



## AS TALLINK GRUPP

# Unaudited Consolidated Interim Financial Statements for the first quarter of the 2016 financial year

**1 January 2016 – 31 March 2016**

|                                 |   |
|---------------------------------|---|
| Beginning of the financial year | 1. January 2016   |
| End of the financial year       | 31. December 2016   |
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| Internet homepage               | <a href="http://www.tallink.com">www.tallink.com</a>            |
| Primary activity                | maritime transportation<br>(passenger and cargo transportation) |
| Auditor                         | KPMG Baltics OÜ   |

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## MANAGEMENT REPORT

In the first quarter (1 January - 31 March) of the 2016 financial year AS Tallink Grupp and its subsidiaries (the Group) carried 2.0 million passengers which is 8.9% more compared to the first quarter last year. The Group's unaudited revenue for the first quarter increased by EUR 2.7 million or 1.4% to the total of EUR 192.8 million. Unaudited EBITDA decreased by EUR 3.2 million or 16.3% to the total of EUR 16.3 million, unaudited net result improved by EUR 1.3 million or 9.9% compared to the same period last year and net loss amounted to EUR 12.0 million.

In the first quarter, which is also the low season, the number of passengers increased in all operated routes. The Group also increased the total revenue mainly from higher on-board sales despite less departures due to maintenance and lower revenue from the chartering activity. Compared to the same period last year the first quarter result was affected by noticeably lower revenues from chartering related to the sale of vessels Regina Baltica and Silja Festival, and termination of cruise ferry Silja Europa charter. However, the Group was able to exceed the reduction of charter revenues with higher revenues from main routes. The first quarter profitability was influenced also by onetime expenses from cruise ferry Silja Europa start of operations on Estonia-Finland route. The fast ferry Superstar sale and charter back transaction will impact the result of the current financial year. As a result of these operational changes, in the first quarter there are lower amortization and finance costs but higher operating costs, which resulted lower EBITDA and improved net result.

The Estonia-Finland routes first quarter revenue increased by 4.1% compared to same period last year. The increase is driven mainly by growth in the passenger number, cargo volume was on level with last year. The cruise ferry Silja Europa started daily operations on Tallinn-Helsinki route cruise service on 13<sup>th</sup> of March 2016. The Estonia-Finland segment result for the first quarter was lower compared to the same period last year due to the cost of charter of the fast ferry Superstar and also onetime costs related to the preparations of the cruise ferry Silja Europa return to the route.

The Finland-Sweden routes first quarter revenue increased by 5.0% compared to same period last year, the increase is supported by a 6.8% growth in the passenger number. The number of cargo units transported increased by 4.0%.

The Estonia-Sweden route revenue increase of 15.5% was mainly driven by a 13.3% increase of passenger number and higher cargo volume. The Latvia-Sweden route showed slightly higher revenue compared with the first quarter last year.

In the first quarter the Group's restaurants and shop sales increased by EUR 8.8 million or 8.7%, compared to the same period last year. The sales growth is supported mainly by the higher number of passengers travelling with the Group's operated ships.

The revenue from the leases of vessels has reduced by EUR 6.8 million or 43.2% in the first quarter due to fewer ships are chartered out, compared to the same period last year.

The Group has continuous focus on improving the public areas and cabins in ships to support the customer satisfaction and revenue growth. In the first quarter, the capital expenditure amounted to total of EUR 12.7 million. Along with the routine maintenance of vessels, number of investments were made to the shops, restaurants and cabins on the cruise ferries Silja Symphony and Silja Europa. On the Tallink Shuttle ferry Star the world's first floating BURGER KING® restaurant was opened.

In the first quarter of the 2016 financial year the Group's gross profit amounted to EUR 26.5 million which is on level compared to the same period last year and EBITDA decreased by EUR 3.2 million to the total of EUR 16.3 million. The first quarter profitability was impacted by lower total fuel cost but also higher marketing costs, cost of charter of the fast ferry Superstar and onetime costs related to changes in operations. Onetime costs from operations were related to preparations of the cruise ferry Silja Europa return to the route and launching of the Group operated Tallink Logistics Center.

In the first quarter, the depreciation and amortization cost reduced by EUR 0.8 due to the sale of three vessels in 2015. Total finance costs decreased by EUR 2.3 million mainly due to lower interest cost from regular repayment of loans and also repayment of loans related to sale of ships.

The unaudited net loss for the first quarter of the 2016 financial year was EUR 12.0 million or EUR 0.018 per share compared to the net loss of EUR 13.3 million or EUR 0.020 per share in the same period last year.

Cash flow from operations was EUR 16.7 million in first quarter, which is a EUR 1.0 million lower compared to the same period last year. The total liquidity, cash and unused credit facilities, at the end of the first quarter was EUR 136.3 million (EUR 68.8 million, 31 March 2015) providing a strong financial position for sustainable operations. The Group had EUR 91.7 million (EUR 66.3 million, 31 March 2015) in cash and equivalents and the total of unused credit lines were at EUR 44.6 million (EUR 2.5 million, 31 March 2015).

## Q1 KEY FIGURES

|                            |             | 2016<br>Jan-Mar | 2015<br>Jan-Mar | Change |
|----------------------------|-------------|-----------------|-----------------|--------|
| Revenue                    | EUR million | 192.8           | 190.2           | 1.4%   |
| Gross profit               | EUR million | 26.5            | 26.1            | 1.4%   |
| Gross margin               |             | 13.7%           | 13.7%           |        |
| EBITDA                     | EUR million | 16.3            | 19.5            | -16.3% |
| EBITDA margin              |             | 8.4%            | 10.2%           |        |
| Net profit for the period  | EUR million | -12.0           | -13.3           | 9.9%   |
| Net profit margin adjusted |             | -6.2%           | -7.0%           |        |

|                               |             |      |      |        |
|-------------------------------|-------------|------|------|--------|
| Depreciation and amortization | EUR million | 19.6 | 20.4 | -3.7%  |
| Investments                   | EUR million | 12.6 | 3.6  | 251.0% |

|   |     |             |             |      |
|---|-----|-------------|-------------|------|
| Weighted average number of ordinary shares outstanding <sup>1</sup> |     | 669,882,040 | 669,882,040 | 0.0% |
| Earnings per share  | EUR | -0.02       | -0.02       | 9.9% |

|                             |  |           |           |      |
|-----------------------------|--|-----------|-----------|------|
| Number of passengers        |  | 1,953,070 | 1,793,414 | 8.9% |
| Number of cargo units       |  | 77,279    | 75,172    | 2.8% |
| Average number of employees |  | 6,886     | 6,642     | 3.7% |

|                              |             | 31.03.2016 | 31.12.2015 |       |
|------------------------------|-------------|------------|------------|-------|
| Total assets                 | EUR million | 1,554.8    | 1,538.8    | 1.0%  |
| Interest-bearing liabilities | EUR million | 564.1      | 549.3      | 2.7%  |
| Net debt                     | EUR million | 472.4      | 467.4      | 1.1%  |
| Total equity                 | EUR million | 812.3      | 824.4      | -1.5% |

|                    |  |       |       |  |
|--------------------|--|-------|-------|--|
| Equity ratio       |  | 52.2% | 53.6% |  |
| Net debt to EBITDA |  | 2.7   | 2.6   |  |

|  |     |             |             |       |
|--|-----|-------------|-------------|-------|
| Number of ordinary shares outstanding <sup>1</sup> |     | 669,882,040 | 669,882,040 | 0.0%  |
| Shareholders' equity per share                     | EUR | 1.21        | 1.23        | -1.5% |

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

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

Equity ratio: total equity / total assets;

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

Gross margin: gross profit / net sales;

EBITDA margin: EBITDA / net sales;

Net profit margin: net profit / net sales;

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

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

<sup>1</sup> Share numbers exclude own shares.

