

# AS TALLINK GRUPP

## Unaudited Interim Consolidated Financial Statements

**for the I quarter of the financial year 2009/2010  
ended 30 November 2009**

Beginning of the financial year	1. September 2009
End of the financial year	31. August 2010
Commercial Registry No.	10238429
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Primary activity	maritime transportation (passengers and cargo transportation)
Auditor	KPMG Baltics AS



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## **MANAGEMENT REPORT FOR THE INTERIM FINANCIAL STATEMENTS for the I quarter of the financial year 2009/2010 ended November 30, 2009**

AS Tallink Grupp and its subsidiaries (The Group) results and development in the first quarter (01.09.2009-30.11.2009) met the management expectations.

The Group's passenger volume development was positive by 1.2% compared to the first quarter of the previous financial year. While cargo volumes for the first quarter still show a decrease by 10.5% on year on year comparison the latest months have already brought slight increase in cargo volumes on some routes.

The unaudited revenues in the first quarter of the 2009/2010 financial year were EUR 181 million (EEK 2 837 million) which is 6.4% decrease compared to the first quarter of the previous financial year. The revenue decrease was mainly influenced from the drop in cargo volumes and lower spending per passenger compared to the first quarter of 2008/2009 financial year.

The overall situation in the passenger spending pattern has however improved on quarter to quarter basis during the past two quarters which is giving a positive signal for the future outlook. The Group is actively managing the selection of products, special offers and pricing also onboard the vessels in order to follow the customers' changed spending behaviour and to meet their expectations.

The Group's EBITDA in the first quarter of 2009/2010 financial year was EUR 27 million (EEK 422 million), 10.7% lower than year ago which resulted mainly from the lower revenues. After the increased depreciation and lower interest expenses the unaudited net loss for the first quarter of 2009/2010 financial year improved by EUR 0.8 million (EEK 12 million) and amounted to EUR 1.2 million (EEK 18.6 million).

As an effect of the cost reduction activities the Group's administrative and general expenses continued to decrease in the first quarter, being 16.7% or EUR 1.9 million (EEK 29.4 million) lower compared to the first quarter of the previous financial year.

The Management continues to focus on the cost efficiency and on the improvement of the Group results. The sales or charters of older and non performing vessels have high priority. In October 2009 one of the older vessels' Tallink Autoexpress 2 was sold. There are currently several negotiations open to either charter or sell some of the older and non performing vessels.

Q1 KEY FIGURES	01.09.09-30.11. 09		01.09. 08-30.11. 08		Change %
	EEK	EUR	EEK	EUR	
Net sales (million)	2 837	181.3	3 031	193.7	-6.4%
Gross profit (million)	511	32.7	604	38.6	-15.4%
Gross margin	18.0%		19.9%		
EBITDA (million)	422	27.0	473	30.2	-10.7%
EBITDA margin	14.9%		15.6%		
Net profit/-loss (million)	-19	-1.2	-31	-1.9	39.3%
Net profit margin	-0.7%		-1.0%		

Depreciation & amort. (million)	281	18.0	257	16.5	9.2%
Investments (million)	5	0.4	168	10.7	-96.7%

Weighted average number of ordinary shares outstanding during Q1*	669 882 040		669 882 040		0%
Earnings per share	-0.03	-0.00	-0.05	0.00	40%

Number of passengers	1 808 235		1 786 205		1.2%
Cargo units	68 334		76 313		-10.5%
Average number of employees	6 621		6 826		-3%

	30.11.2009		31.08.2009		
	EEK	EUR	EEK	EUR	
Total assets (million)	29 862	1 909	30 468	1 947	-2.0%
Total liabilities (million)	19 818	1 267	20 412	1 304	-2.9%
Interest-bearing liabilities (million)	17 919	1 145	18 483	1 181	-3.1%
Total equity (million)	10 044	642	10 056	642	-0.1%
Equity ratio	33.6%		33.0%		

Number of ordinary shares outstanding*	669 882 040		669 882 040		0%
Shareholders' equity per share	15	0.96	15	0.96	0%

Net profit margin – net profit / net sales;

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

EBITDA margin – EBITDA / net sales;

Gross margin – gross profit / net sales;

Net profit margin – net profit / net sales;

Equity ratio – total equity / total assets;

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

Shareholder's equity per share – shareholder's equity / number of shares outstanding.

\* Share numbers exclude own shares.

The Group's fleet renewal program has been completed and thus the Group's investments are now relatively small going ahead. This helps to concentrate on the core operations. As there are no capital commitments then more free cash can be used to reduce the Group's net debt.

During the first quarter the Group's cash flow from operations was EUR 31.6 million (EEK 495 million), which is EUR 11.5 million (EEK 180 million) increase compared to the first quarter of the previous financial year. The increase in the operating cash flow results from the improved working capital dynamics. Taking into account the reduction in investments, sale of one vessel and lower interest payments the total net cash flow for the first quarter increased by EUR 28.9 million (EEK 452 million) compared to the first quarter of the 2008/2009 financial year. In the end of the first quarter the Group's cash and cash equivalents amounted to EUR 41 million (EEK 642 million).

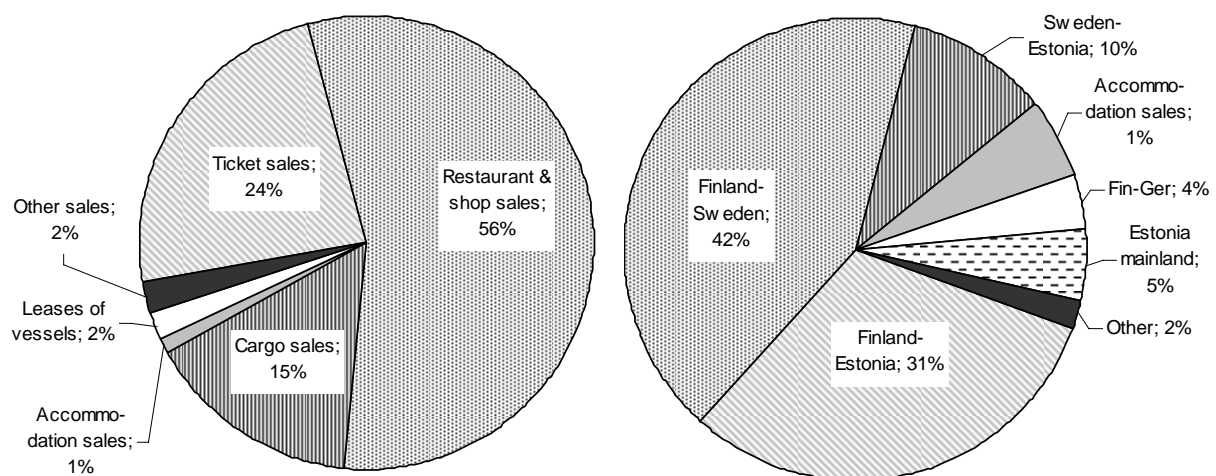
## SALES & SEGMENT RESULTS

During the first quarter of the 2009/2010 financial year the Group's sales increased in the Finland-Estonia operations by 4.7%, mainly as a result of the increase in passenger volume. The revenues on the other routes decreased in the combination of the decrease in passenger volume and lower revenues per passenger. Operationally the revenues from leases of vessels increased due to the charter arrangement of Superfast IX (renamed as Atlantic Vision). In line with the cargo volumes development the cargo revenues show decrease on year on year basis but are indicating improvement on quarter to quarter basis.

