

AS TALLINK GRUPP

Unaudited Interim Consolidated Financial Statements

**for the first half-year of the financial year 2009/2010
ended 28 February 2010**

| | |
|---------------------------------|--|
| Beginning of the financial year | 1. September 2009 |
| End of the financial year | 31. August 2010 |
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| Internet homepage | www.tallink.com |
| 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 II quarter of the financial year 2009/2010 ended February 28, 2010

In the second quarter (01.12.2009-28.02.2010) of the financial year 2009/2010 AS Tallink Grupp and its subsidiaries' (The Group) unaudited revenue was EUR 158 million (EEK 2 472 million), being EUR 9.4 million (EEK 147 million) or 5.6% lower than in the second quarter of the previous financial year. While the revenues increased in many of the segments the impact to the decrease came from the Finland-Germany route in January and February as the ships were in maintenance and there were no operations and also from the Finland-Sweden route where the Group's largest cruise ferry Silja Europa had technical problems and was out of operations for most of December.

The Group's passenger volumes decreased by 10% in the second quarter compared to the same period of the previous financial year. The volumes were affected by the technical issues with Silja Europa, but the key element was also the seasonality. While the second quarter is the lowest season in the operations the importance of the Group's targeted travel offerings and campaigns is higher. The timing of these sales activities but as well the occurrence of the winter holidays has been different in current financial year compared to the low season of the previous financial year. Thus there has been a high volatility compared the February and March traffic figures to the previous year. On a cumulative basis the current financial year seven months passenger volumes are however positive by 1%.

Improvement of the passengers' spending continued in the second quarter of the 2009/2010 financial year. The total of ticket, restaurant and shops revenues per passenger increased by approximately 12% compared to the second quarter of 2008/2009 financial year. The adjusted offering selection, product pricing and a stronger Swedish krona, but as well the overall improvement in customer confidence in the region are influential the increase.

The Group's cargo volumes are showing a recovery. Excluding the stop of the operations in the Finland-Germany route in January and February the other core routes show a total of 5% increase in the cargo volumes in the second quarter.

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

By introducing several new vessels during the previous years the Group has gone through significant product improvement. The focus has now moved to the more detail level of product development but which is also very important. Although the customer satisfaction has shown healthy increase the management continues to put high efforts on the value of the customer satisfaction and in parallel to the personnel development through more extensive specialized education and enhanced motivation schemes. The high customer satisfaction, quality product offering and happy personnel are key factors for the Group to improve the operations and results.

| Q2 KEY FIGURES | Q2 2009/2010 | | Q2 2008/2009 | | Change % |
|----------------------------|--------------|-------|--------------|-------|----------|
| | EEK | EUR | EEK | EUR | |
| Net sales (million) | 2 472 | 158 | 2 619 | 167 | -6% |
| Gross profit (million) | 228 | 14.5 | 355 | 22.7 | -36% |
| Gross margin | 9% | | 14% | | |
| EBITDA (million) | 163 | 10.4 | 234 | 15.0 | -30% |
| EBITDA margin | 7% | | 9% | | |
| Net profit/-loss (million) | -255 | -16.3 | -323 | -20.7 | 21% |
| Net profit margin | -10% | | -12% | | |

| | | | | | |
|---------------------------------|-----|------|-----|------|----|
| Depreciation & amort. (million) | 283 | 18.1 | 262 | 16.7 | 8% |
| Investments (million) | 61 | 3.9 | 56 | 3.6 | 9% |

| | | | | | |
|---|-------------|-------|-------------|-------|-----|
| Weighted average number of ordinary shares outstanding during Q2* | 669 882 040 | | 669 882 040 | | 0% |
| Earnings per share | -0.38 | -0.02 | -0.48 | -0.03 | 21% |

| | | | | | |
|-----------------------------|-----------|--|-----------|--|------|
| Number of passengers | 1 623 522 | | 1 807 414 | | -10% |
| Cargo units | 54 151 | | 56 602 | | -4% |
| Average number of employees | 6 406 | | 6 768 | | -5% |

| | 28.02.2010 | | 30.11.2009 | | |
|--|------------|-------|------------|-------|-------|
| | EEK | EUR | EEK | EUR | |
| Total assets (million) | 29 545 | 1 888 | 29 862 | 1 909 | -1.1% |
| Total liabilities (million) | 19 733 | 1 261 | 19 818 | 1 267 | -0.4% |
| Interest-bearing liabilities (million) | 17 770 | 1 136 | 17 919 | 1 146 | -0.8% |
| Total equity (million) | 9 812 | 627 | 10 044 | 642 | -2.3% |
| Equity ratio | 33.2% | | 33.6% | | |

| | | | | | |
|--|-------------|------|-------------|------|-------|
| Number of ordinary shares outstanding* | 669 882 040 | | 669 882 040 | | 0% |
| Shareholders' equity per share | 14.6 | 0.94 | 15.0 | 0.96 | -2.3% |

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.

As an effect of the cost reduction activities the Group's administrative and general expenses continued to decrease in the second quarter being EUR 2.4 million (EEK 37 million) or 19% lower than in the second quarter of the previous financial year.

The Group's EBITDA for the second quarter of the 2009/2010 financial year was EUR 10.4 million (EEK 163 million) which is EUR 4.5 million (EEK 71 million) or 30% less than a year ago. While the operations are fundamentally healthy the result in the second quarter was depressed by higher fuel costs in relation to higher consumption in the tough ice conditions and also the higher fuel price. In the comparable period in the second quarter of the previous financial year the fuel prices were at very low levels. Total fuel costs were EUR 8.2 million (EEK 129 million) higher in the second quarter of 2009/2010 compared to the second quarter of previous financial year. In addition the technical issues with Silja Europa and maintenance dockings of some vessels had an impact to the second quarter results.

The depreciation of the Group's assets in the second quarter was EUR 1.7 million (EEK 27 million) higher compared to the second quarter of the previous financial in result of the new cruise ferry Baltic Queen.

The Group's net financial expenses in the second quarter were EUR 8.6 million (EEK 135 million). The improvement of EUR 10.3 million (EEK 161 million) compared to the previous financial year is mainly the effect of the lower interest expenses and foreign exchange rate gain from SEK/EUR rate movements.

The Group's unaudited net loss for the second quarter of the 2009/2010 financial year was EUR 16.3 million (EEK 255 million). In the second quarter of the previous financial year the net loss was EUR 20.1 million (EEK 323 million).

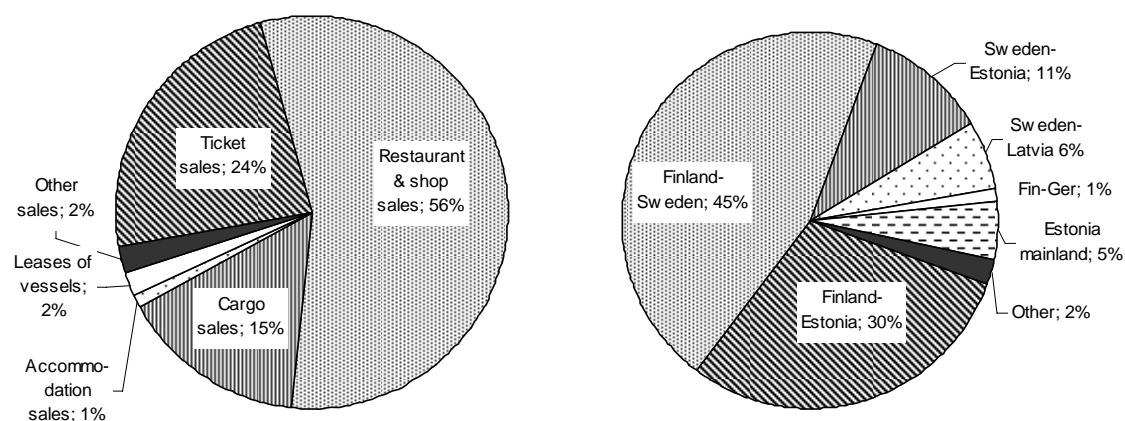
In the second quarter the Group's investments in amount of EUR 3.9 million (EEK 61 million) were related mostly to the ships' maintenances. It is common in the Group's operations that most of the scheduled dockings and bigger maintenance works are carried out in the low season.

