



# Annual General Meeting

9. June 2014

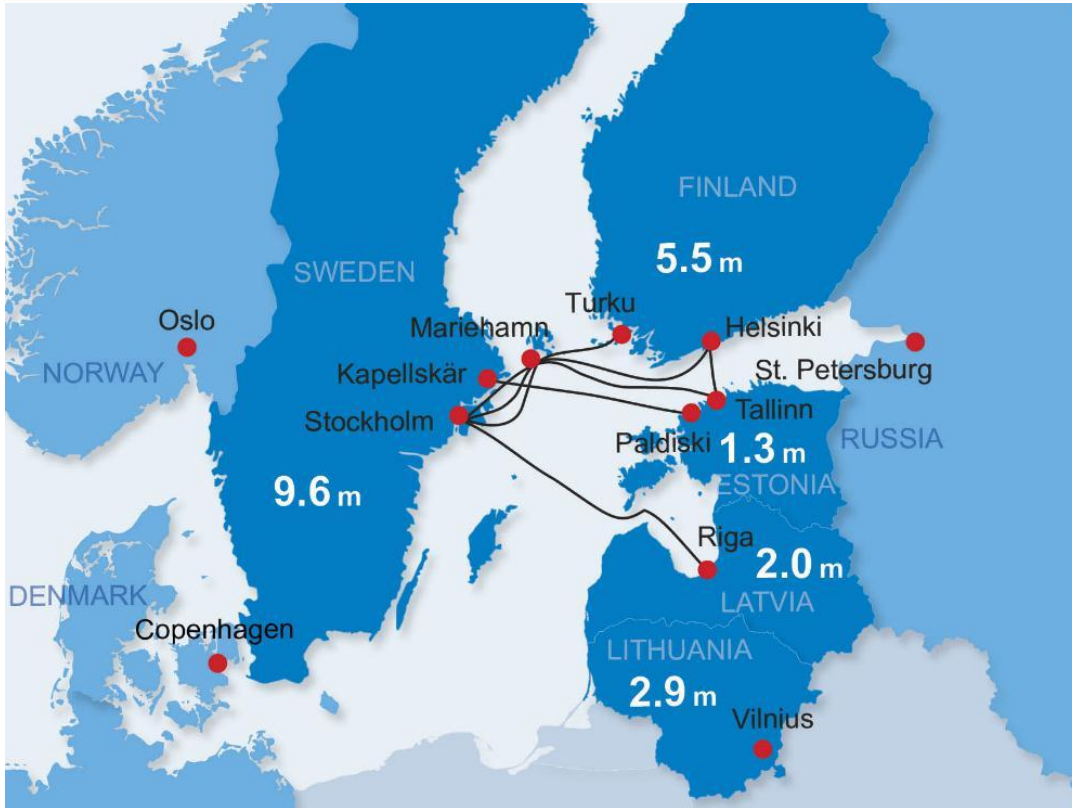


## Agenda

- 1. Approval of the Annual Report of 01.01.2013 - 31.12.2013 of AS Tallink Grupp.**
- 2. Distribution of profits.**
- 3. Nomination of an auditor and determination of the procedure of remuneration of an auditor.**

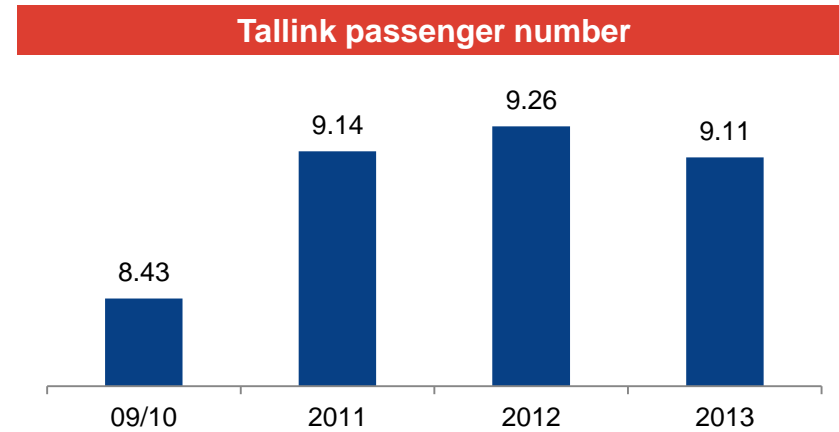


## Tallink today



Tallink's passenger market share is 47% of the Northern Baltic Sea

- Increase in cargo volumes
- Decrease of passenger numbers
- Weak economic environment in the region
- Changed competitive landscape
- Net profit EUR 43 million
  
