



AS TALLINK GRUPP

Unaudited Interim Consolidated Financial Statements for the first nine months of the 2013 financial year

1 January 2013 - 30 September 2013

Beginning of the financial year	1. January 2013
End of the financial year	31. December 2013
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Primary activity	maritime transportation (passenger and cargo transportation)
Auditor	KPMG Baltics OÜ

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MANAGEMENT REPORT

In the third quarter (1 July - 30 September) of the 2013 financial year AS Tallink Grupp and its subsidiaries' (the Group) unaudited consolidated revenue amounted to EUR 278.4 million. The Group's EBITDA amounted to EUR 72.5 million and the unaudited net profit for the third quarter was EUR 44.0 million.

The Group's operations were affected by overall weak economic environment in the region. The countries which are the Group's main markets are experiencing noticeable slowdown in their economies. The continuing decline of Finland economy is seen in the reported weak retail sales indicators and has also had impact to the Group's passengers' spending behaviour.

The Group carried a total of 2.7 million passengers in the third quarter which is 1.9% less compared to the same period last year. The number of cargo units transported amounted to 76.0 thousand, which is 10.5% more than in the same period last year due to some capacity and structural changes in the market when compared to the previous year. Growth in the number of passengers increased on the Estonia-Finland route by 2.3% and on the Latvia-Sweden route by 4.1%. The number of passengers decreased between the Finland-Sweden route by 9.6%, where the competition situation has changed and the Group has decreased its capacity.

Ticket sales continued to show increase, but passenger spending from restaurant and shop sales experienced some decline.

In the third quarter of the 2013 financial year the Group's revenue was EUR 278.4 million which is a decrease by 1.4%. Gross profit amounted to EUR 79.8 million being EUR 5.3 million less than in the previous year. EBITDA amounted to EUR 72.5 million, which is EUR 4.4 million less compared to the same period last year.

Following the introduction of M/S Isabelle the third quarter result on the Stockholm-Riga route reached to highest ever EUR 4.7 million, an increase by 58.4% when compared to the last year same period. The nine months result of the route entered the positive territory.

The unaudited net profit for the third quarter was EUR 44.0 million or EUR 0.07 per share compared to the net profit of EUR 49.6 million or EUR 0.07 per share in the same period last year. The unaudited net profit for the first nine months was EUR 35.8 million, the same period last year was EUR 50.6 million. The strongest impact on the result came from the EUR 8.9 million dividend related tax expense in the second quarter.

The cash flow from operating activities amounted to EUR 59.2 million. Despite the slowdown in the operating result the Group was successful in generating higher cash flow from operating activities both in the third quarter and for the first nine months. The total liquidity, cash and unused credit facilities at the end of the third quarter were EUR 100 million providing a strong position for sustainable operations. At the end of the third quarter 2013 the Group had EUR 50.0 million in cash and equivalents and the total of unused credit lines were at EUR 50.0 million.

The Group's net debt continued to decrease, amounting to EUR 758 million in the end of the third quarter.

Our customers have high expectations for the services the Group offers. The high customer satisfaction from cruise experience is an important strategic factor for us. Management has taken the aim to make our on-board offering and shopping environment even more attractive. The retail sector is a constantly developing area bringing along new concepts every day. In February the Group will launch the major refresh of the vessel Silja Serenade on the Stockholm-Helsinki route. The vessel will have a 50% expanded shopping area including a new Superstore, upgraded Grand Buffet concept and a new Italian restaurant. Several of the other public areas will get the facelift including the refurbishment of Commodore Class cabins and a refreshed SPA & Sauna area. The sister ship Silja Symphony will follow with similar approach in autumn 2014. An important part of our

upcoming public areas development on-board our vessels is to advance our shops' concepts for better shopping experience as well as a improved selection of products. In 2014 the Group plans to invest more than EUR 20 million in upgrading the vessels on the Helsinki-Stockholm route.

The management is not pleased with the results in the 2013 financial year. Due to the dividend related tax expense, adverse economic developments and the increased competition on Finland-Sweden routes the Group's management foresees that the results for this year will not reach the previous year's level. Improvements in product development are being made to increase the revenue generation but also cost reductions in some areas are processed in order to adapt with the changed economic environment.

Q3 KEY FIGURES

		2013 July-September	2012 July-September	Change
Revenue	EUR million	278.4	282.4	-1.4%
Gross profit	EUR million	79.8	85.2	-6.3%
Gross margin (%)		28.7%	30.2%	
EBITDA	EUR million	72.5	77.0	-5.7%
EBITDA margin (%)		26.1%	27.3%	
Net profit for the period	EUR million	44.0	49.6	-11.1%
Net profit margin (%)		15.8%	17.6%	
Depreciation and amortization	EUR million	18.5	17.7	4.5%
Investments	EUR million	2.5	5.2	-52.7%
Weighted average number of ordinary shares outstanding		669 882 040	669 882 040	
Earnings per share	EUR	0.07	0.07	-11.1%
Number of passengers		2 718 778	2 770 147	-1.9%
Number of cargo units		76 043	68 831	10.5%
Average number of employees		7 185	7 132	0.7%

		30.09.2013	30.06.2013	
Total assets	EUR million	1 723.1	1 760.2	-2.1%
Interest-bearing liabilities	EUR million	808.1	835.4	-3.3%
Net debt	EUR million	758.1	767.3	-1.2%
Total equity	EUR million	763.4	719.3	8.4%
Equity ratio (%)		44.3%	40.9%	
Net debt to EBITDA		4.8	4.7	
Number of ordinary shares outstanding ¹		669 882 040	669 882 040	0%
Shareholders' equity per share	EUR	1.14	1.09	4.8%

EBITDA: Earnings before net financial items, taxes, depreciation and amortization;

Earnings per share: net profit / weighted average number of shares outstanding;

Equity ratio: total equity / total assets;

Shareholder's equity per share: shareholder's equity / number of shares outstanding;

Gross margin: gross profit / net sales;

EBITDA margin: EBITDA / net sales;

Net profit margin: net profit / net sales;

Net debt: Interest bearing liabilities less cash and cash equivalents;

Net debt to EBITDA: Net debt / 12-months trailing EBITDA.