SALES & SEGMENT RESULTS

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

| | | Q2 | Q3 | Q4 | Q1 | Q2 | Q2 change |
|-------------------------|---------|---------|---------|---------|---------|---------|-----------|
| | | 08/09 | 08/09 | 08/09 | 09/10 | 09/10 | y-o-y |
| Ticket sales | mil.EUR | 37.4 | 41.8 | 75.5 | 43.0 | 35.8 | -4.2% |
| | mil.EEK | 584.6 | 654.0 | 1 181.1 | 672.1 | 560.0 | |
| Restaurant & shop sales | mil.EUR | 94.3 | 94.8 | 136.5 | 101.0 | 89.3 | -5.3% |
| | mil.EEK | 1 475.2 | 1 483.1 | 2 135.5 | 1 579.6 | 1 397.3 | |
| Cargo sales | mil.EUR | 22.9 | 25.4 | 24.3 | 27.7 | 20.3 | -11.4% |
| | mil.EEK | 358.9 | 396.9 | 380.7 | 432.9 | 317.8 | |
| Accommodation sales | mil.EUR | 1.8 | 2.2 | 3.2 | 2.2 | 1.7 | -6.8% |
| | mil.EEK | 28.4 | 33.7 | 50.5 | 33.9 | 26.5 | |
| Leases of vessels | mil.EUR | 4.7 | 4.2 | 5.7 | 3.7 | 5.1 | 8.2% |
| | mil.EEK | 73.8 | 65.9 | 88.5 | 58.7 | 79.8 | |
| Other sales | mil.EUR | 6.3 | 7.6 | 9.7 | 3.8 | 5.8 | -7.7% |
| | mil.EEK | 98.1 | 118.2 | 151.3 | 59.7 | 90.6 | |
| Total revenue | mil.EUR | 167.4 | 175.9 | 254.9 | 181.3 | 158.0 | -5.6% |
| | mil.EEK | 2 619.0 | 2 752.0 | 3 987.6 | 2 836.8 | 2 471.9 | |

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



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

| | | | Q2 | Q3 | Q4 | Q1 | Q2 | Q2 change |
|-------------------------|-----------------------------|----------|--------------|--------------|--------------|--------------|--------------|---------------|
| | | | 08/09 | 08/09 | 08/09 | 09/10 | 09/10 | y-o-y |
| Finland-Estonia | Passengers | th. | 751 | 825 | 1 105 | 840 | 732 | -2.5% |
| | Cargo units | th. | 20 | 22 | 23 | 25 | 22 | 8.6% |
| | Revenue | mil.EUR | 44.1 | 50.8 | 68.3 | 56.8 | 47.3 | 7.4% |
| | | mil.EEK | 689.7 | 794.6 | 1 067.9 | 889.4 | 740.5 | |
| | Segment result | mil.EUR | 10.4 | 15.1 | 27.1 | 17.1 | 10.4 | -0.4% |
| | | mil.EEK | 163.4 | 236.3 | 423.9 | 266.9 | 162.8 | |
| Finland-Sweden | Passengers | th. | 744 | 673 | 1 045 | 682 | 629 | -15.4% |
| | Cargo units | th. | 19 | 22 | 20 | 25 | 20 | 2.5% |
| | Revenue | mil.EUR | 81.4 | 77.0 | 107.8 | 77.8 | 72.7 | -10.8% |
| | | mil.EEK | 1 273.9 | 1 204.7 | 1 686.1 | 1 218.0 | 1 136.8 | |
| | Segment result | mil.EUR | 5.8 | -0.3 | 23.9 | 6.1 | 0.9 | -84.7% |
| | | mil.EEK | 91.0 | -4.2 | 374.1 | 94.8 | 14.0 | |
| Sweden-Estonia | Passengers | th. | 212 | 196 | 285 | 154 | 157 | -25.9% |
| | Cargo units | th. | 7 | 6 | 7 | 9 | 7 | -2.9% |
| | Revenue | mil.EUR | 16.6 | 19.2 | 32.3 | 18.3 | 16.8 | 1.3% |
| | | mil.EEK | 260.2 | 299.9 | 505.8 | 286.9 | 263.5 | |
| | Segment result | mil.EUR | -2.0 | -1.8 | 11.6 | 0.8 | -1.4 | 32.2% |
| | | mil.EEK | -32.1 | -28.8 | 181.9 | 13.0 | -21.7 | |
| Sweden-Latvia | Passengers | th. | 84 | 116 | 223 | 117 | 101 | 20.4% |
| | Cargo units | th. | 3 | 3 | 3 | 4 | 3 | 11.3% |
| | Revenue | mil.EUR | 7.5 | 8.8 | 19.2 | 10.3 | 9.2 | 22.4% |
| | | mil.EEK | 117.8 | 138.4 | 299.8 | 160.6 | 144.2 | |
| | Segment result | mil.EUR | -1.1 | -3.2 | 3.8 | -1.8 | -2.7 | -156.6% |
| | | mil.EEK | -16.6 | -50.6 | 59.2 | -27.5 | -42.7 | |
| Finland-Germany | Passengers | th. | 17 | 21 | 44 | 16 | 4 | -76.0% |
| | Cargo units | th. | 6 | 6 | 6 | 6 | 1 | -76.4% |
| | Revenue | mil.EUR | 7.2 | 8.0 | 12.0 | 7.2 | 1.6 | -77.8% |
| | | mil.EEK | 112.9 | 125.6 | 187.4 | 113.0 | 25.1 | |
| | Segment result | mil.EUR | -3.2 | -3.1 | 0.3 | -4.7 | -4.6 | -44.9% |
| | | mil.EEK | -49.8 | -48.3 | 4.7 | -73.5 | -72.1 | |
| Mainland Estonia | Revenue | mil.EUR | 7.6 | 9.3 | 11.9 | 8.8 | 8.3 | 10.1% |
| | | mil.EEK | 118.3 | 145.9 | 186.5 | 137.0 | 130.2 | |
| | Segment result | mil.EUR | -1.8 | -0.3 | 0.7 | 0.0 | -0.2 | 86.3% |
| | | mil.EEK | -28.6 | -4.6 | 11.2 | -0.5 | -3.9 | |
| Other | Revenue | mil.EUR | 4.3 | 4.4 | 5.9 | 3.8 | 3.3 | -22.5% |
| | | mil.EEK | 67.1 | 68.5 | 92.1 | 59.2 | 52.0 | |
| | Segment result | mil.EUR | 2.6 | 2.7 | 1.4 | 0.6 | -0.2 | -107.7% |
| | | mil.EEK | 40.5 | 42.2 | 21.7 | 10.0 | -3.1 | |
| | Inter segment sales | milj.EUR | -1.3 | -1.6 | -2.4 | -1.7 | -1.3 | 2.9% |
| | | milj.EEK | -21.0 | -25.6 | -38.0 | -27.2 | -20.4 | |
| | Total revenue | milj.EUR | 167.4 | 175.9 | 254.9 | 181.3 | 158.0 | -5.6% |
| | | milj.EEK | 2 619.0 | 2 752.0 | 3 987.6 | 2 836.8 | 2 471.9 | |
| | EBITDA | milj.EUR | 15.0 | 14.3 | 73.7 | 27.0 | 10.4 | -30.3% |
| | | milj.EEK | 234.0 | 223.8 | 1 152.4 | 422.5 | 163.1 | |
| | Total segment result | milj.EUR | 10.7 | 9.1 | 68.8 | 18.1 | 2.1 | -80.2% |
| | | milj.EEK | 167.8 | 142.0 | 1 076.7 | 283.3 | 33.2 | |
| | Net profit/-loss | milj.EUR | -20.7 | -33.0 | 47.4 | -1.2 | -16.3 | 21.2% |
| | | milj.EEK | -323.3 | -516.1 | 742.2 | -18.6 | -254.6 | |

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 half-year and second quarter of 2009/2010 and 2008/2009 financial years.

| | Q2 2009/2010 | Q2 2008/2009 | Q2 Change | I half-year 2009/2010 | I half-year 2008/2009 | I half-year Change |
|-------------------------------|------------------|------------------|---------------|--------------------------|--------------------------|-----------------------|
| Passengers | 1,623,522 | 1,807,414 | -10.2% | 3,431,757 | 3,593,619 | -4.5% |
| Finland-Sweden | 628,831 | 743,726 | -15.4% | 1,310,516 | 1,451,705 | -9.7% |
| Estonia-Finland | 732,230 | 750,743 | -2.5% | 1,571,908 | 1,555,887 | 1.0% |
| Estonia-Sweden | 157,363 | 212,341 | -25.9% | 311,761 | 369,639 | -15.7% |
| Latvia-Sweden | 101,118 | 83,992 | 20.4% | 217,922 | 182,035 | 19.7% |
| Finland-Germany | 3,980 | 16,612 | -76.0% | 19,650 | 34,353 | -42.8% |
| Cargo Units | 54,151 | 56,602 | -4.3% | 122,485 | 132,915 | -7.8% |
| Finland-Sweden | 19,937 | 19,443 | 2.5% | 45,133 | 45,713 | -1.3% |
| Estonia-Finland | 22,237 | 20,485 | 8.6% | 47,053 | 48,882 | -3.7% |
| Estonia-Sweden | 7,052 | 7,265 | -2.9% | 15,739 | 17,617 | -10.7% |
| Latvia-Sweden | 3,433 | 3,085 | 11.3% | 7,293 | 7,569 | -3.6% |
| Finland-Germany | 1,492 | 6,324 | -76.4% | 7,267 | 13,134 | -44.7% |
| Passenger Vehicles | 172,700 | 163,572 | 5.6% | 372,899 | 338,043 | 10.3% |
| Finland-Sweden | 26,503 | 27,097 | -2.2% | 56,921 | 58,161 | -2.1% |
| Estonia-Finland | 117,692 | 108,405 | 8.6% | 252,719 | 221,785 | 13.9% |
| Estonia-Sweden | 11,812 | 11,910 | -0.8% | 23,539 | 22,690 | 3.7% |
| Latvia-Sweden | 15,924 | 12,130 | 31.3% | 35,238 | 25,931 | 35.9% |
| Finland-Germany | 769 | 4,030 | -80.9% | 4,482 | 9,476 | -52.7% |

The following operational factors influenced the development in the second quarter:

FINLAND-SWEDEN

Cruise ferry Silja Europa was out of operations for three weeks due to technical problems. The service was replaced by the Group's newer but smaller cruise ferry Baltic Queen.