- Continuous debt reduction



GDP Growth	2012	2013
Finland	-1.0	-1.4
Sweden	0.9	1.6
Estonia	3.9	0.8



## Strategy

### The main goals of the strategy that is directed toward increasing Tallink's value and profitability:

- Increase the volumes and strengthen the market position in the region
- Strive for the highest level of customer satisfaction
- Develop a wide range of quality services for different customers and to pursue new growth opportunities
- Optimal debt level that allows sustainable dividends





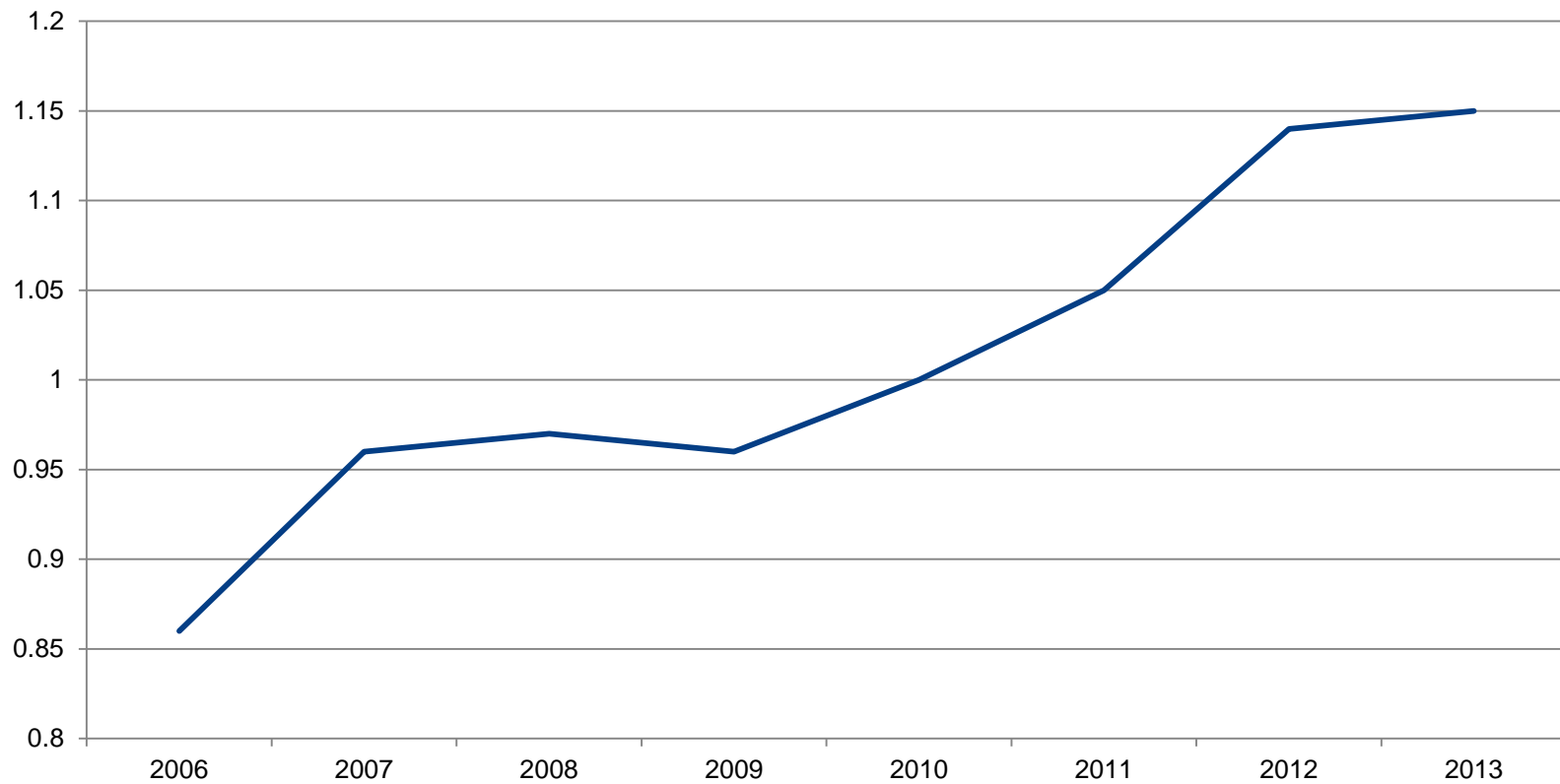