¹ Share numbers exclude own shares.

SALES & SEGMENT RESULTS

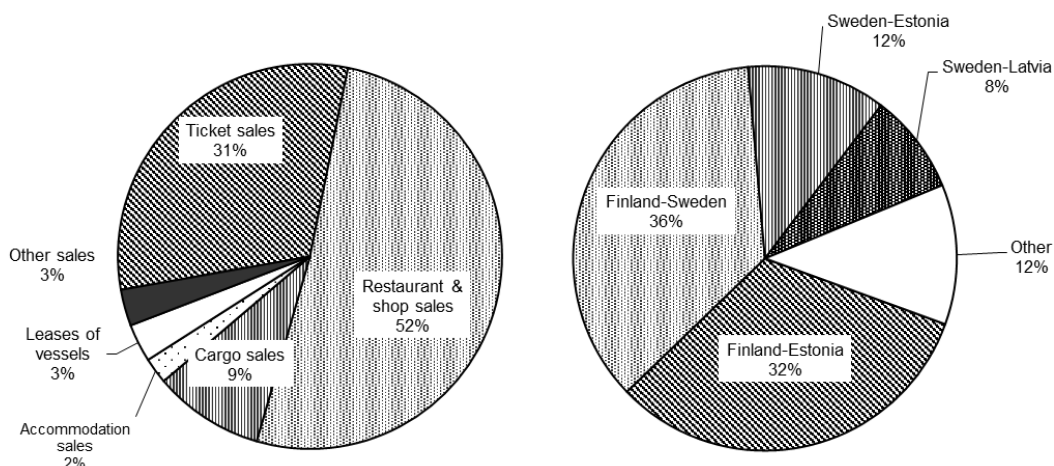
The following table provides an overview of the quarterly sales development by operational segments:

	Q3	Q4	Q1	Q2	Q3	change
in EUR millions	2012	2012	2013	2013	2013	y-o-y
Ticket sales	84.5	50.4	44.0	66.0	86.2	2.0%
Restaurant & shop sales	147.1	128.6	106.3	133.2	142.9	-2.9%
Cargo sales	24.6	25.3	24.5	28.4	25.9	5.1%
Accommodation sales	5.6	3.5	3.1	4.8	6.1	7.6%
Leases of vessels	7.2	7.5	7.2	7.3	8.9	23.9%
Other sales	13.4	7.4	5.4	9.3	8.5	-36.2%
Total revenue	282.4	222.8	190.5	249.0	278.4	-1.4%

The following table provides an overview of the quarterly sales and result development by geographical segments:

			Q3	Q4	Q1	Q2	Q3	change
			2012	2012	2013	2013	2013	y-o-y
Finland-Estonia	Passengers	th.	1 341	1 076	895	1 208	1 371	2.3%
	Cargo units	th.	34	32	29	40	39	15.1%
	Revenue	mil.EUR	88.9	75.5	61.8	84.3	90.9	2.3%
	Segment result	mil.EUR	28.8	20.4	9.3	23.5	28.4	-1.5%
Finland-Sweden	Passengers	th.	910	693	631	700	823	-9.6%
	Cargo units	th.	22	24	29	24	22	0.8%
	Revenue	mil.EUR	110.3	84.2	75.0	86.4	100.9	-8.5%
	Segment result	mil.EUR	17.7	1.2	-5.2	5.3	14.9	-15.8%
Sweden-Estonia	Passengers	th.	287	211	213	240	283	-1.4%
	Cargo units	th.	8	10	10	11	10	17.7%
	Revenue	mil.EUR	36.8	25.4	21.3	27.5	33.2	-10.0%
	Segment result	mil.EUR	9.9	0.6	-1.7	2.6	7.7	-22.3%
Sweden-Latvia	Passengers	th.	233	153	156	204	242	4.1%
	Cargo units	th.	4	5	5	5	4	9.0%
	Revenue	mil.EUR	22.4	14.5	13.8	18.7	23.8	6.2%
	Segment result	mil.EUR	3.0	-2.0	-2.5	0.1	4.7	58.4%
Other	Revenue	mil.EUR	27.4	25.1	20.2	34.9	33.2	21.3%
	Segment result	mil.EUR	10.1	2.6	0.3	7.9	8.1	-19.6%
	Inter segment sales	mil.EUR	-3.3	-1.9	-1.5	-2.8	-3.6	9.7%
	Total revenue	mil.EUR	282.4	222.8	190.6	249.0	278.4	-1.4%
	EBITDA	mil.EUR	77.0	32.1	7.0	46.8	72.5	-5.7%
	Total segment result	mil.EUR	69.6	22.8	0.1	39.4	63.9	-8.1%
	Net profit/-loss	mil.EUR	49.6	5.7	-17.5	9.3	44.0	-11.1%

The following graphs provide an overview of the sales distribution in the third quarter on a operational and geographical segment based approach.



MARKET DEVELOPMENTS

The following table provides an overview of the passengers, cargo units and passenger vehicles transported during the nine months and third quarter of 2013 and 2012 financial years.

	Q3	Q3	Q3	9 months	9 months	9 months
	2013	2012	Change	2013	2012	Change
Passengers	2 718 778	2 770 147	-1,9%	6 966 608	7 131 398	-2,3%
Finland-Sweden	822 788	909 912	-9,6%	2 153 946	2 382 976	-9,6%
Estonia-Finland	1 370 790	1 340 520	2,3%	3 474 171	3 420 802	1,6%
Estonia-Sweden	283 217	287 196	-1,4%	736 499	748 396	-1,6%
Latvia-Sweden	241 983	232 519	4,1%	601 992	579 224	3,9%
Cargo Units	76 043	68 831	10,5%	222 889	213 516	4,4%
Finland-Sweden	22 332	22 149	0,8%	70 657	69 889	1,1%
Estonia-Finland	39 339	34 177	15,1%	107 898	103 909	3,8%
Estonia-Sweden	10 005	8 499	17,7%	30 632	26 677	14,8%
Latvia-Sweden	4 367	4 006	9,0%	13 702	13 041	5,1%
Passenger Vehicles	367 969	367 508	0,1%	871 758	870 916	0,1%
Finland-Sweden	68 741	72 729	-5,5%	139 359	141 097	-1,2%
Estonia-Finland	243 802	239 461	1,8%	603 642	599 822	0,6%
Estonia-Sweden	24 879	25 798	-3,6%	57 116	57 677	-1,0%
Latvia-Sweden	30 547	29 520	3,5%	71 641	72 320	-0,9%

The following operational factors influenced the development:

FINLAND-SWEDEN

In January 2013 the cruise ferry Baltic Princess replaced the cruise ferry Silja Europa on the Turku-Stockholm route.