Due to the scheduled maintenance docking cargo vessel Sea Wind did not operate in January.

ESTONIA-SWEDEN

The new cruise ferry Baltic Queen is in operations since April 2009 and has replaced the smaller M/S Romantika which moved to the Riga-Stockholm route.

Baltic Queen was temporarily replacing cruise ferry Silja Europa on the Turku-Stockholm route in December 2009.

LATVIA-SWEDEN

Since May 2009 the cruise ferry Romantika has replaced the smaller M/S Regina Baltica.

FINLAND-GERMANY

There were no operations on the route due to the scheduled maintenance works.

The Group's market shares on the routes operated during a 12 month period ending on the February 28, 2010 were as follows:

- The Group carried approximately 55% of the passengers and 52% 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 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 39% and the approximate market share of ro-ro cargo transportation was 8%.

PERSONNEL

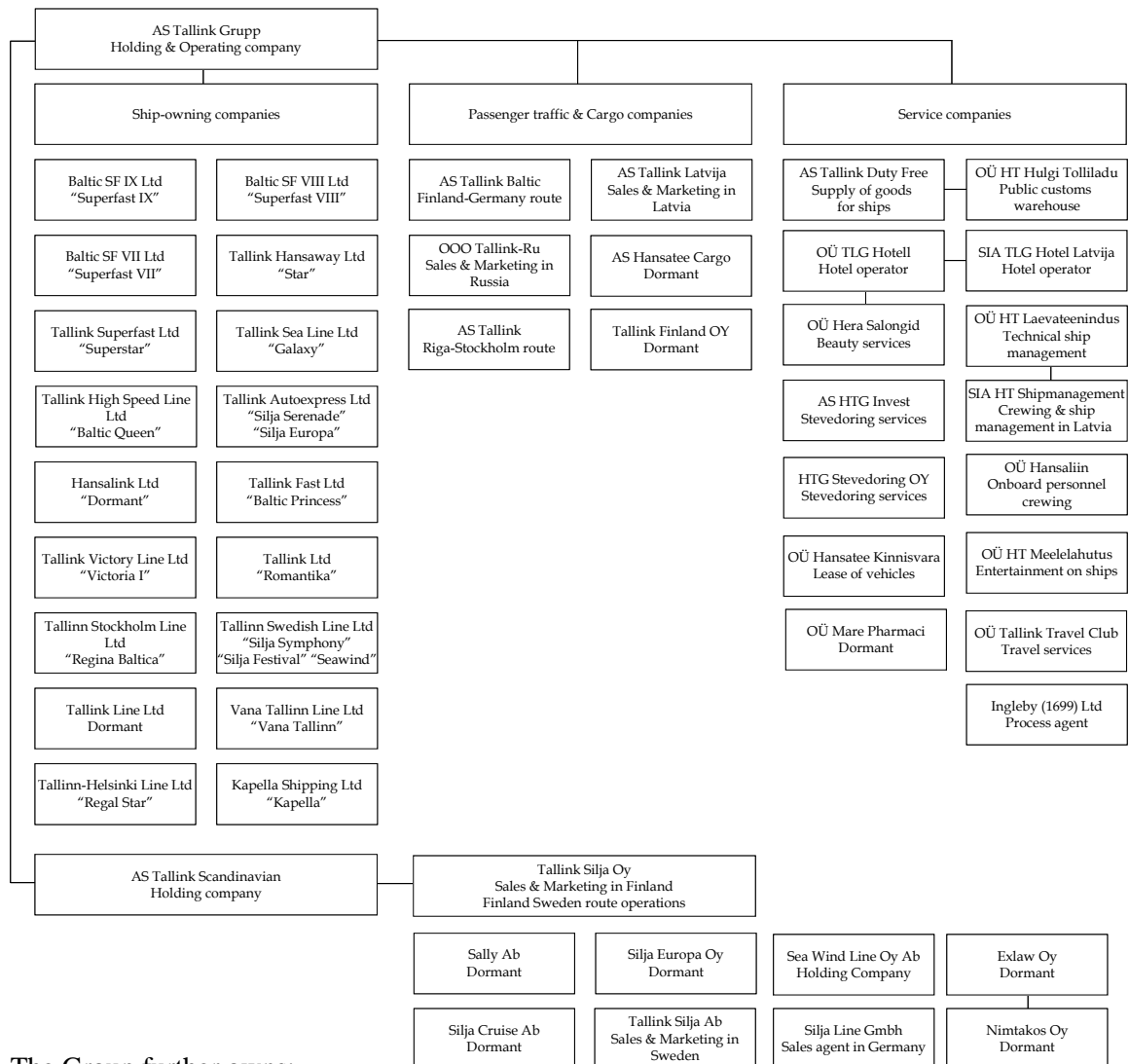
On February 28, 2010 the Group employed 6,346 employees (6,722 on February 28, 2009). The following table provides a more detailed overview of the Group's personnel.

| | Average of 1st half-year | | | End of 2 nd quarter | | |
|----------------------|--------------------------|--------------|---------------|--------------------------------|--------------|---------------|
| | 2009/2010 | 2008/2009 | change % | 28.02.2010 | 28.02.2009 | change % |
| Onshore total | 1,511 | 1,606 | -5.9% | 1,442 | 1,551 | -7.0% |
| <i>Estonia</i> | 744 | 785 | -5.2% | 727 | 788 | -7.7% |
| <i>Finland</i> | 513 | 555 | -7.6% | 490 | 512 | -4.3% |
| <i>Sweden</i> | 178 | 189 | -5.8% | 158 | 176 | -10.2% |
| <i>Latvia</i> | 53 | 51 | 3.9% | 50 | 51 | -2.0% |
| <i>Germany</i> | 17 | 19 | -10.5% | 11 | 18 | -38.9% |
| <i>Russia</i> | 6 | 7 | -14.3% | 6 | 6 | 0.0% |
| At sea | 4,549 | 4,691 | -3.0% | 4,456 | 4,632 | -3.8% |
| Hotel* | 460 | 511 | -10.0% | 448 | 539 | -16.9% |
| Total | 6,520 | 6,808 | -4.2% | 6,346 | 6,722 | -5.6% |

* 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:

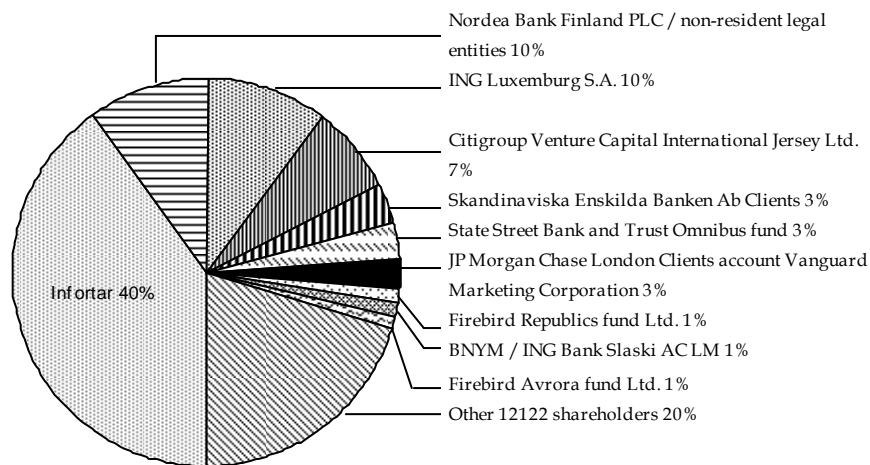


The Group further owns:

