Finnlines Plc Stock Exchange Release 28 February 2012

FINANCIAL STATEMENT BULLETIN JANUARY-DECEMBER 2011 (unaudited)

SUMMARY

October – December 2011
- Revenue EUR 144.8 million (EUR 139.3 million prev. year), increase 4.0%
- Result before interest, taxes, depreciation and amortisation (EBITDA) EUR 14.4 million (EUR 16.0 million), decrease 10.2%
- Earnings per share were -0.07 (-0.07) EUR/share.

January – December 2011
- Revenue EUR 605.2 million (EUR 561.1 million prev. year), increase 7.9%
- Result before interest, taxes, depreciation and amortisation (EBITDA) EUR 84.5 million (EUR 85.9 million), decrease 1.6%. 2010 figure includes non-recurring refund income of EUR 5.7 million
- Earnings per share were -0.05 (0.05) EUR/share.

JANUARY – DECEMBER 2011 IN BRIEF

MEUR	10-12 2011	10-12 2010	1-12 2011	1-12 2010
Revenue	144.8	139.3	605.2	561.1
EBITDA	14.4	16.0	84.5	85.9
Result before interest and taxes (EBIT)	-1.6	0.5	21.0	25.6
% of revenue	-1.1	0.3	3.5	4.6
Result before taxes (EBT)	-8.2	-4.9	-5.4	3.7
Result for the reporting period	-3.1	-3.1	-2.5	2.2
EPS, EUR	-0.07	-0.07	-0.05	0.05
Equity ratio, %	29.1	29.1	29.1	29.1
Gearing, %	199.8	198.8	199.8	198.8
Shareholders’ equity/share, EUR	9.12	9.14	9.12	9.14

Calculation of key ratios is presented under ’Calculation of ratios’.

FINNLINES’ BUSINESS

Finnlines is one of the largest North-European liner shipping companies, providing sea transport services mainly in the Baltic and the North Sea. In addition to freight, the Company’s ro-pax vessels carry passengers between five countries and eight ports. The Company also provides port services in Helsinki, Turku and Kotka. The company has subsidiaries or sales offices in Germany, Belgium, the UK, Sweden, Denmark, Poland, Luxembourg and a representative office in Russia. Finnlines is a Finnish listed company and part of the Italian Grimaldi Group.

GENERAL MARKET DEVELOPMENT

The recovery of market volumes decelerated towards the end of 2011. Based on the statistics by the Finnish Transport Agency, the Finnish seaborne imports carried in container, lorry and trailer units increased by 6 per cent and exports by 12 per cent during January-December 2011 compared to the previous year (measured in tons). The Finnish export and import volumes 2010 and 2011 are not comparable as such as the first quarter of 2010 was affected by the stevedoring strike in March. According to the statistics published by Shippax, trailer and lorry volumes transported by sea between Southern Sweden and Germany in January-December decreased by one per cent compared to 2010. During the same period private and commercial passenger traffic between Finland and Sweden decreased by two per cent. Between Finland and Germany the corresponding decrease was 11 per cent (Finnish Transport Agency). In the second quarter of 2010 the volcanic ash cloud caused airspace limitations, which then abnormally increased the amounts of private passengers.

FINNLINES TRAFFIC

During the first quarter of the year, the traffic was influenced by a number of external disturbances. Unexpected stevedoring strikes and very severe ice conditions in the Baltic Sea caused several temporary schedule changes, reroutings and stoppages. The last quarter was challenging due to adverse weather conditions and weak market volumes.

The bunker price remained high throughout the entire reporting period and further increased notably during the second half of 2011.

In April and May, two of the six ro-ro newbuildings (MS Finnbreeze and MS Finnsea) entered service and are sailing under the Finnish flag. Finnlines operated on average 25 vessels in its own traffic compared to 24 vessels in 2010.

The cargo volumes transported during January-December totalled approximately 641,000 (629,000 in 2010) units, 72,000 (56,000) cars (not including passengers' cars) and 2,239,000 (2,039,000) tons of freight not possible to measure in units. In addition, some 635,000 (648,000) private and commercial passengers were transported.

FINANCIAL RESULTS

October – December 2011

The Finnlines Group recorded revenue totalling EUR 144.8 million (139.3), an increase of 4.0 per cent compared to the same period in 2010. Shipping and Sea Transport Services generated revenue amounting to EUR 136.3 million (127.9) and Port Operations EUR 15.3 million (18.4). The internal revenue between the segments was EUR 6.8 million (7.0).