ESTONIA-FINLAND

In January 2013 the cruise ferry Silja Europa replaced the cruise ferry Baltic Princess on the Tallinn-Helsinki route.

LATVIA-SWEDEN

In May 2013 the cruise ferry Isabelle replaced the cruise ferry Silja Festival on the Riga-Stockholm route.

The Group's market shares on the routes operated during a 12 month period ending 30 June 2013 were as follows:

- The Group carried approximately 58% of the passengers and 56% of ro-ro cargo on the route between Tallinn and Helsinki;
- The Group is the only provider of daily passenger transportation between Estonia and Sweden.
- The Group is the only provider of daily passenger and ro-ro cargo transportation between Riga and Stockholm;
- The Group carried approximately 51% of passengers and 36% of ro-ro cargo on the routes between Finland and Sweden;

PERSONNEL

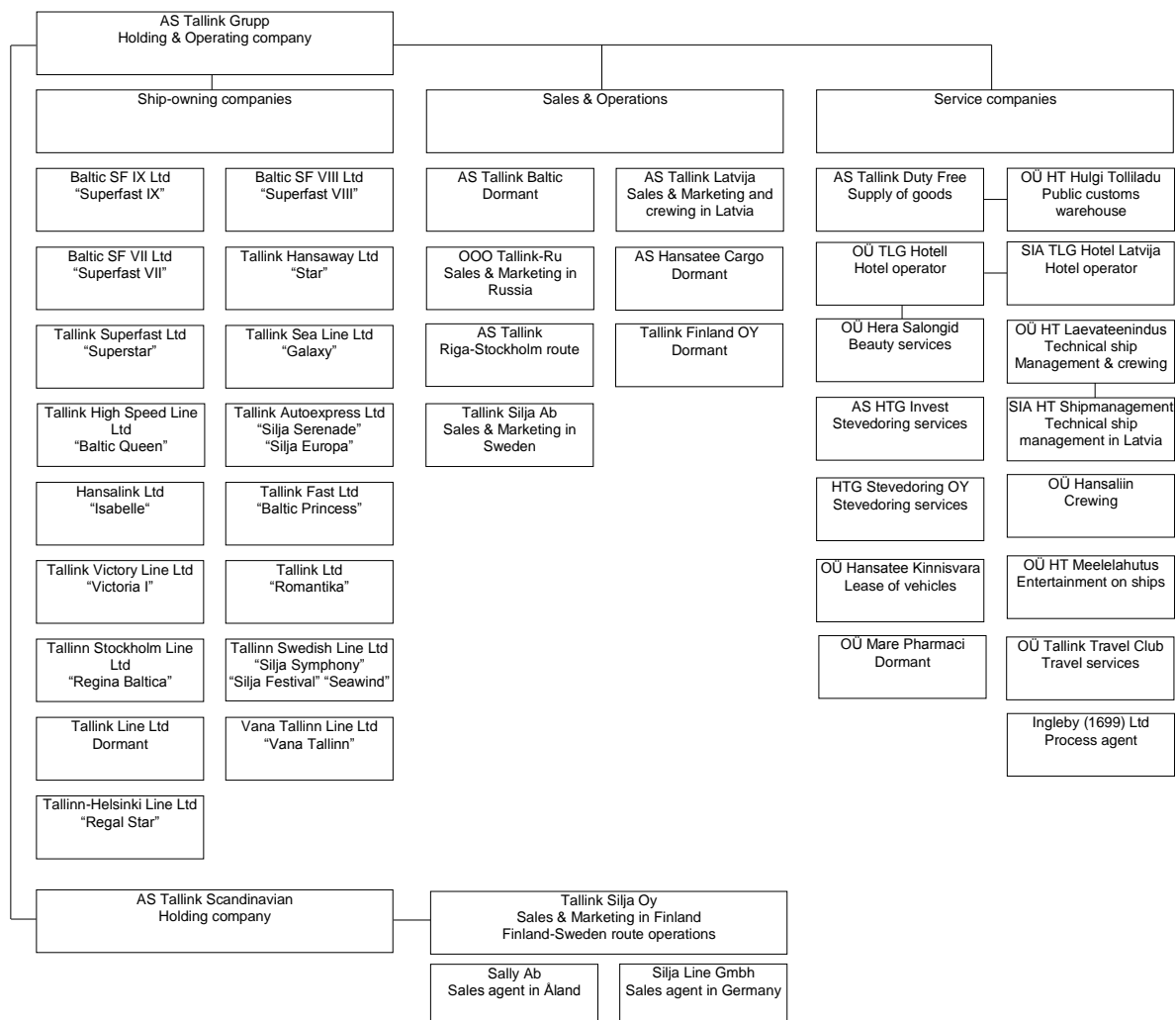
30 September 2013 the Group employed 6 851 employees (6 822, 30 September 2012). The following table provides a more detailed overview of the Group's personnel.

	Average of 3rd quarter			Average of nine months			End of 3rd quarter		
	2013	2012	change	2013	2012	change	30.09.13	30.09.12	change
Onshore total	1 630	1 641	-0,7%	1 590	1 605	-0,9%	1 581	1 617	-2,2%
<i>Estonia</i>	817	808	1,1%	808	796	1,5%	813	800	1,6%
<i>Finland</i>	513	520	-1,3%	501	515	-2,7%	491	505	-2,8%
<i>Sweden</i>	211	232	-9,1%	197	214	-7,9%	187	231	-19,0%
<i>Latvia</i>	75	65	15,4%	70	64	9,4%	76	65	16,9%
<i>Germany</i>	4	6	-33,3%	4	6	-33,3%	4	6	-33,3%
<i>Russia</i>	10	10	0,0%	10	10	0,0%	10	10	0,0%
At sea	4 966	4 914	1,1%	4 788	4 709	1,7%	4 697	4 632	1,4%
Hotel*	589	577	2,1%	582	577	0,9%	573	573	0,0%
Total	7 185	7 132	0,7%	6 960	6 891	1,0%	6 851	6 822	0,4%

* The number of hotel personnel is not included in the total number of ashore personnel.