- 34% of AS Tallink Takso

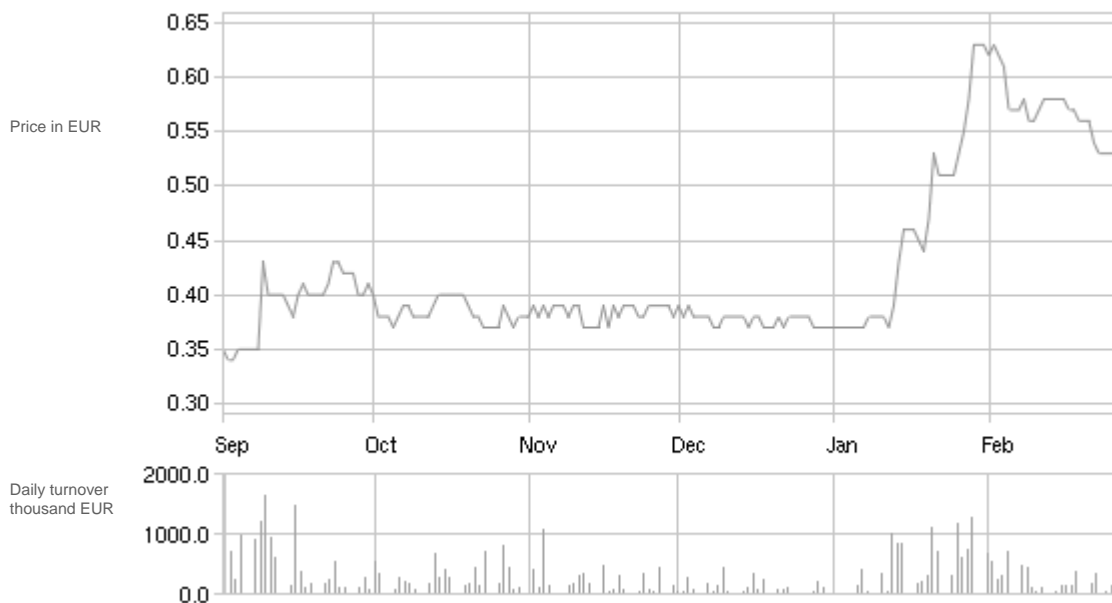
SHAREHOLDERS & SHARE PRICE DEVELOPMENT

The following chart displays the shareholder structure of AS Tallink Grupp as of April 8th 2010.



Source: Estonian Central Depository

Since 9th of December 2005 the shares of AS Tallink Grupp are listed on the Tallinn Stock Exchange, where the share are traded under the symbol TAL1T. The following chart gives an overview of the share development during the first half-year of the 2009/2010 financial year.



Source: Nasdaq OMX Baltic TAL1T share price development as of September 1, 2009 to February 28, 2010

EVENTS DURING THE 2nd QUARTER OF THE 2009/2010 FINANCIAL YEAR

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. 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 interest costs are increased however it is estimated that the Group's overall interest expenses in 2009/2010 financial year will 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.

AS Tallink Grupp Shareholders General Meeting was held on the 29th of January 2010 in Tallinn. It was decided to approve the annual report, not to distribute dividends, elect the auditors, re-elect the Supervisory Board member and reduce the remuneration of the Supervisory Board.

EVENTS AFTER THE BALANCE SHEET DATE AND THE OUTLOOK

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

The operations in the new Tallink Hotel Riga, in the centre of Riga, start on 15th April 2010. The new 256 room hotel in Riga adds further value to the Group's product chain and will improve the the Group's product offering especially for the Stockholm-Riga route. The hotel is being operated in the same principle as the Group's previous hotels in Tallinn where the project does not require capital investments from the Group. The property is rented as a turnkey solution and the Group will only be the operator.

The Group's fleet renewal program has been completed and thus the Group's investment requirement is relatively small going ahead. This helps to concentrate on the core operations. As there are no capital commitments then more free funds 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.

In the end of the second quarter the Group's cash and cash equivalents amounted to EUR 34.3 million (EEK 537 million) compared to the EUR 28.9 million (EEK 452 million) a year ago. The higher liquidity position, lower interest payments and no capital commitments for the coming periods are increasing the Group's strength for smooth and stable operations.

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 second 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.

A blue ink signature consisting of a large, sweeping loop followed by a horizontal line and a small upward stroke.

Enn Pant

Chairman of the Management Board

A blue ink signature with a large, stylized 'A' and 'H' followed by a horizontal line.

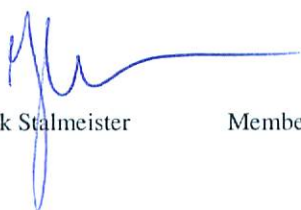
Andres Hunt

Vice Chairman of the Management Board

A blue ink signature with a large, stylized 'L' and 'K' followed by a horizontal line.

Lembit Kitter

Member of the Management Board

A blue ink signature with a large, stylized 'J' and 'S' followed by a horizontal line.

Janek Stalmeister

Member of the Management Board

15 April 2010

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

| (unaudited, in thousands of EEK) | 01.12.2009- 28.02.2010 | 01.12.2008- 28.02.2009 | 01.09.2009- 28.02.2010 | 01.09.2008- 28.02.2009 |
|---|-----------------------------------|-----------------------------------|-----------------------------------|-----------------------------------|
| Revenue (Note 3) | 2,471,947 | 2,619,011 | 5,308,780 | 5,650,360 |
| Cost of sales | -2,244,420 | -2,264,213 | -4,570,365 | -4,691,564 |
| Gross profit | 227,527 | 354,798 | 738,415 | 958,796 |
| Marketing expenses | -194,348 | -186,978 | -421,934 | -402,634 |
| Administrative expenses | -156,225 | -193,410 | -302,471 | -369,004 |
| Other income | 1,166 | 589 | 8,238 | 3,745 |
| Other expenses | 2,195 | -2,856 | -590 | -3,127 |
| Results from operating activities | -119,685 | -27,857 | 21,658 | 187,776 |
| Financial income (Note 4) | 99,476 | 10,261 | 112,205 | 97,772 |
| Financial expenses (Note 4) | -234,438 | -305,714 | -407,128 | -639,521 |
| Loss from normal operation before income tax | -254,647 | -323,310 | -273,265 | -353,973 |
| Income tax | 0 | -18 | 0 | -18 |
| Net loss for the period | -254,647 | -323,328 | -273,265 | -353,991 |
| Other comprehensive income/-expense | | | | |
| Exchange differences on translating foreign operations | 22,900 | 7,790 | 11,448 | 1,379 |
| Cash flow hedges | -485 | -26,317 | 17,508 | -110,543 |
| Other comprehensive income/-expense for the period | 22,415 | -18,527 | 28,956 | -109,164 |
| Total comprehensive income/-expense for the period | -232,232 | -341,855 | -244,309 | -463,155 |
| Loss attributable to: | | | | |
| Equity holders of the parent (Note 5) | -254,647 | -323,328 | -273,265 | -353,991 |
| Total comprehensive income/-expense attributable to: | | | | |
| Equity holders of the parent | -232,232 | -341,855 | -244,309 | -463,155 |
| Earnings per share (in EEK per share) | | | | |
| - basic (Note 5) | -0.38 | -0.48 | -0.41 | -0.53 |
| - diluted (Note 5) | -0.38 | -0.48 | -0.41 | -0.53 |

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

| (unaudited, in thousands of EUR) | 01.12.2009- 28.02.2010 | 01.12.2008- 28.02.2009 | 01.09.2009- 28.02.2010 | 01.09.2008- 28.02.2009 |
|---|-----------------------------------|-----------------------------------|-----------------------------------|-----------------------------------|
| Revenue (Note 3) | 157,986 | 167,385 | 339,293 | 361,124 |
| Cost of sales | -143,445 | -144,710 | -292,100 | -299,846 |
| Gross profit | 14,541 | 22,675 | 47,193 | 61,278 |
| Marketing expenses | -12,422 | -11,950 | -26,967 | -25,733 |
| Administrative expenses | -9,984 | -12,361 | -19,331 | -23,584 |
| Other income | 75 | 39 | 527 | 240 |
| Other expenses | 140 | -183 | -38 | -200 |
| Results from operating activities | -7,650 | -1,780 | 1,384 | 12,001 |
| Financial income (Note 4) | 6,358 | 656 | 7,171 | 6,249 |
| Financial expenses (Note 4) | -14,983 | -19,539 | -26,020 | -40,873 |
| Loss from normal operation before income tax | -16,275 | -20,663 | -17,465 | -22,623 |
| Income tax | 0 | -1 | 0 | -1 |
| Net loss for the period | -16,275 | -20,664 | -17,465 | -22,624 |
| Other comprehensive income/-expense | | | | |
| Exchange differences on translating foreign operations | 1,463 | 497 | 732 | 89 |
| Cash flow hedges | -31 | -1,682 | 1,119 | -7,065 |
| Other comprehensive income/-expense for the period | 1,432 | -1,185 | 1,851 | -6,976 |
| Total comprehensive income/-expense for the period | -14,843 | -21,849 | -15,614 | -29,600 |
| Loss attributable to: | | | | |
| Equity holders of the parent (Note 5) | -16,275 | -20,664 | -17,465 | -22,624 |
| Total comprehensive income/-expense attributable to: | | | | |
| Equity holders of the parent | -14,843 | -21,849 | -15,614 | -29,600 |
| Earnings per share (in EUR per share) | | | | |
| - basic (Note 5) | -0.02 | -0.03 | -0.03 | -0.03 |
| - diluted (Note 5) | -0.02 | -0.03 | -0.03 | -0.03 |