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

		Q1	Q2	Q3	Q4	Q1	Q1 change
		08/09	08/09	08/09	08/09	09/10	y-o-y
Ticket sales	mil.EUR	46.6	37.4	41.8	75.5	43.0	-7.8%
	mil.EEK	728.7	584.6	654.0	1 181.1	672.1	
Restaurant & shop sales	mil.EUR	103.0	94.3	94.8	136.5	101.0	-2.0%
	mil.EEK	1 611.5	1 475.2	1 483.1	2 135.5	1 579.6	
Cargo sales	mil.EUR	34.5	22.9	25.4	24.3	27.7	-19.9%
	mil.EEK	540.5	358.9	396.9	380.7	432.9	
Accommodation sales	mil.EUR	2.7	1.8	2.2	3.2	2.2	-18.6%
	mil.EEK	41.7	28.4	33.7	50.5	33.9	
Leases of vessels	mil.EUR	2.3	4.7	4.2	5.7	3.7	61.9%
	mil.EEK	36.2	73.8	65.9	88.5	58.7	
Other sales	mil.EUR	4.6	6.3	7.6	9.7	3.8	-17.9%
	mil.EEK	72.7	98.1	118.2	151.3	59.7	
<b>Total revenue</b>	mil.EUR	193.7	167.4	175.9	254.9	181.3	-6.4%
	mil.EEK	3 031.4	2 619.0	2 752.0	3 987.6	2 836.8	

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



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

			Q1	Q2	Q3	Q4	Q1	Q1 change
			08/09	08/09	08/09	08/09	09/10	y-o-y
<b>Finland- Estonia</b>	Passengers	th.	805	751	825	1 105	840	4.3%
	Cargo units	th.	28	20	22	23	25	-12.6%
	Revenue	mil.EUR	54.3	44.1	50.8	68.3	56.8	4.7%
		mil.EEK	849.4	689.7	794.6	1 067.9	889.4	
Segment result	mil.EUR	16.9	10.4	15.1	27.1	17.1	1.2%	
	mil.EEK	263.8	163.4	236.3	423.9	266.9		
<b>Finland- Sweden</b>	Passengers	th.	708	744	673	1 045	682	-3.7%
	Cargo units	th.	26	19	22	20	25	-4.1%
	Revenue	mil.EUR	84.3	81.4	77.0	107.8	77.8	-7.7%
		mil.EEK	1 319.4	1 273.9	1 204.7	1 686.1	1 218.0	
Segment result	mil.EUR	11.1	5.8	-0.3	23.9	6.1	-45.5%	
	mil.EEK	173.8	91.0	-4.2	374.1	94.8		
<b>Sweden- Estonia</b>	Passengers	th.	157	212	196	285	154	-1.8%
	Cargo units	th.	10	7	6	7	9	-16.1%
	Revenue	mil.EUR	22.4	16.6	19.2	32.3	18.3	-18.3%
		mil.EEK	351.1	260.2	299.9	505.8	286.9	
Segment result	mil.EUR	0.9	-2.0	-1.8	11.6	0.8	-8.7%	
	mil.EEK	14.3	-32.1	-28.8	181.9	13.0		
<b>Sweden- Latvia</b>	Passengers	th.	98	84	116	223	117	19.1%
	Cargo units	th.	4	3	3	3	4	-13.9%
	Revenue	mil.EUR	10.9	7.5	8.8	19.2	10.3	-5.5%
		mil.EEK	169.9	117.8	138.4	299.8	160.6	
Segment result	mil.EUR	-1.9	-1.1	-3.2	3.8	-1.8	5.2%	
	mil.EEK	-29.0	-16.6	-50.6	59.2	-27.5		
<b>Finland- Germany</b>	Passengers	th.	18	17	21	44	16	-11.7%
	Cargo units	th.	7	6	6	6	6	-15.2%
	Revenue	mil.EUR	9.0	7.2	8.0	12.0	7.2	-20.2%
		mil.EEK	141.6	112.9	125.6	187.4	113.0	
Segment result	mil.EUR	-3.9	-3.2	-3.1	0.3	-4.7	-19.2%	
	mil.EEK	-61.7	-49.8	-48.3	4.7	-73.5		
<b>Mainland Estonia</b>	Revenue	mil.EUR	9.7	7.6	9.3	11.9	8.8	-10.0%
		mil.EEK	152.2	118.3	145.9	186.5	137.0	
Segment result	mil.EUR	-0.3	-1.8	-0.3	0.7	0.0	88.1%	
	mil.EEK	-3.9	-28.6	-4.6	11.2	-0.5		
<b>Other</b>	Revenue	mil.EUR	4.9	4.3	4.4	5.9	3.8	-22.6%
		mil.EEK	76.4	67.1	68.5	92.1	59.2	
Segment result	mil.EUR	2.0	2.6	2.7	1.4	0.6	-67.6%	
	mil.EEK	31.0	40.5	42.2	21.7	10.0		
<i>Inter segment sales</i>	Revenue	mil.EUR	-1.8	-1.3	-1.6	-2.4	-1.7	4.9%
		mil.EEK	-28.6	-21.0	-25.6	-38.0	-27.2	
<b>Total revenue</b>	Revenue	mil.EUR	<b>193.7</b>	<b>167.4</b>	<b>175.9</b>	<b>254.9</b>	<b>181.3</b>	<b>-6.4%</b>
		mil.EEK	3 031.4	2 619.0	2 752.0	3 987.6	2 836.8	
<b>EBITDA</b>	EBITDA	mil.EUR	<b>30.2</b>	<b>15.0</b>	<b>14.3</b>	<b>73.7</b>	<b>27.0</b>	<b>-10.7%</b>
		mil.EEK	473.0	234.0	223.8	1 152.4	422.5	
<b>Total segment result</b>	Segment result	mil.EUR	<b>24.8</b>	<b>10.7</b>	<b>9.1</b>	<b>68.8</b>	<b>18.1</b>	<b>-27.1%</b>
		mil.EEK	388.3	167.8	142.0	1 076.7	283.3	
<b>Net profit/-loss</b>	Net profit/-loss	mil.EUR	<b>-2.0</b>	<b>-20.7</b>	<b>-17.2</b>	<b>31.7</b>	<b>-1.2</b>	<b>39.3%</b>
		mil.EEK	-30.7	-323.3	-269.8	495.9	-18.6	

Segment result - result before administrative expenses, financial expenses and taxes

## MARKET DEVELOPMENTS

The following table provides an overview of the passengers, cargo units and passenger vehicles transported during the first quarter of 2009/2010 and 2008/2009 financial years.

	Q1 2008/2009	Q1 2009/2010	Q1 Change
<b>Passengers</b>	<b>1,786,205</b>	<b>1,808,235</b>	<b>1.2%</b>
Finland-Sweden	707,979	681,685	-3.7%
Estonia-Finland	805,144	839,678	4.3%
Estonia-Sweden	157,298	154,398	-1.8%
Latvia-Sweden	98,043	116,804	19.1%
Finland-Germany	17,741	15,670	-11.7%
<b>Cargo Units</b>	<b>76,313</b>	<b>68,334</b>	<b>-10.5%</b>
Finland-Sweden	26,270	25,196	-4.1%
Estonia-Finland	28,397	24,816	-12.6%
Estonia-Sweden	10,352	8,687	-16.1%
Latvia-Sweden	4,484	3,860	-13.9%
Finland-Germany	6,810	5,775	-15.2%
<b>Passenger Vehicles</b>	<b>174,471</b>	<b>200,199</b>	<b>14.7%</b>
Finland-Sweden	31,064	30,418	-2.1%
Estonia-Finland	113,380	135,027	19.1%
Estonia-Sweden	10,780	11,727	8.8%
Latvia-Sweden	13,801	19,314	39.9%
Finland-Germany	5,446	3,713	-31.8%

The following operational factors influenced the development:

### FINLAND-SWEDEN

M/S Silja Europa was out of service from 22 November 2009 due to technical issues. Newer, but slightly smaller M/S Baltic Queen is temporarily replacing M/S Silja Europa since 24 November 2009.

### ESTONIA-SWEDEN

New cruise ferry Baltic Queen started operations in 24 April 2009 and replaced smaller MS Romantika which moved to Riga-Stockholm route.

