

CHARTER OF MS SUPERFAST IX

A subsidiary of AS Tallink Grupp, Baltic SF IX Limited and Marine Atlantic Inc, a Canadian company with the state participation therein, have concluded the charter agreement of Superfast IX for five years. For the effectuation of the agreement it is required, among other terms, the approval by the Canadian Government as the project will be partly financed from the state budget. The vessel will be delivered to the charterers after the summer high season, probably in October.

After the delivery of the vessel AS Tallink Grupp will continue to operate two Superfast vessels on the Germany route, which will cover the carriage of today's volumes. Removal of one vessel from the route diminishes the route's costs by one third and will make it possible for the vessels which continue on the route to operate at better utilisation and thereby to increase the profitability.

Characteristically to a long route like German one, the consumption of the fuel is high and the increased fuel prices have affected this route more than others. In comparison to other Tallink vessels also the personnel costs are relatively higher on the Superfast vessels. The increase of the cargo tariffs on the route has not been sufficient to cover the increased costbase.

The chartering of Superfast IX is more profitable than the current result of the vessel and will increase the return on capital of the vessel individually and also of the three Superfast vessels' all together.

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