



Company presentation

April 2011



Tallink

- Tallink is the leading European provider of leisure and business travel and sea transportation services in the Baltic Sea
- Fleet of 19 vessels
- Operating five hotels
- Revenues EUR 814 million
- EUR 1.9 billion asset base
- 6612 employees
- Over 8.4 million passengers annually
- 258 thousand cargo units annually
- Listed on Nasdaq OMX Baltic – TAL1T



Over 50 years of operating and cruising experience



Tallink business model

Product offering

1-2 overnight cruises & passenger transportation



Conferences



On-board Tax-Free Shopping



City break



Hotel & travel packages

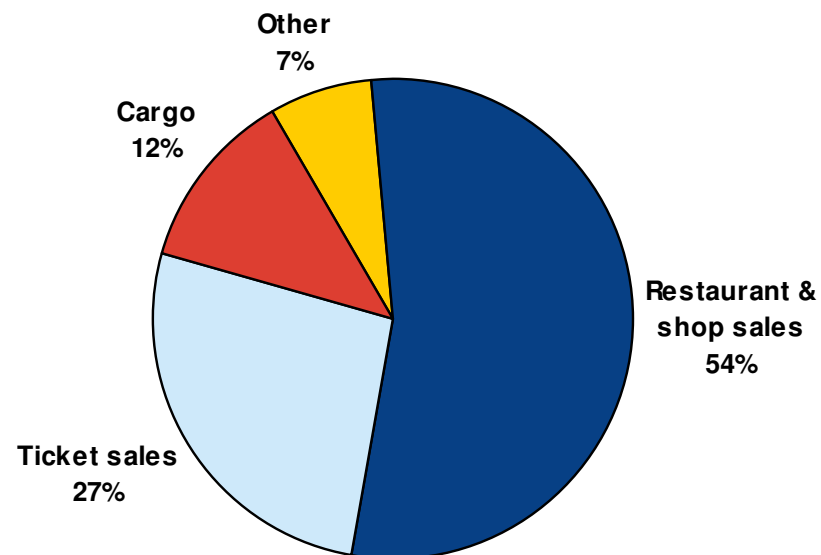


Cargo Transportation



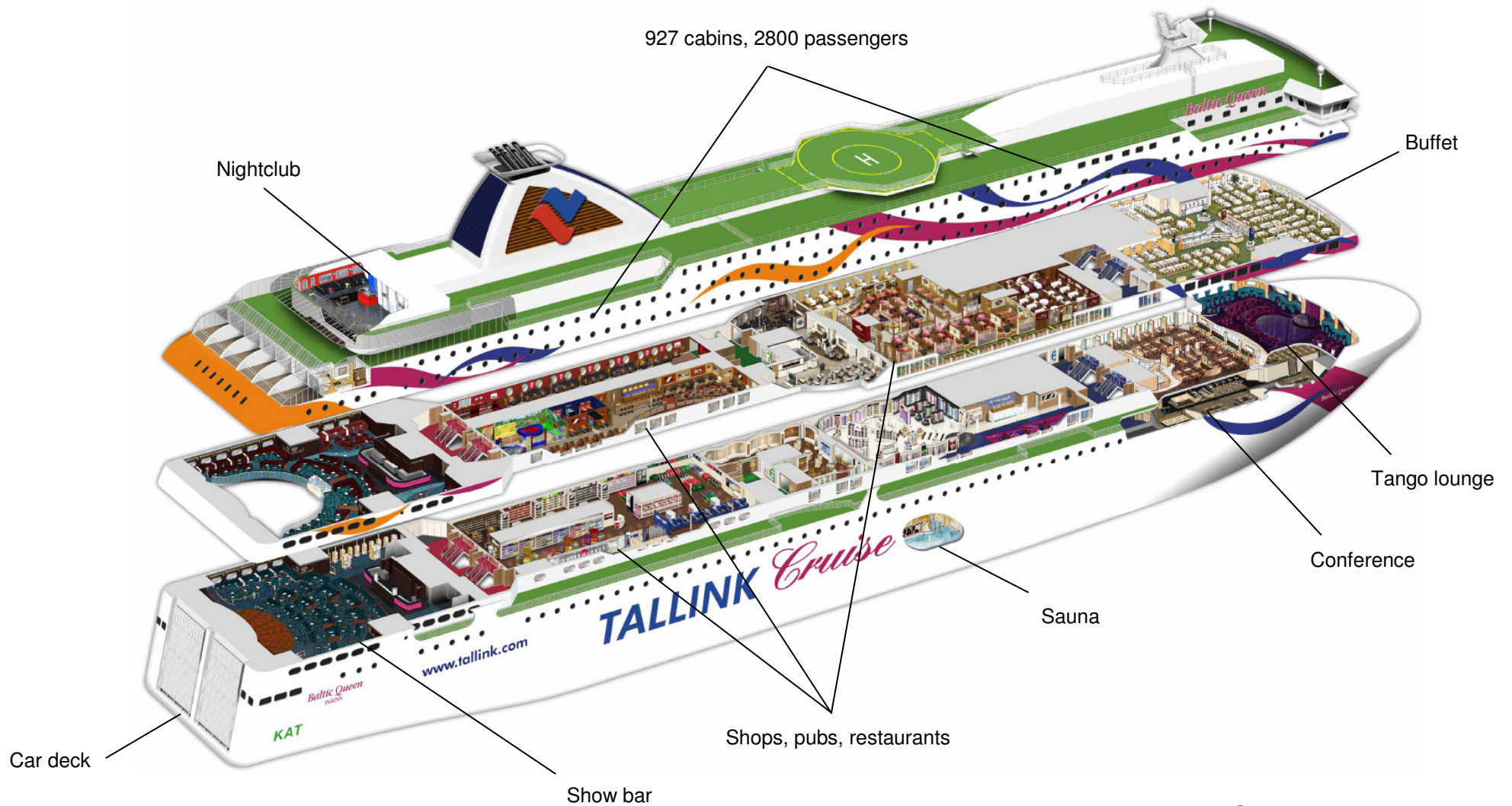
Revenue structure

(Financial year 2009/10)





