

AS TALLINK GRUPP

Unaudited Interim Consolidated Condensed Financial Statements

for the I half-year of the financial year 2008/2009
ended 28 February 2009

Beginning of the financial year	1. September 2008
End of the financial year	31. August 2009
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Primary activity	maritime transportation (passengers and cargo transportation)
Auditor	KPMG Baltics AS



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MANAGEMENT REPORT FOR THE INTERIM FINANCIAL STATEMENTS for the I half-year of the financial year 2008/2009 ended February 28, 2009

The weak global macroeconomics had continuous influence on the first half-year operations of AS Tallink Grupp and its subsidiaries (hereinafter also referred to as the Group).

Despite changed environment the Group revenues in the first half of the 2008/2009 financial year reached the previous year level of EUR 361 million (EEK 5 650 million). A positive effect to the first half-year revenues came from the passenger operations where sales increased by nearly EUR 18 million (EEK 282 million) supported by higher passenger volumes. To the contrary, the cargo revenues decreased by almost 23 million EUR (EEK 357 million) as an effect of the recent weakening in the world economies. In the second quarter the decrease of total Group revenues was EUR 8 million (EEK 125 million) driven by the cargo revenue decrease by almost EUR 14 million (EEK 215 million) compared to the second quarter of the previous financial year.

It is typical to the Group operations that the second quarter is low season in the passenger business segment. This low seasonality has historically been well compensated by less seasonal ro-ro cargo business which has provided more stable revenue stream throughout the financial year. The impact of lower cargo volumes to the Group result is clearly noticeable in the second quarter when the share of the ro-ro cargo operations in the total Group revenues has been historically higher.

The slowdown in passenger spending has become visible during the second quarter. While the passenger volume increased by 15%, the related revenues grew only by 3% and resulted in about 11% decrease in revenues per passenger. Main influencing factors were extensive sales campaigns and passengers overall expectations to the lower ticket pricing, change in the customers' behaviour towards more savings oriented spending culture and strongly fallen exchange rate of Swedish krona. SEK has weakened against Euro by nearly 17% during the first half-year period which had negative impact to the sales by about EUR 7 million (EEK 109 million).

1st HALF-YEAR KEY FIGURES

	01.09.2008- 28.02.2009		01.09.2007- 29.02.2008		Change %
	EEK	EUR	EEK	EUR	
Net sales (million)	5,650	361.1	5,663	361.9	-0.2%
Gross profit (million)	958	61.3	1,148	73.4	-16.5%
Gross margin	16.9%		20.3%		
EBITDA (million)	707	45.2	781	49.9	-9.5%
EBITDA margin	12.5%		13.8%		
Net profit/-loss (million)	-354	-22.6	-108	-7.0	-226%
Net profit margin	-6.2%		-1.9%		

Depreciation (million)	519	33.2	464	29.7	11.7%
Investments (million)	224	14.3	494	31.6	-54.6%

Weighted average number of ordinary shares outstanding during 1 st half-year*	669,882,040		672,623,111		-0.4%
Earnings per share	-0.53	-0.03	-0.16	-0.01	-231%
Number of passengers	3,593,619		3,080,334		16.7%
Cargo units	132,915		171,271		-22.4%
Average number of employees	6,808		6,309		7.9%

	28.02.2008		31.08.2008		
	EEK	EUR	EEK	EUR	
Total assets (million)	28,436	1,817	29,702	1,898	-4.3%
Total liabilities (million)	18,505	1,183	19,308	1,234	-4.2%
Interest-bearing liabilities (million)	16,940	1,083	17,525	1,120	-3.3%
Total equity (million)	9,930	635	10,394	664	-4.5%
Equity ratio	34.9%		35.0%		

Number of ordinary shares outstanding*	669,882,040		669,882,040		
Shareholders' equity per share	14.8	0.95	15.5	0.99	-4.5%

Net profit margin – net profit / net sales;

EBITDA – Earnings before net financial items, share of profit of associates, taxes, depreciation and amortization, income from negative goodwill;

EBITDA margin – EBITDA / net sales;

Gross margin – gross profit / net sales

Equity ratio – total equity / total assets;

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

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

* Share numbers exclude own shares.

The largest changes in the operational items in the first half-year were:

- passenger segment revenues increased by EUR 18 million (EEK 282 million);
- ro-ro cargo revenues decreased by EUR 23 million (EEK 357 million);
- fuel costs decreased by EUR 15 million (EEK 234 million);
- increase in cost of goods by EUR 11 million (EEK 172 million) driven by the inflation from the recent past and also higher restaurant, bars and shop sales;
- increase in personnel costs by EUR 4.6 million (EEK 72 million) which is a 8.5% year on year increase mainly due to the previously agreed salaries increase;

Restructuring of the Germany route and reduced number of vessels have been influential to many of the changes in operational items. Largest part in the Group's fuel cost decrease is attributable to Germany route. As the cargo has represented majority in the Finland-Germany segment revenues the route has been most exposed to the changes in world economy. The fallen demand in ro-ro cargo transportation between Finland and Germany and decreased frequency in departures have resulted the route revenues to decrease by EUR 19 million (EEK 304 million) in the first half-year compared to the same period in the previous financial year. It is worth to note that the decline in the segment result was softened thanks to the earlier restructuring and thereby lower cost base.

Given the fact that the fuel prices were significantly higher on the second half of the previous financial year and assuming the current fuel price level will not change considerably, the reduction on the fuel cost will be more visible towards the end of the current financial year.