M/S Baltic Queen was not operating between Estonia-Sweden in the last week in November 2009 as she was temporarily replacing M/S Silja Europa between Finland-Sweden.

### LATVIA-SWEDEN

Cruise ferry Romantika has replaced smaller M/S Regina Baltica.

### **The Group's market shares on the routes operated during a 12 month period ending on the November 30, 2009 were as follows:**

- The Group carried approximately 56% of the passengers and 53% 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 estimated market share of ro-ro cargo transportation on the route was 68%;
- The Group is the only provider of daily passenger and ro-ro cargo transportation between Riga and Stockholm;
- The Group carried approximately 54% of passengers and 34% of ro-ro cargo on the routes between Finland and Sweden;
- The Group's approximate market share of passenger transportation on the route between Finland and Germany was 41% and the approximate market share of ro-ro cargo transportation was 9%.

## PERSONNEL

On November 30, 2009 the Group employed 6,470 employees (6,720 on November 30, 2008). The following table provides a more detailed overview of the Group's personnel.

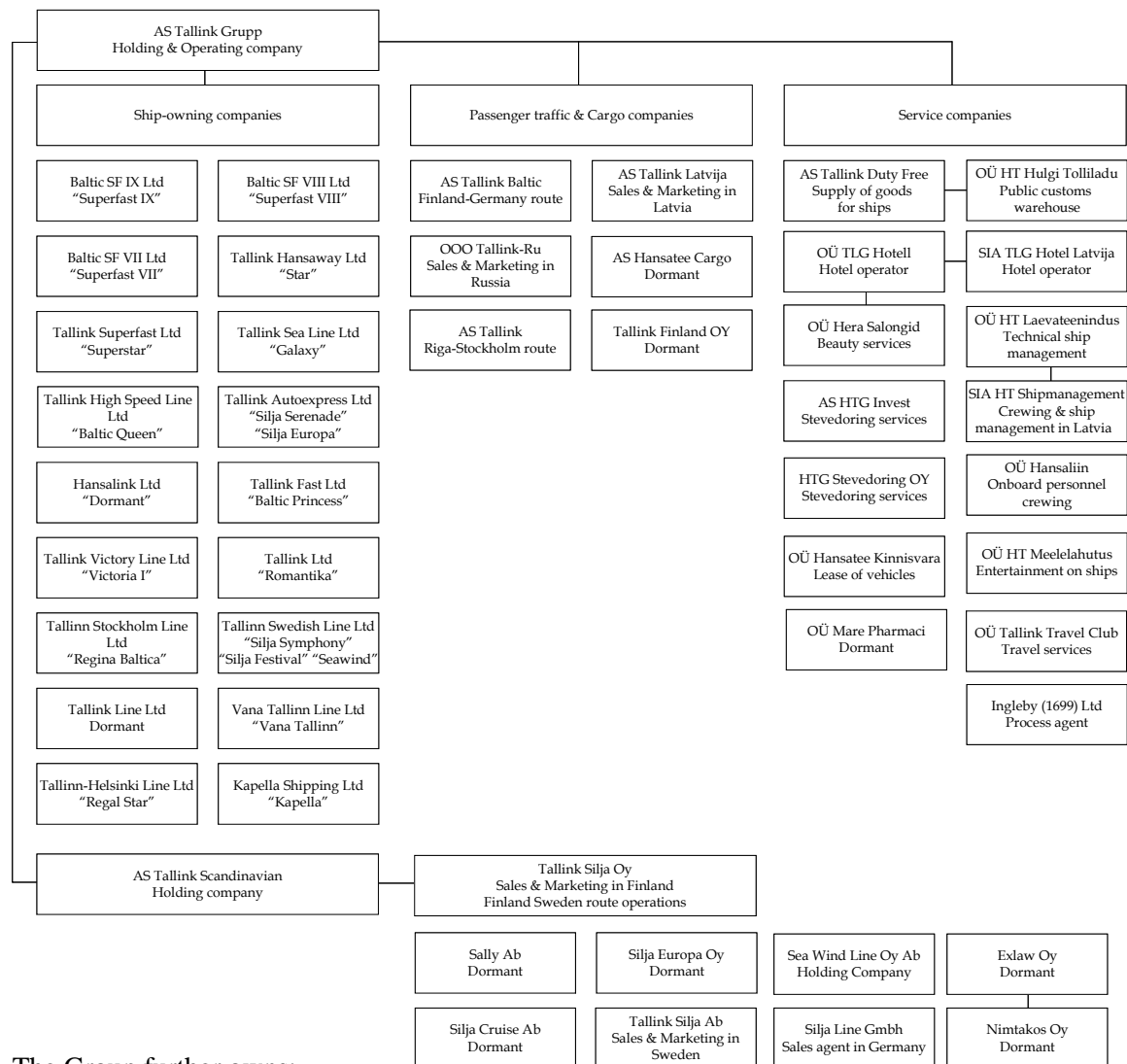
	Average of 1st quarter			End of 1st quarter		
	2009/2010	2008/2009	change %	11/30/2009	11/30/2008	change %
<b>Onshore total</b>	1,556	1,633	-4.7%	1,499	1,587	-5.5%
<i>Estonia</i>	756	786	-3.8%	740	783	-5.5%
<i>Finland</i>	529	576	-8.2%	511	542	-5.7%
<i>Sweden</i>	192	196	-2.0%	169	184	-8.2%
<i>Latvia</i>	55	49	12.2%	55	51	7.8%
<i>Germany</i>	18	19	-5.3%	18	19	-5.3%
<i>Russia</i>	6	7	-14.3%	6	8	-25.0%
<b>At sea</b>	4,599	4,691	-2.0%	4,509	4,632	-2.7%
<b>Hotel*</b>	466	502	-7.2%	462	501	-7.8%
<b>Total</b>	6,621	6,826	-3.0%	6,470	6,720	-3.7%

\* 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 51 companies. Most 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 further owns:

- 34% of AS Tallink Takso

## **EVENTS DURING THE 1<sup>st</sup> QUARTER OF THE 2009/2010 FINANCIAL YEAR**

In October 2009 the Management Board member of AS Tallink Grupp and the Managing Director of Finnish subsidiary Tallink Silja OY, Mr. Keijo Mehtonen decided to retire. He will continue as a member of Board of Directors of Tallink Silja Oy. Mr. Margus Schults was appointed as the new Managing Director of Tallink Silja Oy. Mr. Pasi Näkki was appointed as the deputy director of Tallink Silja OY. Mr. Janek Stalmeister was elected as a new member of the Management Board and CFO of AS Tallink Grupp.

Hansalink Ltd., a subsidiary of AS Tallink Grupp sold high speed craft Tallink Autoexpress 2 to Venezuelan company Consolidada de Ferrys .C.A. The profit from the sale is not significant to the consolidated results of AS Tallink Grupp.

## **EVENTS AFTER THE BALANCE SHEET DATE AND THE OUTLOOK**

AS Tallink Grupp does not have any substantial ongoing research and development projects.

AS Tallink Grupp together with its subsidiaries and all its 15 lending banks signed amendments to all of the Group's loan agreements in December 2009. In the light of recession, decreased cargo volumes and the customers' changed spending behaviour the Group's original loan repayment schedules were reduced for the next two financial years by approximately 940 million EEK (60 million EUR) per year. The change improves significantly the Group's liquidity position and gives more flexibility for the Group to maintain sufficient working capital to meet its present and future needs. In relation to the change the increased interest costs will be accrued from Q2, but it is estimated that the Group's overall interest expenses in 2009/2010 financial year will still be lower compared to the 2008/2009 financial year. When enough resources will be available and when reasonable the Group would apply for earlier prepayments of the debt.

The Group's fleet renewal program has been completed and thus the Group's investments are now relatively small going ahead. This helps to concentrate on the core operations. As there are no capital commitments then more free cash can be used to reduce the Group's net debt.