Cruise ferry

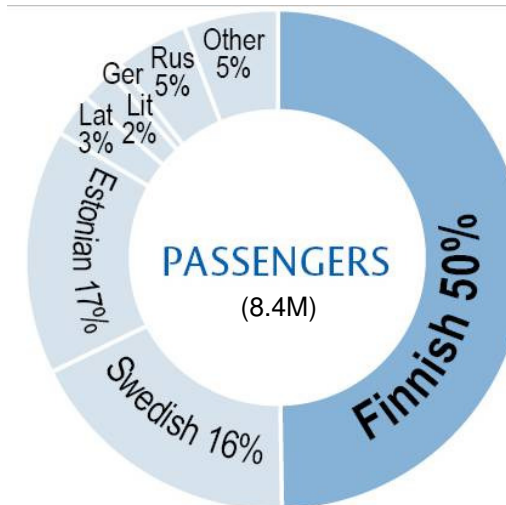
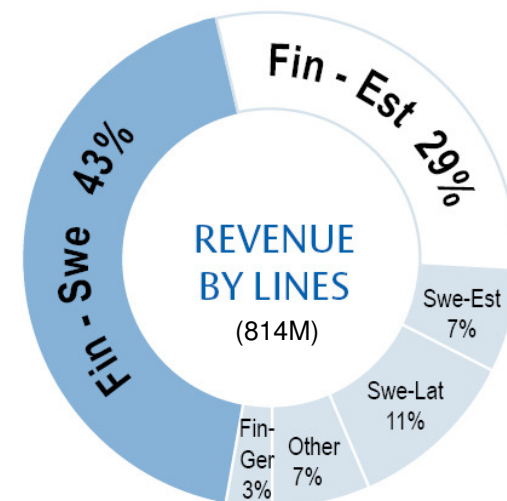
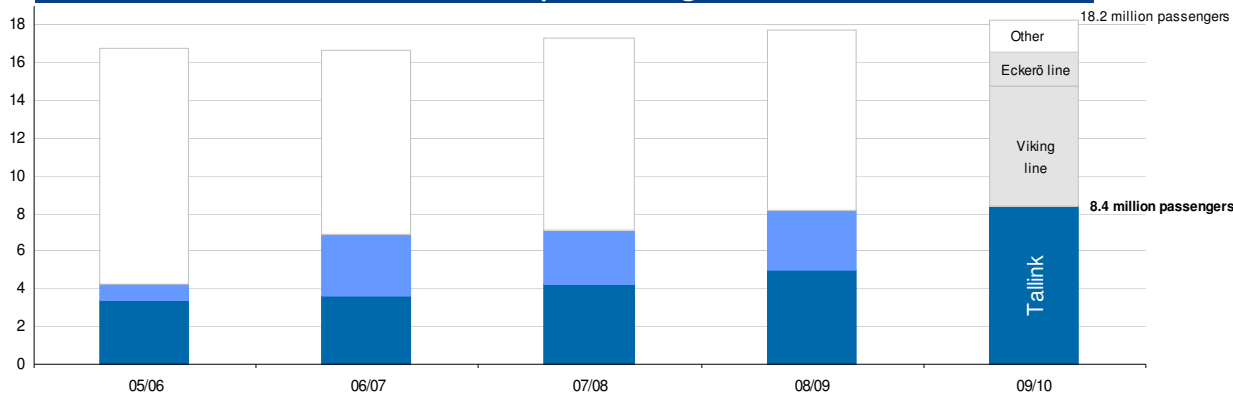