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

(unaudited, in thousands of EEK)

| ASSETS | 28.02.2010 | 31.08.2009 |
|--|-------------------|-------------------|
| Current assets | | |
| Cash and cash equivalents | 536,638 | 782,043 |
| Receivables | 621,617 | 797,762 |
| Prepayments | 267,919 | 179,892 |
| Derivatives (Note 6) | 17,086 | 6,493 |
| Inventories | 279,494 | 297,527 |
| Total current assets | 1,722,754 | 2,063,717 |
| Non-current assets | | |
| Investments in associates | 9,180 | 0 |
| Other financial assets and prepayments | 7,007 | 7,664 |
| Deferred income tax assets | 207,453 | 207,455 |
| Investment property | 4,694 | 4,694 |
| Property, plant and equipment (Note 7) | 26,498,311 | 27,049,393 |
| Intangible assets (Note 8) | 1,095,321 | 1,134,738 |
| Total non-current assets | 27,821,966 | 28,403,944 |
| TOTAL ASSETS | 29,544,720 | 30,467,661 |
| LIABILITIES AND EQUITY | | |
| Current liabilities | | |
| Interest bearing loans and borrowings (Note 9) | 1,604,146 | 1,655,760 |
| Payables | 1,375,302 | 1,415,762 |
| Deferred income | 374,604 | 331,323 |
| Derivatives (Note 6) | 212,293 | 179,842 |
| Total current liabilities | 3,566,345 | 3,582,687 |
| Non-current liabilities | | |
| Interest bearing loans and borrowings (Note 9) | 16,165,431 | 16,827,627 |
| Other liabilities | 1,236 | 1,330 |
| Total non-current liabilities | 16,166,667 | 16,828,957 |
| TOTAL LIABILITIES | 19,733,012 | 20,411,644 |
| EQUITY | | |
| Equity attributable to equity holders of the parent | | |
| Share capital | 6,738,170 | 6,738,170 |
| Share premium | 9,999 | 9,999 |
| Reserves | 1,153,365 | 1,124,409 |
| Retained earnings | 1,910,174 | 2,183,439 |
| Total equity attributable to equity holders of the parent | 9,811,708 | 10,056,017 |
| TOTAL EQUITY | 9,811,708 | 10,056,017 |
| TOTAL LIABILITIES AND EQUITY | 29,544,720 | 30,467,661 |

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

(unaudited, in thousands of EUR)

| ASSETS | 28.02.2010 | 31.08.2009 |
|--|-------------------|-------------------|
| Current assets | | |
| Cash and cash equivalents | 34,297 | 49,982 |
| Receivables | 39,729 | 50,986 |
| Prepayments | 17,123 | 11,497 |
| Derivatives (Note 6) | 1,092 | 415 |
| Inventories | 17,863 | 19,015 |
| Total current assets | 110,104 | 131,895 |
| Non-current assets | | |
| Investments in associates | 587 | 0 |
| Other financial assets and prepayments | 447 | 490 |
| Deferred income tax assets | 13,259 | 13,259 |
| Investment property | 300 | 300 |
| Property, plant and equipment (Note 7) | 1,693,551 | 1,728,771 |
| Intangible assets (Note 8) | 70,004 | 72,523 |
| Total non-current assets | 1,778,148 | 1,815,343 |
| TOTAL ASSETS | 1,888,252 | 1,947,238 |
| LIABILITIES AND EQUITY | | |
| Current liabilities | | |
| Interest bearing loans and borrowings (Note 9) | 102,524 | 105,822 |
| Payables | 87,898 | 90,484 |
| Deferred income | 23,942 | 21,175 |
| Derivatives (Note 6) | 13,568 | 11,494 |
| Total current liabilities | 227,932 | 228,975 |
| Non-current liabilities | | |
| Interest bearing loans and borrowings (Note 9) | 1,033,159 | 1,075,482 |
| Other liabilities | 79 | 85 |
| Total non-current liabilities | 1,033,238 | 1,075,567 |
| TOTAL LIABILITIES | 1,261,170 | 1,304,542 |
| EQUITY | | |
| Equity attributable to equity holders of the parent | | |
| Share capital | 430,648 | 430,648 |
| Share premium | 639 | 639 |
| Reserves | 73,713 | 71,862 |
| Retained earnings | 122,082 | 139,547 |
| Total equity attributable to equity holders of the parent | 627,082 | 642,696 |
| TOTAL EQUITY | 627,082 | 642,696 |
| TOTAL LIABILITIES AND EQUITY | 1,888,252 | 1,947,238 |

CONSOLIDATED CASH FLOW STATEMENT

(unaudited, in thousands of EEK)

| | 01.09.2009 - 28.02.2010 | 01.09.2008 - 28.02.2009 |
|---|------------------------------------|------------------------------------|
| Cash flows from operating activities | | |
| Net loss for the period | -273,265 | -353,991 |
| Adjustments | 961,261 | 1,048,050 |
| Changes in assets related to operating activities | 105,211 | 435,376 |
| Changes in liabilities related to operating activities | -83,141 | -362,948 |
| Income tax paid | -763 | -258 |
| | 709,303 | 766,229 |
| Cash flow used for investing activities | | |
| Purchase of property, plant, equipment and intangible assets (Notes 7, 8) | -66,628 | -224,337 |
| Proceeds from disposals of property, plant, equipment | 99,721 | 17,693 |
| Acquisition of associate (Note 11) | -9,180 | -6,120 |
| Proceeds/-payments from settlement of derivatives | -30,543 | 1,524 |
| Interest received | 2,492 | 5,232 |
| | -4,138 | -206,008 |
| Cash flow from (+)/ used for (-) financing activities | | |
| Proceeds from loans | 0 | 187,759 |
| Redemption of loans (Note 9) | -573,688 | -888,080 |
| Change in overdraft (Note 9) | -21,510 | 103,791 |
| Repayment of finance lease liabilities (Note 9) | -2,447 | -3,875 |
| Interest paid | -352,925 | -541,029 |
| | -950,570 | -1,141,434 |
| TOTAL NET CASH FLOW | -245,405 | -581,213 |
| Cash and cash equivalents: | | |
| - at the beginning of period | 782,043 | 1,043,785 |
| - increase (+) / decrease (-) | -245,405 | -581,213 |
| Cash and cash equivalents at end of period | 536,638 | 462,572 |

CONSOLIDATED CASH FLOW STATEMENT

(unaudited, in thousands of EUR)

| | 01.09.2009 - 28.02.2010 | 01.09.2008 - 28.02.2009 |
|---|------------------------------------|------------------------------------|
| Cash flows from operating activities | | |
| Net loss for the period | -17,465 | -22,624 |
| Adjustments | 61,436 | 66,983 |
| Changes in assets related to operating activities | 6,725 | 27,826 |
| Changes in liabilities related to operating activities | -5,314 | -23,197 |
| Income tax paid | -49 | -16 |
| | 45,333 | 48,972 |
| Cash flow used for investing activities | | |
| Purchase of property, plant, equipment and intangible assets (Notes 7, 8) | -4,259 | -14,337 |
| Proceeds from disposals of property, plant, equipment | 6,374 | 1,131 |
| Acquisition of associate (Note 11) | -587 | -391 |
| Proceeds/-payments from settlement of derivatives | -1,952 | 97 |
| Interest received | 159 | 334 |
| | -265 | -13,166 |
| Cash flow from (+)/ used for (-) financing activities | | |
| Proceeds from loans | 0 | 12,000 |
| Redemption of loans (Note 9) | -36,665 | -56,759 |
| Change in overdraft (Note 9) | -1,375 | 6,633 |
| Repayment of finance lease liabilities (Note 9) | -157 | -248 |
| Interest paid | -22,556 | -34,578 |
| | -60,753 | -72,952 |
| TOTAL NET CASH FLOW | -15,685 | -37,146 |
| Cash and cash equivalents: | | |
| - at the beginning of period | 49,982 | 66,710 |
| - increase (+) / decrease (-) | -15,685 | -37,146 |
| Cash and cash equivalents at end of period | 34,297 | 29,564 |

