



Dear Shareholder of AS Tallink Grupp!

The Management Board of AS Tallink Grupp (registration code 10238429, location and address at Tartu mnt 13, 10145 Tallinn) is calling the **Annual General Meeting of Shareholders on 29th of January 2008 at 11.00 A.M.** in the conference center of Tallink SPA & Conference Hotel, at the address Sadama 11a, Tallinn.

Registration of participants of the Annual General Meeting begins at 10.00 A.M.

Agenda of the Annual General Meeting:

1) Approval of the Annual Report of 01.09.2006 - 31.08.2007 of AS Tallink Grupp.

The Supervisory Board of AS Tallink Grupp proposes to approve the Annual Report of 01.09.2006 - 31.08.2007 presented by the Management Board.

2) Distribution of profits.

(1) The Supervisory Board of AS Tallink Grupp proposes that the net profit for the financial year 01.09.2006 – 31.08.2007 of EEK 1 049 287 000 be allocated as follows:

- A transfer of EEK 52 464 350 into the mandatory legal reserve,
- A transfer of EEK 996 822 650 into retained earnings.

(2) No dividend distributions to the shareholders.

3) Awarding bonuses for the Members of the Supervisory Board.

The Supervisory Board of AS Tallink Grupp submits to the shareholders the proposal of the Management Board of AS Tallink Grupp to award a bonus to the members of the Supervisory Board.

4) Nomination of an auditor.

The Supervisory Board of AS Tallink Grupp proposes:

To nominate the company of auditors KPMG Baltics AS to conduct the audit of the financial year 01.09.2007 - 31.08.2008.

5) Determination of the procedure of remuneration of an auditor.

The Supervisory Board of AS Tallink Grupp proposes:

The auditors shall be remunerated according to hourly tariff stipulated in the audit contract to be concluded upon the approval of the draft thereof by the Supervisory Board.

6) Determination of terms of share option program.

The Supervisory Board of AS Tallink Grupp proposes to grant the Supervisory Board with the powers, in order to motivate the employees at leading positions in AS Tallink Grupp and in the companies belonging into the same group for companies, to issue share options with the following terms:

(1) The Supervisory Board of AS Tallink Grupp is entitled to issue up to 12 000 000 (twelve million) share options whereas in the first year up to 3 000 000 (three million) share options, in the second year up to 4 000 000 (four million) share options and in the third year up to 5 000 000 (five million) share options. An entitled person may receive up to 260 000 (two hundred sixty thousand) share options per year. Every share option grants the entitled person with the right to acquire 1 (one) share of AS Tallink Grupp

(2) The entitled persons of a share option and the amount of shares being transferred to them shall be determined by the Supervisory Board of AS Tallink Grupp. The Supervisory Board of AS Tallink Grupp shall elect the entitled persons for the share option from amongst the leading employees of AS Tallink Grupp and the companies belonging to the same group whereas persons working under the employment contract as well as the management shall be considered the leading employees. The members of the Supervisory Board of AS Tallink Grupp may not be determined as entitled persons of a share option. The Management Board of AS Tallink Grupp may submit proposals to the Supervisory Board in regards to the persons to be determined as entitled persons for a share option.

(3) The Supervisory Board of AS Tallink Grupp notifies each employee at leading position appointed as an entitled person of its corresponding resolution in writing. If the entitled person wishes to receive the option, then he/she shall conclude a written Agreement on Share Option latest within one month as from the date of the receipt of the notification of the Supervisory Board. If the entitled person does not conclude the Agreement on Share Option within the specified term, he loses the right to use the share options designated for him according to the resolution of the Supervisory Board.

(4) An entitled person for share option, who has concluded the written Agreement on Option with AS Tallink Grupp, may not exercise the share option issued on the first year earlier than on 01.02.2009, the earliest date to exercise the share option issued in the second year is 01.02.2010 and the earliest date to exercise the share option issued in the third year is 01.02.2011. In order to exercise the share option the entitled person shall submit the corresponding declaration of intention to the Supervisory Board of AS Tallink Grupp according to the conditions set forth in the Agreement on Option.

(5) An entitled person for a share option may not transfer the share option issued to him/her.

(6) For the compliance with the conditions for the share option up to 12 000 000 (twelve million) shares of AS Tallink Grupp shall be issued or purchased. The Supervisory Board shall decide whether the compliance with the conditions for the share option shall be effected by issue of the new shares or by purchase of own shares from the secondary market.

(7) No more than 780 000 shares may be distributed to an entitled person for a share option pursuant to these conditions for share option.

(8) The conclusive deadline for the whole program of share option shall be 31 August 2011. The more detailed time schedule of the program of share option and the terms and conditions for its fulfilment shall be specified by the Supervisory Board.