Tallink's passenger market share is 46% of the Northern Baltic Sea



Northern Baltic passenger market

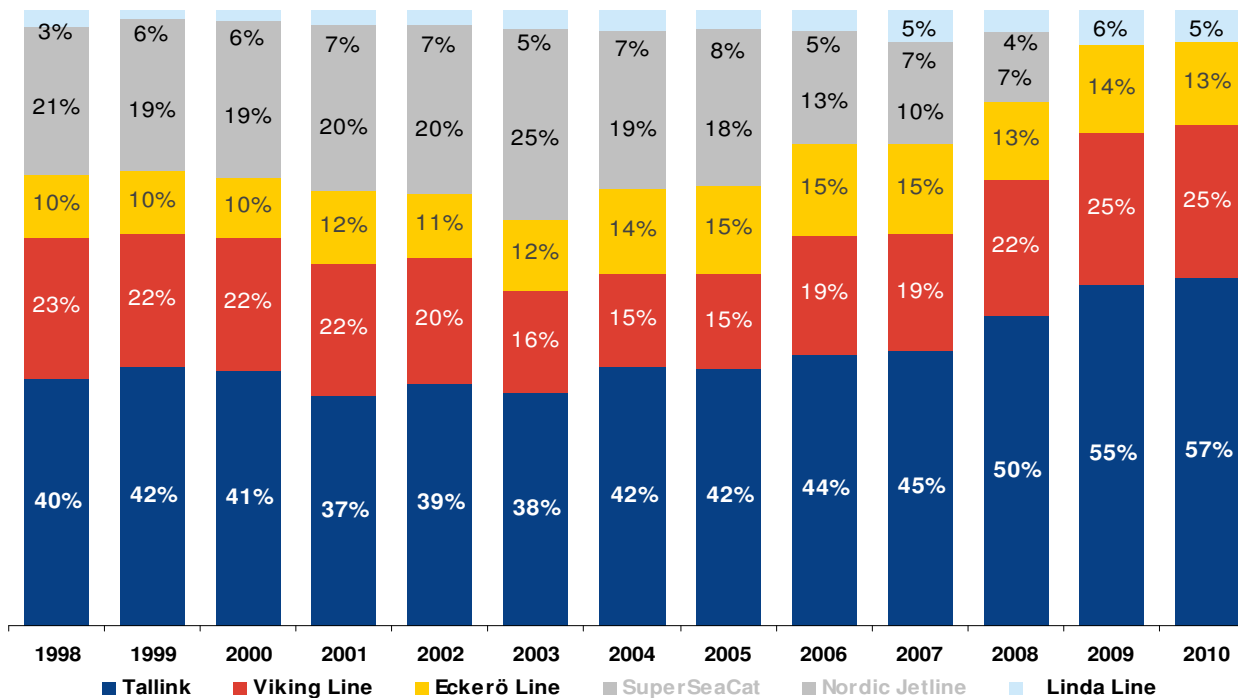




Market shares

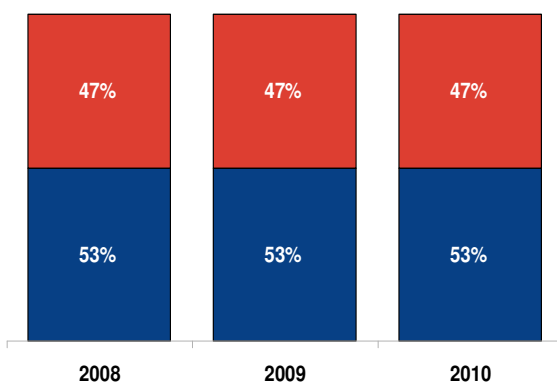
Passenger operations

Est - Fin / Tallinn - Helsinki

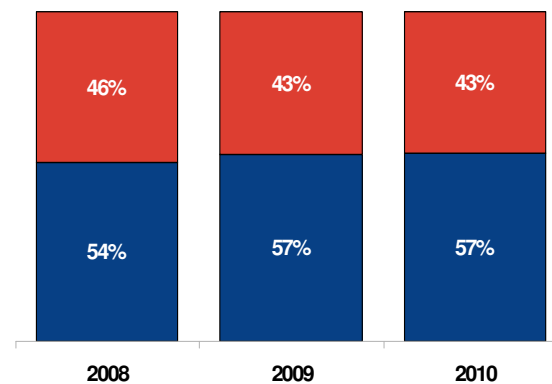


On **Estonia-Sweden** &
Latvia-Sweden routes
Tallink is the only provider
of short cruises and daily
Passenger transportation

FIN - SWE / Helsinki - Stockholm



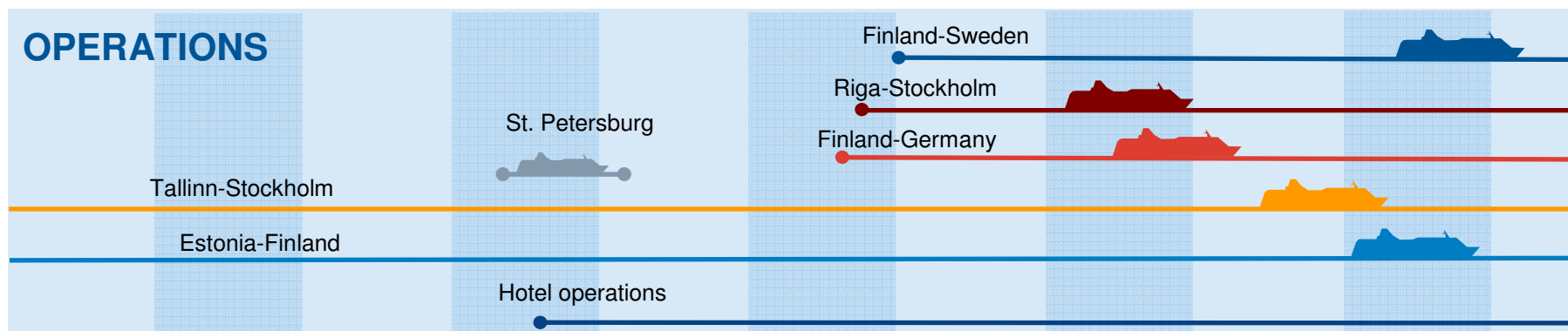
FIN - SWE / Turku - Stockholm





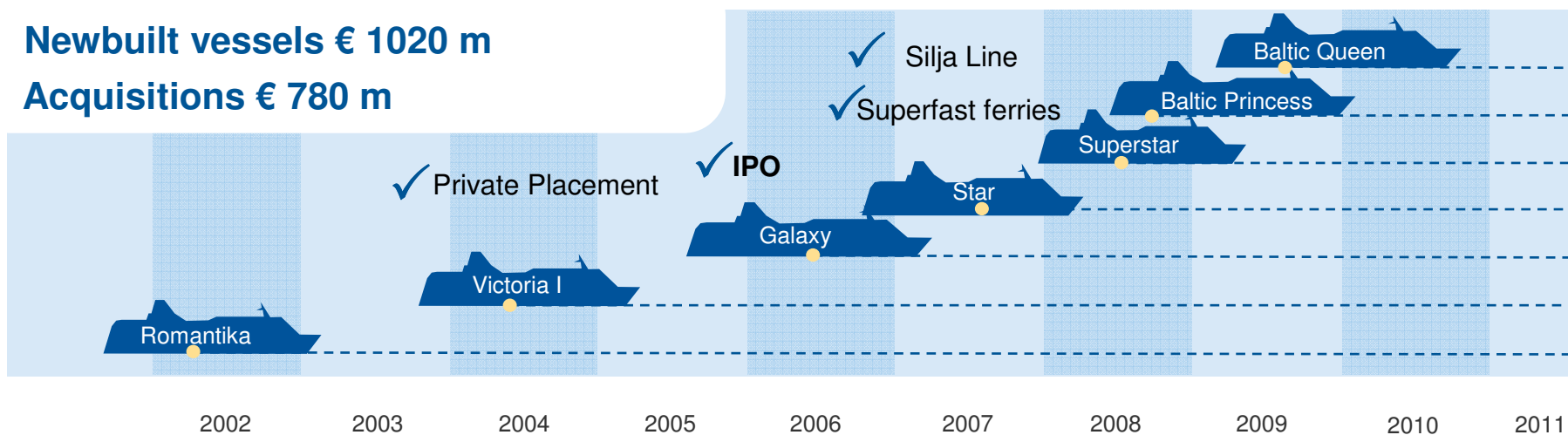
Highlights and milestones

OPERATIONS



Newbuilt vessels € 1020 m

Acquisitions € 780 m





Tallink's position in the global ferry market

The World's top 25 Duty free & Travel Retail Shops 2009

Ranking by actual and estimated retail sales in US\$ millions.