CORPORATE STRUCTURE

On the report date, the Group consisted of 45 companies. All of the subsidiaries are wholly-owned companies of AS Tallink Grupp. The following chart describes the structure of the Group as on the date of reporting:

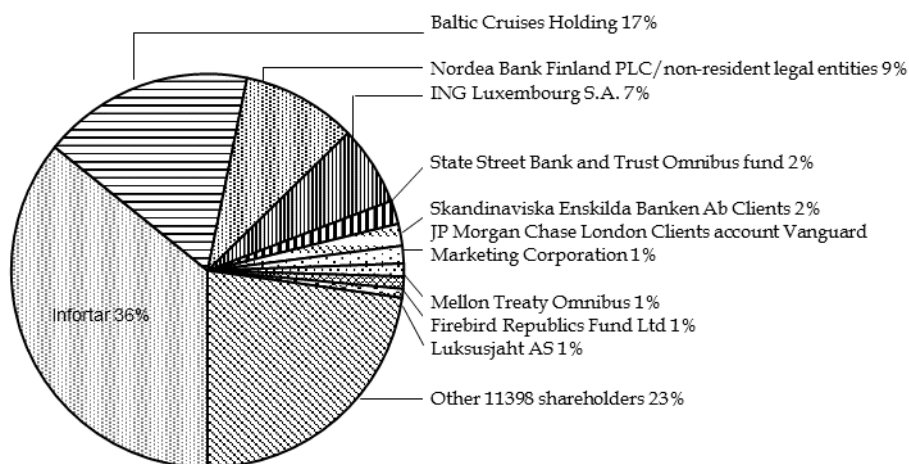


The Group also owns:

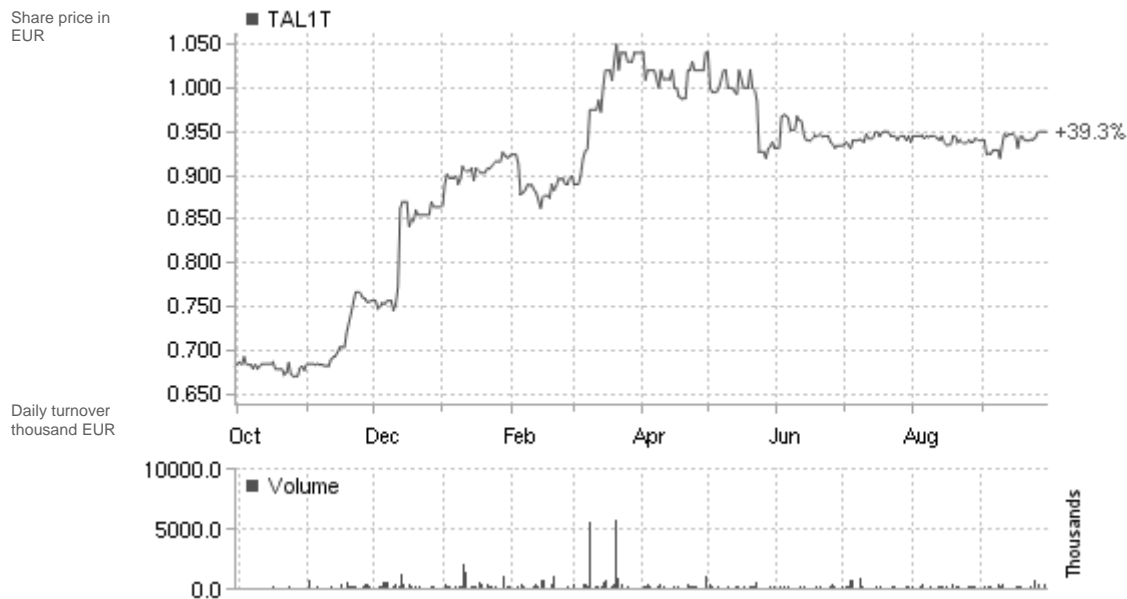
34% of AS Tallink Takso

SHAREHOLDERS & SHARE PRICE DEVELOPMENT

The following chart displays the shareholder structure of AS Tallink Grupp as of 30 September 2013.



Since the 9th of December 2005 the shares of AS Tallink Grupp are listed on the Tallinn Stock Exchange, where the shares are traded under the symbol TAL1T. The following chart gives an overview of the share price development in the past twelve months.



Source: Nasdaq OMX Baltic

EVENTS IN Q3

The Special Annual General Meeting was held on 17 of September 2013. The resolutions adopted were: Removal of the member of the supervisory board, election of the members of the supervisory board, remuneration for work of the members of the supervisory board, amendment of the articles of association.

A subsidiary of AS Tallink Grupp, Baltic SF IX Limited and Marine Atlantic Inc, a Canadian company with the state participation therein, concluded to extend the charter agreement of Superfast IX for one year, until November 2014. Marine Atlantic Inc continues operating the vessel in the Canadian waters under the name of M/S Atlantic Vision. M/S Superfast IX has been on the long-term bareboat charter since November 14, 2008.

EVENTS AFTER THE BALANCE SHEET DATE AND THE OUTLOOK

The Group's earnings are not generated evenly throughout the year. Summer period is the high season in the Group's operations. In the opinion of the management and based on the experience of the previous financial years the majority of the earnings are generated during summer (June-August).

The AS Tallink Grupp listing prospectus for a 900 million NOK bond was successfully approved by The Financial Supervisory Authority of Norway and the bond was listed on the Oslo Stock Exchange in October.