Result before interest, taxes, depreciation and amortisation (EBITDA) was EUR 14.4 million (16.0), a decrease of 10.2 per cent. Vessel lease expenses decreased by EUR 0.6 million compared to the same period of the previous year.

Result before interest and taxes (EBIT) was EUR -1.6 million (0.5). Financial income was EUR 0.5 million (0.6) and financial expenses totalled EUR -7.0 million (-5.9). Result before taxes (EBT) was EUR -8.2 million (-4.9), and earnings per share (EPS) were EUR -0.07 (-0.07).

January – December 2011

The Finnlines Group recorded revenue totalling EUR 605.2 million (561.1), an increase of 7.9 per cent compared to the same period in 2010. Shipping and Sea Transport Services generated revenue amounting to EUR 563.3 million (513.7) and Port Operations EUR 67.7 million (72.3). The internal revenue between the segments was EUR 25.8 million (24.9).

Result before interest, taxes, depreciation and amortisation (EBITDA) was EUR 84.5 million (85.9, including non-recurring items of EUR 5.7 million). Vessel lease expenses decreased by EUR 5.5 million and amounted to EUR 28.4 million (33.8).

Result before interest and taxes (EBIT) was EUR 21.0 million (25.6, including EUR 5.7 million non-recurring items). Financial income was EUR 0.9 million (3.8) and financial expenses totalled EUR -27.4 million (-25.7). Result before taxes (EBT) was EUR -5.4 million (3.7) and earnings per share (EPS) were EUR -0.05 (EUR 0.05). As from 1 January 2012, the applicable corporate tax rate in Finland decreased from 26 per cent to 24.5 per cent. In 2011, the one-time positive effect of the tax rate change is EUR 3.3 million.

STATEMENT OF FINANCIAL POSITION, FINANCING AND CASH-FLOW

Interest-bearing net debt increased by EUR 2.1 million compared to end of 2010 and amounted to EUR 854.8 million (852.6). According to the consolidated statement of financial position, the equity attributable to parent company shareholders equals to EUR 426.9 million at the end of the reporting period. Distributable funds included in the parent company's shareholders' equity on 31 December 2011 totals EUR 114.2 million. The equity ratio calculated from the balance sheet was 29.1 per cent (29.1) and gearing was 199.8 per cent (198.8). Vessel lease commitments have decreased by EUR 28.4 million from the end of December 2010 due to redelivery of chartered tonnage and were EUR 14.8 million at the end of the reporting period.

The Company is in complete compliance with the financial covenants of its loan portfolio. At the end of the period, cash and deposits together with unused committed working capital credits and the undrawn part of committed credits for newbuildings amounted to EUR 103.1 million. The Company has a commercial paper programme amounting to EUR 100 million of which the company had issued EUR 5.0 million at the end of 2011.

CAPITAL EXPENDITURE

Gross capital expenditure in the review period totalled EUR 64.4 million (82.2), and consists mainly of payments for newbuildings (EUR 57.3 million). Total depreciation amounted to EUR 63.5 million (60.1).

Two of the six newbuildings (MS Finnbreeze and MS Finnsea) were delivered from the shipyard in China during March 2011. The vessels were taken into use in Finnlines' service during April and May. The next two vessels (MS Finnsky and MS Finnsun) were delivered in the beginning of 2012. The last two of the newbuildings are scheduled to be delivered during the second half of 2012. In June, Finnlines sold its terminal building in Pansio, Turku and in December two container cranes in port of Kotka. The transactions had no major effect to the financial result of the reporting period.

PERSONNEL

The Group employed an average of 2,076 (2,096) persons during year 2011, consisting of 1,072 (1,141) employees on shore and 1,004 (954) at sea. The number of persons employed at the end of the year were 2,041 (2,143) in total, of which 1,007 (1,166) on shore and 1,034 (977) at sea.

The decrease in the number of onshore personnel was due to employee reductions in the Port Operations during 2011 after employee co-operation negotiations which were started in 2010 and completed during the first quarter of 2011. Furthermore, the SeaRail traffic was discontinued in the Port of Turku.

The personnel expenses (social costs included) for the reporting period were EUR 107.9 (110.6) million.

GROUP STRUCTURE

The Group has established three new subsidiaries in Luxembourg for the ownership of the newbuildings. At the end of the reporting period, the Group consisted of the parent company and 24 subsidiaries.

RESEARCH AND DEVELOPMENT

The aim of Finnlines' research and development work is to find and introduce new practical solutions and operating methods, which enable the company to better and more cost-efficiently meet customer needs. In 2011, the focus was on energy efficiency of the vessels under construction and more energy-efficient use of vessels in the traffic.