Rank	Location	Remarks
Sales> US\$ 1,000.0 million		
1	Dubai - Dubai International Airport, U.A.E.	AIRPORT SHOPS
2	London - Heathrow Airport, UK	AIRPORT SHOPS
Sales> US\$ 900.0 million		
3	Seoul - Incheon Int'l Airport, South Korea	AIRPORT SHOPS
Sales> US\$ 800.0 million		
4	Singapore - Changi Airport	AIRPORT SHOPS
Sales> US\$ 600.0 million		
5	Frankfurt - Frankfurt-Main Airport, Germany	AIRPORT SHOPS
Sales> US\$ 500.0 million		
6	Tallink Silja Line	FERRY SHOPS
7	Paris - Charles de Gaulle Airport, France	AIRPORT SHOPS
8	Hong Kong - Hong Kong International Airport	AIRPORT SHOPS
9	Bangkok - Suvarnabhumi Airport, Thailand	AIRPORT SHOPS
Sales> US\$ 400.0 million		
10	Amsterdam - Schipol Airport, Netherlands	AIRPORT SHOPS
Sales> US\$ 300.0 million		
11	Oslo - Gardermoen Airport, Norway	AIRPORT SHOPS
12	London - Gatwick Airport, UK	AIRPORT SHOPS
13	Sao Paulo - Guarulhos Int'l Airport, Brazil	AIRPORT SHOPS
14	Tel Aviv - Ben Gurion Int'l Airport, Israel	AIRPORT SHOPS
15	Manchester - Int'l Airport, UK	AIRPORT SHOPS

Source: Generation Research 2010



Ferry operator by gross tons

Rank	Company	Gross tons
1	Stena Line	759 748
2	Tallink	598 529
3	P&O Ferries	502 924
4	Tirrenia	381 899
5	Grandi Navi Veloci	352 555

Ferry operator by beds

Rank	Company	Beds
1	Tallink	26 581
2	Tirrenia	15 258
3	Stena Line	15 010
4	Viking Line	13 754
5	Grand Navi Veloci	12 160

Ferry operator by revenues (mEUR)

Rank	Company	Revenue
1	P&O Ferries	1030*
2	Stena Line	936
3	DFDS	881
4	Tallink	792
5	Color Group	551

Data: Ro/pax / ferries above 1,000 GT

Source: ShipPax MARKET:10, 09*





Strategic plan

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 an optimal debt level that will allow sustainable dividends

Current strategic cornerstones and competitive advantages:

Most modern
fleet

Wide route
network

Strong market share &
brand awareness

High safety level &
environmental standards



Future actions

- The Group's focus is on the core operations to realize past investments. No significant investments are planned.
- Aggressive sales and marketing activities are directed to the home markets. Strategic development towards key markets.
- Follow and adjust according to the clients expectations and change of habits, to maximize profit.
- Continuous innovation in product development. Flexible product offering, special offers and pricing to key customers – further development of the CRM system.
- Improved revenue and capacity management of the ships. Further development of dynamic pricing to the cruise product, currently only in use on the Shuttle vessels.
- Development of pro-active sales culture in the whole of the organization.
- Continuous focus on cost efficiency.



Results

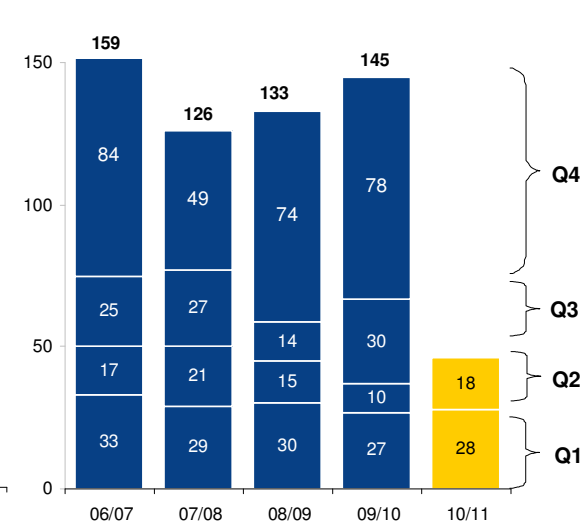
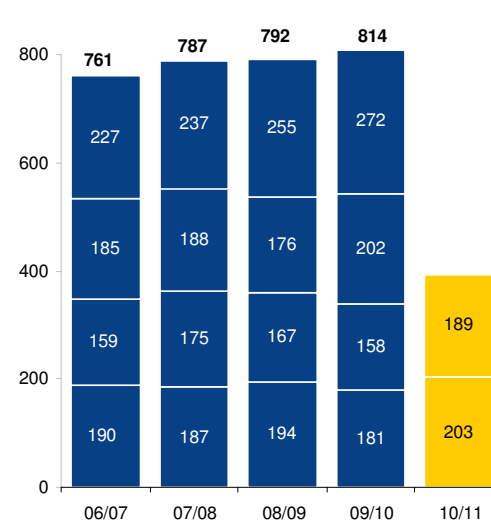
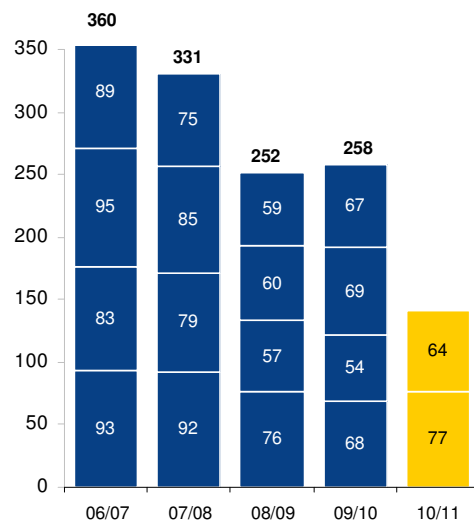
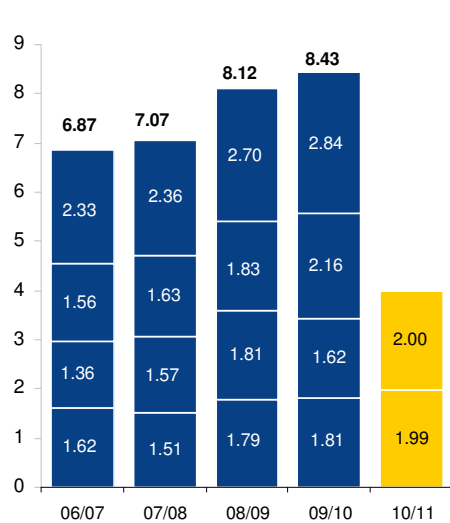
quarterly seasonality breakdown