The administrative costs have been decreased by EUR 6.4 million (EEK 100 million) or by 21.3% in the first half-year. The management is working intensively to seek further cost reduction possibilities in addition to current and to adjust the operations according to the today's changing environment. Along several operational costs high focus is put also to the personnel costs in order to find additional savings.

The Group EBITDA for the first half of 2008/2009 financial year amounted to EUR 45.2 million (EEK 707 million) which is 9.5% less than in the first half of the last financial year.

The depreciation and amortisation of the Group assets in the first half-year period increased by EUR 3.5 million (EEK 55 million) mainly due to two new vessels MS Superstar and MS Baltic Princess.

The net financial costs increased by EUR 7.5 million (EEK 117 million) during the first half-year of the 2008/2009 financial year, largely due to the higher interest expense by 14.7% or EUR 4.4 million (EEK 69 million). The increase in interest expenses is resulted from 18% higher outstanding interest bearing liabilities during the first half-year period compared to the same period in the previous financial year, and also from higher interest rates during the first quarter. In the second quarter, the falling interest rates have resulted the interest expense increase only by EUR 1.1 million (EEK 17 million) taken into account the higher outstanding debt. The net negative effect to the financial items resulting from exchange rate fluctuations in the first half-year was EUR 1.2 million (EEK 19 million).

Due to the lower operational performance, increased depreciation and higher financial items the net loss for the first half-year of 2008/2009 financial year was EUR 22.6 million (EEK 354 million) compared to net loss of EUR 7 million (EEK 109 million) in the first half of the previous financial year.

SALES DISTRIBUTION

The largest increase of EUR 5.4 million (EEK 84 million) in the Group sales in the first half-year was contributed from the Finland-Sweden route and the largest decrease of EUR 19 million (EEK 304 million) was from Finland-Germany route due to the weak cargo transportation and past reduction of capacity on the route. From the operational segments, the largest increase by EUR 17 million (EEK 261 million) was from the restaurant and shop sales as the result of the increased passenger volumes. The Group's cargo sales decreased by EUR 23 million (EEK 357 million), mostly as a consequence of the weak macroeconomics globally.

The following tables provide an overview of the sales distribution in the first half-year on geographical and operational segment based approach

Geographical segments	08/09	07/08	Operational segments	08/09	07/08
Finland - Sweden	45.9%	44.3%	Restaurant and shop sales on-board and on mainland	54.6%	49.9%
Estonia - Finland	27.2%	25.9%	Ticket sales	23.2%	22.9%
Estonia - Sweden	10.8%	11.5%	Sales of cargo transportation	15.9%	22.2%
Finland - Germany	4.5%	9.9%	Accommodation sales	1.2%	1.0%
Latvia - Sweden	5.1%	3.8%	Income from leases of vessels	1.9%	1.7%
Mainland business and lease of vessels	6.4%	4.6%	Other	3%	2.3%

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 2008/2009 and 2007/2008 financial years.

	Q2 2008/2009	Q2 2007/2008	Q2 Change	I half-year 2008/2009	I half-year 2007/2008	I half-year Change
Passengers	1 807 414	1 570 255	15,1%	3 593 619	3 080 334	16,7%
Finland-Sweden	743 726	654 388	13,7%	1 451 705	1 284 861	13,0%
Estonia-Finland	750 743	659 965	13,8%	1 555 887	1 294 266	20,2%
Estonia-Sweden	212 341	172 385	23,2%	369 639	319 547	15,7%
Latvia-Sweden	83 992	58 642	43,2%	182 035	131 277	38,7%
Finland-Germany	16 612	24 875	-33,2%	34 353	50 383	-31,8%

Cargo Units	56 602	79 374	-28,7%	132 915	171 271	-22,4%
Finland-Sweden	19 443	25 060	-22,4%	45 713	52 345	-12,7%
Estonia-Finland	20 485	27 901	-26,6%	48 882	58 732	-16,8%
Estonia-Sweden	7 265	10 258	-29,2%	17 617	22 130	-20,4%
Latvia-Sweden	3 085	2 894	6,6%	7 569	6 186	22,4%
Finland-Germany	6 324	13 261	-52,3%	13 134	31 878	-58,8%
Passenger Vehicles	163 572	128 180	27,6%	338 043	260 272	29,9%
Finland-Sweden	27 097	25 237	7,4%	58 161	59 551	-2,3%
Estonia-Finland	108 405	78 381	38,3%	221 785	148 633	49,2%
Estonia-Sweden	11 910	10 184	16,9%	22 690	20 368	11,4%
Latvia-Sweden	12 130	8 780	38,2%	25 931	19 467	33,2%
Finland-Germany	4 030	5 598	-28,0%	9 476	12 253	-22,7%

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

FINLAND-SWEDEN

M/S Galaxy, larger in it's capacity, operated on the Turku-Stockholm route instead of M/S Silja Festival.

Cargo vessel Sea Wind was in repairs and was not operating for seven weeks in the second quarter of 2008/2009 financial year.

ESTONIA-FINLAND

Since April 2008, the second Tallink Shuttle vessel Superstar operates between Tallinn and Helsinki.

New cruise ferry M/S Baltic Princess has replaced the 2006 built M/S Galaxy which moved to Turku-Stockholm operations.

From September 2008, the Superfast vessels are not doing the daily Tallinn-Helsinki roundtrip any more.

LATVIA-SWEDEN

M/S Silja Festival, larger in it's capacity, has replaced M/S Vana Tallinn.