The implementation of the new IT tools for marketing and sales in Passenger Services and for Purchasing was accomplished in 2011.

The company is also actively developing the safety of cargo handling methods. Sufficient securing of cargo is essential in order to ensure safe cargo handling operations and safety at sea. Together with a group of vocational education providers and cargo securing experts in Finland, Germany, Italy and Sweden, Finnlines is participating in the CARING project: Cargo securing to prevent cargo damages on road, sea, rail and air. The project has partially been financed by the Leonardo da Vinci programme of the European Union. The project will produce up-to-date learning and instructive material in order to improve the quality of cargo securing. There will also be a Cargo Calculator for determining sufficient cargo lashing and an Online Survey on the know-how and attitudes of people working with cargo securing issues.

In 2011, Finnlines launched an energy saving programme to have all vessels' officers to analyse and identify all possible measures to optimise the energy consumption devices in the day-to-day business. The target is to minimise all energy-related costs to the absolutely necessary minimum, also including all port-related issues. Finnlines has started to work together with two system suppliers to develop an automated voyage reporting system, including data on fuel consumption, emissions and performance. The target is to have a tool to benchmark ships' performance and to support decision making for traffic management.

THE FINNLINES SHARE

The Company's registered share capital on 31 December 2011 was EUR 93,642,074 divided into 46,821,037 shares. A total of 1.5 (2.9) million shares were traded on the NASDAQ OMX Helsinki during the period. The market capitalisation of the Company's stock at the end of December was EUR 360.5 (373.2) million. Earnings per share (EPS) were EUR -0.05 (0.05). Shareholders' equity per share was EUR 9.12 (9.14). At the end of the year, Grimaldi Group's holding and share of votes in Finnlines was 66.97 per cent.

DECISIONS TAKEN BY THE ANNUAL GENERAL MEETING

The Annual General Meeting of Finnlines Plc held on 19 April 2011 approved the Financial Statements and discharged the members of the Board of Directors and the President and CEO from liability for the financial year 2010.

The Annual General Meeting approved the Board of Directors proposal not to pay any dividend.

The Annual General Meeting decided that the Board of Directors shall have six members. The current Board Members were re-elected to the Board: Mr Emanuele Grimaldi, Mr Gianluca Grimaldi, Mr Diego Pacella, Mr Antti Pankakoski, Mr Olav Rakkenes and Mr Jon-Aksel Torgersen. The Board of Directors elected Mr Emanuele Grimaldi as Chairman and Mr Diego Pacella as Vice-Chairman.

The firm of authorised public accountants Deloitte & Touche Oy was appointed as the Company's auditors for 2011.

The Annual General Meeting authorised the Board of Directors to resolve on the issuance of new shares in one or several tranches so that the total number of shares issued based on the authorization is 20 000 000 at maximum. The authorization is valid until the next Annual General Meeting. The authorization replaces the Annual General Meeting's authorization to decide on a share issue of 14 April 2010.

RISKS

The risks affecting the business sector where the Group operates are:

The risk of overcapacity in terms of ro-ro tonnage plays a less important role compared to the general shipping overcapacity of the world tonnage as the scrapping of ro-ro and ro-pax tonnage has exceeded and is expected to exceed the newbuilding order-book. As far as Finnlines is concerned, in the beginning of 2012 two chartered vessels were redelivered to their owners when two newbuildings entered the fleet. At the end of 2012 three vessels will terminate their charter and will be redelivered to respective owners, whilst only two newbuildings will enter the fleet. During the autumn of 2011 there was increasing uncertainty in the global and European economy.

Finnlines constantly monitors the stability and the payment habits of its customers and currently there are no significant risks related to this.

Finnlines holds adequate credit lines to maintain liquidity in the current business environment.

ESSENTIAL LEGAL PROCEEDINGS

Two of the three legal actions raised in the District Courts in Finland by the Finnish Transport Workers' Union ("Union") against the Finnlines' port operations subsidiary for compensation of weekend work are still under process.The Company estimates that the amount of potential liabilities should not exceed EUR 0.5 million.

Sub-chartering of two vessels to Benfleet Shipping Limited, Cyprus ("SSI") caused the Company a loss of time charter hires and expenses in total EUR 0.3 million, as SSI terminated the charters in summer 2009. The Company continues proceedings for the enforcements of favourable decisions rendered by the sole arbitrator in the case.