The Management continues to focus on the cost efficiency and on the improvement of the Group results. The sales or charters of older and non performing vessels have high priority. There are currently several negotiations open to either charter or sell some of the older and non performing vessels.

AS Tallink Grupp Shareholders General Meeting will take place on the 29th of January 2010 at 12.00 in the conference centre of Tallink SPA & Conference Hotel, Sadama 11a, Tallinn.

## 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 first quarter of 2009/2010 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



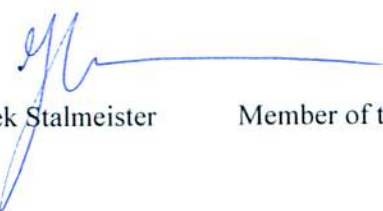
Andres Hunt

Vice Chairman of the Management Board



Lembit Kitter

Member of the Management Board



Janek Stalmeister

Member of the Management Board

19 January 2010

**CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME**

(unaudited, in thousands of EEK)	<b>01.09.2009- 30.11.2009</b>	<b>01.09.2008- 30.11.2008</b>
Revenue (Note 3)	2,836,833	3,031,349
Cost of sales	-2,325,945	-2,427,351
<b>Gross profit</b>	<b>510,888</b>	<b>603,998</b>
Marketing expenses	-227,586	-215,656
Administrative expenses	-146,246	-175,594
Other income	7,072	3,156
Other expenses	-2,785	-271
<b>Results from operating activities</b>	<b>141,343</b>	<b>215,633</b>
Financial income (Note 4)	12,729	87,511
Financial expenses (Note 4)	-172,690	-333,807
<b>Loss from normal operation before income tax</b>	<b>-18,618</b>	<b>-30,663</b>
Income tax	0	0
<b>Net loss for the period</b>	<b>-18,618</b>	<b>-30,663</b>
<b>Other comprehensive income/-expense</b>		
Exchange differences on translating foreign operations	-11,452	-6,411
Cash flow hedges	17,993	-84,226
<b>Other comprehensive income/-expense for the period</b>	<b>6,541</b>	<b>-90,637</b>
<b>Total comprehensive income/-expense for the period</b>	<b>-12,077</b>	<b>-121,300</b>
Loss attributable to:		
Equity holders of the parent (Note 5)	-18,618	-30,663
Total comprehensive income/-expense attributable to:		
Equity holders of the parent	-12,077	-121,300
<b>Earnings per share (in EEK per share)</b>		
- basic (Note 5)	-0.03	-0.05
- diluted (Note 5)	-0.03	-0.05

**CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME**

(unaudited, in thousands of EUR)	<b>01.09.2009- 30.11.2009</b>	<b>01.09.2008- 30.11.2008</b>
Revenue (Note 3)	181,307	193,739
Cost of sales	-148,655	-155,136
<b>Gross profit</b>	<b>32,652</b>	<b>38,603</b>
Marketing expenses	-14,545	-13,783
Administrative expenses	-9,347	-11,223
Other income	452	201
Other expenses	-178	-17
<b>Results from operating activities</b>	<b>9,034</b>	<b>13,781</b>
Financial income (Note 4)	813	5,593
Financial expenses (Note 4)	-11,037	-21,334
<b>Loss from normal operation before income tax</b>	<b>-1,190</b>	<b>-1,960</b>
Income tax	0	0
<b>Net loss for the period</b>	<b>-1,190</b>	<b>-1,960</b>
<b>Other comprehensive income/-expense</b>		
Exchange differences on translating foreign operations	-731	-409
Cash flow hedges	1,150	-5,383
<b>Other comprehensive income/-expense for the period</b>	<b>419</b>	<b>-5,792</b>
<b>Total comprehensive income/-expense for the period</b>	<b>-771</b>	<b>-7,752</b>
Loss attributable to:		
Equity holders of the parent (Note 5)	-1,190	-1,960
Total comprehensive income/-expense attributable to:		
Equity holders of the parent	-771	-7,752
<b>Earnings per share</b> (in EUR per share)		
- basic (Note 5)	0.00	0.00
- diluted (Note 5)	0.00	0.00

**CONSOLIDATED STATEMENT OF FINANCIAL POSITION**

(unaudited, in thousands of EEK)

<b>ASSETS</b>	<b>30.11.2009</b>	<b>31.08.2009</b>
<b>Current assets</b>		
Cash and cash equivalents	642,186	782,043
Receivables	711,947	797,762
Prepayments	157,581	179,892
Derivatives (Note 6)	19,011	6,493
Inventories	292,269	297,527
<b>Total current assets</b>	<b>1,822,994</b>	<b>2,063,717</b>
<b>Non-current assets</b>		
Investments in associates	9,180	0
Other financial assets and prepayments	7,664	7,664
Deferred income tax assets	207,453	207,455
Investment property	4,694	4,694
Property, plant and equipment (Note 7)	26,695,009	27,049,393
Intangible assets (Note 8)	1,115,143	1,134,738
<b>Total non-current assets</b>	<b>28,039,143</b>	<b>28,403,944</b>
<b>TOTAL ASSETS</b>	<b>29,862,137</b>	<b>30,467,661</b>
<b>LIABILITIES AND EQUITY</b>		
<b>Current liabilities</b>		
Interest bearing loans and borrowings (Note 9)	1,641,126	1,655,760
Payables	1,316,311	1,415,762
Deferred income	410,250	331,323
Derivatives (Note 6)	171,111	179,842
<b>Total current liabilities</b>	<b>3,538,798</b>	<b>3,582,687</b>
<b>Non-current liabilities</b>		
Interest bearing loans and borrowings (Note 9)	16,278,179	16,827,627
Other liabilities	1,220	1,330
<b>Total non-current liabilities</b>	<b>16,279,399</b>	<b>16,828,957</b>
<b>TOTAL LIABILITIES</b>	<b>19,818,197</b>	<b>20,411,644</b>
<b>EQUITY</b>		
<b>Equity attributable to equity holders of the parent</b>		
Share capital	6,738,170	6,738,170
Share premium	9,999	9,999
Reserves	1,130,950	1,124,409
Retained earnings	2,164,821	2,183,439
<b>Total equity attributable to equity holders of the parent</b>	<b>10,043,940</b>	<b>10,056,017</b>
<b>TOTAL EQUITY</b>	<b>10,043,940</b>	<b>10,056,017</b>
<b>TOTAL LIABILITIES AND EQUITY</b>	<b>29,862,137</b>	<b>30,467,661</b>

**CONSOLIDATED STATEMENT OF FINANCIAL POSITION**

(unaudited, in thousands of EUR)

<b>ASSETS</b>	<b>30.11.2009</b>	<b>31.08.2009</b>
<b>Current assets</b>		
Cash and cash equivalents	41,043	49,982
Receivables	45,502	50,986
Prepayments	10,071	11,497
Derivatives (Note 6)	1,215	415
Inventories	18,679	19,015
<b>Total current assets</b>	<b>116,510</b>	<b>131,895</b>
<b>Non-current assets</b>		
Investments in associates	587	0
Other financial assets and prepayments	490	490
Deferred income tax assets	13,259	13,259
Investment property	300	300
Property, plant and equipment (Note 7)	1,706,122	1,728,771
Intangible assets (Note 8)	71,271	72,523
<b>Total non-current assets</b>	<b>1,792,029</b>	<b>1,815,343</b>
<b>TOTAL ASSETS</b>	<b>1,908,539</b>	<b>1,947,238</b>
<b>LIABILITIES AND EQUITY</b>		
<b>Current liabilities</b>		
Interest bearing loans and borrowings (Note 9)	104,887	105,822
Payables	84,128	90,484
Deferred income	26,220	21,175
Derivatives (Note 6)	10,936	11,494
<b>Total current liabilities</b>	<b>226,171</b>	<b>228,975</b>
<b>Non-current liabilities</b>		
Interest bearing loans and borrowings (Note 9)	1,040,365	1,075,482
Other liabilities	78	85
<b>Total non-current liabilities</b>	<b>1,040,443</b>	<b>1,075,567</b>
<b>TOTAL LIABILITIES</b>	<b>1,266,614</b>	<b>1,304,542</b>
<b>EQUITY</b>		
<b>Equity attributable to equity holders of the parent</b>		
Share capital	430,648	430,648
Share premium	639	639
Reserves	72,281	71,862
Retained earnings	138,357	139,547
<b>Total equity attributable to equity holders of the parent</b>	<b>641,925</b>	<b>642,696</b>
<b>TOTAL EQUITY</b>	<b>641,925</b>	<b>642,696</b>
<b>TOTAL LIABILITIES AND EQUITY</b>	<b>1,908,539</b>	<b>1,947,238</b>