FINLAND-GERMANY

The operations in the route are continued with two vessels instead of three as Superfast IX has stopped from September 2008 and is employed in the long-term charter.

The Group's market shares on the routes operated during a 12 month period ending on the February 28, 2009 were as follows:

- The Group carried approximately 51% of the passengers and 54% 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 approximate market share of ro-ro cargo transportation on the route was 68%;
- The Group is the only provider of daily passenger and ro-ro cargo transportation between Riga and Stockholm;
- The Group carried approximately 53% of passengers and 32% 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 50% and the approximate market share of ro-ro cargo transportation was 10%.

PERSONNEL

On February 28, 2009 the Group employed 6,722 employees (6,311 on February 29, 2008).

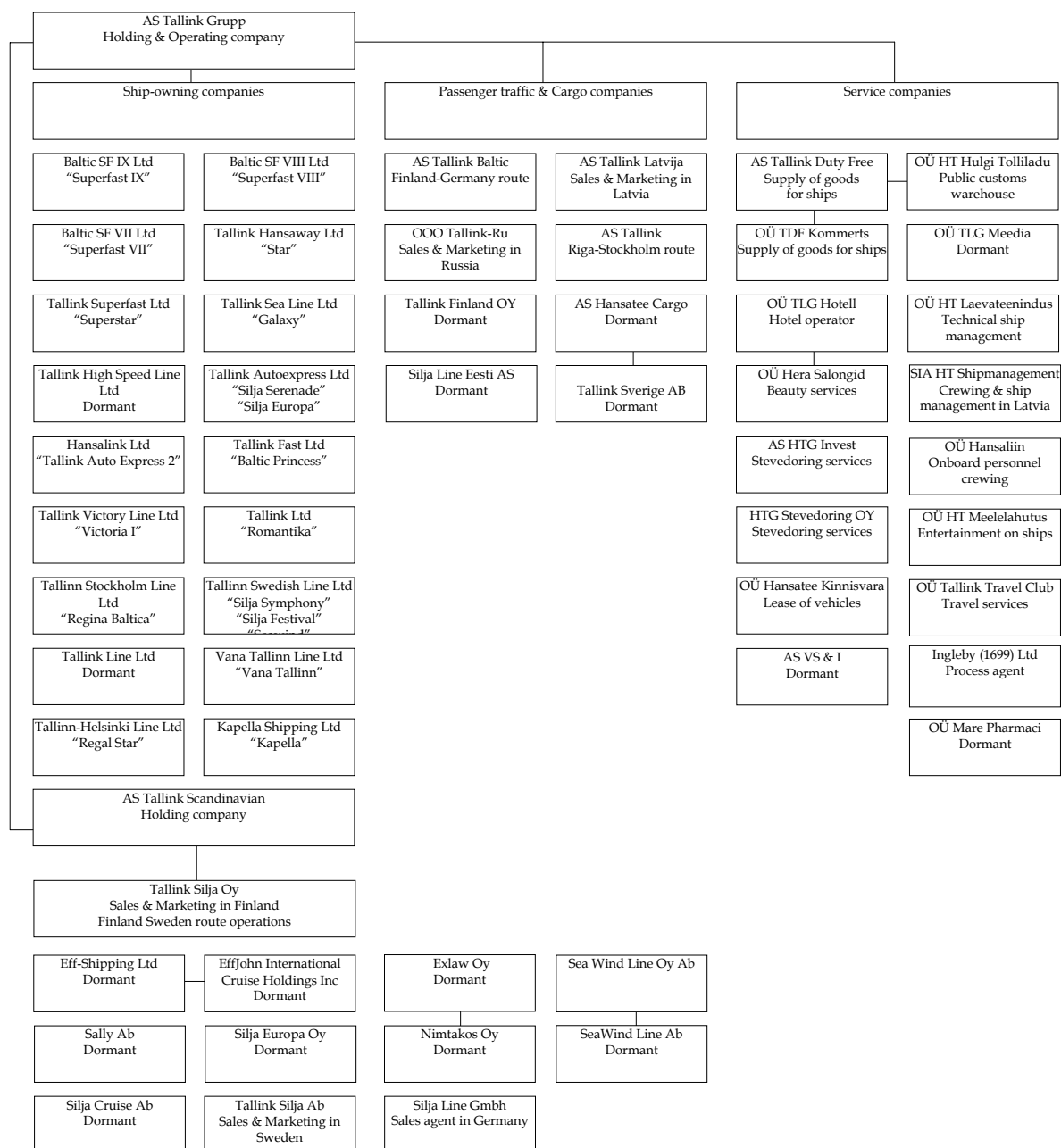
The following table provides a more detailed overview of the Group's personnel.

	Average of 1st half-year			End of 1st half-year		
	2008/2009	2007/2008	change %	28.02.2009	29.02.2008	change %
Onshore total	1,606	1,535	4.6%	1,551	1,558	-0.4%
<i>Estonia</i>	785	734	6.9%	788	765	3.0%
<i>Finland</i>	555	543	2.2%	512	545	-6.1%
<i>Sweden</i>	189	194	-2.6%	176	186	-5.4%
<i>Latvia</i>	51	40	27.5%	51	38	34.2%
<i>Germany</i>	19	18	5.6%	18	18	0.0%
<i>Russia</i>	7	6	16.7%	6	6	0.0%
At sea	4,691	4,479	4.7%	4,632	4,458	3.9%
Hotel*	511	295	73.2%	539	295	82.7%
Total	6,808	6,309	7.9%	6,722	6,311	6.5%

* 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 60 companies. Most of the subsidiaries are wholly-owned companies of AS Tallink Grupp.