## Possible solutions for future environment regulations

- Switch to lower sulfur content MGO (marine gasoil)
- Add exhaust scrubbers to the vessels
- Convert or build ships using LNG (liquefied natural gas) technology



## Shareholders' equity per share



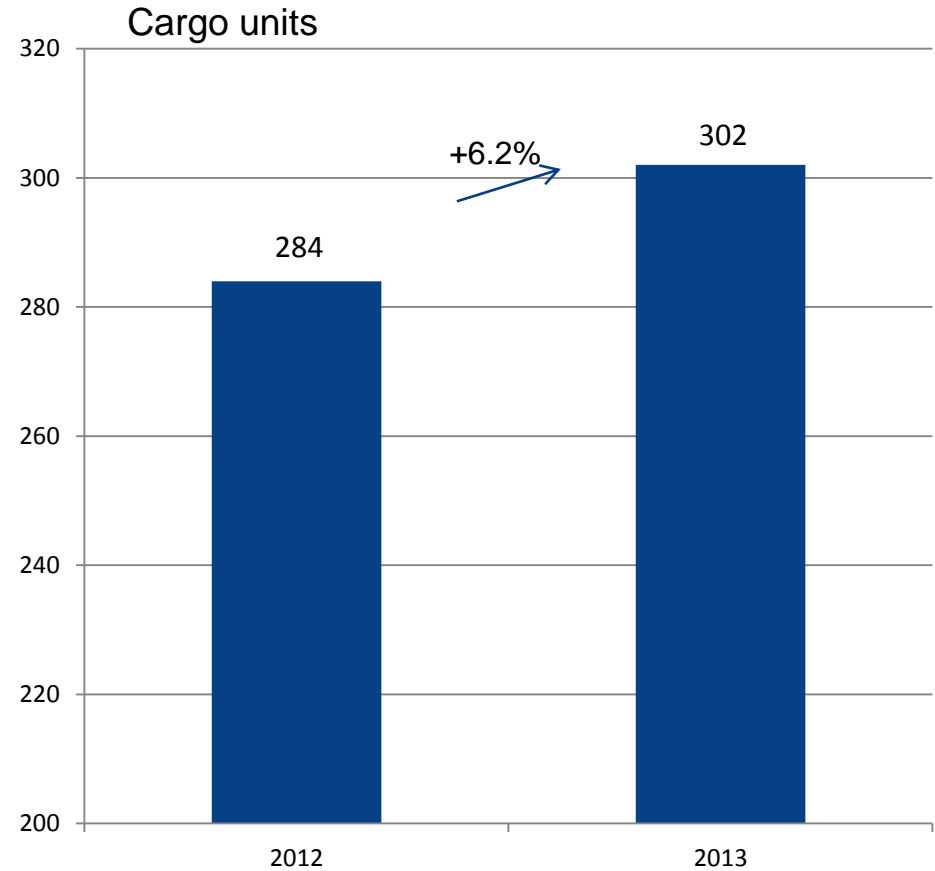
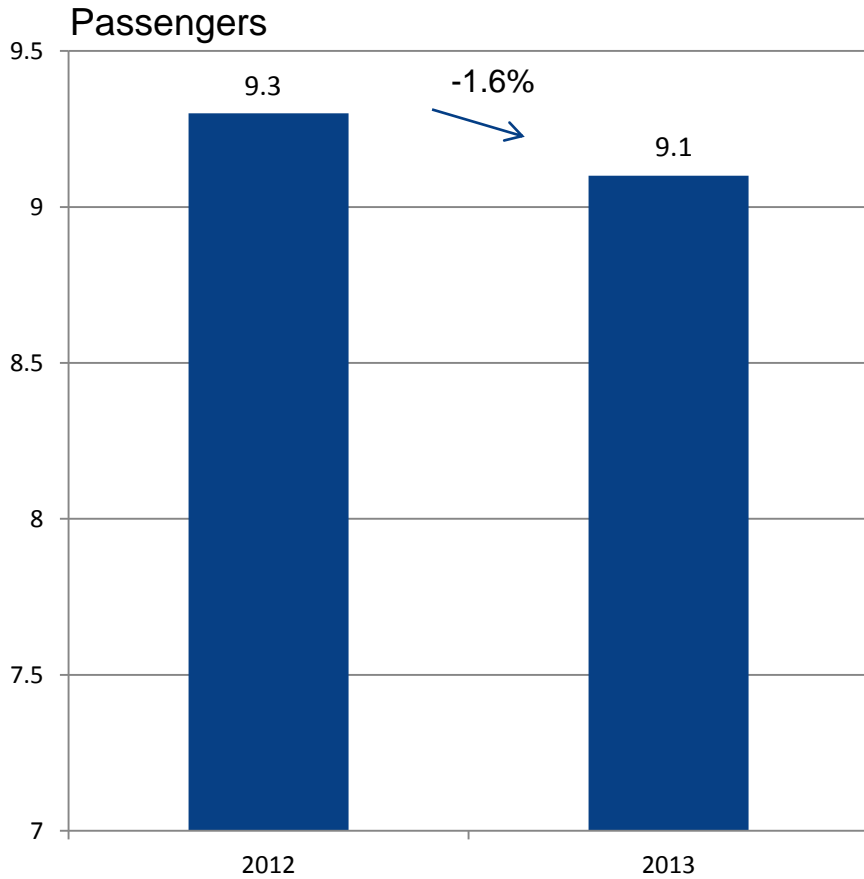