Sponda Kiinteistöt Oy ("Sponda") has summoned the Company to the Helsinki District Court. The dispute concerns the termination of the lease contracts signed between the parties on 2005. The Helsinki District Court rendered decision on 23rd February in favour of Sponda and ordered the Company to compensate Sponda EUR 0.9 million plus interests. The Company is underway to analyse the decision and possible appeal to the Helsinki Court of Appeal.

The Company's German subsidiary has been taken to the City Court of Lübeck in December 2009 by its former Managing Director regarding the termination of his Service Agreement. The City Court of Lübeck has rendered the decision in favour of the subsidiary. The former Managing Director has appealed on the decision. The process is under way.

The Helsinki District Court rendered in March 2010 its judgment in the action initiated by Mutual Pension Insurance Company Ilmarinen ("Ilmarinen") against the Company, which was reversed by the Helsinki Court of Appeal in favour of the Company in November 2011. At the end of January 2012, Ilmarinen filed on an application for a leave to appeal and a petition of appeal with the Supreme Court regarding the judgement of the Helsinki Court Of Appeal.

In 2008, the Administrative Court of Helsinki rendered decisions based on which it can be argued that the Finnish Act on Fairway Dues in force until 1 January 2006 has contained provisions which according to EU law were discriminatory. The Company has submitted the claim for damages and restitution against the Finnish State for the years 2001-2004 at the District Court of Helsinki. The amount of the claim is approximately EUR 8.5 million which has not been recognised as revenue.

ENVIRONMENT AND SAFETY

The objective of Finnlines' environmental policy is to provide safe, top-quality services while making efforts to minimise the environmental impacts in every aspect of operations.

To improve ships' fuel economy, Finnlines has made efforts to optimise route, speed, load, and engine mode. On two ships, electronic tools for optimal voyage planning and trim are trialled. The newbuildings delivered from China are fitted with a rudder/propeller combination technology designed to achieve reductions in fuel consumption.

In the Emissions Control Areas, the sulphur content limit for heavy fuel oil is 1.0 per cent. In EU ports, there is a maximum 0.1 per cent sulphur limit on all marine fuel. IMO (International Maritime Organisation) plans to continue with sulphur reductions to 0.1 per cent also at sea, effective from 2015, but there are widespread international efforts in order to postpone the effective due date by at least five years.

By the end of 2011, the Ballast Water Management Convention had been signed by 30 countries, representing 26.4 per cent of world tonnage. The Convention will enter into force when 30 countries, representing 35 per cent of world tonnage, have signed it. In the first phase, the ships will have to exchange ballast water or install a treatment plant. After 2016, treatment plants will be mandatory. Finnlines has been looking at efficient ballast water treatment systems for ships.

A total of 16 ships flying the Finnlines flag are incorporated in the certified environmental system which meets the requirements of the ISO 14 001 standard. During 2011, Finnsteve also had its environmental system certified in accordance with ISO 14 001.

CORPORATE GOVERNANCE

Finnlines applies the Finnish Corporate Governance Code for listed companies updated in autumn 2010. The Corporate Governance Statement can be reviewed at the corporate website (www.finnlines.com).

MAIN EVENTS AFTER THE REPORTING PERIOD

In January 2012, Mutual Pension Insurance Company Ilmarinen filed an application for a leave to appeal and a petition of appeal with the Supreme Court regarding the judgement of the Helsinki Court Of Appeal of 29 November 2011 in which the Court of Appeal overruled the judgement rendered by the Helsinki District Court on 3 March 2010 and dismissed all claims presented against Finnlines Plc by Ilmarinen.

The employee co-operation negotiations, which started at the end of 2011 with the personnel in Kotka, were completed in January 2012. The negotiations resulted in termination of 23 employments in total.

FINNLINES PROSPECTS FOR 2012

The Board expects 2012 still to be a volatile and a challenging year. The Company is well prepared to face the market challenges.

DIVIDEND DISTRIBUTION PROPOSAL

The Board of Directors will propose to the Annual Shareholders' Meeting that no dividend be paid out for 2011 due to the still uncertain financial business environment and the ongoing investment programme.

ANNUAL GENERAL MEETING

Finnlines Plc's Annual General Meeting will be held from 12.00 on Tuesday 17 April 2012 at the Scandic Marina Congress Center, Katajanokanlaituri 6, Helsinki.

The financial statements, the Board of Directors' Report and the annual report for 2011 will be published during the week commencing on 26 March 2012 at the latest and will be available at www.finnlines.com or at Finnlines' headquarters, Porkkalankatu 20 A, Helsinki.