Passengers (millions)

Cargo (th. units)

Revenue (EUR millions)

EBITDA (EUR millions)

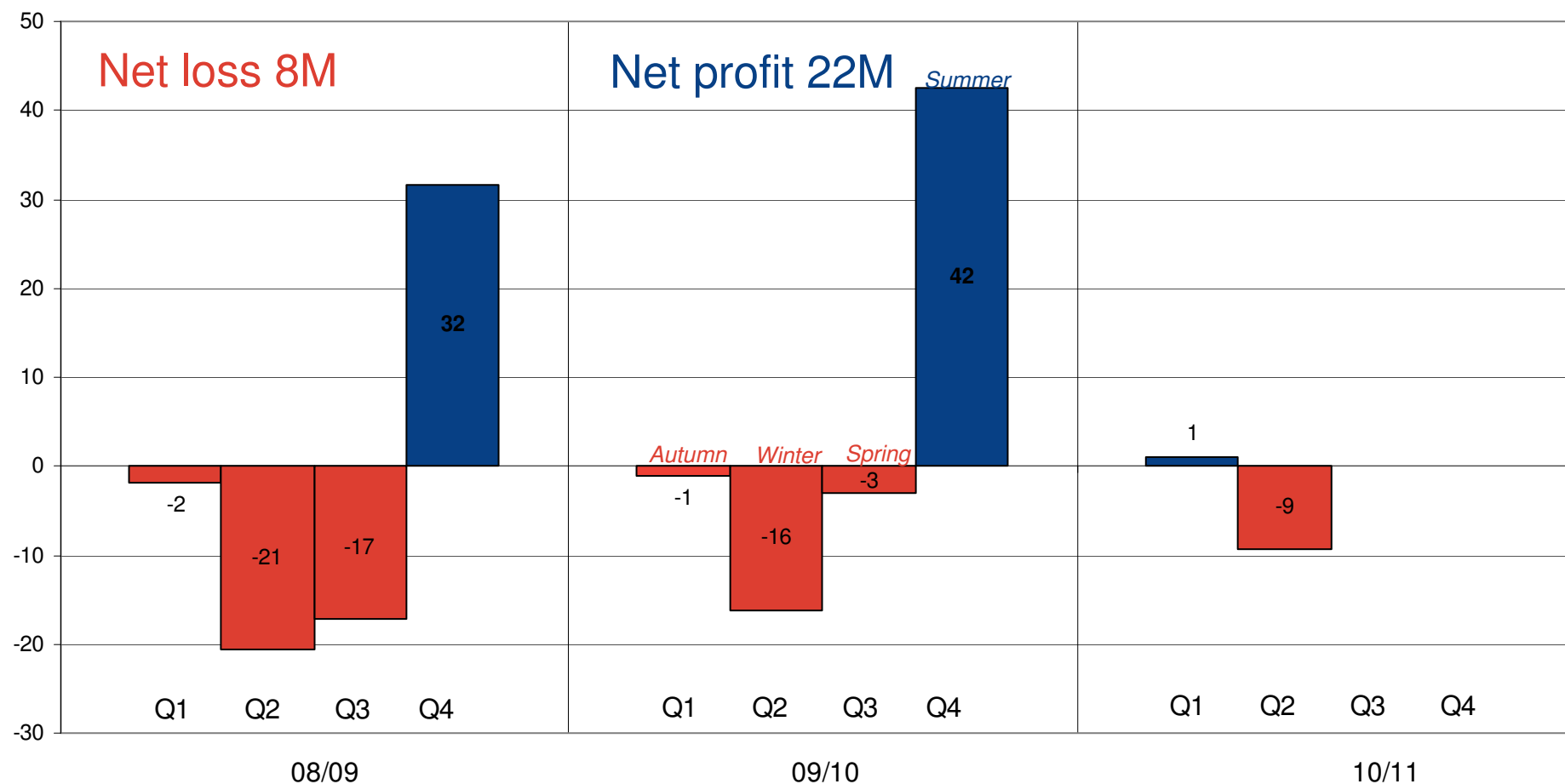




The dynamics of high seasonality on the profit level

in EUR million

Net profit/loss by quarters

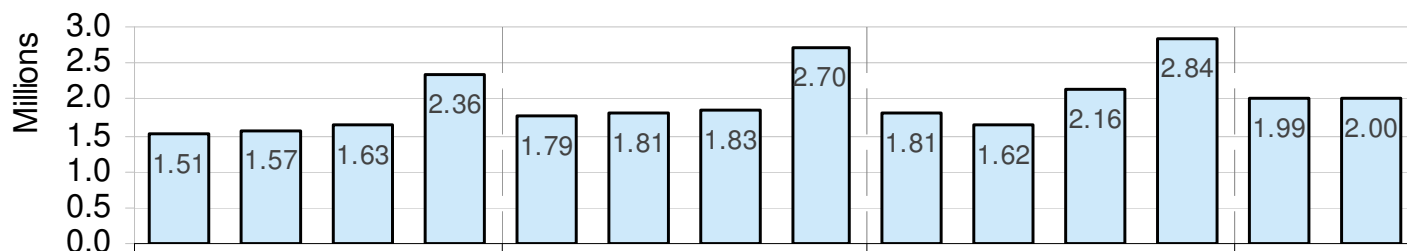


Typical to the Tallink business model is that the result is made in Q4, the summer high season