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# Results of the 2013 financial year

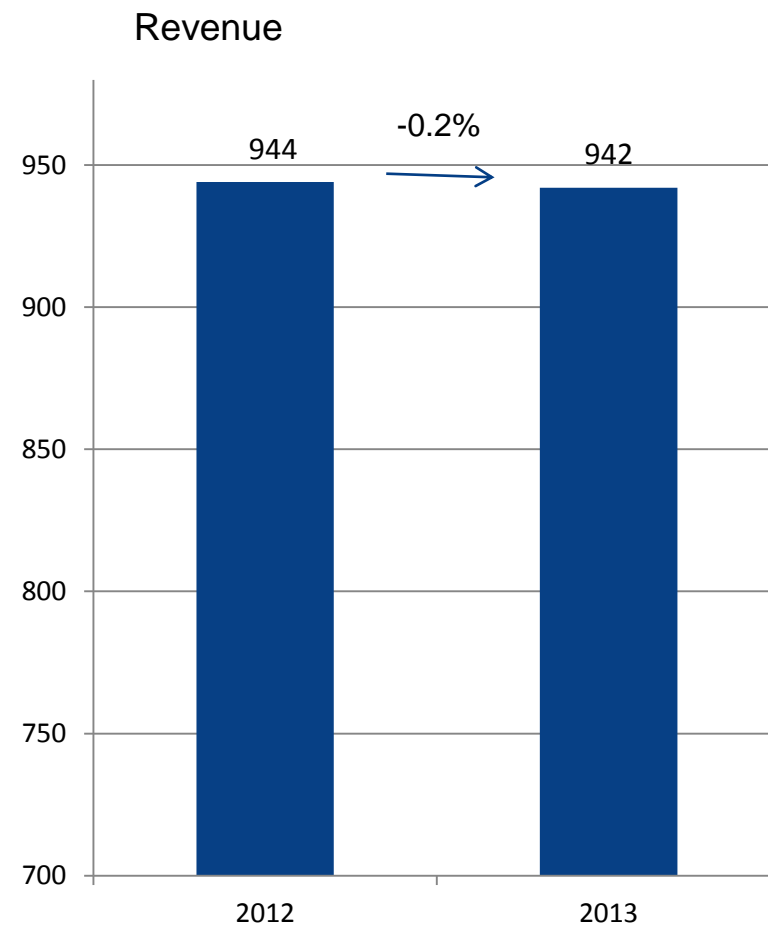






## Results of the 2013 financial year

	2012	2013
Revenue (EUR million)	944	<b>942</b>
Gross profit (EUR million)	201	<b>190</b>
EBITDA <sup>(1)</sup> (EUR million)	166	<b>156</b>
Net profit/-loss (EUR million)	56	<b>43</b>
EPS	0.08	<b>0.06</b>

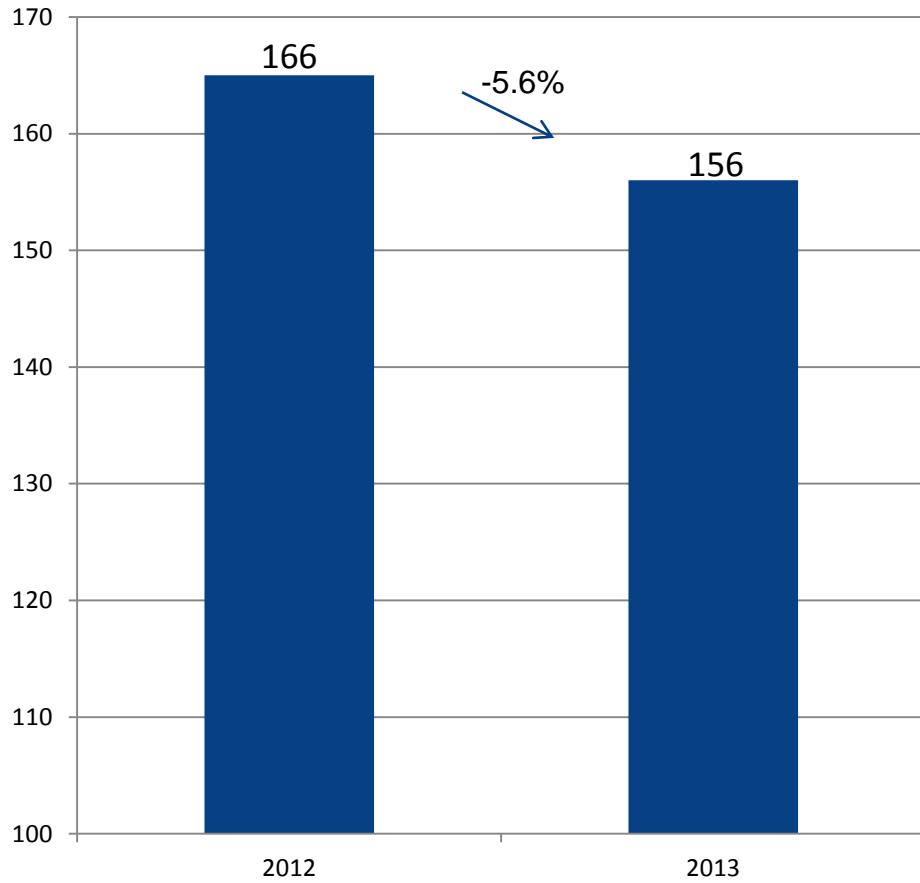


(1) EBITDA – earnings before net financial items, share of profit of equity accounted investees, taxes, depreciation and amortization.