The first interim report of 2012, for 1 January – 31 March, will be published on Thursday, 10 May 2012.

Finnlines Plc
The Board of Directors

Uwe Bakosch
President/CEO

ENCLOSURES

- Consolidated statement of comprehensive income, IFRS
- Consolidated statement of financial position, IFRS
- Consolidated statement of changes in equity, IFRS
- Consolidated cash flow statement, IFRS (condensed)
- Revenue and result by business segments
- Property, plant and equipment
- Contingencies and commitments
- Revenue and result by quarter
- Shares, market capitalisation and trading information
- Calculation of ratios

DISTRIBUTION

NASDAQ OMX Helsinki Ltd.
Main media

The information is unaudited.

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME, IFRS

EUR 1,000	1 Oct – 31 Dec 2011	1 Oct – 31 Dec 2010	1 Jan – 31 Dec 2011	1 Jan - 31 Dec 2010
Revenue	144,824	139,276	605,208	561,108
Other income from operations	1,025	1,042	2,515	4,287
Materials and services	-62,841	-53,484	-247,262	-202,964
Personnel expenses	-26,464	-29,905	-107,948	-110,635
Depreciation, amortisation and write-offs	-16,019	-15,551	-63,512	-60,322
Other operating expenses	-42,164	-40,910	-167,972	-165,850
Total operating expenses	-147,488	-139,850	-586,695	-539,770
Result before interest and taxes (EBIT)	**-1,639**	**468**	**21,028**	**25,625**
Financial income	462	554	911	3,793
Financial expenses	-6,979	-5,903	-27,370	-25,734
Result before taxes	**-8,155**	**-4,881**	**-5,431**	**3,683**
Income taxes *	5,028	1,752	2,925	-1,450
Result for the reporting period	**-3,128**	**-3,129**	**-2,506**	**2,234**
Other comprehensive income:				
Exchange differences on translating foreign operations	2	51	-3	-7
Changes in cash flow hedging reserve				
Fair value changes	306	304	-95	1,418
Transfer to fixed assets			2,004	
Tax effect, net	-79	-79	-496	-369
Effect of the tax rate change	-48		-48	
Total comprehensive income for the reporting period	**-2,947**	**-2,853**	**-1,145**	**3,276**
Result for the reporting period attributable to:				
Parent company shareholders	-3,128	-3,158	-2,517	2,243
Non-controlling interests	0	29	10	-9
	-3,128	**-3,129**	**-2,506**	**2,234**
Total comprehensive income for the reporting period attributable to:				
Parent company shareholders	-2,947	-2,882	-1,155	3,285
Non-controlling interests	0	29	10	-9
	-2,947	**-2,853**	**-1,145**	**3,276**
Result for the reporting period attributable to parent company shareholders calculated as earnings per share (EUR/share):				
Undiluted/ diluted earnings per share	-0.07	-0.07	-0.05	0.05
Average number of shares:				
Undiluted/ diluted	46,821,037	46,821,037	46,821,037	46,821,037

* In Finland, the corporate tax rate was decreased to 24.5 per cent from 26 per cent starting 1 January 2012. In 2011, the one-time positive effect of the tax rate change is EUR 3.3 million.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION, IFRS

EUR 1,000	31 Dec 2011	31 Dec 2010
ASSETS		
Non-current assets		
Property, plant and equipment	1,258,306	1,263,626
Goodwill	105,644	105,644
Intangible assets	8,049	9,736
Investment properties		0
Share of associated companies		0
Other financial assets	4,582	4,562
Receivables	1,250	1,820
Deferred tax assets	4,395	4,225
	1,382,225	**1,389,613**
Current assets		
Inventories	8,903	6,567
Accounts receivable and other receivables	76,660	69,900
Income tax receivables	73	82
Bank and cash	4,263	6,452
	89,898	**83,001**
Total assets	**1,472,123**	**1,472,614**
EQUITY		
Equity attributable to parent company shareholders		
Share capital	93,642	93,642
Share premium account	24,525	24,525
Fair value reserve	-2,409	-3,773
Translation differences	114	117
Unrestricted equity reserve	21,015	21,015
Retained earnings	290,017	292,534
	426,905	**428,060**
Non-controlling interests	877	867
Total equity	**427,782**	**428,927**
LIABILITIES		
Long-term liabilities		
Deferred tax liabilities	76,015	89,459
Interest-free liabilities	8	12
Pension liabilities	2,462	2,310
Provisions	4,562	4,562
Interest-bearing liabilities	665,496	701,606
	748,544	**797,951**
Current liabilities		
Accounts payable and other liabilities	102,181	88,130
Income tax liabilities	65	104
Provisions	30	30
Current interest-bearing liabilities	193,521	157,473
	295,797	**245,736**
Total liabilities	**1,044,341**	**1,043,687**
Total equity and liabilities	**1,472,123**	**1,472,614**