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 |
|--|------------------|---------------|---------------------|---------------------------|-------------------------|-------------------------|-----------------------------|-------------------|----------------------|-------------------|
| At 31 August 2008 | 6,738,170 | 9,999 | -882 | 1,062,910 | 0 | 154,175 | -65,132 | 2,289,297 | 10,188,537 | 10,188,537 |
| Changes in equity for the I half-year 2008/2009 | | | | | | | | | | |
| Transfer from profit for 2007/2008 | 0 | 0 | 0 | 0 | 0 | 15,899 | 0 | -15,899 | 0 | 0 |
| Income and expense for the period | | | | | | | | | | |
| Net loss of the I half-year of the year 2008/2009 (Note 5) | 0 | 0 | 0 | 0 | 0 | 0 | 0 | -353,991 | -353,991 | -353,991 |
| Other comprehensive income and expense | 0 | 0 | 1,379 | 0 | -110,543 | 0 | 0 | 0 | -109,164 | -109,164 |
| Total comprehensive income and expense for the period | 0 | 0 | 1,379 | 0 | -110,543 | 0 | 0 | -353,991 | -463,155 | -463,155 |
| At 28 February 2009 | 6,738,170 | 9,999 | 497 | 1,062,910 | -110,543 | 170,074 | -65,132 | 1,919,407 | 9,725,382 | 9,725,382 |
| At 31 August 2009 | 6,738,170 | 9,999 | -5,067 | 1,024,956 | -422 | 170,074 | -65,132 | 2,183,439 | 10,056,017 | 10,056,017 |
| Changes in equity for the I half-year of 2009/2010 | | | | | | | | | | |
| Income and expense for the period | | | | | | | | | | |
| Net loss of the I half-year of the year 2009/2010 (Note 5) | 0 | 0 | 0 | 0 | 0 | 0 | 0 | -273,265 | -273,265 | -273,265 |
| Other comprehensive income and expense | 0 | 0 | 11,448 | 0 | 17,508 | 0 | 0 | 0 | 28,956 | 28,956 |
| Total comprehensive income and expense for the period | 0 | 0 | 11,448 | 0 | 17,508 | 0 | 0 | -273,265 | -244,309 | -244,309 |
| At 28 February 2010 | 6,738,170 | 9,999 | 6,381 | 1,024,956 | 17,086 | 170,074 | -65,132 | 1,910,174 | 9,811,708 | 9,811,708 |

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 |
|--|----------------|---------------|---------------------|---------------------------|-------------------------|-------------------------|-----------------------------|-------------------|----------------------|----------------|
| At 31 August 2008 | 430,648 | 639 | -56 | 67,932 | 0 | 9,853 | -4,163 | 146,313 | 651,166 | 651,166 |
| Changes in equity for the I half-year of 2008/2009 | | | | | | | | | | |
| Transfer from profit for 2007/2008 | 0 | 0 | 0 | 0 | 0 | 1,016 | 0 | -1,016 | 0 | 0 |
| Income and expense for the period | | | | | | | | | | |
| Net loss of the I half-year of the year 2008/2009 (Note 5) | 0 | 0 | 0 | 0 | 0 | 0 | 0 | -22,624 | -22,624 | -22,624 |
| Other comprehensive income and expense | 0 | 0 | 89 | 0 | -7,065 | 0 | 0 | 0 | -6,976 | -6,976 |
| Total comprehensive income and expense for the period | 0 | 0 | 89 | 0 | -7,065 | 0 | 0 | -22,624 | -29,600 | -29,600 |
| At 28 February 2009 | 430,648 | 639 | 33 | 67,932 | -7,065 | 10,869 | -4,163 | 122,673 | 621,566 | 621,566 |
| At 31 August 2009 | 430,648 | 639 | -324 | 65,507 | -27 | 10,869 | -4,163 | 139,547 | 642,696 | 642,696 |
| Changes in equity for the I half-year of 2009/2010 | | | | | | | | | | |
| Income and expense for the period | | | | | | | | | | |
| Net loss of the I half-year of the year 2009/2010 (Note 5) | 0 | 0 | 0 | 0 | 0 | 0 | 0 | -17,465 | -17,465 | -17,465 |
| Other comprehensive income and expense | 0 | 0 | 732 | 0 | 1,119 | 0 | 0 | 0 | 1,851 | 1,851 |
| Total comprehensive income and expense for the period | 0 | 0 | 732 | 0 | 1,119 | 0 | 0 | -17,465 | -15,614 | -15,614 |
| At 28 February 2010 | 430,648 | 639 | 408 | 65,507 | 1,092 | 10,869 | -4,163 | 122,082 | 627,082 | 627,082 |

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 6 months of the financial year 2009/2010 were authorised for issue in accordance with a resolution of the Management Board on 15 April 2010. AS Tallink Grupp is a limited company incorporated in Estonia and employed 6,346 people at 28 February 2010 (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).

Geographical segments

(in thousands of EEK)

| 01.09.2009-28.02.2010 | Estonia- Finland route | Estonia- Sweden routes | Latvia- Sweden route | Germany- Finland route | Finland- Sweden routes | Estonia mainland business | Others | Elimination of intersegment sales | Total |
|-------------------------------|------------------------------|------------------------------|----------------------------|------------------------------|------------------------------|---------------------------------|----------------|--------------------------------------|------------------|
| Revenue | | | | | | | | | |
| Sales to external customers | 1,629,896 | 550,398 | 304,808 | 138,065 | 2,354,828 | 219,600 | 111,185 | 0 | 5,308,780 |
| Inter-segment sales | 0 | 0 | 0 | 0 | 0 | 47,613 | 0 | -47,613 | 0 |
| | 1,629,896 | 550,398 | 304,808 | 138,065 | 2,354,828 | 267,213 | 111,185 | -47,613 | 5,308,780 |
| Segment result | | | | | | | | | |
| | 429,714 | -8,709 | -70,186 | -145,645 | 108,761 | -4,385 | 6,931 | 0 | 316,481 |
| Unallocated expenses | | | | | | | | | -294,823 |
| Net financial items (Note 4) | | | | | | | | | -294,923 |
| Loss before income tax | | | | | | | | | -273,265 |

| 01.09.2008-28.02.2009 | Estonia- Finland route | Estonia- Sweden routes | Latvia- Sweden route | Germany- Finland route | Finland- Sweden routes | Estonia mainland business | Others | Elimination of intersegment sales | Total |
|-------------------------------|------------------------------|------------------------------|----------------------------|------------------------------|------------------------------|---------------------------------|----------------|--------------------------------------|------------------|
| Revenue | | | | | | | | | |
| Sales to external customers | 1,539,144 | 611,273 | 287,702 | 254,478 | 2,593,340 | 220,834 | 143,589 | 0 | 5,650,360 |
| Inter-segment sales | 0 | 0 | 0 | 0 | 0 | 49,628 | 0 | -49,628 | 0 |
| | 1,539,144 | 611,273 | 287,702 | 254,478 | 2,593,340 | 270,462 | 143,589 | -49,628 | 5,650,360 |
| Segment result | | | | | | | | | |
| | 427,193 | -17,804 | -45,649 | -111,442 | 264,872 | -32,536 | 71,528 | 0 | 556,162 |
| Unallocated expenses | | | | | | | | | -368,386 |
| Net financial items (Note 4) | | | | | | | | | -541,749 |
| Loss before income tax | | | | | | | | | -353,973 |

Geographical segments

(in thousands of EUR)

| 01.09.2009-28.02.2010 | Estonia- Finland route | Estonia- Sweden routes | Latvia- Sweden route | Germany- Finland route | Finland- Sweden routes | Estonia mainland business | Others | Elimination of intersegment sales | Total |
|-------------------------------|------------------------------|------------------------------|----------------------------|------------------------------|------------------------------|---------------------------------|--------------|--------------------------------------|----------------|
| Revenue | | | | | | | | | |
| Sales to external customers | 104,169 | 35,177 | 19,481 | 8,824 | 150,501 | 14,035 | 7,106 | 0 | 339,293 |
| Inter-segment sales | 0 | 0 | 0 | 0 | 0 | 3,043 | 0 | -3,043 | 0 |
| | 104,169 | 35,177 | 19,481 | 8,824 | 150,501 | 17,078 | 7,106 | -3,043 | 339,293 |
| Segment result | | | | | | | | | |
| | 27,463 | -557 | -4,486 | -9,308 | 6,951 | -280 | 443 | 0 | 20,226 |
| Unallocated expenses | | | | | | | | | -18,842 |
| Net financial items (Note 4) | | | | | | | | | -18,849 |
| Loss before income tax | | | | | | | | | -17,465 |

| 01.09.2008-28.02.2009 | Estonia- Finland route | Estonia- Sweden routes | Latvia- Sweden route | Germany- Finland route | Finland- Sweden routes | Estonia- Finland route | Others | Elimination of intersegment sales | Total |
|-------------------------------|------------------------------|------------------------------|----------------------------|------------------------------|------------------------------|------------------------------|--------------|--------------------------------------|----------------|
| Revenue | | | | | | | | | |
| Sales to external customers | 98,369 | 39,067 | 18,388 | 16,264 | 165,745 | 14,114 | 9,177 | 0 | 361,124 |
| Inter-segment sales | 0 | 0 | 0 | 0 | 0 | 3,172 | 0 | -3,172 | 0 |
| | 98,369 | 39,067 | 18,388 | 16,264 | 165,745 | 17,286 | 9,177 | -3,172 | 361,124 |
| Segment result | | | | | | | | | |
| | 27,303 | -1,138 | -2,918 | -7,122 | 16,928 | -2,079 | 4,571 | 0 | 35,545 |
| Unallocated expenses | | | | | | | | | -23,544 |
| Net financial items (Note 4) | | | | | | | | | -34,624 |
| Loss before income tax | | | | | | | | | -22,623 |