**CONSOLIDATED CASH FLOW STATEMENT**

(unaudited, in thousands of EEK)

	<b>01.09.2009 - 30.11.2009</b>	<b>01.09.2008 - 30.11.2008</b>
<b>Cash flows from operating activities</b>		
Net loss for the period	-18,618	-30,663
Adjustments	392,982	507,786
Changes in assets related to operating activities	114,741	174,408
Changes in liabilities related to operating activities	5,706	-337,265
Income tax paid	-70	-52
	<b>494,741</b>	<b>314,214</b>
<b>Cash flow used for investing activities</b>		
Purchase of property, plant, equipment and intangible assets (Notes 7, 8)	-5,490	-168,304
Proceeds from disposals of property, plant, equipment	99,721	8,318
Acquisition of associate (Note 11)	-9,180	0
Proceeds/-payments from settlement of derivatives	-14,955	12,999
Interest received	2,289	2,718
	<b>72,385</b>	<b>-144,269</b>
<b>Cash flow from (+)/ used for (-) financing activities</b>		
Redemption of loans (Note 9)	-573,688	-467,526
Change in overdraft (Note 9)	5,136	-19,440
Repayment of finance lease liabilities (Note 9)	-2,005	-2,091
Interest paid	-136,426	-272,834
	<b>-706,983</b>	<b>-761,891</b>
<b>TOTAL NET CASH FLOW</b>	<b>-139,857</b>	<b>-591,946</b>
<b>Cash and cash equivalents:</b>		
- at the beginning of period	782,043	1,043,785
- increase (+) / decrease (-)	-139,857	-591,946
<b>Cash and cash equivalents at end of period</b>	<b>642,186</b>	<b>451,839</b>



**CONSOLIDATED CASH FLOW STATEMENT**

(unaudited, in thousands of EUR)

	<b>01.09.2009 - 30.11.2009</b>	<b>01.09.2008 - 30.11.2008</b>
<b>Cash flows from operating activities</b>		
Net loss for the period	-1,190	-1,960
Adjustments	25,116	32,453
Changes in assets related to operating activities	7,333	11,147
Changes in liabilities related to operating activities	365	-21,555
Income tax paid	-4	-3
	<b>31,620</b>	<b>20,082</b>
<b>Cash flow used for investing activities</b>		
Purchase of property, plant, equipment and intangible assets (Notes 7, 8)	-351	-10,756
Proceeds from disposals of property, plant, equipment	6,373	532
Acquisition of associate (Note 11)	-587	0
Proceeds/-payments from settlement of derivatives	-955	831
Interest received	146	173
	<b>4,626</b>	<b>-9,220</b>
<b>Cash flow from (+)/ used for (-) financing activities</b>		
Redemption of loans (Note 9)	-36,665	-29,880
Change in overdraft (Note 9)	328	-1,242
Repayment of finance lease liabilities (Note 9)	-129	-134
Interest paid	-8,719	-17,438
	<b>-45,185</b>	<b>-48,694</b>
<b>TOTAL NET CASH FLOW</b>	<b>-8,939</b>	<b>-37,832</b>
<b>Cash and cash equivalents:</b>		
- at the beginning of period	49,982	66,710
- increase (+) / decrease (-)	-8,939	-37,832
<b>Cash and cash equivalents at end of period</b>	<b>41,043</b>	<b>28,878</b>

**CONSOLIDATED STATEMENT OF CHANGES IN EQUITY**

(unaudited, in thousands of EEK)	Share capital	Share premium	Translation reserve	Ships revaluation reserve	Cash flow hedge reserve	Mandatory legal reserve	Reserve for treasury shares	Retained earnings	Shareholders' equity	Total equity
<b>At 31 August 2008</b>	<b>6,738,170</b>	<b>9,999</b>	<b>-882</b>	<b>1,062,910</b>	<b>0</b>	<b>154,175</b>	<b>-65,132</b>	<b>2,289,297</b>	<b>10,188,537</b>	<b>10,188,537</b>
<b>Changes in equity for the I quarter of 2008/2009</b>										
Income and expense for the period										
Net loss of the I quarter of the year 2008/2009 (Note 5)	0	0	0	0	0	0	0	-30,663	-30,663	-30,663
Other comprehensive income and expense	0	0	-6,411	0	-84,226	0	0	0	-90,637	-90,637
<b>Total comprehensive income and expense for the period</b>	<b>0</b>	<b>0</b>	<b>-6,411</b>	<b>0</b>	<b>-84,226</b>	<b>0</b>	<b>0</b>	<b>-30,663</b>	<b>-121,300</b>	<b>-121,300</b>
<b>At 30 November 2008</b>	<b>6,738,170</b>	<b>9,999</b>	<b>-7,293</b>	<b>1,062,910</b>	<b>-84,226</b>	<b>154,175</b>	<b>-65,132</b>	<b>2,258,634</b>	<b>10,067,237</b>	<b>10,067,237</b>
<b>At 31 August 2009</b>	<b>6,738,170</b>	<b>9,999</b>	<b>-5,067</b>	<b>1,024,956</b>	<b>-422</b>	<b>170,074</b>	<b>-65,132</b>	<b>2,183,439</b>	<b>10,056,017</b>	<b>10,056,017</b>
<b>Changes in equity for the I quarter of 2009/2010</b>										
Income and expense for the period										
Net loss of the I quarter of the year 2009/2010 (Note 5)	0	0	0	0	0	0	0	-18,618	-18,618	-18,618
Other comprehensive income and expense	0	0	-11,452	0	17,993	0	0	0	6,541	6,541
<b>Total comprehensive income and expense for the period</b>	<b>0</b>	<b>0</b>	<b>-11,452</b>	<b>0</b>	<b>17,993</b>	<b>0</b>	<b>0</b>	<b>-18,618</b>	<b>-12,077</b>	<b>-12,077</b>
<b>At 30 November 2009</b>	<b>6,738,170</b>	<b>9,999</b>	<b>-16,519</b>	<b>1,024,956</b>	<b>17,571</b>	<b>170,074</b>	<b>-65,132</b>	<b>2,164,821</b>	<b>10,043,940</b>	<b>10,043,940</b>