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY 2010, IFRS

EUR 1,000	Equity attributable to parent company shareholders				
	Share capital	Share issue premium	Translation differences	Fair value reserves	Unrestricted equity reserve
Equity 1 January 2010	**93,642**	**24,525**	**124**	**-4,822**	**21,015**
Comprehensive income for the reporting period:					
Exchange differences on translating foreign operations			-7		
Changes in cash flow hedging reserve					
Fair value changes				1,418	
Tax effect, net				-369	
Total comprehensive income for the reporting period			**-7**	**1,049**	
Equity 31 December 2010	**93,642**	**24,525**	**117**	**-3,773**	**21,015**

EUR 1,000	Equity attributable to parent company shareholders		Non-controlling interests	Total equity
	Retained earnings	Total		
Equity 1 January 2010	**290,291**	**424,775**	**876**	**425,651**
Comprehensive income for the reporting period:				
Result for the reporting period	2,243	2,243	-9	2,234
Exchange differences on translating foreign operations		-7		-7
Changes in cash flow hedging reserve				
Fair value changes		1,418		1,418
Tax effect, net		-369		-369
Total comprehensive income for the reporting period	**2,243**	**3,285**	**-9**	**3,276**
Equity 31 December 2010	**292,534**	**428,060**	**867**	**428,927**

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY 2011, IFRS

EUR 1,000	Equity attributable to parent company shareholders				
	Share capital	Share issue premium	Translation differences	Fair value reserves	Unrestricted equity reserve
Equity 1 January 2011	**93,642**	**24,525**	**117**	**-3,773**	**21,015**
Comprehensive income for the reporting period:					
Exchange differences on translating foreign operations			-3		
Changes in cash flow hedging reserve					
Fair value changes				-95	
Transfer to fixed assets				2,004	
Tax effect, net				-496	
Effect of the tax rate change				-48	
Total comprehensive income for the reporting period			**-3**	**1,364**	
Equity 31 December 2011	**93,642**	**24,525**	**114**	**-2,409**	**21,015**

EUR 1,000	Equity attributable to parent company shareholders		Non-controlling interests	Total equity
	Retained earnings	Total		
Equity 1 January 2011	**292,534**	**428,060**	**867**	**428,927**
Comprehensive income for the reporting period:				
Result for the reporting period	-2,517	-2,517	10	-2,506
Exchange differences on translating foreign operations		-3		-3
Changes in cash flow hedging reserve				
Fair value changes		-95		-95
Transfer to fixed assets		2,004		2,004
Tax effect, net		-496		-496
Effect of the tax rate change		-48		-48
Total comprehensive income for the reporting period	**-2,517**	**-1,155**	**10**	**-1,145**
Equity 31 December 2011	**290,017**	**426,905**	**877**	**427,782**

CONSOLIDATED CASH FLOW STATEMENT, IFRS (CONDENSED)

EUR 1,000	1 Jan-31 Dec 2011	1 Jan-31 Dec 2010
Cash flows from operating activities		
Result for reporting period	-2,506	2,234
Non-cash transactions and other adjustments	85,570	82,484
Changes in working capital	4,840	10,187
Net financial items and income taxes	-37,065	-27,118
Net cash generated from operating activities	**50,839**	**67,787**
Cash flow from investing activities *		
Net investments in tangible and intangible assets	-62,398	-81,839
Disposal of subsidiaries and associated companies		1,650
Investments in shares	-22	
Proceeds from sale of investments	59	159
Other investing activities	9,371	2,621
Net cash used in investing activities	**-52,991**	**-77,409**
Cash flows from financing activities		
Loan withdrawals	41,440	44,120
Net increase in current interest-bearing liabilities	28,102	33,744
Repayment of loans	-70,209	-69,379
Increase / decrease in long-term receivables	637	1,482
Net cash from (used in) financing activities	**-30**	**9,967**
Change in cash and cash equivalents	**-2,181**	**344**
Cash and cash equivalents 1 January	6,452	6,103
Effect of foreign exchange rate changes	-8	5
Cash and cash equivalents at the end of period	**4,263**	**6,452**

* Capitalised borrowing costs amounting to EUR -2,465 thousand (2010: EUR -2,033 thousand) are included in investments.