Our customers have high expectations for the services the Group offers. The high customer satisfaction from cruise experience is an important strategic factor for us. Management has taken the aim to make our on-board offering and shopping environment even more attractive. The retail sector is a constantly developing area bringing along new concepts every day. In February the Group will launch the major refresh of the vessel Silja Serenade on the Stockholm-Helsinki route. The vessel will have a 50% expanded shopping area including a new Superstore, upgraded Grand Buffet concept and a new Italian restaurant. Several of the other public areas will get the facelift including the refurbishment of Commodore Class cabins and a refreshed SPA & Sauna area. The sister ship Silja Symphony will follow with similar approach in autumn 2014. An important part of our upcoming public areas development on-board our vessels is to advance our shops' concepts for better shopping experience as well as a improved selection of products. In 2014 the Group plans to invest more than EUR 20 million in upgrading the vessels on the Helsinki-Stockholm route.

AS Tallink Grupp does not have any substantial on-going research and development projects.

Due to the dividend related tax expense, adverse economic developments and the increased competition on Finland-Sweden routes the Group's management foresees that the results for this year will not reach the previous year's level. Improvements in product development are being made to increase the revenue generation but also cost reductions in some areas are processed in order to adapt with the changed economic environment.

RISKS

The Group's business, financial condition and results from operations could be materially affected by various risks. These risks are not the only ones. Additional risks and uncertainties not presently known to us, or that we currently believe are immaterial or unlikely, could also impair our business. The order of presentation of the risk factors below is not intended to be an indication of the probability of their occurrence or of their potential effect on our business.

- Accidents, disasters
- Macroeconomic development
- Changes in laws and regulations
- Relations with trade unions
- Increase in the fuel prices and interest rates
- Market and customer behaviour

MANAGEMENT BOARD'S CONFIRMATION TO THE MANAGEMENT REPORT

The Management Board confirms that to the best of their knowledge the management report of AS Tallink Grupp for the third quarter of the 2013 financial year presents true and fair view of the development, results and the financial position of the Group and includes the overview of the main risks and uncertainties.



Enn Pant

Chairman of the Management Board



Andres Hunt

Vice Chairman of the Management Board



Lembit Kitter

Member of the Management Board



Janek Stalmeister

Member of the Management Board



Peter Roose

Member of the Management Board



Kadri Land

Member of the Management Board

14.11.2013

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

(unaudited, in thousands of EUR)	01.07.2013- 30.09.2013	01.07.2012- 30.09.2012	01.01.2013- 30.09.2013	01.01.2012- 30.09.2012
Revenue (Note 3)	278,391	282,441	718,001	721,052
Cost of sales	-198,574	-197,290	-564,968	-559,833
Gross profit	79,817	85,151	153,033	161,219
Marketing expenses	-15,926	-15,591	-49,642	-48,224
Administrative expenses	-10,068	-10,561	-32,469	-33,455
Other income	277	347	1,085	853
Other expenses	-12	-820	-141	-852
Results from operating activities	54,088	58,526	71,866	79,541
Finance income (Note 4)	4,577	1,382	15,790	2,534
Finance costs (Note 4)	-14,642	-11,130	-42,965	-32,258
Profit from the sale of a subsidiary	0	783	0	783
Profit/-loss before income tax	44,023	49,561	44,691	50,600
Income tax	16	0	-8,903	0
Net profit/-loss for the period	44,039	49,561	35,788	50,600
Other comprehensive income/-expense				
Exchange differences on translating foreign operations	3	-116	80	-121
Other comprehensive income/-expense for the period	3	-116	80	-121
Total comprehensive income/-expense for the period	44,042	49,445	35,868	50,479
Profit/-loss attributable to:				
Equity holders of the parent (Note 5)	44,039	49,561	35,788	50,600
Total comprehensive income/-expense attributable to:				
Equity holders of the parent	44,042	49,445	35,868	50,479
Earnings per share (in EUR per share)				
- basic (Note 5)	0.07	0.07	0.05	0.08
- diluted (Note 5)	0.07	0.07	0.05	0.08

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

(unaudited, in thousands of EUR)

ASSETS	30.09.2013	31.12.2012
Current assets		
Cash and cash equivalents	50,023	65,600
Trade and other receivables	46,726	42,555
Prepayments	15,346	5,151
Derivatives (Note 6)	501	0
Inventories	28,650	29,426
Total current assets	141,246	142,732
Non-current assets		
Investments in equity-accounted investees	245	245
Other financial assets	292	296
Deferred income tax assets	12,264	12,264
Investment property	300	300
Property, plant and equipment (Note 7)	1,511,140	1,526,995
Intangible assets (Note 8)	57,659	58,999
Total non-current assets	1,581,900	1,599,099
TOTAL ASSETS	1,723,146	1,741,831
LIABILITIES AND EQUITY		
Current liabilities		
Interest bearing loans and borrowings (Note 9)	87,321	103,685
Trade and other payables	95,793	92,988
Deferred income	27,445	25,458
Derivatives (Note 6)	28,285	22,102
Total current liabilities	238,844	244,233
Non-current liabilities		
Interest bearing loans and borrowings (Note 9)	720,782	736,699
Other liabilities	78	69
Total non-current liabilities	720,860	736,768
TOTAL LIABILITIES	959,704	981,001
EQUITY		
Equity attributable to equity holders of the parent		
Share capital	404,290	404,290
Share premium	639	639
Reserves	72,224	69,091
Retained earnings	286,289	286,810
Total equity attributable to equity holders of the parent	763,442	760,830
TOTAL EQUITY	763,442	760,830
TOTAL LIABILITIES AND EQUITY	1,723,146	1,741,831

CONSOLIDATED CASH FLOW STATEMENT

(unaudited, in thousands of EUR)

