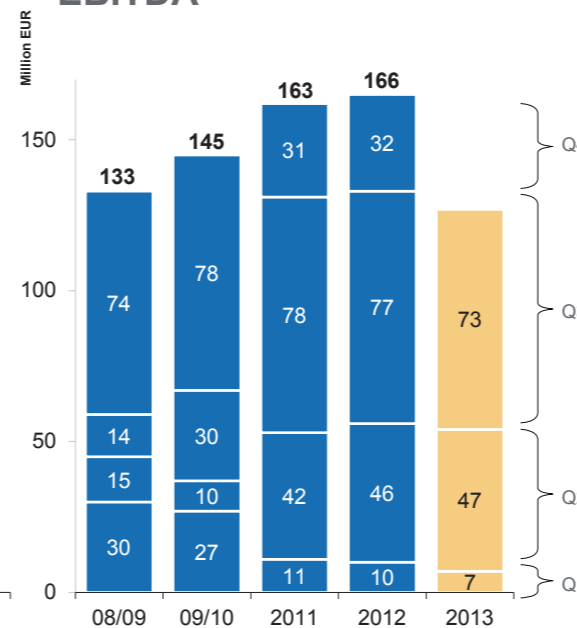
## Cargo units



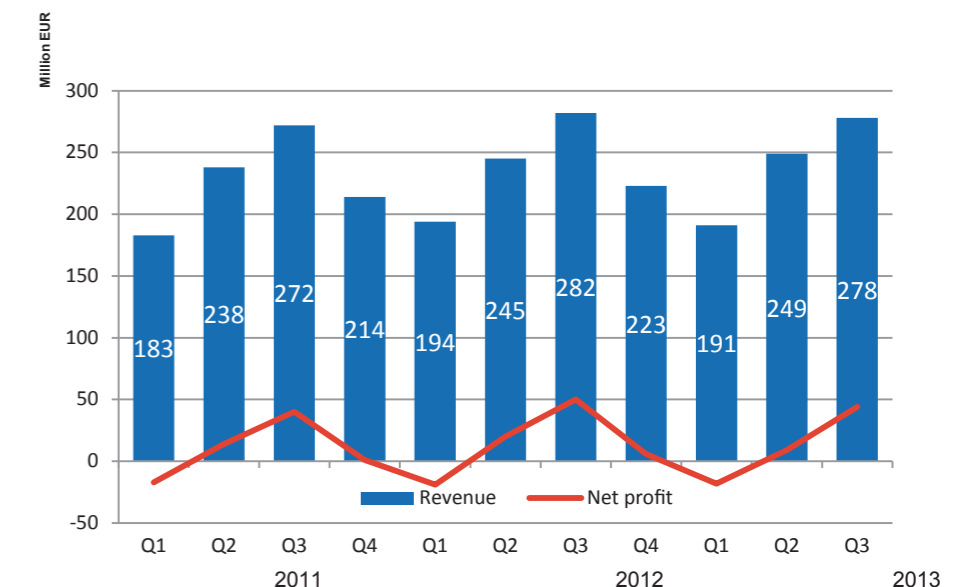
## Revenue



## EBITDA



## Quarterly seasonality



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