Operational segments

| | (in thousands of EEK) | | (in thousands of EUR) | |
|--|---------------------------|---------------------------|---------------------------|---------------------------|
| | 01.09.2009- 28.02.2010 | 01.09.2008- 28.02.2009 | 01.09.2009- 28.02.2010 | 01.09.2008- 28.02.2009 |
| Ticket sales | 1,232,061 | 1,313,291 | 78,743 | 83,934 |
| Sales of cargo transport | 750,673 | 899,333 | 47,977 | 57,478 |
| Accommodation sales | 60,402 | 70,093 | 3,860 | 4,480 |
| Restaurant and shops sales on-board and on mainland | 2,976,863 | 3,086,781 | 190,256 | 197,281 |
| Income from leases of vessels | 138,500 | 110,017 | 8,852 | 7,032 |
| Other | 150,281 | 170,845 | 9,605 | 10,919 |
| Total revenue of the Group | 5,308,780 | 5,650,360 | 339,293 | 361,124 |

Note 4 FINANCIAL INCOME AND EXPENSES

| | (in thousands of EEK) | | (in thousands of EUR) | |
|--|---------------------------|---------------------------|---------------------------|---------------------------|
| | 01.09.2009- 28.02.2010 | 01.09.2008- 28.02.2009 | 01.09.2009- 28.02.2010 | 01.09.2008- 28.02.2009 |
| Net foreign exchange gains | 97,483 | 0 | 6,230 | 0 |
| Profit from derivatives | 12,246 | 92,859 | 783 | 5,935 |
| Other interest and financial income | 2,476 | 4,913 | 158 | 314 |
| Total financial income | 112,205 | 97,772 | 7,171 | 6,249 |
| Net foreign exchange loss | 0 | -12,343 | 0 | -789 |
| Interest expenses | -318,678 | -509,674 | -20,367 | -32,574 |
| Loss from derivatives | -88,450 | -115,658 | -5,653 | -7,392 |
| Other financial expenses | 0 | -1,846 | 0 | -118 |
| Total financial expenses | -407,128 | -639,521 | -26,020 | -40,873 |

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.

| | 01.12.2009- 28.02.2010 | 01.12.2008- 28.02.2009 | 01.09.2009 - 28.02.2010 | 01.09.2008 - 28.02.2009 |
|---|---------------------------|---------------------------|----------------------------|----------------------------|
| Weighted average number of ordinary shares (pcs) | 669,882,040 | 669,882,040 | 669,882,040 | 669,882,040 |
| Net profit/-loss attributable to ordinary shareholders | -254,647 | -323,328 | -273,265 | -353,991 |
| Earnings per share (in EEK per share) | -0.38 | -0.48 | -0.41 | -0.53 |

| | 01.12.2009- 28.02.2010 | 01.12.2008- 28.02.2009 | 01.09.2009 - 28.02.2010 | 01.09.2008 - 28.02.2009 |
|---|---------------------------|---------------------------|----------------------------|----------------------------|
| Weighted average number of ordinary shares (pcs) | 669,882,040 | 669,882,040 | 669,882,040 | 669,882,040 |
| Net profit/-loss attributable to ordinary shareholders | -16,275 | -20,664 | -17,465 | -22,624 |
| Earnings per share (in EUR per share) | -0.02 | -0.03 | -0.03 | -0.03 |

| Weighted average number of ordinary shares (pcs) | 01.12.2009- 28.02.2010 | 01.12.2008- 28.02.2009 | 01.09.2009 - 28.02.2010 | 01.09.2008 - 28.02.2009 |
|--|---------------------------|---------------------------|----------------------------|----------------------------|
| 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 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 28.02.2010 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 28.02.2010 is -208,303 thousand EEK (-13,313 thousand EUR). As of 28.02.2010 AS Tallink Grupp had one foreign exchange derivative contract with total notional amount of 224,310 thousand EEK (14,336 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 28.02.2010 is -3,990 thousand EEK (-255 thousand EUR). As of 28.02.2010 AS Tallink Grupp had one fuel price swap contract with the total notional amount of 89,968 thousand EEK (5,750 thousand EUR). As of 28.02.2010 the fair value of the fuel price swap in total amount of 17,086 thousand EEK (1,092 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 |
|---------------------------------------|----------------------|-------------------|---------------------|---------------|-------------------|
| Book value at 31 August 2009 | 108,480 | 26,841,984 | 76,817 | 22,112 | 27,049,393 |
| Additions | 0 | 50,658 | 33,174 | -18,496 | 65,336 |
| Exchange rate differences | 1,800 | 0 | -1 | -3 | 1,796 |
| Disposals | 0 | -95,057 | 0 | 0 | -95,057 |
| Depreciation for the period | -11,271 | -490,126 | -21,760 | 0 | -523,157 |
| Book value at 28 February 2010 | 99,009 | 26,307,459 | 88,230 | 3,613 | 26,498,311 |

At 28 February 2010

| | | | | | |
|---------------------------|---------|------------|----------|-------|------------|
| -Cost | 142,656 | 29,115,076 | 301,277 | 3,613 | 29,562,622 |
| -Accumulated depreciation | -43,647 | -2,807,617 | -213,047 | 0 | -3,064,311 |

| | Land and building | Ships | Plant and equipment | Prepayments | Total |
|---------------------------------------|----------------------|-------------------|---------------------|----------------|-------------------|
| Book value at 31 August 2008 | 129,371 | 24,796,267 | 102,905 | 489,755 | 25,518,298 |
| Additions | 27 | 127,403 | 13,199 | 80,652 | 221,281 |
| Exchange rate differences | 0 | 0 | -34 | -3 | -37 |
| Disposals | -12,982 | 0 | -4,220 | 0 | -17,202 |
| Depreciation for the period | -5,894 | -444,348 | -26,230 | 0 | -476,472 |
| Book value at 28 February 2009 | 110,522 | 24,479,322 | 85,620 | 570,404 | 25,245,868 |

At 28 February 2009

| | | | | | |
|---------------------------|---------|------------|----------|---------|------------|
| -Cost | 140,017 | 26,405,783 | 259,043 | 570,404 | 27,375,247 |
| -Accumulated depreciation | -29,495 | -1,926,461 | -173,423 | 0 | -2,129,379 |

(in thousands of EUR)

| | Land and building | Ships | Plant and equipment | Prepayments | Total |
|---------------------------------------|----------------------|------------------|---------------------|--------------|------------------|
| Book value at 31 August 2009 | 6,933 | 1,715,515 | 4,910 | 1,413 | 1,728,771 |
| Additions | 0 | 3,238 | 2,120 | -1,182 | 4,176 |
| Exchange rate differences | 115 | 0 | 0 | 0 | 115 |
| Disposals | 0 | -6,075 | 0 | 0 | -6,075 |
| Depreciation for the period | -720 | -31,325 | -1,391 | 0 | -33,436 |
| Book value at 28 February 2010 | 6,328 | 1,681,353 | 5,639 | 231 | 1,693,551 |

At 28 February 2010

| | | | | | |
|---------------------------|--------|-----------|---------|-----|-----------|
| -Cost | 9,117 | 1,860,793 | 19,255 | 231 | 1,889,396 |
| -Accumulated depreciation | -2,789 | -179,440 | -13,616 | 0 | -195,845 |

| | Land and building | Ships | Plant and equipment | Prepayments | Total |
|---------------------------------------|-------------------|------------------|---------------------|---------------|------------------|
| Book value at 31 August 2008 | 8,269 | 1,584,770 | 6,577 | 31,301 | 1,630,917 |
| Additions | 1 | 8,143 | 844 | 5,154 | 14,142 |
| Exchange rate differences | 0 | 0 | -3 | 0 | -3 |
| Disposals | -829 | 0 | -270 | 0 | -1,099 |
| Depreciation for the period | -377 | -28,399 | -1,676 | 0 | -30,452 |
| Book value at 28 February 2009 | 7,064 | 1,564,514 | 5,472 | 36,455 | 1,613,505 |