REVENUE AND RESULT BY BUSINESS SEGMENTS

	1 Oct-31 Dec 2011 MEUR	%	1 Oct-31 Dec 2010 MEUR	%	1 Jan-31 Dec 2011 MEUR	%	1 Jan-31 Dec 2010 MEUR	%
Revenue								
Shipping and sea transport services	136.3	94.1	127.9	91.9	563.3	93.1	513.7	91.5
Port operations	15.3	10.6	18.4	13.2	67.7	11.2	72.3	12.9
Intra-group revenue	-6.8	-4.7	-7.0	-5.1	-25.8	-4.3	-24.9	-4.4
External sales	**144.8**	**100.0**	**139.3**	**100.0**	**605.2**	**100.0**	**561.1**	**100.0**
Result before interest and taxes								
Shipping and sea transport services	0.9		4.6		30.8		39.3	
Port operations	-2.6		-4.2		-9.8		-13.7	
Result before interest and taxes (EBIT) total	**-1.6**		**0.5**		**21.0**		**25.6**	
Financial items	-6.5		-5.3		-26.5		-21.9	
Result before taxes (EBT)	**-8.2**		**-4.9**		**-5.4**		**3.7**	
Income taxes	5.0		1.8		2.9		-1.4	
Result for reporting period	**-3.1**		**-3.1**		**-2.5**		**2.2**	

PROPERTY, PLANT AND EQUIPMENT 2010

EUR 1,000	Land	Buildings	Vessels	Machinery and equipment	Advance payments & acquisitions under constr.	Total
Acquisition cost 1 January 2010	35	78,943	1,254,854	103,524	133,545	1,570,900
Exchange rate differences				13		13
Increases		18	47,233	154	33,861	81,266
Disposals		-37	-405	-3,231		-3,673
Reclassifications	37		355		-355	37
Acquisition cost 31 December 2010	**72**	**78,923**	**1,302,037**	**100,460**	**167,050**	**1,648,543**
Accumulated depreciation, amortisation and write-offs 1 January 2010		-7,676	-271,610	-51,557		-330,843
Exchange rate differences				-18		-18
Cumulative depreciation on reclassifications and disposals			403	3,167		3,570
Depreciation for the reporting period		-2,835	-48,585	-6,207		-57,627
Accumulated depreciation, amortisation and write-offs 31 December 2010		-10,510	-319,792	-54,615		-384,917
Book value 31 December 2010	**72**	**68,413**	**982,245**	**45,845**	**167,050**	**1,263,626**

PROPERTY, PLANT AND EQUIPMENT 2011

EUR 1,000	Land	Buildings	Vessels	Machinery and equipment	Advance payments & acquisitions under constr	Total
Acquisition cost 1 January 2011	72	78,923	1,302,037	100,460	167,050	1,648,543
Exchange rate differences				12		12
Increases		10	6,002	191	57,620	63,823
Disposals		-2,175	-191	-10,121		-12,487
Reclassifications			94,082		-94,082	0
Acquisition cost 31 December 2011	**72**	**76,758**	**1,401,930**	**90,543**	**130,588**	**1,699,892**
Accumulated depreciation, amortisation and write-offs 1 January 2011		-10,510	-319,792	-54,615		-384,917
Exchange rate differences				-11		-11
Cumulative depreciation on reclassifications and disposals		532	191	3,824		4,547
Depreciation for the reporting period		-2,938	-52,634	-5,633		-61,205
Accumulated depreciation, amortisation and write-offs 31 December 2011		-12,916	-372,235	-56,435		-441,586
Book value 31 December 2011	**72**	**63,842**	**1,029,695**	**34,108**	**130,588**	**1,258,306**

CONTINGENCIES AND COMMITMENTS

EUR 1,000	31 Dec 2011	31 Dec 2010
Minimum leases payable in relation to fixed-term leases:		
Vessel leases (Group as lessee):		
Within 12 months	14,785	28,410
1-5 years		14,785
	14,785	**43,195**
Vessel leases (Group as lessor):		
Within 12 months	910	1,147
	910	**1,147**
Other leases (Group as lessee):		
Within 12 months	6,796	6,658
1-5 years	17,551	18,596
After five years	13,164	15,904
	37,511	**41,158**
Other leases (Group as lessor):		
Within 12 months	204	237
	204	**237**
Collateral given		
Loans from financial institutions	**730,563**	**727,419**
Vessel mortgages provided as guarantees for the above loans	**1,189,500**	**1,173,500**
Other collateral given on own behalf		
Pledged deposits	476	472
Corporate mortgages	606	606
	1,082	**1,078**
Other obligations	**56,407**	**103,819**
Obligations of parent company on behalf of subsidiaries		
Guarantees	**6,913**	**6,913**
VAT adjustment liability related to real estate investments	**9,839**	**11,134**