	01.01.2013 - 30.09.2013	01.01.2012- 30.09.2012
Cash flows from operating activities		
Net profit/-loss for the period	35,788	50,600
Adjustments	95,069	82,687
Changes in assets related to operating activities	-13,352	-15,974
Changes in liabilities related to operating activities	2,720	1,297
Income tax paid	-200	-11
	120,025	118,599
Cash flow used for investing activities		
Purchase of property, plant and equipment and intangible assets (Notes 7, 8)	-38,332	-8,898
Proceeds from disposals of property, plant and equipment	270	47
Proceeds from subsidiaries	0	1,992
Payments for settlement of derivatives	-3,374	-2,912
Interest received	17	236
	-41,419	-9,535
Cash flow from (+)/ used for (-) financing activities		
Proceeds from loans (Note 9)	24,000	0
Redemption of loans (Note 9)	-168,230	-99,477
Proceeds from bonds (Note 9)	115,487	0
Repayment of finance lease liabilities (Note 9)	-4	-51
Interest paid	-22,472	-25,880
Payment of transaction costs related to loans	-567	0
Dividends paid	-33,494	0
Income tax on dividends paid	-8,903	0
	-94,183	-125,408
TOTAL NET CASH FLOW	-15,577	-16,344
Cash and cash equivalents:		
- at the beginning of period	65,600	75,421
- increase (+) / decrease (-)	-15,577	-16,344
Cash and cash equivalents at the end of period	50,023	59,077

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

(unaudited, in thousands of EUR)

	Share capital	Share premium	Translation reserve	Ships revaluation reserve	Mandatory legal reserve	Reserve for treasury shares	Share option programme reserve	Retained earnings	Share- holders' equity	Total equity
At 31 December 2011	404,290	639	461	61,710	11,962	-4,163	527	229,665	705,091	705,091
Changes in equity for the period										
Transfer from profit for 2010/2011	0	0	0	0	1,874	0	0	-1,874	0	0
Transfer from revaluation reserve	0	0	0	-498	0	0	0	498	0	0
Total comprehensive income and expense for the period										
Net profit/-loss for the period (Note 5)	0	0	0	0	0	0	0	50,600	50,600	50,600
Total other comprehensive income and expense	0	0	-121	0	0	0	0	0	-121	-121
Total comprehensive income and expense for the period	0	0	-121	0	0	0	0	50,600	50,479	50,479
At 30 September 2012	404,290	639	340	61,212	13,836	-4,163	527	278,889	755,570	755,570
At 31 December 2012	404,290	639	-102	58,993	13,836	-4,163	527	286,810	760,830	760,830
Changes in equity for the period										
Transfer from profit for 2012	0	0	0	0	2,815	0	0	-2,815	0	0
Dividends to owners of the company (Note 12)	0	0	0	0	0	0	0	-33,494	-33,494	-33,494
Share-based payments transactions (Note 11)	0	0	0	0	0	0	238	0	238	238
Total comprehensive income and expense for the period										
Net profit/-loss for the period (Note 5)	0	0	0	0	0	0	0	35,788	35,788	35,788
Total other comprehensive income and expense	0	0	80	0	0	0	0	0	80	80
Total comprehensive income and expense for the period	0	0	80	0	0	0	0	35,788	35,868	35,868
At 30 September 2013	404,290	639	-22	58,993	16,651	-4,163	765	286,289	763,442	763,442

NOTES TO THE UNAUDITED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

Note 1 CORPORATE INFORMATION

The interim consolidated financial statements of AS Tallink Grupp and its subsidiaries (hereinafter as “the Group”) for the first 9 months of the financial year 2013 were authorised for issue in accordance with a resolution of the Management Board on 14 November 2013. AS Tallink Grupp is a limited company incorporated in Estonia and employed 6,851 people at 30 September 2013 (31 December 2012: 6,747).

Note 2 BASIS OF PREPARATION

The interim consolidated financial statements of AS Tallink Grupp have been prepared in a condensed form in accordance with IFRS as adopted by EU and in accordance with the requirements of International Accounting Standard (IAS) 34 “Interim Financial Reporting”.

The same accounting policies and methods of computation are followed in the interim consolidated financial statements as in the annual consolidated financial statements of AS Tallink Grupp for the financial year ended on 31 December 2012.

The interim consolidated financial statements have been prepared in thousand euro (EUR).

Note 3 SEGMENT INFORMATION

The Group’s operations are organised and managed separately according to the nature of the different markets. The routes represent different business segments. The following tables present the Group’s revenue and profit information regarding reportable segments for the reportable and comparable period.

Geographical segments

(in thousands of EUR)

01.01.2013-30.09.2013	Estonia- Finland route	Estonia- Sweden routes	Latvia- Sweden route	Finland- Sweden routes	Others	Elimination of intersegment sales	Total
Revenue							
Sales to external customers	237,024	81,958	56,319	262,268	80,432	0	718,001
Inter-segment sales	0	0	0	0	7,925	-7,925	0
	237,024	81,958	56,319	262,268	88,357	-7,925	718,001
Segment result	61,174	8,576	2,289	15,050	16,302	0	103,391
Unallocated expenses							-31,525
Net financial items (Note 4)							-27,175
Profit/loss before income tax							44,691

01.01.2012-30.09.2012	Estonia- Finland route	Estonia- Sweden routes	Latvia- Sweden route	Finland- Sweden routes	Others	Elimination of intersegment sales	Total
Revenue							
Sales to external customers	232,485	89,655	51,849	279,747	67,316	0	721,052
Inter-segment sales	0	0	0	0	6,858	-6,858	0
	232,485	89,655	51,849	279,747	74,174	-6,858	721,052
Segment result	66,152	12,257	-1,236	19,027	16,795	0	112,995
Unallocated expenses							-33,454
Net financial items (Note 4)							-29,724
Profit from the sale of a subsidiary							783
Profit/loss before income tax							50,600

Revenue by service

(in thousands of EUR)	01.01.2013- 30.09.2013	01.01.2012- 30.09.2012
Ticket sales	196,189	190,580
Sales of cargo transport	78,834	77,470
Sales of accommodation	13,963	12,728
Restaurant and shops sales on-board and on mainland	382,373	388,834
Income from leases of vessels	23,389	21,443
Other	23,253	29,997
Total revenue of the Group	718,001	721,052

Note 4 FINANCE INCOME AND FINANCE COSTS

(in thousands of EUR)	01.01.2013- 30.09.2013	01.01.2012- 30.09.2012
Net foreign exchange gains	9,386	1,317
Income from derivatives	6,331	985
Interest income	73	232
Total finance income	15,790	2,534
Interest expenses	-27,578	-27,290
Losses from derivatives	-15,387	-4,968
Total finance costs	-42,965	-32,258

Note 5 EARNINGS PER SHARE

Basic earnings per share are calculated by dividing the net profit for the period attributable to ordinary shareholders by the weighted average number of ordinary shares outstanding during the period. The outstanding share options have diluting effect due to their exercise price being lower than the average price in the stock market during the reporting period.