The Group further owns:

- 34% of AS Tallink Takso
- 50% of Suomen Jakelutiet Oy;
- Suomen Jakelutiet Oy further holds 50% of Suomen Hotellivaraukset Oy.

EVENTS DURING THE 2nd QUARTER OF 2008/2009 FINANCIAL YEAR

In January 2009 the Group started operations in the fourth hotel in Tallinn. The 163-rooms Express Hotel is being operated in the Tallinn port area.

The Annual General Meeting of Shareholders was held on 26th of January 2009. The decisions adopted were: to approve the Annual Report, not to pay dividends, to extend the period of authorization to supervisory council to increase share capital, re-election of the members of the Supervisory Board and extending the authorization for the acquisition of own shares.

The Group headquarter has moved into new office in Tallinn. The official, mailing and visiting address for AS Tallink Grupp is "Sadama str. 5/7, Tallinn 10111, Estonia". The telephone numbers remain unchanged.

EVENTS AFTER THE BALANCE SHEET DATE AND THE OUTLOOK

The new cruise ferry Baltic Queen will be delivered in April 2009. According to the current schedule the vessel will start operations on the Tallinn-Stockholm route on 24 April 2009. From that route 2002-built cruise ferry Romantika will be moved to Riga-Stockholm route to replace there older ferry MS Regina Baltica which will become free for other businesses or sale.

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

The Group's second quarter results have not met the management expectations. Despite the passenger volume has shown strong growth the positive effect is zeroed already on the revenue level by significant cargo decrease, Swedish krona weakness on retail sales and change in the customers' behaviour. Although the second half-year is high season in the passenger operations and usually the development in the cargo operations has smaller influence in the group results the management carefully reviews the Group's targets for the current financial year. Considering the development so far and high volatility on external factors which add uncertainties on the future the Group will not meet the set targets for the financial year. However, the management believes that the current financial year will be in profit.

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 1st half-year of 2008/2009 financial year presents true and fair view of the development, results and the financial position of the Group and includes the overview of the main risks and uncertainties.

Enn Pant Chairman of the Management Board

Andres Hunt Vice Chairman of the Management Board

Keijo Mehtonen Member of the Management Board

Lembit Kitter Member of the Management Board

15 April 2009.

CONSOLIDATED CONDENSED INCOME STATEMENT

(unaudited, in thousands of EEK)	01.12.2008- 28.02.2009	01.12.2007- 29.02.2008	01.09.2008- 28.02.2009	01.09.2007- 29.02.2008
Net sales (Note 3)	2,619,011	2,743,058	5,650,360	5,663,160
Cost of sales	-2,264,213	-2,244,210	-4,691,564	-4,514,834
Gross profit	354,798	498,848	958,796	1,148,326
Marketing expenses	-186,978	-186,758	-402,634	-380,240
Administrative and general expenses	-193,410	-229,877	-369,004	-469,177
Other income	589	15,292	3,745	18,391
Other expenses	-2,856	-592	-3,127	-874
Financial income (Note 4)	10,261	23,724	97,772	30,612
Financial expenses (Note 4)	-305,714	-231,928	-639,521	-455,702
Profit/-loss from normal operation before income tax	-323,310	-111,291	-353,973	-108,664
Income tax	-18	-107	-18	-110
Net profit/-loss for the period	-323,328	-111,398	-353,991	-108,774
Attributable to:				
Equity holders of the parent (Note 5)	-323,328	-111,398	-353,991	-108,774
Earnings per share (in EEK per share)				
- basic (Note 5)	-0.48	-0.17	-0.53	-0.16
- diluted (Note 5)	-0.48	-0.17	-0.53	-0.16
(unaudited, in thousands of EUR)	01.12.2008- 28.02.2009	01.12.2007- 29.02.2008	01.09.2008- 28.02.2009	01.09.2007- 29.02.2008
Net sales (Note 3)	167,385	175,313	361,124	361,942
Cost of sales	-144,710	-143,431	-299,846	-288,550
Gross profit	22,675	31,882	61,278	73,392
Marketing expenses	-11,950	-11,936	-25,733	-24,302
Administrative and general expenses	-12,361	-14,692	-23,584	-29,986
Other income	39	977	240	1,175
Other expenses	-183	-37	-200	-55
Financial income (Note 4)	656	1,516	6,249	1,956
Financial expenses (Note 4)	-19,539	-14,823	-40,873	-29,125
Profit/-loss from normal operation before income tax	-20,663	-7,113	-22,623	-6,945
Income tax	-1	-7	-1	-7
Net profit/-loss for the period	-20,664	-7,120	-22,624	-6,952
Attributable to:				
Equity holders of the parent (Note 5)	-20,664	-7,120	-22,624	-6,952
Earnings per share (in EUR per share)				
- basic (Note 5)	-0.03	-0.01	-0.03	-0.01
- diluted (Note 5)	-0.03	-0.01	-0.03	-0.01

CONSOLIDATED CONDENSED BALANCE SHEET

(unaudited, in thousands of EEK)