## SALES & SEGMENT RESULTS

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

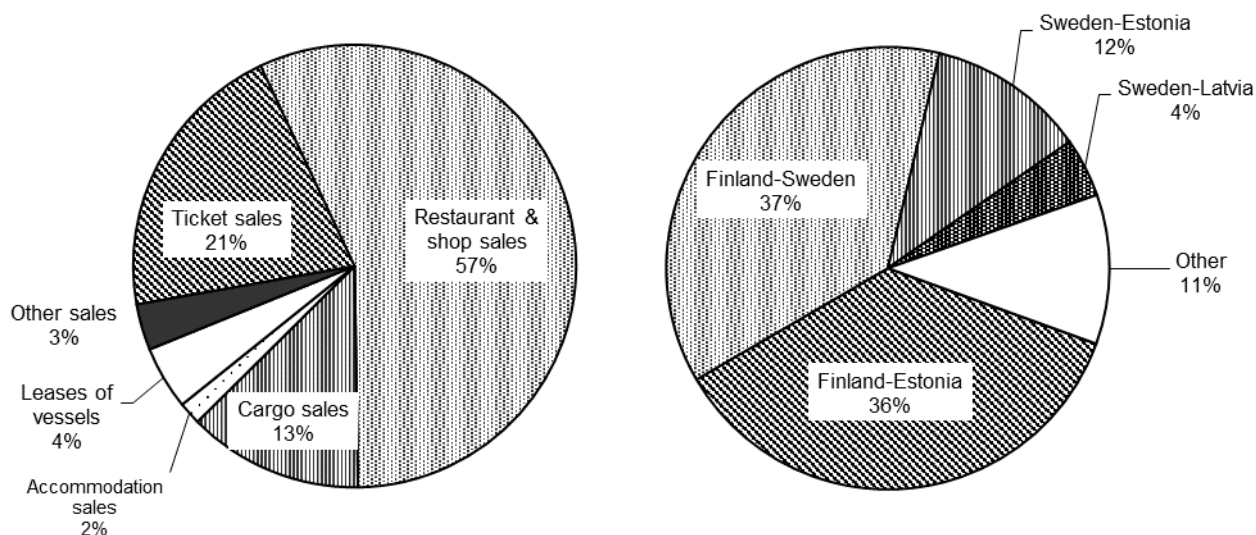
| in EUR millions         | Q1<br>2015   | Q2<br>2015   | Q3<br>2015   | Q4<br>2015   | Q1<br>2016   | Q1<br>change<br>y-o-y |
|-------------------------|--------------|--------------|--------------|--------------|--------------|-----------------------|
| Ticket sales            | 38.1         | 61.1         | 78.3         | 50.4         | <b>40.1</b>  | 5.2%                  |
| Restaurant & shop sales | 100.6        | 134.1        | 141.1        | 124.9        | <b>109.4</b> | 8.7%                  |
| Cargo sales             | 25.9         | 27.2         | 25.4         | 25.9         | <b>24.7</b>  | -4.5%                 |
| Accommodation sales     | 3.0          | 5.2          | 6.3          | 4.3          | <b>3.2</b>   | 5.7%                  |
| Leases of vessels       | 15.7         | 13.2         | 12.1         | 12.4         | <b>8.9</b>   | -43.2%                |
| Other sales             | 6.9          | 13.0         | 10.3         | 9.8          | <b>6.5</b>   | -4.6%                 |
| <b>Total revenue</b>    | <b>190.2</b> | <b>253.9</b> | <b>273.6</b> | <b>227.6</b> | <b>192.8</b> | <b>1.4%</b>           |

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

|                             |                             |         | Q1<br>2015   | Q2<br>2015   | Q3<br>2015   | Q4<br>2015   | Q1<br>2016   | Q1<br>change<br>y-o-y |
|-----------------------------|-----------------------------|---------|--------------|--------------|--------------|--------------|--------------|-----------------------|
| <b>Finland-<br/>Estonia</b> | Passengers                  | th.     | 918          | 1,233        | 1,443        | 1,151        | <b>1,001</b> | 9.0%                  |
|                             | Cargo units                 | th.     | 47           | 51           | 51           | 49           | <b>48</b>    | 1.1%                  |
|                             | Revenue                     | mil.EUR | 66.8         | 89.7         | 96.3         | 85.3         | <b>69.5</b>  | 4.1%                  |
|                             | Segment result              | mil.EUR | 12.6         | 24.5         | 30.0         | 23.1         | <b>10.5</b>  | -16.7%                |
| <b>Finland-<br/>Sweden</b>  | Passengers                  | th.     | 585          | 748          | 843          | 650          | <b>624</b>   | 6.8%                  |
|                             | Cargo units                 | th.     | 17           | 17           | 14           | 16           | <b>18</b>    | 4.0%                  |
|                             | Revenue                     | mil.EUR | 68.2         | 88.1         | 99.6         | 77.4         | <b>71.6</b>  | 5.0%                  |
|                             | Segment result              | mil.EUR | -5.1         | 6.2          | 16.4         | -0.3         | <b>-3.1</b>  | 39.1%                 |
| <b>Sweden-<br/>Estonia</b>  | Passengers                  | th.     | 196          | 253          | 277          | 222          | <b>222</b>   | 13.3%                 |
|                             | Cargo units                 | th.     | 9            | 9            | 10           | 11           | <b>10</b>    | 8.9%                  |
|                             | Revenue                     | mil.EUR | 19.3         | 27.3         | 32.2         | 25.6         | <b>22.3</b>  | 15.5%                 |
|                             | Segment result              | mil.EUR | -2.9         | 1.9          | 6.7          | 0.7          | <b>0.2</b>   | 106.4%                |
| <b>Sweden-<br/>Latvia</b>   | Passengers                  | th.     | 95           | 123          | 138          | 103          | <b>107</b>   | 12.5%                 |
|                             | Cargo units                 | th.     | 2            | 2            | 2            | 2            | <b>2</b>     | 4.5%                  |
|                             | Revenue                     | mil.EUR | 8.1          | 11.0         | 13.5         | 9.4          | <b>8.3</b>   | 3.3%                  |
|                             | Segment result              | mil.EUR | -0.4         | 1.3          | 3.8          | 0.6          | <b>0.1</b>   | 122.0%                |
| <b>Other</b>                | Revenue                     | mil.EUR | 29.6         | 40.4         | 35.2         | 32.4         | <b>22.9</b>  | -22.8%                |
|                             | Segment result              | mil.EUR | 6.6          | 12.1         | 12.7         | 9.3          | <b>0.5</b>   | -92.9%                |
|                             | Inter segment sales         | mil.EUR | -1.8         | -2.7         | -3.3         | -2.4         | <b>-1.8</b>  | 0.3%                  |
|                             | <b>Total revenue</b>        | mil.EUR | <b>190.2</b> | <b>253.9</b> | <b>273.6</b> | <b>227.6</b> | <b>192.8</b> | <b>1.4%</b>           |
|                             | <b>EBITDA</b>               | mil.EUR | <b>19.5</b>  | <b>55.2</b>  | <b>76.8</b>  | <b>29.9</b>  | <b>16.3</b>  | <b>-16.3%</b>         |
|                             | <b>Total segment result</b> | mil.EUR | <b>10.9</b>  | <b>45.9</b>  | <b>69.7</b>  | <b>33.4</b>  | <b>8.2</b>   | <b>-24.7%</b>         |
|                             | <b>Net profit/-loss</b>     | mil.EUR | <b>-13.3</b> | <b>28.5</b>  | <b>45.2</b>  | <b>-1.3</b>  | <b>-12.0</b> | <b>9.9%</b>           |