	01.07.2013- 30.09.2013	01.07.2012- 30.09.2012	01.01.2013- 30.09.2013	01.01.2012- 30.09.2012
Weighted average number of ordinary shares, basic (pcs)	669,882,040	669,882,040	669,882,040	669,882,040
Effect of share options on issue	1,096,188	0	1,359,921	0
Weighted average number of ordinary shares, diluted (pcs)	670,978,228	669,882,040	671,241,961	669,882,040
Net profit/-loss attributable to ordinary shareholders	44,039	49,561	35,788	50,600
Earnings per share, basic (in EUR per share)	0.07	0.07	0.05	0.08
Earnings per share, diluted (in EUR per share)	0.07	0.07	0.05	0.08

Weighted average number of ordinary shares (pcs)

	01.07.2013- 30.09.2013	01.07.2012- 30.09.2012	01.01.2013- 30.09.2013	01.01.2012- 30.09.2012
Issued ordinary shares at the beginning of period	673,817,040	673,817,040	673,817,040	673,817,040
Effect of own shares held	-3,935,000	-3,935,000	-3,935,000	-3,935,000
Weighted average number of ordinary shares at the end of period	669,882,040	669,882,040	669,882,040	669,882,040

Note 6 DERIVATIVE INSTRUMENTS

The Group uses interest rate swaps to manage its exposure to movements in interest rates. Where the effectiveness of the hedge relationship in a cash flow hedge is demonstrated, changes in the fair value are included in the hedging reserve in shareholders' equity and released to match actual payments on the hedged item. Changes in fair value of derivatives which do not qualify for hedge accounting under IAS 39 are recognized directly in the income statement.

As of 30.09.2013 AS Tallink Grupp had three interest rate derivative contracts with total notional amount of 270,000 thousand EUR with the maturities in years 2014, 2018, 2019 and two cross-currency rate derivative contracts with total notional amount of 120,000 thousand EUR with the maturities in year 2018. The fair value of the interest rate derivatives recognized in the current interim financial statements as of 30.09.2013 is -15,771 thousand EUR. The fair value of the cross-currency rate derivatives recognized in the current interim financial statements as of 30.09.2013 is -12,013 thousand EUR.

Note 7 PROPERTY, PLANT AND EQUIPMENT

(in thousands of EUR)

	Land and building	Ships	Plant and equipment	Prepayments	Total
Book value as of 31 December 2012	5,653	1,509,889	11,007	446	1,526,995
Additions	571	31,805	3,742	-151	35,967
Reclassification	0	2,135	-2,135	0	0
Disposals	-214	0	-779	0	-993
Depreciation for the period	-1,039	-47,297	-2,493	0	-50,829
Book value as of 30 September 2013	4,971	1,496,532	9,342	295	1,511,140

As of 30 September 2013

-cost	12,989	1,681,499	29,145	295	1,723,928
-accumulated depreciation	-8,018	-184,967	-19,803	0	-212,788

	Land and building	Ships	Plant and equipment	Prepayments	Total
Book value as of 31 December 2011	4,174	1,570,057	8,724	47	1,583,002
Additions	2,367	235	4,858	-43	7,417
Exchange rate differences	482	0	0	0	482
Disposals	0	-1,209	-2	0	-1,211
Depreciation for the period	-1,103	-46,277	-2,103	0	-49,483
Book value as of 30 September 2012	5,920	1,522,806	11,477	4	1,540,207

As of 30 September 2012

-cost	11,992	1,646,824	28,077	4	1,686,897
-accumulated depreciation	-6,072	-124,018	-16,600	0	-146,690

Note 8 INTANGIBLE ASSETS

(in thousands of EUR)

	Goodwill	Trademark	Others	Total
Book value as of 31 December 2012	11,066	39,334	8,599	58,999
Additions	0	0	2,365	2,365
Amortisation for the period	0	-2,187	-1,518	-3,705
Book value as of 30 September 2013	11,066	37,147	9,446	57,659

As of 30 September 2013

-cost	11,066	58,288	24,147	93,501
-accumulated amortisation	0	-21,141	-14,701	-35,842

	Goodwill	Trademark	Others	Total
Book value as of 31 December 2011	11,066	42,250	7,837	61,153
Additions	0	0	1,481	1,481

Amortisation for the period	0	-2,187	-1,407	-3,594
Book value as of 30 September 2012	11,066	40,063	7,911	59,040

As of 30 September 2012

-cost	11,066	58,288	21,649	91,003
-accumulated amortisation	0	-18,225	-13,738	-31,963

Note 9 INTEREST BEARING LOANS AND BORROWINGS

(in thousands of EUR)

	31 December 2012	New loans	Repayments	Exchange rate differences	Other changes [1]	30 September 2013
Lease liabilities	4	0	-4	0	0	0
Bonds	0	116,982	0	-5,986	-1,418	109,578
Long-term bank loans	840,380	24,000	-168,230	0	2,375	698,525
TOTAL	840,384	140,982	-168,234	-5,986	957	808,103
incl. short-term portion	103,685					87,321
long-term portion	736,699					720,782

[1] Other changes are related to capitalisation and amortisation of transaction costs.

Bonds are nominated in NOK.

Bank overdrafts are secured with commercial pledge (in the total amount of 20,204 thousand EUR) and ship mortgages.

AS Tallink Grupp has given guarantees to HSH Nordbank AG, Nordea Bank Plc, Danske Bank A/S, Swedbank AS and HSBC Bank Plc for the loans granted to overseas subsidiaries amounting to 277,155 thousand EUR and for the loans granted to AS Tallink Grupp amounting to 421,370 thousand EUR. The primary securities for these loans are the pledge of shares of the overseas subsidiaries and mortgages on the ships belonging to the above-mentioned subsidiaries.

Note 10 SHARE CAPITAL

According to the Articles of Association of the Parent effective as of 30 September 2013 the maximum number of authorised common shares is 2,133,333,333.