ASSETS	28.02.2009	31.08.2008
Current assets		
Cash and cash equivalents	462,572	1,043,785
Receivables	818,963	1,177,342
Prepayments	88,986	111,522
Derivatives (Note 6)	115,863	51,884
Inventories	297,149	358,480
Total current assets	1,783,533	2,743,013
Non-current assets		
Investments in associates	8,342	2,222
Other financial assets and prepayments	7,602	7,700
Deferred income tax assets	199,849	199,851
Investment property	4,694	4,694
Property, plant and equipment (Note 7)	25,245,868	25,518,298
Intangible assets (Note 8)	1,186,097	1,226,023
Total non-current assets	26,652,452	26,958,788
TOTAL ASSETS	28,435,985	29,701,801
LIABILITIES AND EQUITY		
Current liabilities		
Current portion of interest-bearing liabilities (Note 9)	2,298,086	2,200,220
Payables	1,235,741	1,621,711
Deferred income	131,108	138,752
Derivatives (Note 6)	182,736	5,351
Total current liabilities	3,847,671	3,966,034
Non-current liabilities		
Interest bearing loans and borrowings (Note 9)	14,641,700	15,324,355
Deferred income tax liability	16,147	16,147
Other liabilities	0	1,643
Total non-current liabilities	14,657,847	15,342,145
TOTAL LIABILITIES	18,505,518	19,308,179
EQUITY		
Equity attributable to equity holders of the parent		
Share capital	6,738,170	6,738,170
Share premium	9,999	9,999
Reserves	1,057,806	1,151,071
Retained earnings	2,124,492	2,494,382
Total equity attributable to equity holders of the parent	9,930,467	10,393,622
TOTAL EQUITY	9,930,467	10,393,622
TOTAL LIABILITIES AND EQUITY	28,435,985	29,701,801

CONSOLIDATED CONDENSED BALANCE SHEET

(unaudited, in thousands of EUR)

ASSETS	28.02.2009	31.08.2008
Current assets		
Cash and cash equivalents	29,564	66,710
Receivables	52,341	75,246
Prepayments	5,687	7,127
Derivatives (Note 6)	7,405	3,316
Inventories	18,991	22,911
Total current assets	113,988	175,310
Non-current assets		
Investments in associates	533	142
Other financial assets and prepayments	486	492
Deferred income tax assets	12,773	12,773
Investment property	300	300
Property, plant and equipment (Note 7)	1,613,505	1,630,917
Intangible assets (Note 8)	75,805	78,357
Total non-current assets	1,703,402	1,722,981
TOTAL ASSETS	1,817,390	1,898,291
LIABILITIES AND EQUITY		
Current liabilities		
Current portion of interest-bearing liabilities (Note 9)	146,874	140,620
Payables	78,978	103,646
Deferred income	8,379	8,868
Derivatives (Note 6)	11,679	342
Total current liabilities	245,910	253,476
Non-current liabilities		
Interest bearing loans and borrowings (Note 9)	935,775	979,405
Deferred income tax	1,032	1,032
Other liabilities	0	105
Total non-current liabilities	936,807	980,542
TOTAL LIABILITIES	1,182,717	1,234,018
EQUITY		
Equity attributable to equity holders of the parent		
Share capital	430,648	430,648
Share premium	639	639
Reserves	67,606	73,566
Retained earnings	135,780	159,420
Total equity attributable to equity holders of the parent	634,673	664,273
TOTAL EQUITY	634,673	664,273
TOTAL LIABILITIES AND EQUITY	1,817,390	1,898,291

CONSOLIDATED CONDENSED CASH FLOW STATEMENT

(unaudited, in thousands of EEK)

	01.09.2008 - 28.02.2009	01.09.2007 - 29.02.2008
Cash flows from operating activities		
Net profit/-loss for the period	-353,991	-108,774
Adjustments	1,048,050	880,913
Changes in assets related to operating activities	374,045	-270,924
Changes in inventories	61,331	-3,733
Changes in liabilities related to operating activities	-362,948	-36,461
Income tax paid/repaid	-258	344
	766,229	461,365
Cash flow used for investing activities		
Purchase of property, plant, equipment and intangible assets (Notes 7, 8)	-224,337	-494,290
Proceeds from disposals of property, plant, equipment	17,693	200,228
Acquisition of associate (Note 11)	-6,120	0
Proceeds/-payments from settlement of derivatives	1,524	-8,463
Interest received	5,232	7,443
	-206,008	-295,082
Cash flow from (+)/ used for (-) financing activities		
Repurchase of own shares	0	-65,067
Proceeds from loans (Note 9)	187,759	0
Redemption of loans (Note 9)	-888,080	-821,577
Change in overdraft (Note 9)	103,791	270,935
Repayment of finance lease liabilities (Note 9)	-3,875	-8,402
Interest paid	-541,029	-425,243
	-1,141,434	-1,049,354
TOTAL NET CASH FLOW	-581,213	-883,071
Cash and cash equivalents:		
- at the beginning of period	1,043,785	1,303,609
- increase (+) / decrease (-)	-581,213	-883,071
Cash and cash equivalents at end of period	462,572	420,538