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

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



## MARKET DEVELOPMENTS

The following table provides an overview of the passengers, cargo units and passenger vehicles transported during the first quarter of 2016 and 2015 financial years.

|                           | Q1<br>2016       | Q1<br>2015       | Q1<br>Change |
|---------------------------|------------------|------------------|--------------|
| <b>Passengers</b>         | <b>1,953,070</b> | <b>1,793,414</b> | <b>8.9%</b>  |
| Estonia-Finland           | 1,000,609        | 918,296          | 9.0%         |
| Finland-Sweden            | 624,302          | 584,799          | 6.8%         |
| Estonia-Sweden            | 221,593          | 195,569          | 13.3%        |
| Latvia-Sweden             | 106,566          | 94,750           | 12.5%        |
| <b>Cargo Units</b>        | <b>77,279</b>    | <b>75,172</b>    | <b>2.8%</b>  |
| Estonia-Finland           | 47,517           | 47,003           | 1.1%         |
| Finland-Sweden            | 17,717           | 17,032           | 4.0%         |
| Estonia-Sweden            | 10,055           | 9,232            | 8.9%         |
| Latvia-Sweden             | 1,990            | 1,905            | 4.5%         |
| <b>Passenger Vehicles</b> | <b>221,322</b>   | <b>211,429</b>   | <b>4.7%</b>  |
| Estonia-Finland           | 171,605          | 164,916          | 4.1%         |
| Finland-Sweden            | 22,826           | 20,293           | 12.5%        |
| Estonia-Sweden            | 15,383           | 13,870           | 10.9%        |
| Latvia-Sweden             | 11,508           | 12,350           | -6.8%        |

**The Group's market shares on the routes operated during a 12 month period ending 31 March 2016 were as follows:**

- The Group carried approximately 57% of the passengers and 64% of ro-ro cargo on the route between Tallinn and Helsinki;
- The Group carried approximately 53% of passengers and 26% of ro-ro cargo on the routes between Finland and Sweden;
- 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.

**PERSONNEL**

31 March 2016 the Group employed 6,941 employees (6,640, 31 March 2015). The following table provides a more detailed overview of the Group's personnel.

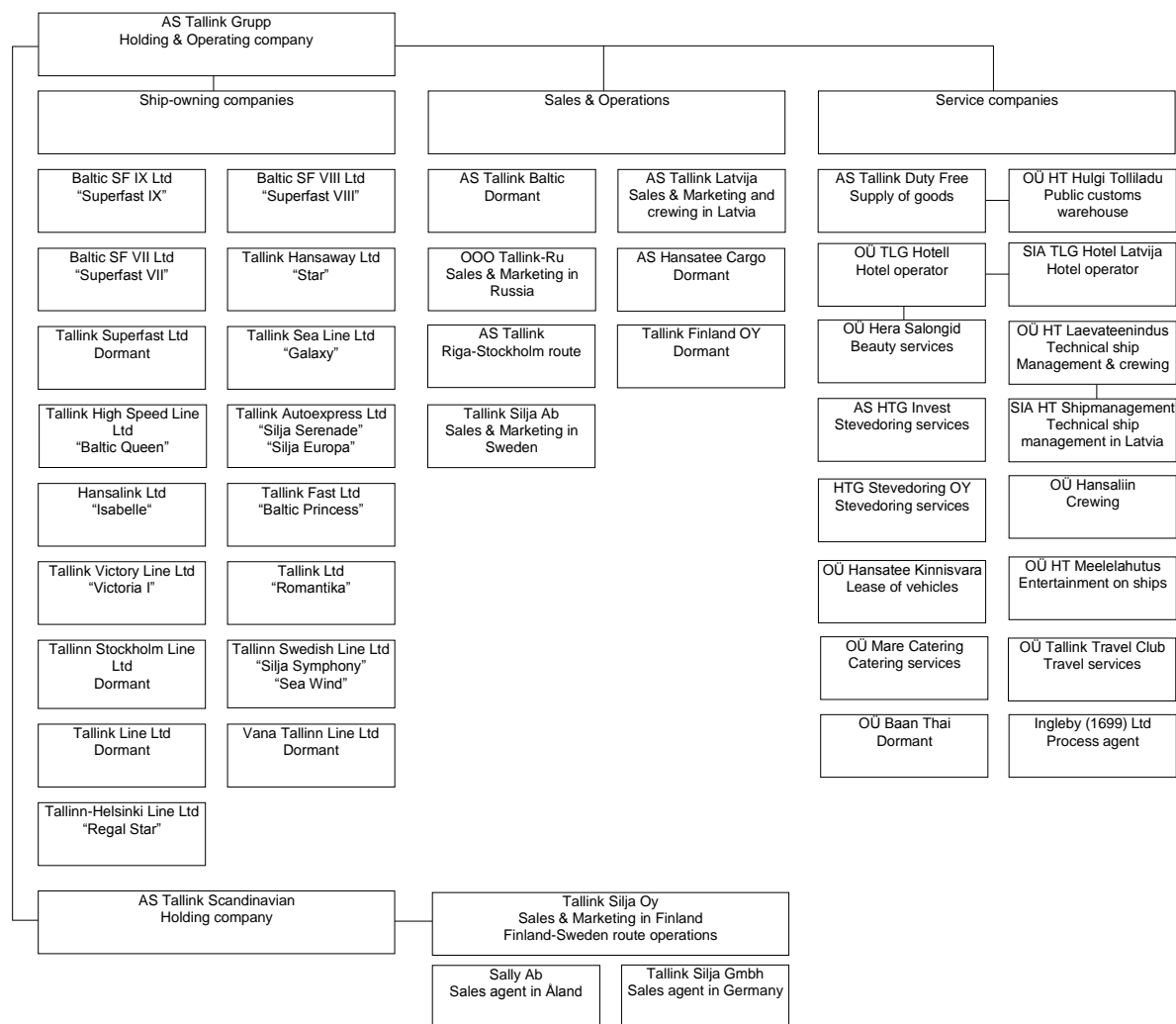
|                      | Average of 1st quarter |              |             | End of 1st quarter |              |             |
|----------------------|------------------------|--------------|-------------|--------------------|--------------|-------------|
|                      | 2016                   | 2015         | change      | 31.03.16           | 31.03.15     | change      |
| <b>Onshore total</b> | <b>1,574</b>           | <b>1,503</b> | <b>4.7%</b> | <b>1,583</b>       | <b>1,488</b> | <b>6.4%</b> |
| <i>Estonia</i>       | 845                    | 765          | 10.5%       | 857                | 760          | 12.8%       |
| <i>Finland</i>       | 469                    | 459          | 2.2%        | 468                | 455          | 2.9%        |
| <i>Sweden</i>        | 179                    | 200          | -10.5%      | 179                | 194          | -7.7%       |
| <i>Latvia</i>        | 65                     | 65           | 0.0%        | 65                 | 65           | 0.0%        |
| <i>Germany</i>       | 6                      | 4            | 50.0%       | 6                  | 4            | 50.0%       |
| <i>Russia</i>        | 10                     | 10           | 0.0%        | 8                  | 10           | -20.0%      |
| <b>At sea</b>        | <b>4,700</b>           | <b>4 531</b> | <b>3.7%</b> | <b>4,736</b>       | <b>4,545</b> | <b>4.2%</b> |
| <b>Hotel</b>         | <b>612</b>             | <b>608</b>   | <b>0.7%</b> | <b>622</b>         | <b>607</b>   | <b>2.5%</b> |
| <b>Total</b>         | <b>6,886</b>           | <b>6,642</b> | <b>3.7%</b> | <b>6,941</b>       | <b>6,640</b> | <b>4.5%</b> |