**CONSOLIDATED STATEMENT OF CHANGES IN EQUITY**

(unaudited, in thousands of EUR)	Share capital	Share premium	Translation reserve	Ships revaluation reserve	Cash flow hedge reserve	Mandatory legal reserve	Reserve for treasury shares	Retained earnings	Shareholders' equity	Total equity
<b>At 31 August 2008</b>	<b>430,648</b>	<b>639</b>	<b>-56</b>	<b>67,932</b>	<b>0</b>	<b>9,853</b>	<b>-4,163</b>	<b>146,313</b>	<b>651,166</b>	<b>651,166</b>
<b>Changes in equity for the I quarter of 2008/2009</b>										
Income and expense for the period										
Net loss of the I quarter of the year 2008/2009 (Note 5)	0	0	0	0	0	0	0	-1,960	-1,960	-1,960
Other comprehensive income and expense	0	0	-409	0	-5,383	0	0	0	-5,792	-5,792
<b>Total comprehensive income and expense for the period</b>	<b>0</b>	<b>0</b>	<b>-409</b>	<b>0</b>	<b>-5,383</b>	<b>0</b>	<b>0</b>	<b>-1,960</b>	<b>-7,752</b>	<b>-7,752</b>
<b>At 30 November 2008</b>	<b>430,648</b>	<b>639</b>	<b>-465</b>	<b>67,932</b>	<b>-5,383</b>	<b>9,853</b>	<b>-4,163</b>	<b>144,353</b>	<b>643,414</b>	<b>643,414</b>
<b>At 31 August 2009</b>	<b>430,648</b>	<b>639</b>	<b>-324</b>	<b>65,507</b>	<b>-27</b>	<b>10,869</b>	<b>-4,163</b>	<b>139,547</b>	<b>642,696</b>	<b>642,696</b>
<b>Changes in equity for the I quarter of 2009/2010</b>										
Income and expense for the period										
Net loss of the I quarter of the year 2009/2010 (Note 5)	0	0	0	0	0	0	0	-1,190	-1,190	-1,190
Other comprehensive income and expense	0	0	-731	0	1,150	0	0	0	419	419
<b>Total comprehensive income and expense for the period</b>	<b>0</b>	<b>0</b>	<b>-731</b>	<b>0</b>	<b>1,150</b>	<b>0</b>	<b>0</b>	<b>-1,190</b>	<b>-771</b>	<b>-771</b>
<b>At 30 November 2009</b>	<b>430,648</b>	<b>639</b>	<b>-1,055</b>	<b>65,507</b>	<b>1,123</b>	<b>10,869</b>	<b>-4,163</b>	<b>138,357</b>	<b>641,925</b>	<b>641,925</b>

## **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 3 months of the financial year 2009/2010 were authorised for issue in accordance with a resolution of the Management Board on 19 January 2010. AS Tallink Grupp is a limited company incorporated in Estonia and employed 6,470 people at 30 November 2009 (31 August 2009: 6,767).

### **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 August 2009.

The interim consolidated financial statements have been prepared in thousand Estonian kroons (EEK). The respective EEK numbers have been expressed also in thousand Euros (EUR) using exchange rate 1 EUR=15.6466 EEK.

### **Note 3 SEGMENT INFORMATION**

The primary segments of the group are geographical segments (by the routes and mainland) and the secondary segments are operational segments (tickets sales, sales of cargo transport, accommodation sales, restaurant and shops sales on-board and on mainland, income from leases of vessels and others).

Notes to the unaudited interim financial statements  
 I quarter of the financial year 2009/2010  
 AS Tallink Grupp

**Geographical segments**

(in thousands of EEK)

<b>01.09.2009-30.11.2009</b>	<b>Estonia- Finland route</b>	<b>Estonia- Sweden routes</b>	<b>Latvia- Sweden route</b>	<b>Germany- Finland route</b>	<b>Finland- Sweden routes</b>	<b>Estonia mainland business</b>	<b>Others</b>	<b>Elimination of intersegment sales</b>	<b>Total</b>
<b>Revenue</b>									
Sales to external customers	889,392	286,888	160,579	113,000	1,217,996	109,818	3,781	0	2,836,833
Inter-segment sales	0	0	0	0	0	27,195	0	-27,195	0
	<b>889,392</b>	<b>286,888</b>	<b>160,579</b>	<b>113,000</b>	<b>1,217,996</b>	<b>137,013</b>	<b>59,160</b>	<b>-27,195</b>	<b>2,836,833</b>
<b>Segment result</b>									
	<b>266,946</b>	<b>13,026</b>	<b>-27,505</b>	<b>-73,539</b>	<b>94,804</b>	<b>-473</b>	<b>10,043</b>	<b>0</b>	<b>283,302</b>
Unallocated expenses									-141,959
Net financial items (Note 4)									-159,961
<b>Loss before income tax</b>									<b>-18,618</b>

<b>01.09.2008-30.11.2008</b>	<b>Estonia- Finland route</b>	<b>Estonia- Sweden routes</b>	<b>Latvia- Sweden route</b>	<b>Germany- Finland route</b>	<b>Finland- Sweden routes</b>	<b>Estonia mainland business</b>	<b>Others</b>	<b>Elimination of intersegment sales</b>	<b>Total</b>
<b>Revenue</b>									
Sales to external customers	849,403	351,086	169,880	141,567	1,319,405	123,558	76,450	0	3,031,349
Inter-segment sales	0	0	0	0	0	28,597	0	-28,597	0
	<b>849,403</b>	<b>351,086</b>	<b>169,880</b>	<b>141,567</b>	<b>1,319,405</b>	<b>152,155</b>	<b>76,450</b>	<b>-28,597</b>	<b>3,031,349</b>
<b>Segment result</b>									
	<b>263,844</b>	<b>14,249</b>	<b>-29,018</b>	<b>-61,676</b>	<b>173,856</b>	<b>-3,947</b>	<b>31,034</b>	<b>0</b>	<b>388,342</b>
Unallocated expenses									-172,709
Net financial items (Note 4)									-246,296
<b>Loss before income tax</b>									<b>-30,663</b>

Notes to the unaudited interim financial statements  
 I quarter of the financial year 2009/2010  
 AS Tallink Grupp

**Geographical segments**

(in thousands of EUR)

<b>01.09.2009-30.11.2009</b>	<b>Estonia- Finland route</b>	<b>Estonia- Sweden routes</b>	<b>Latvia- Sweden route</b>	<b>Germany- Finland route</b>	<b>Finland- Sweden routes</b>	<b>Estonia mainland business</b>	<b>Others</b>	<b>Elimination of intersegment sales</b>	<b>Total</b>
<b>Revenue</b>									
Sales to external customers	56,843	18,335	10,263	7,222	77,844	7,019	3,781	0	181,307
Inter-segment sales	0	0	0	0	0	1,738	0	-1,738	0
	<b>56,843</b>	<b>18,335</b>	<b>10,263</b>	<b>7,222</b>	<b>77,844</b>	<b>8,757</b>	<b>3,781</b>	<b>-1,738</b>	<b>181,307</b>
<b>Segment result</b>	<b>17,061</b>	<b>833</b>	<b>-1,758</b>	<b>-4,700</b>	<b>6,059</b>	<b>-30</b>	<b>642</b>	<b>0</b>	<b>18,107</b>
Unallocated expenses									-9,073
Net financial items (Note 4)									-10,224
<b>Loss before income tax</b>									<b>-1,190</b>
<b>01.09.2008-30.11.2008</b>									
	<b>Estonia- Finland route</b>	<b>Estonia- Sweden routes</b>	<b>Latvia- Sweden route</b>	<b>Germany- Finland route</b>	<b>Finland- Sweden routes</b>	<b>Estonia- mainland business</b>	<b>Others</b>	<b>Elimination of intersegment sales</b>	<b>Total</b>
<b>Revenue</b>									
Sales to external customers	54,287	22,439	10,857	9,048	84,325	7,897	4,886	0	193,739
Inter-segment sales	0	0	0	0	0	1,828	0	-1,828	0
	<b>54,287</b>	<b>22,439</b>	<b>10,857</b>	<b>9,048</b>	<b>84,325</b>	<b>9,725</b>	<b>4,886</b>	<b>-1,828</b>	<b>193,739</b>
<b>Segment result</b>	<b>16,863</b>	<b>911</b>	<b>-1,855</b>	<b>-3,942</b>	<b>11,111</b>	<b>-252</b>	<b>1,984</b>	<b>0</b>	<b>24,820</b>
Unallocated expenses									-11,039
Net financial items (Note 4)									-15,741
<b>Loss before income tax</b>									<b>-1,960</b>