At 30 September 2013 the Group held 3,935 thousand of the AS Tallink Grupp shares. Total cost of share buyback transactions of 3,935 thousand shares is 4,163 thousand EUR.

Note 11 SHARE OPTION PROGRAMME

In June 2011 the Group issued 7,317,500 share options of which 3,510,000 to the Management Board and Supervisory Board members and 3,807,500 to other Group employees. Each option gives right to purchase one share of AS Tallink Grupp. The share options were issued in accordance of the Share Option Programme which resolution was adopted at the Shareholders General Meeting on 08.02.2011. The options issued represent around 49% of the total authorized limit and 1.1% of the total shares outstanding. The terms and conditions of exercise of the issued share options are following: non-transferable; exercisable not earlier than 36 months from issue or 31.05.2014 and not later than 30.11.2014; exercise price EUR 0.858 in case of new shares issued or average acquisition cost in case existing shares will be purchased from the market; options are to be settled by physical delivery of shares.

The fair value of the services received in return for share options granted is based on the fair value of share options granted, measured using the Black-Scholes model as of grant date. The Group used independent external advisor for the valuation share options who in addition to the share options terms and conditions used the following inputs for measurement: spot price of share EUR 0.72 as of 31.05.2011; expected volatility 30% based on historic analyse; option average time to maturity 42 months; the 3.4% and 8.1% annual dividend yields in 2012 and 2013 result in an effective dividend yield of 11.3% (based on the equity analysts' consensus) and; risk-free interest rate 1.411%.

In June 2011 the fair value of the received services in amount of 527 thousand EUR is recorded as an expense in the consolidated statement of comprehensive income and the fair value of share options in the same amount is held as a share option reserve in the equity.

In December 2012 the Group issued 7,610 thousand share options of which 3,850 thousand to the Management Board and Supervisory Board members and 3,760 thousand to other Group employees. Each option gives right to purchase one share of AS Tallink Grupp. The share options were issued in accordance of the Share Option Programme which resolution was adopted at the Shareholders General Meeting on 08 February 2011. The terms and conditions of exercise of the issued share options are following: non-transferable; exercisable not earlier than 36 months from issue or 21 December 2015 and not later than 21 June 2015; exercise price EUR 0.858 in case of new shares issued or average acquisition cost in case existing shares will be purchased from the market; options are to be settled by physical delivery of shares.

The fair value of the services received in return for share options granted is based on the fair value of share options granted, measured using the Black-Scholes model as of grant date. The Group used independent external advisor for the valuation share options who in addition to the share options terms and conditions used the following inputs for measurement: spot price of share EUR 0.848 at grant date; expected volatility 30% based on historic analysis; option average time to maturity 42 months; the 3.5% annual dividend yield and; risk-free interest rate 0.336%.

The value of the options issued at the end of 2012 in the amount 951 thousand EUR will be recorded as an expense during the vesting period 36 months from the beginning of 2013.

At 30 September 2013 14,927,500 share options were valid and outstanding. Average remaining time to maturity of the outstanding share options is 8-33 months.

The outstanding share options have diluting effect due to their exercise price being lower than the average price in the stock market during the reporting period.

Note 12 DIVIDENDS

According to the resolution of the Annual General Meeting there were announced dividends to the shareholders 0.05 euros per share, in the total amount of 33,494,102 EUR. Announced dividends were paid out on 02.07.2013.

Note 13 RELATED PARTY DISCLOSURES

(in thousands of EUR)

9 months of 2013 or 30.09.2013	Sales to related parties	Purchases from related parties	Receivables from related parties	Payables to related parties
AS Infortar	58	38	10	5
AS HT Valuuta	88	0	1	0
AS Vara HTG	0	1,438	0	0
OÜ Mersok	0	7	0	1
AS Vaba Maa	15	522	2	14
OÜ Sunbeam	0	2,526	0	0
AS Gastrolink	1	763	1	58
AS Tallink Takso	0	55	0	10
OÜ Topspa Kinnisvara	0	1,927	0	0
OÜ Hansa Hotell	0	612	0	0
OÜ Fastinvest	0	893	0	0
SIA Happy Trails	0	2,487	0	355
Eesti Laevaomanike Liit	0	13	0	0
SEB Tallink Tennis Team	5	50	0	0
9 months of 2012 or 30.09.2012	Sales to related parties	Purchases from related parties	Receivables from related parties	Payables to related parties
AS Infortar	44	37	6	5
AS HT Valuuta	87	0	1	0
AS Vara HTG	0	1,438	0	0
OÜ Mersok	0	7	0	1
AS Vaba Maa	7	557	2	43
OÜ Sunbeam	0	2,465	0	0
AS Gastrolink	1	772	0	46
AS Tallink Takso	0	62	0	9
OÜ Topspa Kinnisvara	0	1,880	0	0
OÜ Hansa Hotell	0	597	0	0
OÜ Fastinvest	0	841	0	0
SIA Happy Trails	1	2,424	0	178
Eesti Laevaomanike Liit	0	6	0	0
SEB Tallink Tennis Team	6	50	0	0

Note 14 SUBSEQUENT EVENTS

MANAGEMENT BOARD'S APPROVAL OF THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS

Hereby we declare our responsibility for the Interim Consolidated Financial Statements and confirm that the AS Tallink Grupp's Unaudited Interim Consolidated Financial Statements for the third quarter of the financial year 2013 ended 30 September 2013 prepared in accordance with IFRS as adopted by EU and in accordance with IAS 34 give a true and fair view of the financial position of the Group and of the result of its operations and cash flows.

AS Tallink Grupp and its subsidiaries are able to continue as a going concern for a period of at least one year of the date of approving these financial statements.



Chairman of the Management Board
Enn Pant



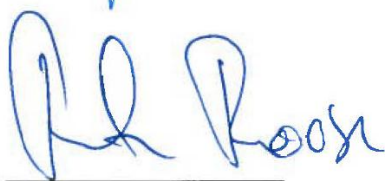
Vice Chairman of the Management Board
Andres Hunt



Member of the Management Board
Janek Stalmeister



Member of the Management Board
Lembit Kitter



Member of the Management Board
Peter Roose



Member of the Management Board
Kadri Land

Tallinn 14.11.2013