## CORPORATE STRUCTURE

On the report date, the Group consisted of 44 companies. All of the subsidiaries are wholly-owned companies of AS Tallink Grupp.

The following chart describes the structure of the Group as on the date of reporting 31 March 2016:

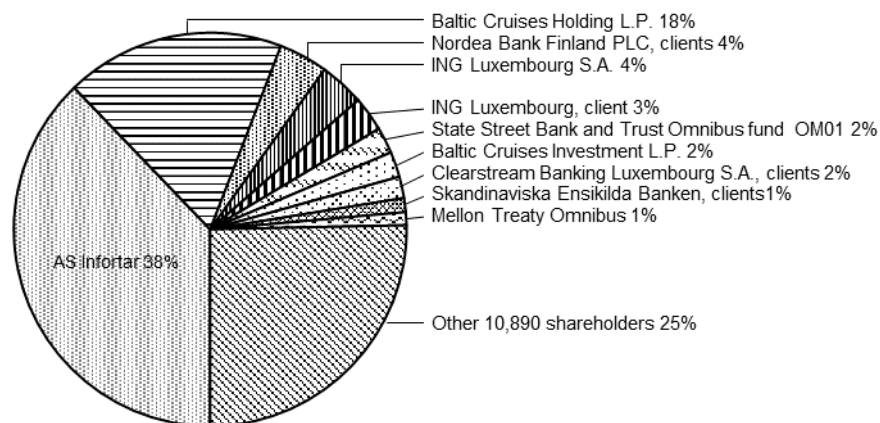


The Group also owns 34% of AS Tallink Takso.

The Group established new 100% owned subsidiary OÜ Baan Thai on 11<sup>th</sup> of February 2016. The subsidiary's main activity will be catering services.

## SHAREHOLDERS & SHARE PRICE DEVELOPMENT

The following chart displays the shareholder structure of AS Tallink Grupp as of 31 March 2016.



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



Source: Nasdaq OMX Baltic

## EVENTS IN Q1

Following the Group's strategy to ensure cost efficient operations, the Tallink Logistics Center project was started and one of the most modern logistics centres in the region was launched in January 2016. The Group operated logistics centre will centralise the logistics of the goods and will be the single hub for distribution of majority of the goods for the Group's fleet, hotels and offices.

On the 9<sup>th</sup> of February 2016 the keel laying of the new LNG fast ferry Megastar was celebrated at Meyer Turku shipyard. The construction of the vessel is proceeding according to the planned schedule and vessel launching in to the water will take place in early July. The new LNG fast ferry Megastar will be delivered to the Group early 2017 and the vessel will start to operate the Tallink Shuttle service on Tallinn-Helsinki route.

The Group established new 100% owned subsidiary OÜ Baan Thai on 11<sup>th</sup> of February 2016. The subsidiary's main activity will be providing of catering services.

The charter of the cruise ferry Silja Europa was concluded on 19<sup>th</sup> of February 2016 and the vessel was handed over to the Group. After preparation works Silja Europa started on Tallinn-Helsinki route on 13<sup>th</sup> of March with two daily departures next to cruise ferry Baltic Queen and Tallink Shuttle ferries Star and Superstar.

In the first quarter, number of investments were made to the shops, restaurants and cabins on ships. On the cruise ferry Silja Symphony total of 84 Deluxe and Family cabins were fully renewed, the popular Old Port Pub was fully renewed, the new travel accessories shop Step&Shine was opened and also the Conference and Buffet areas were renewed. During the preparations of the cruise ferry Silja Europa return from charter to Tallinn-Helsinki route, the new Superstore, Perfume&Retail store, the very popular Italian restaurant Tavolata and Fast Lane food court were opened on the ship. On the Tallink Shuttle ferry Star the world's first floating BURGER KING® restaurant was opened in February.

## EVENTS AFTER THE BALANCE SHEET DATE AND THE OUTLOOK

Looking forward to the second quarter of the 2016 financial year the Group's revenue structure will change compared to the previous year as fewer ships are in charter. The cruise ferry Silja Europa charter was concluded in February 2016 and two ships previously in charter were sold in the second quarter of 2015.

In April 2016 the Group made a EUR 11.5 million down payment for the new LNG fast ferry Megastar. In 2015 financial year the total down payment made for the vessel under construction amounted to EUR 23 million and the final tranche of EUR 11.5 million down payment will be paid in July 2016. The cost of the new vessel is EUR 230 million and the total down payment is 20% or EUR 46 million of the total cost.

The Group's marketing initiatives and solutions were denominated in six categories for renowned Finnish "Blue Arrow" digital industry awards. The jury consisting top experts on the field of digital services selected Tallink Silja Mobile Reservation solution as finalist for "Customer Experience Award". The jury acknowledged that Tallink has made major investments in digital services and created a very efficient and easy-to-use mobile reservation system which creates excellent user experience.

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

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

## RISKS

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

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

## MANAGEMENT BOARD'S CONFIRMATION TO THE MANAGEMENT REPORT

The Management Board confirms that to the best of their knowledge the management report of AS Tallink Grupp for the first quarter of the 2016 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 handwritten signature in blue ink, appearing to be 'J. Stalmeister'.

Janek Stalmeister  
*Chairman of the Management Board*

A handwritten signature in blue ink, appearing to be 'A. Hunt'.

Andres Hunt  
*Vice Chairman of the Management Board*

A handwritten signature in blue ink, appearing to be 'L. Kitter'.