(unaudited, in thousands of EUR)	01.09.2008 - 29.02.2009	01.09.2007 - 29.02.2008
Cash flows from operating activities		
Net profit/-loss for the period	-22,624	-6,952
Adjustments	66,983	56,301
Changes in assets related to operating activities	23,906	-17,315
Changes in inventories	3,920	-239
Changes in liabilities related to operating activities	-23,197	-2,330
Income tax paid/repaid	-16	22
	48,972	29,487
Cash flow used for investing activities		
Purchase of property, plant, equipment and intangible assets (Notes 7, 8)	-14,337	-31,591
Proceeds from disposals of property, plant, equipment	1,131	12,797
Acquisition of associate (Note 11)	-391	0
Proceeds from settlement of derivatives	97	-541
Interest received	334	476
	-13,166	-18,859
Cash flow from (+)/ used for (-) financing activities		
Repurchase of own shares	0	-4,159
Proceeds from loans (Note 9)	12,000	0
Redemption of loans (Note 9)	-56,759	-52,508
Change in overdraft (Note 9)	6,633	17,316
Repayment of finance lease liabilities (Note 9)	-248	-537
Interest paid	-34,578	-27,178
	-72,952	-67,066
TOTAL NET CASH FLOW	-37,146	-56,438
Cash and cash equivalents:		
- at the beginning of period	66,710	83,315
- increase (+) / decrease (-)	-37,146	-56,438
Cash and cash equivalents at end of period	29,564	26,877



CONSOLIDATED CONDENSED 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 2007	6,738,170	9,999	412	1,100,869	0	101,710	0	2,183,777	10,134,937	10,134,937
Changes in equity for the I half-year of 2007/2008										
Own shares acquired	0	0	0	0	0	0	-65,132	0	-65,132	-65,132
Distribution of profit 2006/2007	0	0	0	0	0	52,465	0	-52,465	0	0
Income and expense for the period										
Net loss of the I half-year of the year 2007/2008 (Note 5)	0	0	0	0	0	0	0	-108,774	-108,774	-108,774
Foreign currency translation	0	0	3,150	0	0	0	0	0	3,150	3,150
Total income and expense for the period	0	0	3,150	0	0	0	0	-108,774	-105,624	-105,624
At 29 February 2008	6,738,170	9,999	3,562	1,100,869	0	154,175	-65,132	2,022,538	9,964,181	9,964,181
At 31 August 2008	6,738,170	9,999	-882	1,062,910	0	154,175	-65,132	2,494,382	10,393,622	10,393,622
Changes in equity for the I half-year of 2008/2009										
Distribution of profit 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
Net loss on cash flow hedges	0	0	0	0	-110,543	0	0	0	-110,543	-110,543
Foreign currency translation	0	0	1,379	0	0	0	0	0	1,379	1,379
Total 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	2,124,492	9,930,467	9,930,467



(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 2007	430,648	639	27	70,358	0	6,500	0	139,569	647,741	647,741
Changes in equity for the I half-year of 2007/2008										
Own shares acquired	0	0	0	0	0	0	-4,163	0	-4,163	-4,163
Distribution of profit 2006/2007	0	0	0	0	0	3,353	0	-3,353	0	0
Income and expense for the period										
Net loss of the I half-year of the year 2007/2008 (Note 5)	0	0	0	0	0	0	0	-6,952	-6,952	-6,952
Foreign currency translation	0	0	201	0	0	0	0	0	201	201
Total income and expense for the period	0	0	201	0	0	0	0	-6,952	-6,751	-6,751
At 29 February 2008	430,648	639	228	70,358	0	9,853	-4,163	129,264	636,827	636,827
At 31 August 2008	430,648	639	-56	67,932	0	9,853	-4,163	159,420	664,273	664,273
Changes in equity for the I half-year of 2008/2009										
Distribution of profit 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
Net loss on cash flow hedges	0	0	0	0	-7,065	0	0	0	-7,065	-7,065
Foreign currency translation	0	0	88	0	0	1	0	0	89	89
Total income and expense for the period	0	0	88	0	-7,065	1	0	-22,624	-29,600	-29,600
At 28 February 2009	430,648	639	32	67,932	-7,065	10,870	-4,163	135,780	634,673	634,673

NOTES TO THE UNAUDITED INTERIM CONSOLIDATED CONDENSED FINANCIAL STATEMENTS

Note 1 CORPORATE INFORMATION

The interim consolidated condensed financial statements of AS Tallink Grupp and its subsidiaries (hereinafter as “the group”) for the first six months of the financial year 2008/2009 were authorised for issue in accordance with a resolution of the Management Board on 15 April 2009. AS Tallink Grupp is a limited company incorporated in Estonia and employed 6,722 people at 28 February 2009 (31 August 2008: 6,890).

Note 2 BASIS OF PREPARATION

The interim consolidated condensed 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 condensed financial statements as in the annual consolidated financial statements of AS Tallink Grupp for the financial year ended on 31 August 2008.

The interim consolidated condensed 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)

01.09.2008-28.02.2009	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

01.09.2007-29.02.2008	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	1,468,968	650,448	215,378	559,685	2,509,018	156,172	103,491	0	5,663,160
Inter-segment sales	0	0	0	0	0	44,457	0	-44,457	0
	1,468,968	650,448	215,378	559,685	2,509,018	200,629	103,491	-44,457	5,663,160
Segment result									
	454,471	43,987	-44,628	-33,102	310,419	-6,712	43,651	0	768,086
Unallocated expenses									-451,660
Net financial items (Note 4)									-425,090
Loss before income tax									-108,664

(in thousands of EUR)

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	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

01.09.2007-29.02.2008	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	93,884	41,571	13,765	35,771	160,356	9,981	6,614	0	361,942
Inter-segment sales	0	0	0	0	0	2,841	0	-2,841	0
	93,884	41,571	13,765	35,771	160,356	12,822	6,614	-2,841	361,942
Segment result									
	29,046	2,811	-2,852	-2,115	19,839	-429	2,790	0	49,090
Unallocated expenses									-28,866
Net financial items (Note 4)									-27,169
Loss before income tax									-6,945