**Operational segments**

	(in thousands of EEK)		(in thousands of EUR)	
	<b>01.09.2009- 30.11.2009</b>	<b>01.09.2008- 30.11.2008</b>	<b>01.09.2009- 30.11.2009</b>	<b>01.09.2008- 30.11.2008</b>
Ticket sales	672,086	728,678	42,954	46,571
Sales of cargo transport	432,871	540,485	27,666	34,543
Accommodation sales	33,943	41,702	2,169	2,665
Restaurant and shops sales on-board and on mainland	1,579,575	1,611,537	100,953	102,996
Income from leases of vessels	58,657	36,213	3,749	2,315
Other	59,701	72,734	3,816	4,649
<b>Total revenue of the Group</b>	<b>2,836,833</b>	<b>3,031,349</b>	<b>181,307</b>	<b>193,739</b>

**Note 4 FINANCIAL INCOME AND EXPENSES**

	(in thousands of EEK)		(in thousands of EUR)	
	<b>01.09.2009- 30.11.2009</b>	<b>01.09.2008- 30.11.2008</b>	<b>01.09.2009- 30.11.2009</b>	<b>01.09.2008- 30.11.2008</b>
Net foreign exchange gains	0	10,978	0	701
Profit from derivatives	10,453	73,831	668	4,719
Other interest and financial income	2,276	2,702	145	173
<b>Total financial income</b>	<b>12,729</b>	<b>87,511</b>	<b>813</b>	<b>5,593</b>
Net foreign exchange loss	-35,275	0	-2,255	0
Interest expenses	-112,428	-273,479	-7,185	-17,478
Loss from derivatives	-24,987	-59,671	-1,597	-3,814
Other financial expenses	0	-657	0	-42
<b>Total financial expenses</b>	<b>-172,690</b>	<b>-333,807</b>	<b>-11,037</b>	<b>-21,334</b>

**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. As the company does not have any potential ordinary shares, then the diluted earnings per share are equal to basic earnings per share.

	<b>01.09.2009 - 30.11.2009</b>	<b>01.09.2008 - 30.11.2008</b>
Weighted average number of ordinary shares (pcs)	669,882,040	669,882,040
Net profit/-loss attributable to ordinary shareholders	-18,618	-30,663
Earnings per share (in EEK per share)	-0.03	-0.05

	<b>01.09.2009 - 30.11.2009</b>	<b>01.09.2008 - 30.11.2008</b>
Weighted average number of ordinary shares (pcs)	669,882,040	669,882,040
Net profit/-loss attributable to ordinary shareholders	-1,190	-1,960
Earnings per share (in EUR per share)	0.00	0.00

**Weighted average number of ordinary shares (pcs)**

	<b>01.09.2009 - 30.11.2009</b>	<b>01.09.2008 - 30.11.2008</b>
Issued ordinary shares at the beginning of period	673,817,040	673,817,040
Effect of own shares held	-3,935,000	-3,935,000
Weighted average number of ordinary shares at end of period	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 30.11.2009 AS Tallink Grupp had four interest rate derivative contracts with total notional amount of 5,436,239 thousand EEK (347,439 thousand EUR) with the maturities in years 2012, 2014, 2018 and 2020. The fair value of the interest rate derivatives recognized in the current interim financial statements as of 30.11.2009 is -171,001 thousand EEK (-10,929 thousand EUR). As of 30.11.2009 AS Tallink Grupp had one foreign exchange derivative contract with total notional amount of 231,523 thousand EEK (14,797 thousand EUR) with the maturity in year 2010. The fair value of the foreign exchange derivative recognized in the current interim financial statements as of 30.11.2009 is 1,330 thousand EEK (85 thousand EUR). During the reporting period the group had four fuel price swap contracts with the total notional amount of 152,179 thousand EEK (9,726 thousand EUR). As of 30.11.2009 the fair value of the fuel price swaps in total amount of 17,571 thousand EEK (1,123 thousand EUR) are recognized in the hedging reserve in shareholders' equity.

**Note 7 PROPERTY, PLANT AND EQUIPMENT**

(in thousands of EEK)

	Land and building	Ships	Plant and equipment	Prepayments	Total
<b>Book value at 31 August 2009</b>	<b>108,480</b>	<b>26,841,984</b>	<b>76,817</b>	<b>22,112</b>	<b>27,049,393</b>
Additions	0	0	600	3,952	4,552
Exchange rate differences	-3,395	0	107	-3	-3,291
Disposals	0	-95,057	0	0	-95,057
Depreciation for the period	-3,165	-246,333	-11,090	0	-260,588
<b>Book value at 30 November 2009</b>	<b>101,920</b>	<b>26,500,594</b>	<b>66,434</b>	<b>26,061</b>	<b>26,695,009</b>

**At 30 November 2009**

-Cost	137,461	29,079,970	269,172	26,061	29,512,664
-Accumulated depreciation	-35,541	-2,579,376	-202,738	0	-2,817,655

	Land and building	Ships	Plant and equipment	Prepayments	Total
<b>Book value at 31 August 2008</b>	<b>129,371</b>	<b>24,796,267</b>	<b>102,905</b>	<b>489,755</b>	<b>25,518,298</b>
Additions	0	86,038	4,614	76,555	167,207
Exchange rate differences	0	0	-6	-3	-9
Disposals	-5,753	0	-2,166	0	-7,919
Depreciation for the period	-2,946	-219,894	-13,229	0	-236,069
<b>Book value at 30 November 2008</b>	<b>120,672</b>	<b>24,662,411</b>	<b>92,118</b>	<b>566,307</b>	<b>25,441,508</b>

**At 30 November 2008**

-Cost	147,219	26,372,801	255,606	566,307	27,341,933
-Accumulated depreciation	-26,547	-1,710,390	-163,488	0	-1,900,425

(in thousands of EUR)

	Land and building	Ships	Plant and equipment	Prepayments	Total
<b>Book value at 31 August 2009</b>	<b>6,933</b>	<b>1,715,515</b>	<b>4,910</b>	<b>1,413</b>	<b>1,728,771</b>
Additions	0	0	38	253	291
Exchange rate differences	-217	0	7	0	-210
Disposals	0	-6,075	0	0	-6,075
Depreciation for the period	-202	-15,744	-709	0	-16,655
<b>Book value at 30 November 2009</b>	<b>6,514</b>	<b>1,693,696</b>	<b>4,246</b>	<b>1,666</b>	<b>1,706,122</b>

**At 30 November 2009**

-Cost	8,785	1,858,549	17,203	1,666	1,886,203
-Accumulated depreciation	-2,271	-164,853	-12,957	0	-180,081



Notes to the unaudited interim financial statements  
I quarter of the financial year 2009/2010  
AS Tallink Grupp

	Land and building	Ships	Plant and equipment	Prepayments	Total
<b>Book value at 31 August 2008</b>	<b>8,269</b>	<b>1,584,770</b>	<b>6,577</b>	<b>31,301</b>	<b>1,630,917</b>
Additions	0	5,499	294	4,893	10,686
Disposals	-368	0	-138	0	-506
Depreciation for the period	-189	-14,054	-845	0	-15,088
<b>Book value at 30 November 2008</b>	<b>7,712</b>	<b>1,576,215</b>	<b>5,888</b>	<b>36,194</b>	<b>1,626,009</b>

**At 30 November 2008**

-Cost	9,409	1,685,529	16,336	36,194	1,747,468
-Accumulated depreciation	-1,697	-109,314	-10,448	0	-121,459

**Note 8 INTANGIBLE ASSETS**

	(in thousands of EEK)				(in thousands of EUR)			
	Goodwill	Trademark	Others	Total	Goodwill	Trademark	Others	Total
<b>Book value at 31 August 2009</b>	<b>173,148</b>	<b>767,533</b>	<b>194,057</b>	<b>1,134,738</b>	<b>11,066</b>	<b>49,054</b>	<b>12,403</b>	<b>72,523</b>
Additions	0	0	938	938	0	0	60	60
Amortisation for the period	0	-11,406	-9,127	-20,533	0	-729	-583	-1,312
<b>Book value at 30 November 2009</b>	<b>173,148</b>	<b>756,127</b>	<b>185,868</b>	<b>1,115,143</b>	<b>11,066</b>	<b>48,325</b>	<b>11,880</b>	<b>71,271</b>