Lembit Kitter  
*Member of the Management Board*

Tallinn, 12 May 2016

## CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

| (unaudited, in thousands of euros)                        | 01.01.2016-<br>31.03.2016 | 01.01.2015-<br>31.03.2015 |
|---|---------------------------|---------------------------|
| Revenue (Note 3)  | 192,821                   | 190,153                   |
| Cost of sales   | -166,343                  | -164,049                  |
| <b>Gross profit</b>                                       | <b>26,478</b>             | <b>26,104</b>             |
| Sales and marketing expenses                              | -18,292                   | -15,235                   |
| Administrative expenses                                   | -12,018                   | -11,715                   |
| Other operating income                                    | 500                       | 123                       |
| Other operating expenses                                  | -16                       | -191                      |
| <b>Result from operating activities</b>                   | <b>-3,348</b>             | <b>-914</b>               |
| Finance income (Note 4)                                   | 2,596                     | 5,676                     |
| Finance costs (Note 4)                                    | -11,273                   | -16,608                   |
| <b>Profit/-loss before income tax</b>                     | <b>-12,025</b>            | <b>-11,846</b>            |
| Income tax  | -2                        | -1,500                    |
| <b>Net profit/-loss for the period</b>                    | <b>-12,027</b>            | <b>-13,346</b>            |
| <b>Other comprehensive income/-expense</b>                |                           |                           |
| Items that may be reclassified to profit or loss          |                           |                           |
| Exchange differences on translating foreign operations    | -58                       | -82                       |
| <b>Other comprehensive income/-expense for the period</b> | <b>-58</b>                | <b>-82</b>                |
| <b>Total comprehensive income/-expense for the period</b> | <b>-12,085</b>            | <b>-13,428</b>            |
| <b>Earnings per share</b> (in EUR per share)              |                           |                           |
| - basic (Note 5)  | -0.018                    | -0.020                    |
| - diluted (Note 5)  | -0.018                    | -0.020                    |

## CONSOLIDATED STATEMENT OF FINANCIAL POSITION

(unaudited, in thousands of euros)

| <b>ASSETS</b>  | <b>31.03.2016</b> | <b>31.12.2015</b> |
|--|-------------------|-------------------|
| <b>Current assets</b>  |                   |                   |
| Cash and cash equivalents  | 91,718            | 81,976            |
| Trade and other receivables                                      | 35,354            | 36,583            |
| Prepayments  | 13,075            | 5,274             |
| Income tax prepayment  | 439               | 1,224             |
| Inventories  | 36,506            | 29,197            |
| <b>Total current assets</b>                                      | <b>177,092</b>    | <b>154,254</b>    |
| <b>Non-current assets</b>  |                   |                   |
| Investments in equity-accounted investees                        | 350               | 350               |
| Other financial assets   | 361               | 308               |
| Deferred income tax assets                                       | 19,410            | 19,410            |
| Investment property  | 300               | 300               |
| Property, plant and equipment (Note 7)                           | 1,305,045         | 1,311,418         |
| Intangible assets (Note 8)                                       | 52,195            | 52,726            |
| <b>Total non-current assets</b>                                  | <b>1,377,661</b>  | <b>1,384,512</b>  |
| <b>TOTAL ASSETS</b>  | <b>1,554,753</b>  | <b>1,538,766</b>  |
| <b>LIABILITIES AND EQUITY</b>                                    |                   |                   |
| <b>Current liabilities</b>                                       |                   |                   |
| Interest bearing loans and borrowings (Note 9)                   | 108,851           | 81,889            |
| Trade and other payables   | 94,287            | 88,480            |
| Income tax liability   | 3,586             | 4,567             |
| Deferred income  | 38,056            | 28,906            |
| <b>Total current liabilities</b>                                 | <b>244,780</b>    | <b>203,842</b>    |
| <b>Non-current liabilities</b>                                   |                   |                   |
| Interest bearing loans and borrowings (Note 9)                   | 455,277           | 467,447           |
| Derivatives (Note 6)   | 42,359            | 42,863            |
| Other payables   | 0                 | 192               |
| <b>Total non-current liabilities</b>                             | <b>497,636</b>    | <b>510,502</b>    |
| <b>TOTAL LIABILITIES</b>   | <b>742,416</b>    | <b>714,344</b>    |
| <b>EQUITY</b>  |                   |                   |
| <b>Equity attributable to equity holders of the parent</b>       |                   |                   |
| Share capital  | 404,290           | 404,290           |
| Share premium  | 639               | 639               |
| Reserves   | 65,025            | 65,083            |
| Retained earnings  | 342,383           | 354,410           |
| <b>Total equity attributable to equity holders of the parent</b> | <b>812,337</b>    | <b>824,422</b>    |
| <b>TOTAL EQUITY</b>  | <b>812,337</b>    | <b>824,422</b>    |
| <b>TOTAL LIABILITIES AND EQUITY</b>                              | <b>1,554,753</b>  | <b>1,538,766</b>  |

## CONSOLIDATED CASH FLOW STATEMENT

(unaudited, in thousands of euros)

|   | <b>01.01.2016-<br/>31.03.2016</b> | <b>01.01.2015-<br/>31.03.2015</b> |
|---|-----------------------------------|-----------------------------------|
| <b>Cash flows from operating activities</b>                                     |                                   |                                   |
| Net profit/-loss for the period   | -12,027                           | -13,346                           |
| Adjustments   | 28,192                            | 33,028                            |
| Changes in receivables and prepayments related to operating activities          | -5,756                            | -4,811                            |
| Changes in inventories  | -7,309                            | 2,528                             |
| Changes in liabilities related to operating activities                          | 13,719                            | 336                               |
| Income tax paid   | -160                              | -33                               |
|   | <b>16,659</b>                     | <b>17,702</b>                     |
| <b>Cash flow from/used in investing activities</b>                              |                                   |                                   |
| Purchase of property, plant and equipment and intangible assets (Notes 7, 8, 9) | -12,709                           | -3,612                            |
| Proceeds from disposals of property, plant and equipment                        | 134                               | 12                                |
| Interest received   | 18                                | 22                                |
|   | <b>-12,557</b>                    | <b>-3,578</b>                     |
| <b>Cash flows used in financing activities</b>                                  |                                   |                                   |
| Repayment of loans (Note 9)   | -14,728                           | -15,024                           |
| Change in overdraft (Note 9)  | 26,963                            | 10,049                            |
| Payment of finance lease liabilities (Note 9)                                   | -24                               | -20                               |
| Interest paid   | -5,550                            | -6,745                            |
| Payments for settlement of derivatives  | -1,021                            | -1,419                            |
|   | <b>5,640</b>                      | <b>-13,159</b>                    |
| <b>TOTAL NET CASH FLOW</b>  | <b>9,742</b>                      | <b>965</b>                        |
| <b>Cash and cash equivalents:</b>   |                                   |                                   |
| - at the beginning of period  | 81,976                            | 65,311                            |
| - increase (+) / decrease (-)   | 9,742                             | 965                               |
| <b>- at the end of period</b>   | <b>91,718</b>                     | <b>66,276</b>                     |



## CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

(unaudited, in thousands of euros)

|  | Share<br>capital premium | Share<br>premium | Translation<br>reserve | Ships<br>revaluation<br>reserve | Mandatory<br>legal<br>reserve | Reserve for<br>treasury<br>shares | Share<br>option<br>programme<br>reserve | Retained<br>earnings | Equity<br>attributable<br>to equity<br>holders of<br>the Parent | Total<br>equity |
|--|--------------------------|------------------|------------------------|---------------------------------|-------------------------------|-----------------------------------|---|----------------------|---|-----------------|
| <b>As at 31 December 2014</b>                                      | <b>404,290</b>           | <b>639</b>       | <b>298</b>             | <b>54,562</b>                   | <b>18,822</b>                 | <b>-4,163</b>                     | <b>610</b>                              | <b>303,232</b>       | <b>778,290</b>  | <b>778,290</b>  |
| Net profit/-loss for the period (Note 5)                           | 0                        | 0                | 0                      | 0                               | 0                             | 0                                 | 0                                       | -13,346              | -13,346   | -13,346         |
| Total other comprehensive income and expense                       | 0                        | 0                | -82                    | 0                               | 0                             | 0                                 | 0                                       | 0                    | -82   | -82             |
| Total comprehensive income and expense<br>for the period           | 0                        | 0                | -82                    | 0                               | 0                             | 0                                 | 0                                       | -13,346              | -13,428   | -13,428         |
| <b>Transaction with owners of the company</b>                      |                          |                  |                        |                                 |                               |                                   |   |                      |   |                 |
| Share-based payment transactions (Note<br>11)                      | 0                        | 0                | 0                      | 0                               | 0                             | 0                                 | 76                                      | 0                    | 76  | 76              |
| <b>Transactions with owners, recognised<br/>directly in equity</b> | <b>0</b>                 | <b>0</b>         | <b>0</b>               | <b>0</b>                        | <b>0</b>                      | <b>0</b>                          | <b>-224</b>                             | <b>-20,052</b>       | <b>-20,320</b>  | <b>-20,320</b>  |
| <b>As at 31 March 2015</b>   | <b>404,290</b>           | <b>639</b>       | <b>216</b>             | <b>54,562</b>                   | <b>18,822</b>                 | <b>-4,163</b>                     | <b>686</b>                              | <b>289,886</b>       | <b>764,938</b>  | <b>764,938</b>  |
| <b>As at 31 December 2015</b>                                      | <b>404,290</b>           | <b>639</b>       | <b>458</b>             | <b>47,693</b>                   | <b>20,185</b>                 | <b>-4,163</b>                     | <b>910</b>                              | <b>354,410</b>       | <b>824,422</b>  | <b>824,422</b>  |
| Net profit/-loss for the period (Note 5)                           | 0                        | 0                | 0                      | 0                               | 0                             | 0                                 | 0                                       | -12,027              | -12,027   | -12,027         |
| Total other comprehensive income and expense                       | 0                        | 0                | -58                    | 0                               | 0                             | 0                                 | 0                                       | 0                    | -58   | -58             |
| Total comprehensive income and expense<br>for the period           | 0                        | 0                | -58                    | 0                               | 0                             | 0                                 | 0                                       | -12,027              | -12,085   | -12,085         |
| <b>As at 31 March 2016</b>   | <b>404,290</b>           | <b>639</b>       | <b>400</b>             | <b>47,693</b>                   | <b>20,185</b>                 | <b>-4,163</b>                     | <b>910</b>                              | <b>342,383</b>       | <b>812,337</b>  | <b>812,337</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 2016 were authorised for issue in accordance with a resolution of the Management Board on 12 May 2016. AS Tallink Grupp is a limited company incorporated in Estonia and employed 6,640 people at 31 March 2016 (31 December 2015: 6,966).

### **Note 2 BASIS OF PREPARATION**

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

The same accounting policies and methods of computation are followed in the interim consolidated financial statements as in the annual consolidated financial statements of AS Tallink Grupp for the financial year ended on 31 December 2015.

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

### **Note 3 SEGMENT INFORMATION**

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

## Geographical segments

(in thousands of euros)

| 01.01.2016-31.03.2016                 | Estonia-<br>Finland<br>route | Estonia-<br>Sweden<br>route | Latvia-<br>Sweden<br>route | Finland-<br>Sweden<br>route | Other         | Elimination of<br>intersegment<br>sales | Total          |
|---------------------------------------|------------------------------|-----------------------------|----------------------------|-----------------------------|---------------|---|----------------|
| <b>Revenue</b>                        |                              |                             |                            |                             |               |   |                |
| Sales to external customers           | 69,513                       | 22,280                      | 8,346                      | 71,605                      | 21,077        | 0                                       | 192,821        |
| Inter-segment sales                   | 0                            | 0                           | 0                          | 0                           | 1,802         | -1,802                                  | 0              |
|                                       | <b>69,513</b>                | <b>22,280</b>               | <b>8,346</b>               | <b>71,605</b>               | <b>22,879</b> | <b>-1,802</b>                           | <b>192,821</b> |
| <b>Segment result</b>                 |                              |                             |                            |                             |               |   |                |
|                                       | <b>10,529</b>                | <b>187</b>                  | <b>90</b>                  | <b>-3,086</b>               | <b>466</b>    | <b>0</b>                                | <b>8,186</b>   |
| Unallocated expenses                  |                              |                             |                            |                             |               |   | -11,534        |
| Net financial items (Note 4)          |                              |                             |                            |                             |               |   | -8,677         |
| <b>Profit/-loss before income tax</b> |                              |                             |                            |                             |               |   | <b>-12,025</b> |

| 01.01.2015-31.03.2015                 | Estonia-<br>Finland<br>route | Estonia-<br>Sweden<br>route | Latvia-<br>Sweden<br>route | Finland-<br>Sweden<br>route | Other         | Elimination of<br>intersegment<br>sales | Total          |
|---------------------------------------|------------------------------|-----------------------------|----------------------------|-----------------------------|---------------|---|----------------|
| <b>Revenue</b>                        |                              |                             |                            |                             |               |   |                |
| Sales to external customers           | 66,766                       | 19,283                      | 8,080                      | 68,204                      | 27,820        | 0                                       | 190,153        |
| Inter-segment sales                   | 0                            | 0                           | 0                          | 0                           | 1,808         | -1,808                                  | 0              |
|                                       | <b>66,766</b>                | <b>19,283</b>               | <b>8,080</b>               | <b>68,204</b>               | <b>29,628</b> | <b>-1,808</b>                           | <b>190,153</b> |
| <b>Segment result</b>                 |                              |                             |                            |                             |               |   |                |
|                                       | <b>12,643</b>                | <b>-2,902</b>               | <b>-410</b>                | <b>-5,069</b>               | <b>6,607</b>  | <b>0</b>                                | <b>10,869</b>  |
| Unallocated expenses                  |                              |                             |                            |                             |               |   | -11,783        |
| Net financial items (Note 4)          |                              |                             |                            |                             |               |   | -10,932        |
| <b>Profit/-loss before income tax</b> |                              |                             |                            |                             |               |   | <b>-11,846</b> |