Operational segments

	(in thousands of EEK)		(in thousands of EUR)	
	01.09.2008- 28.02.2009	01.09.2007- 29.02.2008	01.09.2008- 28.02.2009	01.09.2007- 29.02.2008
Ticket sales	1,313,291	1,297,004	83,934	82,894
Sales of cargo transport	899,333	1,256,776	57,478	80,323
Accommodation sales	70,093	56,509	4,480	3,611
Restaurant and shops sales on-board and on mainland	3,086,781	2,826,154	197,281	180,624
Income from leases of vessels	110,017	94,283	7,032	6,026
Other	170,845	132,434	10,919	8,464
Total revenue of the Group	5,650,360	5,663,160	361,124	361,942

Note 4 FINANCIAL INCOME AND EXPENSES

	(in thousands of EEK)		(in thousands of EUR)	
	01.09.2008- 28.02.2009	01.09.2007- 29.02.2008	01.09.2008- 28.02.2009	01.09.2007- 29.02.2008
Net foreign exchange gains	0	6,683	0	427
Profit from derivatives	92,859	17,077	5,935	1,091
Other interest and financial income	4,913	6,852	314	438
Total financial income	97,772	30,612	6,249	1,956
Net foreign exchange loss	-12,343	0	-789	0
Interest expenses	-509,674	-440,436	-32,574	-28,149
Loss from derivatives	-115,658	-11,965	-7,392	-765
Other financial expenses	-1,846	-3,301	-118	-211
Total financial expenses	-639,521	-455,702	-40,873	-29,125

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.

	01.12.2008 - 28.02.2009	01.12.2007 - 29.02.2008	01.09.2008 - 28.02.2009	01.09.2007 - 29.02.2008
Weighted average number of ordinary shares (pcs)	669,882,040	671,429,183	669,882,040	672,623,111
Net profit/-loss attributable to ordinary shareholders	-323,328	-111,398	-353,991	-108,774
Earnings per share (in EEK per share)	-0.48	-0.17	-0.53	-0.16

	01.12.2008 - 28.02.2009	01.12.2007 - 29.02.2008	01.09.2008 - 28.02.2009	01.09.2007 - 29.02.2008
Weighted average number of ordinary shares (pcs)	669,882,040	671,429,183	669,882,040	672,623,111
Net profit/-loss attributable to ordinary shareholders	-20,664	-7,120	-22,624	-6,952
Earnings per share (in EUR per share)	-0.03	-0.01	-0.03	-0.01

Weighted average number of ordinary shares (pcs)

	01.12.2008 - 28.02.2009	01.12.2007 - 29.02.2008	01.09.2008 - 28.02.2009	01.09.2007 - 29.02.2008
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	-2,387,857	-3,935,000	-1,193,929
Weighted average number of ordinary shares at end of period	669,882,040	671,429,183	669,882,040	672,623,111

Due to share buyback transactions during I half-year of 2007/2008 the weighted average number of ordinary shares for comparative period is 672,623,111 shares.

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 28.02.2009 AS Tallink Grupp had three interest rate derivative contracts with total notional amount of 4,340,977 thousand EEK (277,439 thousand EUR) with the maturities in years 2012, 2014 and 2020. The fair value of the interest rate derivatives recognized in the current interim financial statements as of 28.02.2009 is 43,670 thousand EEK (2,791 thousand EUR). During the reporting period the group has entered into three fuel price swap contracts with the total notional amount of 442,173 thousand EEK (28,260 thousand EUR). As of 28.02.2009 the fair value of the fuel price swaps in total amount of -110,543 thousand EEK (-7,065 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 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

	Land and building	Ships	Plant and equipment	Prepayments	Total
Book value at 31 August 2007	133,664	21,575,217	112,418	778,702	22,600,001
Additions	3,614	42,755	19,512	397,149	463,030
Transfer to intangible assets (Note 8)	0	0	0	-2,089	-2,089
Exchange rate differences	-203	-94	-9	1	-305
Disposals	-14	-183,545	-603	0	-184,162
Depreciation for the period	-6,614	-388,473	-28,383	0	-423,470
Book value at 29 February 2008	130,447	21,045,860	102,935	1,173,763	22,453,005

At 29 February 2008

-Cost	162,963	22,150,185	235,175	1,173,763	23,722,086
-Accumulated depreciation	-32,516	-1,104,325	-132,240	0	-1,269,081

(in thousands of EUR)

	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

	Land and building	Ships	Plant and equipment	Prepayments	Total
Book value at 31 August 2007	8,543	1,378,908	7,184	49,768	1,444,403
Additions	231	2,733	1,247	25,382	29,593
Transfer to intangible assets (Note 8)	0	0	0	-133	-133
Exchange rate differences	-13	-6	0	0	-19
Disposals	-1	-11,731	-38	0	-11,770
Depreciation for the period	-423	-24,828	-1,814	0	-27,065
Book value at 29 February 2008	8,337	1,345,076	6,579	75,017	1,435,009

At 29 February 2008

-Cost	10,415	1,415,655	15,030	75,017	1,516,117
-Accumulated depreciation	-2,078	-70,579	-8,451	0	-81,108

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 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
Amortization 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 amortization	0	-121,664	-99,456	-221,120	0	-7,776	-6,357	-14,133