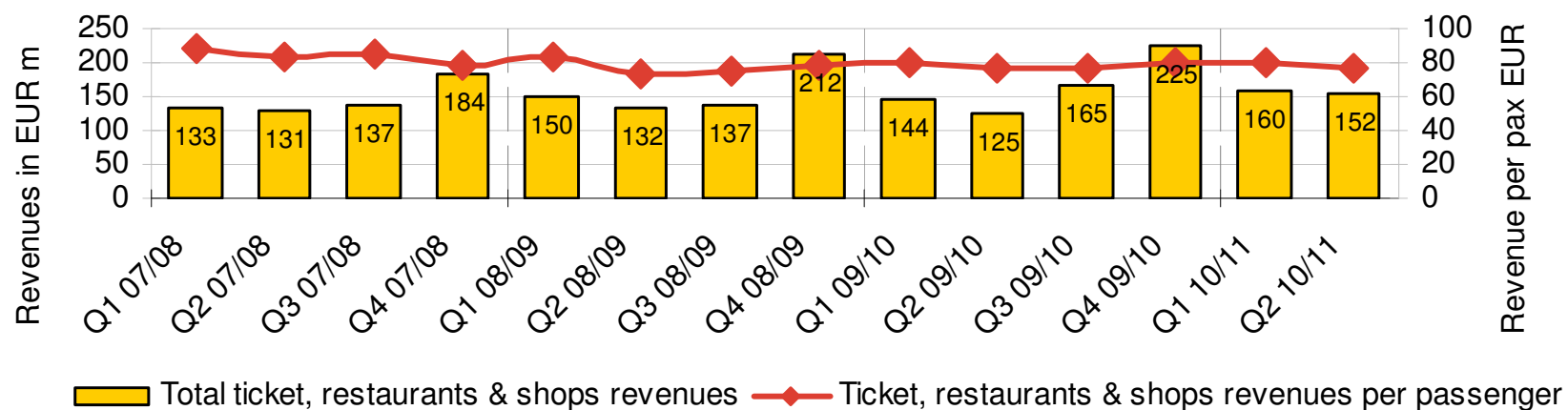


Passenger traffic

Passenger number quarterly development



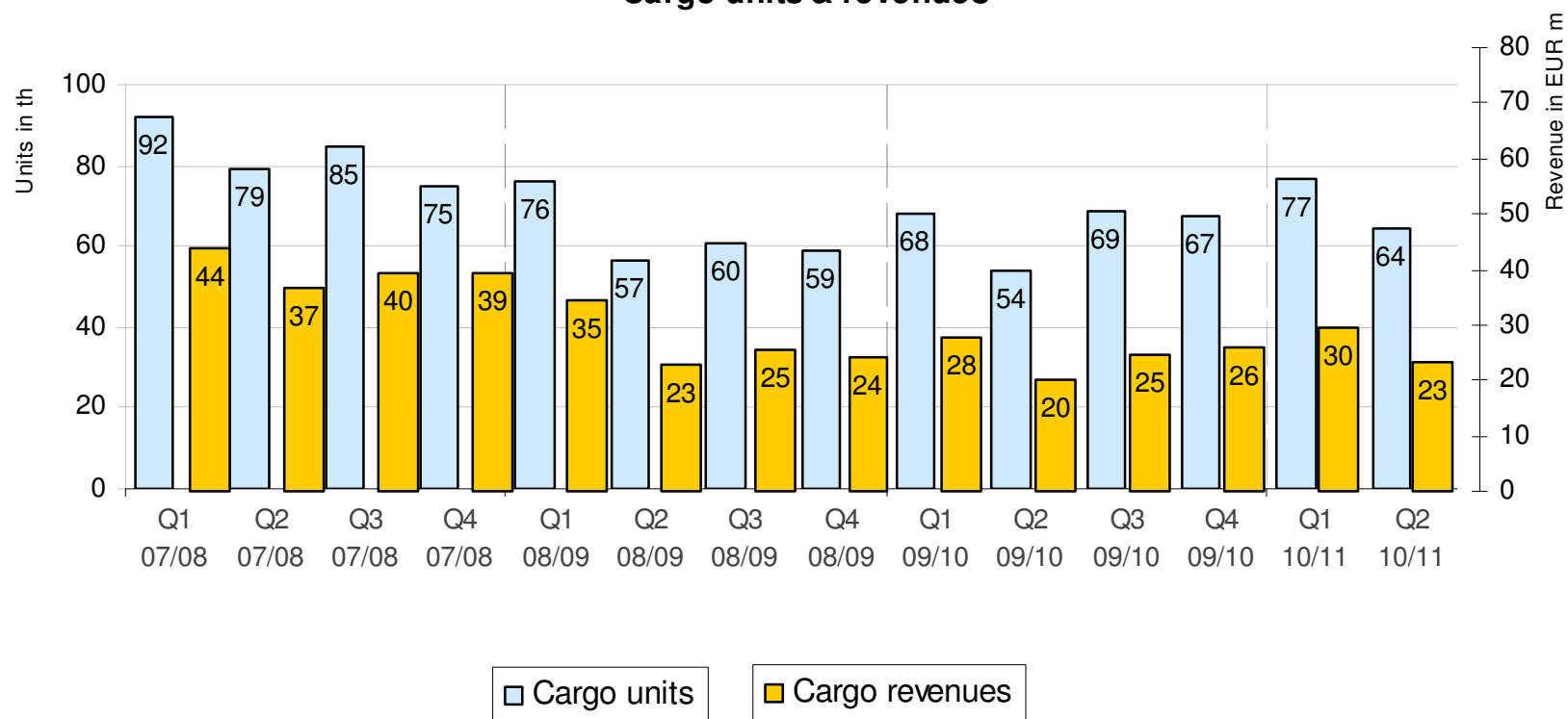
Passenger revenues





Cargo traffic

Cargo units & revenues





Consolidated Income Statement

(in EUR million)	Full year September - August		6 months September - February	
	2008/2009	2009/2010	2009/2010	2010/2011
Sales	792	814	339	392
Cost of sales ⁽¹⁾	(627)	(646)	(292)	(332)
Marketing, general & admin ⁽¹⁾	(101)	(94)	(46)	(50)
EBITDA	133	145	37.4	45.7
<i>Margin (%)</i>	<i>16.8%</i>	<i>17.8%</i>	<i>11.0%</i>	<i>11.65%</i>
Net Profit	(8.2)	22	(17.5)	(8.3)
EPS	(0.01)	0.03	(0.03)	(0.01)

Notes:

(1) Includes depreciation and amortization



Costs breakdown

	Structure		Costs in EUR(th)		
	2008/2009	2009/2010	2008/2009	2009/2010	change
Cost of goods	22%	21%	-174 145	-169 981	-2%
Staff costs	15%	15%	-119 029	-118 048	-1%
Marketing & Administrative expenses ⁽¹⁾	12%	11%	-91 893	-86 012	-6%
Port & stevedoring costs	11%	12%	-90 947	-91 546	1%
Fuel cost	11%	14%	-90 576	-110 793	22%
Ship operating expenses	8%	8%	-64 736	-61 527	-5%
Other costs	3%	4%	-26 672	-29 178	9%
Total costs from operations			-657 998	-667 085	-2%
Depreciation and amortisation	9%	9%	-69 939	-73 177	5%