### Revenue by service

| (in thousands of euros)                             | 01.01.2016-<br>31.03.2016 | 01.01.2015-<br>31.03.2015 |
|---|---------------------------|---------------------------|
| Ticket sales  | 40,093                    | 38,119                    |
| Sales of cargo transport                            | 24,696                    | 25,853                    |
| Sales of accommodation                              | 3,179                     | 3,006                     |
| Restaurant and shops sales on-board and on mainland | 109,386                   | 100,612                   |
| Income from charter of vessels                      | 8,923                     | 15,700                    |
| Other   | 6,544                     | 6,863                     |
| <b>Total revenue of the Group</b>                   | <b>192,821</b>            | <b>190,153</b>            |

### Note 4 FINANCE INCOME AND FINANCE COSTS

| (in thousands of euros)   | 01.01.2016-<br>31.03.2016 | 01.01.2015-<br>31.03.2015 |
|---|---------------------------|---------------------------|
| Income from interest rate swaps   | 0                         | 849                       |
| Income from foreign exchange derivatives  | 2,594                     | 4,820                     |
| Interest income arising from financial assets not measured at fair value through profit or loss | 2                         | 7                         |
| <b>Total finance income</b>   | <b>2,596</b>              | <b>5,676</b>              |
| Net foreign exchange losses   | -1,867                    | -3,598                    |
| Interest expense arising from financial liabilities measured at amortised cost                  | -6,295                    | -7,945                    |
| Expenses from interest rate swaps   | -3,111                    | -5,065                    |
| <b>Total finance costs</b>  | <b>-11,273</b>            | <b>-16,608</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. The outstanding share options have diluting effect due to their exercise price being lower than the average price in the stock market during the reporting period.

|   | 01.01.2016-<br>31.03.2016 | 01.01.2015-<br>31.03.2015 |
|---|---------------------------|---------------------------|
| Weighted average number of ordinary shares, basic (pcs)   | 669,882,040               | 669,882,040               |
| Effect of share options on issue                          | 172,393                   | 0                         |
| Weighted average number of ordinary shares, diluted (pcs) | 670,054,433               | 669,882,040               |
| Net profit/-loss attributable to ordinary shareholders    | -12,027                   | -13,346                   |
| Earnings per share, basic (in EUR per share)              | -0.018                    | -0.020                    |
| Earnings per share, diluted (in EUR per share)            | -0.018                    | -0.020                    |

### Weighted average number of ordinary shares

| (pcs)   | 01.01.2016-<br>31.03.2016 | 01.01.2015-<br>31.03.2015 |
|---|---------------------------|---------------------------|
| 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 the 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 31.03.2016 AS Tallink Grupp had two interest rate derivative contracts with total notional amount of EUR 170,000 thousand with the maturities in years 2018, 2019 and two cross-currency rate derivative contracts with total notional amount of EUR 120,000 thousand with the maturities in year 2018. The fair value of the interest rate derivatives recognized in the current interim financial statements as of 31.03.2016 is EUR -14,725 thousand. The fair value of the cross-currency rate derivatives recognized in the current interim financial statements as of 31.03.2016 is EUR -27,634 thousand.

## Note 7 PROPERTY, PLANT AND EQUIPMENT

(in thousands of euros)

|  | Land and building | Ships            | Plant and equipment | Prepayments   | Total            |
|--|-------------------|------------------|---------------------|---------------|------------------|
| <b>Book value as at 31 December 2015</b> | <b>2,942</b>      | <b>1,270,102</b> | <b>10,160</b>       | <b>28,214</b> | <b>1,311,418</b> |
| Additions                                | 92                | 7,930            | 6,114               | -2,229        | 11,907           |
| Disposals                                | 0                 | 0                | -4                  | -19           | -23              |
| Depreciation for the period              | -295              | -16,752          | -1,210              | 0             | -18,257          |
| <b>Book value as at 31 March 2016</b>    | <b>2,739</b>      | <b>1,261,280</b> | <b>15,060</b>       | <b>25,966</b> | <b>1,305,045</b> |

### As at 31 March 2016

|                           |        |           |         |        |           |
|---------------------------|--------|-----------|---------|--------|-----------|
| -gross carrying amount    | 10,206 | 1,564,796 | 39,239  | 25,966 | 1,640,207 |
| -accumulated depreciation | -7,467 | -303,516  | -24,179 | 0      | -335,162  |

|  | Land and building | Ships            | Plant and equipment | Prepayments  | Total            |
|--|-------------------|------------------|---------------------|--------------|------------------|
| <b>Book value as at 31 December 2015</b> | <b>3,729</b>      | <b>1,451,400</b> | <b>10,000</b>       | <b>2,835</b> | <b>1,467,964</b> |
| Additions                                | 334               | 1,386            | 749                 | 685          | 3,154            |
| Disposals                                | 0                 | 0                | -2                  | 0            | -2               |
| Depreciation for the period              | -286              | -17,731          | -969                | 0            | -18,986          |
| <b>Book value as at 31 March 2015</b>    | <b>3,777</b>      | <b>1,435,055</b> | <b>9,778</b>        | <b>3,520</b> | <b>1,452,130</b> |

### As at 31 March 2015

|                           |        |           |         |       |           |
|---------------------------|--------|-----------|---------|-------|-----------|
| -gross carrying amount    | 13,120 | 1,715,283 | 31,082  | 3,520 | 1,763,005 |
| -accumulated depreciation | -9,343 | -280,228  | -21,304 | 0     | -310,875  |

## Note 8 INTANGIBLE ASSETS

(in thousands of euros)

|  | Goodwill      | Trademark     | Others        | Total         |
|--|---------------|---------------|---------------|---------------|
| <b>Book value as at 31 December 2015</b> | <b>11,066</b> | <b>30,586</b> | <b>11,074</b> | <b>52,726</b> |
| Additions                                | 0             | 0             | 914           | 914           |
| Disposals                                | 0             | 0             | -78           | -78           |
| Amortisation for the period              | 0             | -729          | -638          | -1,367        |
| <b>Book value as at 31 March 2016</b>    | <b>11,066</b> | <b>29,857</b> | <b>11,272</b> | <b>52,195</b> |

### As at 31 March 2016

|                           |        |         |         |         |
|---------------------------|--------|---------|---------|---------|
| -cost                     | 11,066 | 58,288  | 30,543  | 99,897  |
| -accumulated amortisation | 0      | -28,431 | -19,271 | -47,702 |

|  | Goodwill      | Trademark     | Others        | Total         |
|--|---------------|---------------|---------------|---------------|
| <b>Book value as at 31 December 2014</b> | <b>11,066</b> | <b>33,502</b> | <b>10,606</b> | <b>55,174</b> |
| Additions                                | 0             | 0             | 458           | 458           |
| Amortisation for the period              | 0             | -729          | -656          | -1,385        |
| <b>Book value as at 31 March 2015</b>    | <b>11,066</b> | <b>32,773</b> | <b>10,408</b> | <b>54,247</b> |

### As at 31 March 2015

|                           |        |         |         |         |
|---------------------------|--------|---------|---------|---------|
| -cost                     | 11,066 | 58,288  | 28,020  | 97,374  |
| -accumulated amortisation | 0      | -25,515 | -17,612 | -43,127 |