At 28 February 2009

| | | | | | |
|---------------------------|--------|-----------|---------|--------|-----------|
| -Cost | 8,949 | 1,687,637 | 16,556 | 36,455 | 1,749,597 |
| -Accumulated depreciation | -1,885 | -123,123 | -11,084 | 0 | -136,092 |

Note 8 INTANGIBLE ASSETS

| | (in thousands of EEK) | | | | (in thousands of EUR) | | | |
|---------------------------------------|-----------------------|----------------|----------------|------------------|-----------------------|---------------|---------------|---------------|
| | Goodwill | Trademark | Others | Total | Goodwill | Trademark | Others | Total |
| Book value at 31 August 2009 | 173,148 | 767,533 | 194,057 | 1,134,738 | 11,066 | 49,054 | 12,403 | 72,523 |
| Additions | 0 | 0 | 1,292 | 1,292 | 0 | 0 | 83 | 83 |
| Amortisation for the period | 0 | -22,812 | -17,897 | -40,709 | 0 | -1,458 | -1,144 | -2,602 |
| Book value at 28 February 2010 | 173,148 | 744,721 | 177,452 | 1,095,321 | 11,066 | 47,596 | 11,342 | 70,004 |

At 28 February 2010

| | | | | | | | | |
|--------------------------|---------|----------|----------|-----------|--------|---------|--------|---------|
| Cost | 173,148 | 912,009 | 313,989 | 1,399,146 | 11,066 | 58,288 | 20,068 | 89,422 |
| Accumulated amortisation | 0 | -167,288 | -136,537 | -303,825 | 0 | -10,692 | -8,726 | -19,418 |

| | (in thousands of EEK) | | | | (in thousands of EUR) | | | |
|---------------------------------------|-----------------------|----------------|----------------|------------------|-----------------------|---------------|---------------|---------------|
| | Goodwill | Trademark | Others | Total | Goodwill | Trademark | Others | Total |
| Book value at 31 August 2008 | 183,795 | 813,157 | 229,071 | 1,226,023 | 11,747 | 51,970 | 14,640 | 78,357 |
| Additions | 0 | 0 | 3,056 | 3,056 | 0 | 0 | 195 | 195 |
| Disposals | 0 | 0 | -94 | -94 | 0 | 0 | -6 | -6 |
| Amortisation for the period | 0 | -22,812 | -20,076 | -42,888 | 0 | -1,458 | -1,283 | -2,741 |
| Book value at 28 February 2009 | 183,795 | 790,345 | 211,957 | 1,186,097 | 11,747 | 50,512 | 13,546 | 75,805 |

At 28 February 2009

| | | | | | | | | |
|--------------------------|---------|----------|---------|-----------|--------|--------|--------|---------|
| Cost | 183,795 | 912,009 | 311,413 | 1,407,217 | 11,747 | 58,288 | 19,903 | 89,938 |
| Accumulated amortisation | 0 | -121,664 | -99,456 | -221,120 | 0 | -7,776 | -6,357 | -14,133 |

Note 9 INTEREST BEARING LOANS AND BORROWINGS

| | 31 August 2009 | Repayments | Other changes [1] | 28 February 2010 |
|--------------------------|-------------------|-----------------|-------------------|-------------------|
| Lease liabilities | 8,756 | -2,447 | 0 | 6,309 |
| Bank overdrafts | 721,541 | -21,510 | 0 | 700,031 |
| Long-term bank loans | 17,753,090 | -573,688 | -116,165 | 17,063,237 |
| TOTAL | 18,483,387 | -597,645 | -116,165 | 17,769,577 |
| incl. short-term portion | 1,655,760 | | | 1,604,146 |
| long-term portion | 16,827,627 | | | 16,165,431 |

(in thousands of EUR)

| | 31 August 2009 | Repayments | Other changes [1] | 28 February 2010 |
|--------------------------|------------------|----------------|-------------------|------------------|
| Lease liabilities | 560 | -157 | 0 | 403 |
| Bank overdrafts | 46,115 | -1,375 | 0 | 44,740 |
| Long-term bank loans | 1,134,629 | -36,665 | -7,424 | 1,090,540 |
| TOTAL | 1,181,304 | -38,197 | -7,424 | 1,135,683 |
| incl. short-term portion | 105,822 | | | 102,524 |
| long-term portion | 1,075,482 | | | 1,033,159 |

[1] Other changes are related to capitalisation and 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 13,443,678 thousand EEK (859,208 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 3,619,559 thousand EEK (231,332 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 28 February 2010 the maximum number of authorised common shares is 2,000,000 thousand.

At 28 February 2010 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 associate 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)

| 6 months of 2009/2010 or 28.02.2010 | Sales to related party | Purchases from related parties | Amounts owed by related parties | Amounts owed to related parties |
|--|-----------------------------------|---|--|--|
| AS Infortar | 20 | 572 | 3 | 0 |
| AS HT Valuuta | 1,437 | 0 | 415 | 0 |
| AS Vara HTG | 0 | 21,000 | 0 | 1,500 |
| OÜ Mersok | 0 | 72 | 0 | 29 |
| AS Vaba Maa | 67 | 6,486 | 13 | 1,639 |
| OÜ Sunbeam | 0 | 24,230 | 0 | 4,046 |
| AS Gastrolink | 23 | 5,064 | 0 | 607 |
| AS Tallink Takso | 0 | 486 | 0 | 123 |
| OÜ Topspa Kinnisvara | 0 | 18,364 | 0 | 3,734 |
| OÜ Hansa Hotell | 0 | 5,905 | 0 | 1,173 |
| OÜ Fastinvest | 0 | 7,846 | 0 | 0 |
| Eesti Laevaomanike Liit | 0 | 100 | 0 | 100 |
| 6 months of 2008/2009 or 28.02.2009 | Sales to related party | Purchases from related parties | Amounts owed by related parties | Amounts owed to related parties |
| AS Infortar | 641 | 572 | 227 | 0 |
| AS HT Valuuta | 1,402 | 0 | 501 | 0 |
| AS Vara HTG | 0 | 25,727 | 0 | 0 |
| OÜ Mersok | 0 | 72 | 0 | 28 |
| AS Vaba Maa | 56 | 5,321 | 14 | 657 |
| OÜ Sunbeam | 0 | 24,267 | 0 | 0 |
| AS Gastrolink | 26 | 3,580 | 0 | 410 |
| AS Tallink Takso | 1 | 556 | 0 | 53 |
| OÜ Topspa Kinnisvara | 0 | 21,496 | 0 | 8,845 |
| OÜ Hansa Hotell | 0 | 1,713 | 0 | 78 |
| Eesti Laevaomanike Liit | 0 | 117 | 0 | 0 |

(in thousands of EUR)

| 6 months of 2009/2010 or 28.02.2010 | Sales to related party | Purchases from related parties | Amounts owed by related parties | Amounts owed to related parties |
|--|-----------------------------------|---|--|--|
| AS Infortar | 1 | 37 | 0 | 0 |
| AS HT Valuuta | 92 | 0 | 27 | 0 |
| AS Vara HTG | 0 | 1,342 | 0 | 96 |
| OÜ Mersok | 0 | 5 | 0 | 2 |
| AS Vaba Maa | 4 | 415 | 1 | 105 |
| OÜ Sunbeam | 0 | 1,549 | 0 | 259 |
| AS Gastrolink | 1 | 324 | 0 | 39 |
| AS Tallink Takso | 0 | 31 | 0 | 8 |
| OÜ Topspa Kinnisvara | 0 | 1,174 | 0 | 239 |
| OÜ Hansa Hotell | 0 | 377 | 0 | 75 |
| OÜ Fastinvest | 0 | 501 | 0 | 0 |
| Eesti Laevaomanike Liit | 0 | 6 | 0 | 6 |
| 6 months of 2008/2009 or 28.02.2009 | Sales to related party | Purchases from related parties | Amounts owed by related parties | Amounts owed to related parties |
| AS Infortar | 41 | 37 | 15 | 0 |
| AS HT Valuuta | 90 | 0 | 32 | 0 |
| AS Vara HTG | 0 | 1,644 | 0 | 0 |
| OÜ Mersok | 0 | 5 | 0 | 2 |
| AS Vaba Maa | 4 | 340 | 1 | 42 |
| OÜ Sunbeam | 0 | 1,551 | 0 | 0 |
| AS Gastrolink | 2 | 229 | 0 | 26 |
| AS Tallink Takso | 0 | 36 | 0 | 3 |
| OÜ Topspa Kinnisvara | 0 | 1,374 | 0 | 565 |
| OÜ Hansa Hotell | 0 | 109 | 0 | 5 |
| Eesti Laevaomanike Liit | 0 | 7 | 0 | 0 |

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 first 6 months of the financial year 2009/2010 ended 28 February 2010 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 15.04.2010