Net finance cost	9%	6%	-72 891	-47 423	-35%

(1) amortisation and depreciation excluded



Consolidated Cash Flow Statement

(in EUR million)	Full year September - August		6 months September - February	
	2008/2009	2009/2010	2009/2010	2010/2011
Operating cash flow	146	164	45	44
Capital expenditure	(163)	(6)	(4)	(4)
Asset disposal	1	7	6	0
Free cash flow	(16)	165	47	40
Debt financing	59	(107)	(38)	(36)
Equity financing	0	0	0	0
Interests & other financial items	(60)	(50)	(25)	(21)
Change in cash	(17)	8	(16)	(17)



Consolidated Statement of Financial Position

(in EUR million)	31.08.2008	31.08.2009	31.08.2010	28.02.2011
Total assets	1,898	1,947	1,871	1,822
Non-current assets	1,723	1,815	1,741	1,710
Current assets	175	132	130	112
- of which cash -	67	50	57	40
Total liabilities	1,247	1,304	1,203	1,163
Interest bearing liabilities	1,120	1,181	1,068	1,033
Other liabilities	127	123	135	130
Shareholders' equity	651	643	668	658
Gearing ⁽¹⁾	63%	65%	62%	61%
Equity/assets ratio	34%	33%	36%	36%
BVPS ⁽²⁾ (in EUR)	0.97	0.96	1.00	0.98

Note:

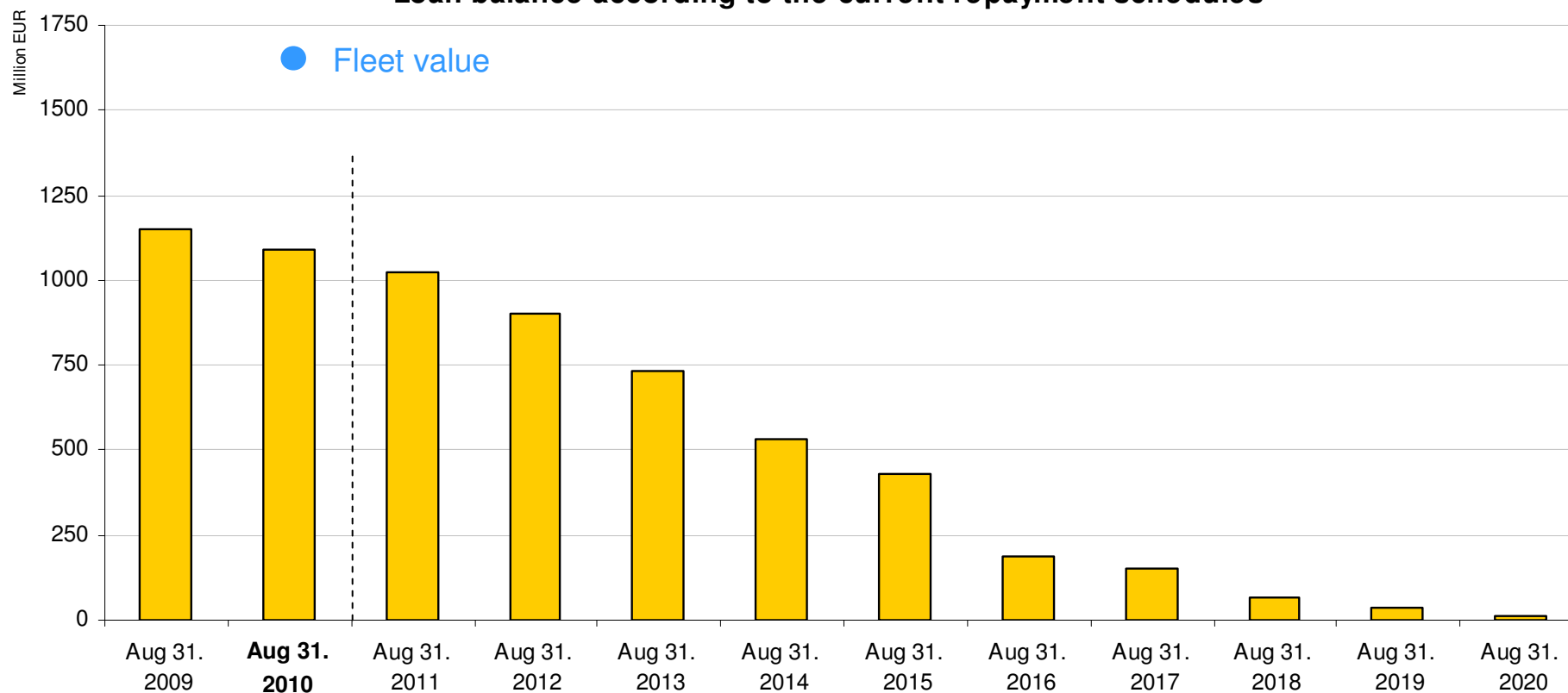
(1) Gearing represents interest bearing liabilities / (interest bearing liabilities + shareholders' equity)