## Note 9 INTEREST BEARING LOANS AND BORROWINGS

(in thousands of euros)

|                           | 31 December<br>2015 | New<br>loans  | Repayments     | Exchange<br>rate<br>differences | Other<br>changes [1] | 31 March 2016  |
|---------------------------|---------------------|---------------|----------------|---------------------------------|----------------------|----------------|
| Liabilities under finance |                     |               |                |                                 |                      |                |
| lease                     | 298                 | 112           | -24            | 0                               | -4                   | 382            |
| Unsecured bonds           | 93,097              | 0             | 0              | 1,864                           | 57                   | 95,018         |
| Overdraft                 | 3,397               | 26,963        | 0              | 0                               | 0                    | 30,360         |
| Long-term bank loans      | 452,544             | 0             | -14,728        | 0                               | 552                  | 438,368        |
| <b>TOTAL</b>              | <b>549,336</b>      | <b>27,075</b> | <b>-14,752</b> | <b>1,864</b>                    | <b>605</b>           | <b>564,128</b> |
| incl. current portion     | 81,889              |               |                |                                 |                      | 108,851        |
| Non-current portion       | 467,447             |               |                |                                 |                      | 455,277        |

[1] Other changes are related to capitalisation and amortisation of transaction costs of bonds and bank loans. Other changes of liabilities under finance lease are related to termination of lease agreements.

Bonds are nominated in NOK.

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

AS Tallink Grupp has given guarantees to HSH Nordbank AG, Nordea Bank Plc, Danske Bank A/S and Swedbank AS for the loans granted to overseas subsidiaries amounting to EUR 154,883 thousand and overseas subsidiaries have given guarantees to Nordea Bank Finland Plc and Swedbank AS for the loans granted to AS Tallink Grupp amounting to EUR 283,485 thousand. The primary securities for these loans are the pledge of shares of the overseas subsidiaries and mortgages on the ships belonging to the above-mentioned subsidiaries.

## Note 10 SHARE CAPITAL

According to the Articles of Association of the Parent effective as of 31 March 2016 the maximum number of authorised common shares is 2,133,333,333.

At 31 March 2016 the Group held 3,935 thousand of the AS Tallink Grupp shares. Total cost of share buyback transactions of 3,935 thousand shares is EUR 4,163 thousand.

## Note 11 SHARE OPTION PROGRAMME

In December 2012 the Group issued 7,610 thousand share options of which 3,850 thousand to the Management Board and Supervisory Board members and 3,760 thousand to other Group employees. Each option gives right to purchase one share of AS Tallink Grupp. The share options were issued in accordance of the Share Option Programme which resolution was adopted at the Shareholders General Meeting on 08 February 2011. The terms and conditions of exercise of the issued share options are following: non-transferable; exercisable not earlier than 36 months from issue or 21 December 2015 and not later than 21 June 2016; exercise price EUR 0.858 in case of new shares issued or average acquisition cost in case existing shares will be purchased from the market; options are to be settled by physical delivery of shares.

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

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

At 31 March 2016 7,276,903 share options were valid and outstanding. Average remaining time to maturity of the outstanding share options is 3 months.

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

**Note 12 RELATED PARTY DISCLOSURES**

(in thousands of euros)

| <b>3 months of 2016<br/>or 31.03.2016</b> | <b>Sales to<br/>related parties</b> | <b>Purchases from<br/>related parties</b> | <b>Receivables from<br/>related parties</b> | <b>Payables<br/>to related parties</b> |
|---|-------------------------------------|---|---|--|
| AS Infortar                               | 9                                   | 12  | 1   | 5                                      |
| AS HT Valuuta                             | 27                                  | 0   | 0   | 0                                      |
| AS Vara HTG                               | 0                                   | 479                                       | 0   | 794                                    |
| OÜ Mersok                                 | 0                                   | 3   | 0   | 0                                      |
| AS Vaba Maa                               | 1                                   | 218                                       | 1   | 27                                     |
| OÜ Sunbeam                                | 0                                   | 907                                       | 0   | 347                                    |
| AS Gastrolink                             | 3                                   | 250                                       | 1   | 81                                     |
| AS Tallink Takso                          | 1                                   | 28  | 0   | 10                                     |
| OÜ Topspa Kinnisvara                      | 0                                   | 640                                       | 0   | 0                                      |
| OÜ Hansa Hotell                           | 0                                   | 234                                       | 0   | 96                                     |
| OÜ Fastinvest                             | 0                                   | 306                                       | 0   | 0                                      |
| SIA Happy Trails                          | 0                                   | 828                                       | 0   | 636                                    |
| Eesti Laevaomanike Liit                   | 1                                   | 7   | 0   | 0                                      |
| MTÜ SEB Tallink Tennis Team               | 0                                   | 0   | 0   | 0                                      |
| MTÜ Eesti Tennise Liit                    | 12                                  | 40  | 9   | 0                                      |
| OÜ Infor Invest                           | 0                                   | 240                                       | 0   | 0                                      |
| <b>3 months of 2015<br/>or 31.03.2015</b> | <b>Sales to<br/>related parties</b> | <b>Purchases from<br/>related parties</b> | <b>Receivables from<br/>related parties</b> | <b>Payables<br/>to related parties</b> |
| AS Infortar                               | 8                                   | 12  | 4   | 4                                      |
| AS HT Valuuta                             | 26                                  | 0   | 0   | 0                                      |
| AS Vara HTG                               | 0                                   | 479                                       | 0   | 1,029                                  |
| OÜ Mersok                                 | 0                                   | 2   | 0   | 2                                      |
| AS Vaba Maa                               | 3                                   | 164                                       | 1   | 28                                     |
| OÜ Sunbeam                                | 0                                   | 885                                       | 0   | 454                                    |
| AS Gastrolink                             | 2                                   | 207                                       | 1   | 84                                     |
| AS Tallink Takso                          | 1                                   | 20  | 0   | 13                                     |
| OÜ Topspa Kinnisvara                      | 0                                   | 675                                       | 0   | 100                                    |
| OÜ Hansa Hotell                           | 0                                   | 200                                       | 0   | 90                                     |
| OÜ Fastinvest                             | 0                                   | 313                                       | 0   | 0                                      |
| SIA Happy Trails                          | 0                                   | 828                                       | 0   | 229                                    |
| Eesti Laevaomanike Liit                   | 0                                   | 7   | 0   | 0                                      |
| MTÜ SEB Tallink Tennis Team               | 3                                   | 0   | 3   | 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 quarter of the financial year 2016 ended 31 March 2016 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.

A handwritten signature in blue ink, appearing to be 'J. Stalmeister', written over a faint horizontal line.

Janek Stalmeister  
*Chairman of the Management Board*

A handwritten signature in blue ink, appearing to be 'A. Hunt', written over a faint horizontal line.

Andres Hunt  
*Vice Chairman of the Management Board*

A handwritten signature in blue ink, appearing to be 'L. Kitter', written over a faint horizontal line.

Lembit Kitter  
*Member of the Management Board*

Tallinn, 12 May 2016