Open derivative instruments:

	Fair value		**Contract amount**	
1000 EUR	**31 Dec 2011**	31 Dec 2010	**31 Dec 2011**	31 Dec 2010
Currency derivatives	**231**	657	**7,574**	22,003

REVENUE AND RESULT BY QUARTER

MEUR	Q1/11	Q1/10	Q2/11	Q2/10	Q3/11	Q3/10	Q4/11	Q4/10
Shipping and sea transport services	126.5	110.9	148.9	138.9	151.7	135.9	136.3	127.9
Port operations	18.7	14.8	18.0	21.5	15.7	17.7	15.3	18.4
Intra-group revenue	-6.1	-4.2	-6.6	-7.5	-6.2	-6.1	-6.8	-7.0
External sales	**139.0**	**121.5**	**160.2**	**152.8**	**161.2**	**147.5**	**144.8**	**139.3**
Result before interest and taxes								
Shipping and sea transport services	2.9	5.9	11.8	16.5	15.2	12.3	0.9	4.6
Port operations	-3.0	-4.5	-1.9	-2.1	-2.3	-3.0	-2.6	-4.2
Result before interest and taxes (EBIT) total	**-0.1**	**1.4**	**9.9**	**14.4**	**12.9**	**9.3**	**-1.6**	**0.5**
Financial items	-6.0	-5.3	-7.1	-5.2	-6.8	-6.1	-6.5	-5.3
Result before taxes (EBT)	**-6.1**	**-3.8**	**2.7**	**9.2**	**6.1**	**3.2**	**-8.2**	**-4.9**
Income taxes	1.5	0.6	-1.5	-2.4	-2.1	-1.4	5.0	1.8
Result for the reporting period	**-4.6**	**-3.3**	**1.2**	**6.8**	**4.0**	**1.8**	**-3.1**	**-3.1**
EPS (undiluted/ undiluted)	-0.10	-0.07	0.03	0.15	0.08	0.04	-0.07	-0.07

SHARES, MARKET CAPITALISATION AND TRADING INFORMATION

	31 December 2011	31 December 2010
Number of shares	46,821,037	46,821,037
Market capitalisation,EUR million	360.5	373.2

	1 Jan – 31 Dec 2011	1 Jan – 31 Dec 2010
Number of shares traded, million	1.5	2.9

	1 Jan – 31 Dec 2011			
	High	Low	Average	Close
Share price	8.15	7.00	7.77	7.70

CALCULATION OF RATIOS

Earnings per share (EPS), EUR	=	Result attributable to parent company shareholders / Weighted average number of outstanding shares		
Shareholders' equity per share, EUR	=	Shareholders' equity attributable to parent company shareholders / Undiluted number of shares at the end of period		
Gearing, %	=	Interest-bearing liabilities – cash and bank equivalents / Total equity	x	100
Equity ratio, %	=	Total equity / Assets total – received advances	x	100

Taxes corresponding to the result for the reporting period are presented as income taxes in the interim report.

RELATED PARTY TRANSACTIONS

As from autumn 2011 Finnlines Group has chartered out one ro-pax vessel to the Grimaldi Group. The charter hire contract is not exceeding one year's time and is done at current market price level.

Otherwise there were no material related party transactions during the reporting period. The business transactions were carried out using market-based pricing.

REPORTING AND ACCOUNTING POLICIES

This bulletin and the interim report included herein are prepared in accordance with IAS 34 (Interim Financial Reporting) standard. The Company has adopted new or revised IFRS standards and IFRIC interpretations from beginning of the reporting period corresponding to those described in the 2010 Financial Statements. These new or revised standards have not had an effect on the reported figures. In other respects, the same accounting policies have been followed as in the previous annual financial statements. All figures in the accounts have been rounded and consequently the sum of individual figures can deviate from the presented sum figure.

The preparation of the financial statements in accordance with IFRS requires management to make estimates and assumptions that affect the valuation of the reported assets and liabilities and other information such as contingent liabilities and the recognition of income and expenses in the income statement. Although the estimates are based on the management's best knowledge of current events and actions, actual results may differ from the estimates.