(9) In case the contractual relationship with AS Tallink Grupp or with a company belonging to the same group, of an entitled person for a share option terminates before the entitled person becomes eligible to exercise the share option, he loses the right to exercise the share option unless the Supervisory Board of AS Tallink Grupp resolves otherwise. The Supervisory Board of AS Tallink Grupp shall be authorized to set forth additional conditions for termination of eligibility to exercise the option.

(10) The price for the exercise of the share option shall be determined by the Supervisory Board taking into account the following:

a) In case new shares are issued for the compliance with the conditions of a share option, then the price fixed for the option shall not be less than an average weighted price at Tallinn Stock Exchange on a day preceding to the day when the conditions for the share option were determined. In case no transactions were made with the shares of AS Tallink Grupp at the day preceding to the day when the conditions for the share option were determined then the exercise price for the share option shall be the weighted average of the day when the transactions were last made.

b) In case no new shares are issued for the compliance with the conditions of a share option, then the fixed exercise price may not be lower than the average weighted price of the purchased shares.

(11) In case new shares are issued for the compliance with the conditions of a share option, then these new shares will have the right for the dividends on the financial year when they are issued and when the dividend payments are resolved.

(12) To exclude the pre-emptive subscription right of shareholders to subscribe new shares for the compliance with the conditions for the share option.

7) Amending the Articles of Association.

The Supervisory Board of AS Tallink Grupp proposes:

(1) To alter the first sentence of clause 4.1 of Articles of Association of AS Tallink Grupp and reword it as follows:

“The Company is managed and represented by the Management Board consisting of three to seven members.”

(2) To alter the clause 4.2 of Articles of Association of AS Tallink Grupp and reword it as follows:

“The chairman of the Management Board of the company shall be appointed by the Supervisory Board of the company. By the proposal of the chairman of the Management Board the Supervisory Board shall have the right to appoint the deputy chairman of the Management Board, who will perform the tasks of chairman of the Management Board in his absence.”

(3) To supplement clause 4.5 of Articles of Association of AS Tallink Grupp with subclause 8 as follows:

“Foundation and dissolution of subsidiary company.”.

8) Authorizing the acquisition of own shares.

The Supervisory Board of AS Tallink Grupp proposes to grant to the public limited company the right to acquire the shares of AS Tallink Grupp subject to the following conditions:

- (1) The company is entitled to acquire own shares within one year from adoption of this resolution.
- (2) The total nominal values of the shares acquired by the company in a calendar year shall not exceed 10 % of the share capital.
- (3) The price payable for one share shall not be more than is the highest price paid at Tallinn Stock Exchange for the share of AS Tallink Grupp at the day when the share is acquired.
- (4) Own shares shall be paid for from the assets exceeding the share capital, mandatory legal reserve and issue premium.

9) Re-election and remuneration of the members of the Supervisory Board.

The Supervisory Board of AS Tallink Grupp approves the proposal of Management Board and presents the proposal to the Shareholders` General Meeting:

- (1) Due to the expiry of the term of membership of Supervisory Board to elect for the next term of membership in the Supervisory Board Mr Ain Hanschmidt, Mr Toivo Ninnas, Mrs Eve Pant and Mr Lauri Kustaa Äimä;
- (2) To pay the remuneration for the members of the Supervisory Board pursuant to the resolution no 9 of 17 January 2007 of the Annual General Meeting of shareholders of AS Tallink Grupp.

10) Abolition of the resolution no 7 of the General Meeting of Shareholders of AS Tallink Grupp from 17 January 2007.

The Supervisory Board of AS Tallink Grupp proposes to abolish resolution no 7 of the General Meeting of Shareholders of AS Tallink Grupp from 17 January 2007 stipulating the conditions for the program of share option, which was not completed.

The list of shareholders entitled to participate at the Annual General Meeting shall be determined according to the share register of AS Tallink Grupp as of 18 January 2008, 08.00 A.M. (§ 297 sec 5 of the Commercial Code).

For the registration procedure of the Annual General Meeting we ask the following:

**Shareholder in person to present personal ID or passport and the representative of the shareholder in addition to the abovementioned also a signed Power of Attorney;
The legal representative of a shareholder (legal person) to present personal ID or passport, also the valid copy of the registration card of the Commercial Registry and the authorized representative in addition to the abovementioned documents also to present the Power of Attorney issued by the member of the management board of the shareholder.**

The materials of the Annual General Meeting may be examined, including the new wording of the Articles of Association and the annual report of financial year 2006/2007 of AS Tallink Grupp on the website of AS Tallink Grupp, address www.tallink.com; on the

website of Tallinn Stock Exchange, address <http://market.ee.omxgroup.com/> and in the office of AS Tallink Grupp at the address Tartu mnt 13, Tallinn, 3rd Floor.

Sincerely Yours
Management Board of AS Tallink Grupp

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