(2) Shareholders' equity / number of shares outstanding



Tallink's loan agreements have aggressive repayment schedules, the vessels useful life is however longer

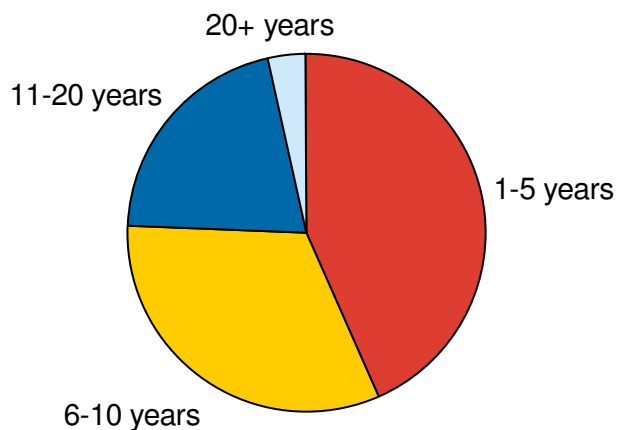
Loan balance according to the current repayment schedules





Age of fleet

Age of fleet by value (EUR m)



Tallink Grupp ships age (value-weighted average):

- Tallink + Silja core fleet – 7.7 years
- Superfast fleet – 8.3 years
- Ships out of core operations and cargo vessels – 23.5 years

World-wide ships age*:

- Ferries – 21.2 years
- Cruise – 16.2 years

* - source: ShipPax Market:10 Statistics, 2010



Tallink's Fleet



Baltic Queen

Built: 2009

Length 212.1m

Passengers: 2800

Lane meters: 1130



Victoria I

Built: 2004

Length 193.8m

Passengers: 2500

Lane meters: 1000



Baltic Princess

Built: 2008

Length 212.1m

Passengers: 2800

Lane meters: 1130



Superfast VII/VIII/IX

Built: 2001/2002

Length 203.3m

Passengers: 717

Lane meters: 1900



Silja Europa

Built: 1993

Length 201.8m

Passengers: 3123

Lane meters: 932



Galaxy

Built: 2006

Length 212.1m

Passengers: 2800

Lane meters: 1130

In the last 10 years Tallink has invested 1.3 billion EUR to create a modern fleet



Tallink's Fleet



Superstar

Built: 2008
Length 175.1m
Passengers: 2080
Lane meters: 1930



Star

Built: 2007
Length 186m
Passengers: 1900
Lane meters: 2000



Silja Serenade

Built: 1990
Length 202.9m
Passengers: 2852
Lane meters: 950



Silja Symphony

Built: 1991
Length 202.9m
Passengers: 2852
Lane meters: 950



Romantika

Built: 2002
Length 193.8m
Passengers: 2500
Lane meters: 1000



Silja Festival

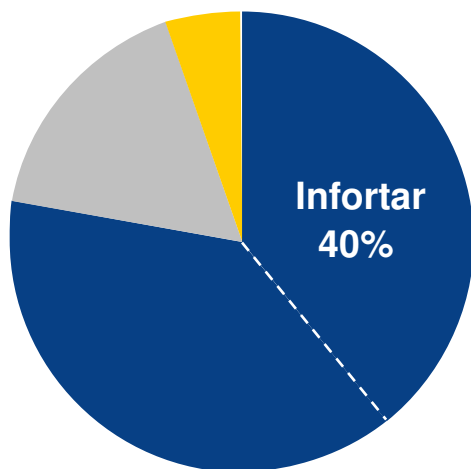
Built: 1986
Length 170.7m
Passengers: 2023
Lane meters: 885

In addition the Group has 2 ro-pax cargo vessels in operation and 3 older ferries which have been replaced and are available for charter or sale



Ownership structure

Shareholders of AS Tallink Grupp



- Top 10 shareholders
- Institutional investors
- Retail investors

Ten largest shareholders in the end of Q2

Infortar	40%
ING Luxembourg S.A	10%
Nordea Bank Finland PLC / non-resident legal entities	10%
Citigroup Venture Capital International Jersey Ltd	7%
Skandinaviska Enskilda Banken AB Clients (East Capital)	3%
JP Morgan Chase Bank / London Client's account	3%
State Street Bank and Trust Omnibus fund	3%
Firebird Republics Fund Ltd	1%
BNYM / ING Bank Slaski AC LM AKCJI FIO	1%
Skandinaviska Enskilda Banken Finnish Clients	1%





Safety, security and environmental protection are a high priority

- Safety and Security Policy
- Environmental Policy

- ISO 14001:2004 Environmental Certificate by Lloyds Register
- MARPOL Sewage Pollution Prevention Certificate
- MARPOL Air Pollution Prevention Certificate
- International Anti-Fouling System Certificate
- MARPOL Oil Pollution Prevention Certificate
- Document of Compliance for Anti-Fouling System
- MARPOL Garbage Pollution Prevention Attestation
- Passenger Ship Safety certificate
- International Ship Security Certificate
- Safety Management Certificate
- Document for Dangerous Goods





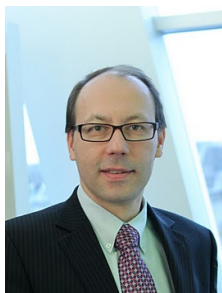
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