**At 30 November 2009**

Cost	173,148	912,009	317,038	1,402,195	11,066	58,288	20,263	89,617
Accumulated amortisation	0	-155,882	-131,170	-287,052	0	-9,963	-8,383	-18,346

	(in thousands of EEK)				(in thousands of EUR)			
	Goodwill	Trademark	Others	Total	Goodwill	Trademark	Others	Total
<b>Book value at 31 August 2008</b>	<b>183,795</b>	<b>813,157</b>	<b>229,071</b>	<b>1,226,023</b>	<b>11,747</b>	<b>51,970</b>	<b>14,640</b>	<b>78,357</b>
Additions	0	0	1,097	1,097	0	0	70	70
Disposals	0	0	-94	-94	0	0	-6	-6
Amortisation for the period	0	-11,406	-9,923	-21,329	0	-729	-634	-1,363
<b>Book value at 30 November 2008</b>	<b>183,795</b>	<b>801,751</b>	<b>220,151</b>	<b>1,205,697</b>	<b>11,747</b>	<b>51,241</b>	<b>14,070</b>	<b>77,058</b>

**At 30 November 2008**

Cost	183,795	912,009	313,308	1,409,112	11,747	58,288	20,024	90,059
Accumulated amortisation	0	-110,258	-93,157	-203,415	0	-7,047	-5,954	-13,001

**Note 9 INTEREST BEARING LOANS AND BORROWINGS**

(in thousands of EEK)

	31 August 2009	New loans	Repayments	Other changes [1]	30 November 2009
Lease liabilities	8,756	0	-2,005	0	6,751
Bank overdrafts	721,541	5,136	0	0	726,677
Long-term bank loans	17,753,090	0	-573,688	6,475	17,185,877
<b>TOTAL</b>	<b>18,483,387</b>	<b>5,136</b>	<b>-575,693</b>	<b>6,475</b>	<b>17,919,305</b>
incl. short-term portion	1,655,760				1,641,126
long-term portion	16,827,627				16,278,179

(in thousands of EUR)

	31 August 2009	New loans	Repayments	Other changes [1]	30 November 2009
Lease liabilities	560	0	-129	0	431
Bank overdrafts	46,115	328	0	0	46,443
Long-term bank loans	1,134,629	0	-36,665	414	1,098,378
<b>TOTAL</b>	<b>1,181,304</b>	<b>328</b>	<b>-36,794</b>	<b>414</b>	<b>1,145,252</b>
incl. short-term portion	105,822				104,887
long-term portion	1,075,482				1,040,365

[1] Other changes related to long-term bank loans are the amortisation of transaction costs.

Bank overdrafts are secured with commercial pledge (in the total amount of 316,120 thousand EEK (20,204 thousand EUR) and ship mortgages.

AS Tallink Grupp has given guarantees to HSH Nordbank AG, Nordea Bank Plc, Skandinaviska Enskilda Banken AB, KfW IPEX Bank, Danske Bank A/S and HSBC Bank Plc. for the loans granted to overseas subsidiaries amounting to 13,539,938 thousand EEK (865,360 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. AS Tallink Grupp has given guarantee to HSH Nordbank AB for the loan granted to Tallink Silja Oy Ab amounting to 3,645,939 thousand EEK (233,018 thousand EUR). The primary securities for these loans are the pledge of shares of Tallink Silja Oy Ab and mortgages on the Silja ships.

**Note 10 SHARE CAPITAL**

According to the Articles of Association of the Parent effective as of 30 November 2009 the maximum number of authorised common shares is 2,000,000 thousand.

At 30 November 2009 the Group held 3,935 thousand of the AS Tallink Grupp shares. Total cost of share buyback transactions of 3,935 thousand shares is 65,132 thousand EEK (4,163 thousand EUR).

**Note 11 SUBSIDIARIES AND ASSOCIATES**

In September 2009 the subsidiary of AS Tallink Grupp OÜ TLG Hotell established a new subsidiary SIA TLG Hotell Latvija with 100% of the ownership. The payment into the share capital in the amount of 45 thousand EEK (3 thousand EUR) was made in cash. The new subsidiary has been registered in Latvia and was established to offer accommodation services in Latvia.

In November 2009 the share capital of AS Tallink Takso was increased. The change in share capital was registered in December 2009. After this transaction AS Tallink Grupp is having the same percentage in share capital as before. The payment of 9,180 thousand EEK (587 thousand EUR) was made in November 2009.

**Note 12 RELATED PARTY DISCLOSURES**

(in thousands of EEK)

<b>3 months of 2009/2010 or 30.11.2009</b>	<b>Sales to related party</b>	<b>Purchases from related parties</b>	<b>Amounts owed by related parties</b>	<b>Amounts owed to related parties</b>
AS Infortar	6	287	3	0
AS HT Valuuta	719	0	336	0
AS Vara HTG	0	13,500	0	0
OÜ Mersok	0	36	0	14
AS Vaba Maa	34	3,425	13	709
OÜ Sunbeam	0	12,115	0	3,846
AS Gastrolink	7	2,640	0	772
AS Tallink Takso	0	245	0	92
OÜ Topspa Kinnisvara	0	9,106	0	3,643
OÜ Hansa Hotell	0	2,971	0	0
OÜ Fastinvest	0	3,870	0	0
<b>3 months of 2008/2009 or 30.11.2008</b>	<b>Sales to related party</b>	<b>Purchases from related parties</b>	<b>Amounts owed by related parties</b>	<b>Amounts owed to related parties</b>
AS Infortar	327	287	119	0
AS HT Valuuta	701	0	457	0
AS Vara HTG	0	18,227	0	0
OÜ Mersok	0	24	0	0
AS Vaba Maa	22	2,166	13	964
OÜ Sunbeam	0	12,448	0	363
AS Gastrolink	0	1,940	0	0
AS Tallink Takso	1	161	1	71
OÜ Topspa Kinnisvara	0	10,000	0	0

(in thousands of EUR)

<b>3 months of 2009/2010 or 30.11.2009</b>	<b>Sales to related party</b>	<b>Purchases from related parties</b>	<b>Amounts owed by related parties</b>	<b>Amounts owed to related parties</b>
AS Infortar	0	18	0	0
AS HT Valuuta	46	0	21	0
AS Vara HTG	0	863	0	0
OÜ Mersok	0	2	0	1
AS Vaba Maa	2	219	1	45
OÜ Sunbeam	0	774	0	246
AS Gastrolink	0	169	0	49
AS Tallink Takso	0	16	0	6
OÜ Topspa Kinnisvara	0	582	0	233
OÜ Hansa Hotell	0	190	0	0
OÜ Fastinvest	0	247	0	0
<b>3 months of 2008/2009 or 30.11.2008</b>	<b>Sales to related party</b>	<b>Purchases from related parties</b>	<b>Amounts owed by related parties</b>	<b>Amounts owed to related parties</b>
AS Infortar	21	18	8	0
AS HT Valuuta	45	0	29	0
AS Vara HTG	0	1,165	0	0
OÜ Mersok	0	2	0	0
AS Vaba Maa	1	138	1	62
OÜ Sunbeam	0	796	0	23
AS Gastrolink	0	124	0	0
AS Tallink Takso	0	10	0	5
OÜ Topspa Kinnisvara	0	639	0	0

**Note 13 EVENTS AFTER BALANCE SHEET DATE**

In December 2009 all of the Group's loan agreements were amended to reduce the repayment schedules for the next two years. Restructuring improves group's liquidity position.

Shareholders Annual General Meeting will take place on 29 January 2010.

## 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 Interim Consolidated Financial Statements for the 3 months of the financial year 2009/2010 ended 30 November 2009 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*

Tallinn

19.01.2010