	(in thousands of EEK)				(in thousands of EUR)			
	Goodwill	Trademark	Others	Total	Goodwill	Trademark	Others	Total
Book value at 31 August 2007	174,409	858,781	250,402	1,283,592	11,147	54,886	16,003	82,036
Additions	0	0	31,260	31,260	0	0	1,998	1,998
Transfer from property, plant and equipment (Note 7)	0	0	2,089	2,089	0	0	133	133
Amortization for the period	0	-22,812	-18,660	-41,472	0	-1,458	-1,192	-2,650
Book value at 29 February 2008	174,409	835,969	265,091	1,275,469	11,147	53,428	16,942	81,517

At 29 February 2008

Cost	174,409	912,009	324,417	1,410,835	11,147	58,288	20,734	90,169
Accumulated amortization	0	-76,040	-59,326	-135,366	0	-4,860	-3,792	-8,652

Note 9 INTEREST BEARING LOANS AND BORROWINGS

(in thousands of EEK)

	31 August 2008	New loans	Repayments	Other changes [1]	28 February 2009
Lease liability	15,375	0	-3,875	0	11,500
Bank overdrafts	517,342	103,791	0	0	621,133
Long-term bank loans	16,991,858	187,759	-888,080	15,616	16,307,153
TOTAL	17,524,575	291,550	-891,955	15,616	16,939,786
incl. short-term portion	2,200,220				2,298,086
long-term portion	15,324,355				14,641,700

(in thousands of EUR)

	31 August 2008	New loans	Repayments	Other changes [1]	28 February 2009
Lease liability	983	0	-248	0	735
Bank overdrafts	33,064	6,633	0	0	39,697
Long-term bank loans	1,085,978	12,000	-56,759	998	1,042,217
TOTAL	1,120,025	18,633	-57,007	998	1,082,649
incl. short-term portion	140,620				146,874
long-term portion	979,405				935,775

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

Bank overdrafts are secured with commercial pledge (in the total amount of 316,120 thousand EEK (20,203 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 and HSBC Bank Plc. for the loans granted to overseas subsidiaries amounting to 12,159,027 thousand EEK (777,103 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 4,108,077 thousand EEK (262,554 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 2009 the maximum number of authorised common shares is 2,000,000 thousand.

At 28 February 2009 the Group held 3,935 thousand of the AS Tallink Grupp shares. Total cost of share buyback transactions of 3,935 thousand shares is 65,132 thousand EEK (4,163 thousand EUR).

Note 11 SUBSIDIARIES AND ASSOCIATES

In February 2009 the share capital of AS Tallink Takso was increased. The change in share capital was registered in March 2009. After this transaction AS Tallink Grupp is having the same percentage in share capital as before. The payment of 6,120 thousand EEK (391 thousand EUR) was made in February 2009.

Note 12 RELATED PARTY DISCLOSURES

(in thousands of EEK)

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
OÜ Compo Investeeringud	13	0	0	0
Eesti Laevaomanike Liit	0	117	0	0
6 months of 2007/2008 or 29.02.2008	Sales to related party	Purchases from related parties	Amounts owed by related parties	Amounts owed to related parties
AS Infortar	655	1,473	123	0
AS HT Valuuta	1,216	0	60	0
AS Vara HTG	0	27,868	3,000	0
OÜ Mersok	0	72	0	14
AS Vaba Maa	0	5,118	0	110
OÜ Sunbeam	0	23,063	0	0
AS Gastrolink	101	3,337	0	501
Gastrolink Finland OY	5	0	0	0
AS Tallink Takso	199	0	233	0
Eesti Laevaomanike Liit	0	117	0	0
Searail EEIG	33,734	0	10,264	6,462

(in thousands of EUR)

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
OÜ Compo Investeeringud	1	0	0	0
Eesti Laevaomanike Liit	0	7	0	0
6 months of 2007/2008 or 29.02.2008	Sales to related party	Purchases from related parties	Amounts owed by related parties	Amounts owed to related parties
AS Infortar	42	94	8	0
AS HT Valuuta	78	0	4	0
AS Vara HTG	0	1,781	192	0
OÜ Mersok	0	5	0	1
AS Vaba Maa	0	327	0	7
OÜ Sunbeam	0	1,474	0	0
AS Gastrolink	6	213	0	32
Gastrolink Finland OY	0	0	0	0
AS Tallink Takso	13	0	15	0
Eesti Laevaomanike Liit	0	7	0	0
Searail EEIG	2,156	0	656	413

Note 13 COMMITMENTS

Capital investment commitments

In April 2007 Aker Finnyards OY and AS Tallink Grupp signed a shipbuilding contract to construct a new large cruise ferry Baltic Queen. The new ship should be delivered in April 2009. The shipbuilding contract price of new ship is approximately 2,816,388 thousand EEK (*180,000 thousand EUR*). 20 % will be paid during construction and 80 % will be paid on delivery of the ship.

MANAGEMENT BOARD'S APPROVAL OF THE INTERIM CONSOLIDATED CONDENSED FINANCIAL STATEMENTS

Hereby we declare our responsibility for the Interim Consolidated Condensed Financial Statements and confirm that the AS Tallink Grupp's Interim Consolidated Condensed Financial Statements for the first 6 months of the financial year 2008/2009 ended 28 February 2009 prepared in accordance with IFRS as adopted by EU and in accordance with IAS 34 give a true and fair view of the financial position of the Group and of the result of its operations and cash flows.

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

Chairman of the Management Board
Enn Pant

Vice Chairman of the Management Board
Andres Hunt

Member of the Management Board
Keijo Mehtonen

Member of the Management Board
Lembit Kitter

Tallinn