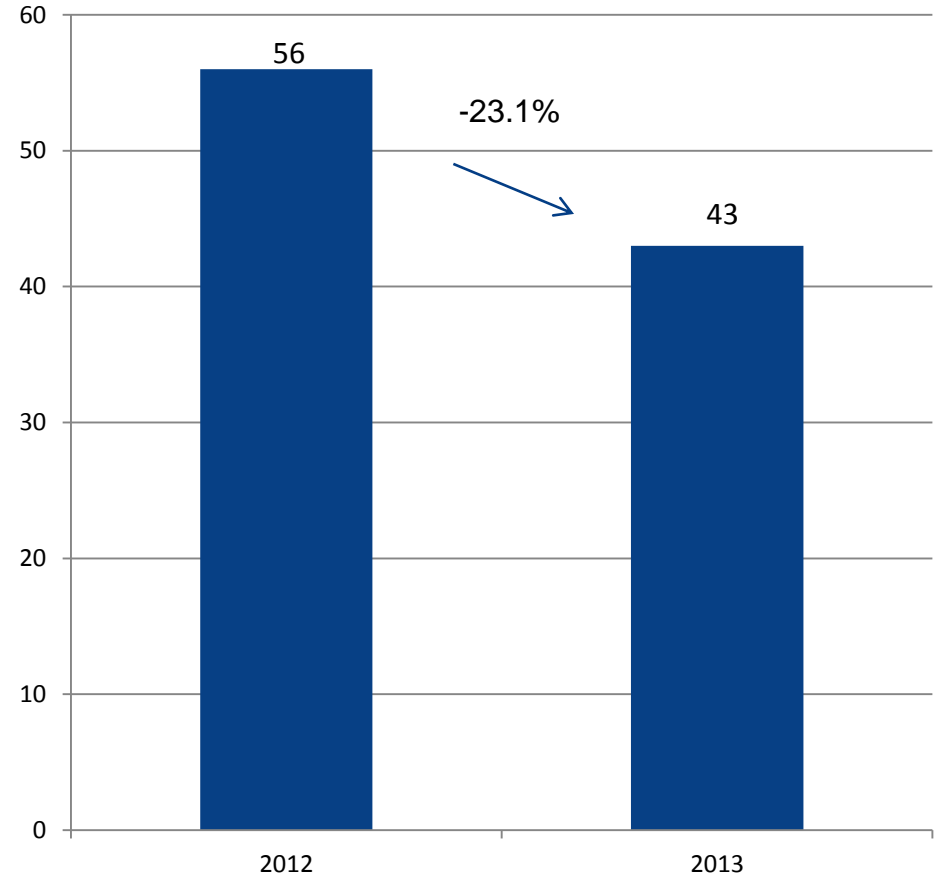


# Results of the 2013 financial year

## EBITDA



## Net profit





## Results of the 2013 financial year

*EUR million*

2012

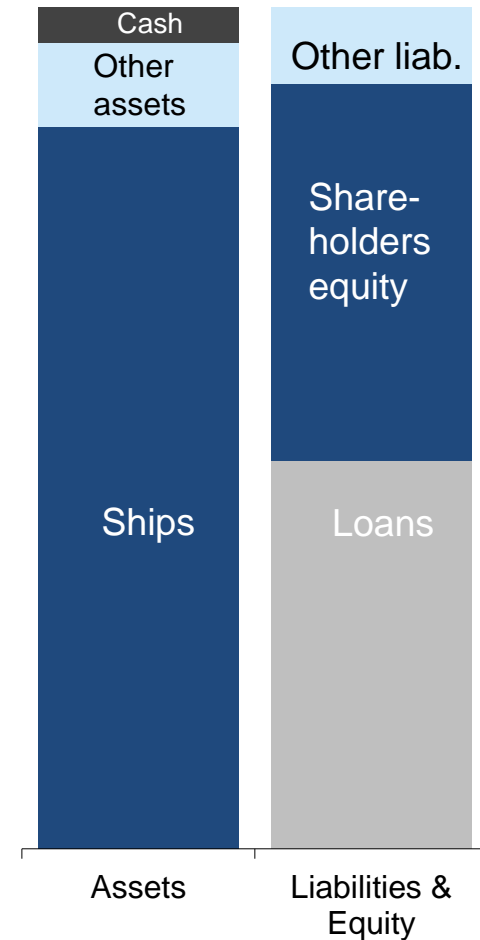
2013

Cash flows from operating activities	163	<b>168</b>
Investments	-9	<b>-43</b>
New loans	440	<b>158</b>
Redemption of loans	558	<b>198</b>
Total net cash flow	-10	<b>6</b>
Cash at the end of period	66	<b>72</b>



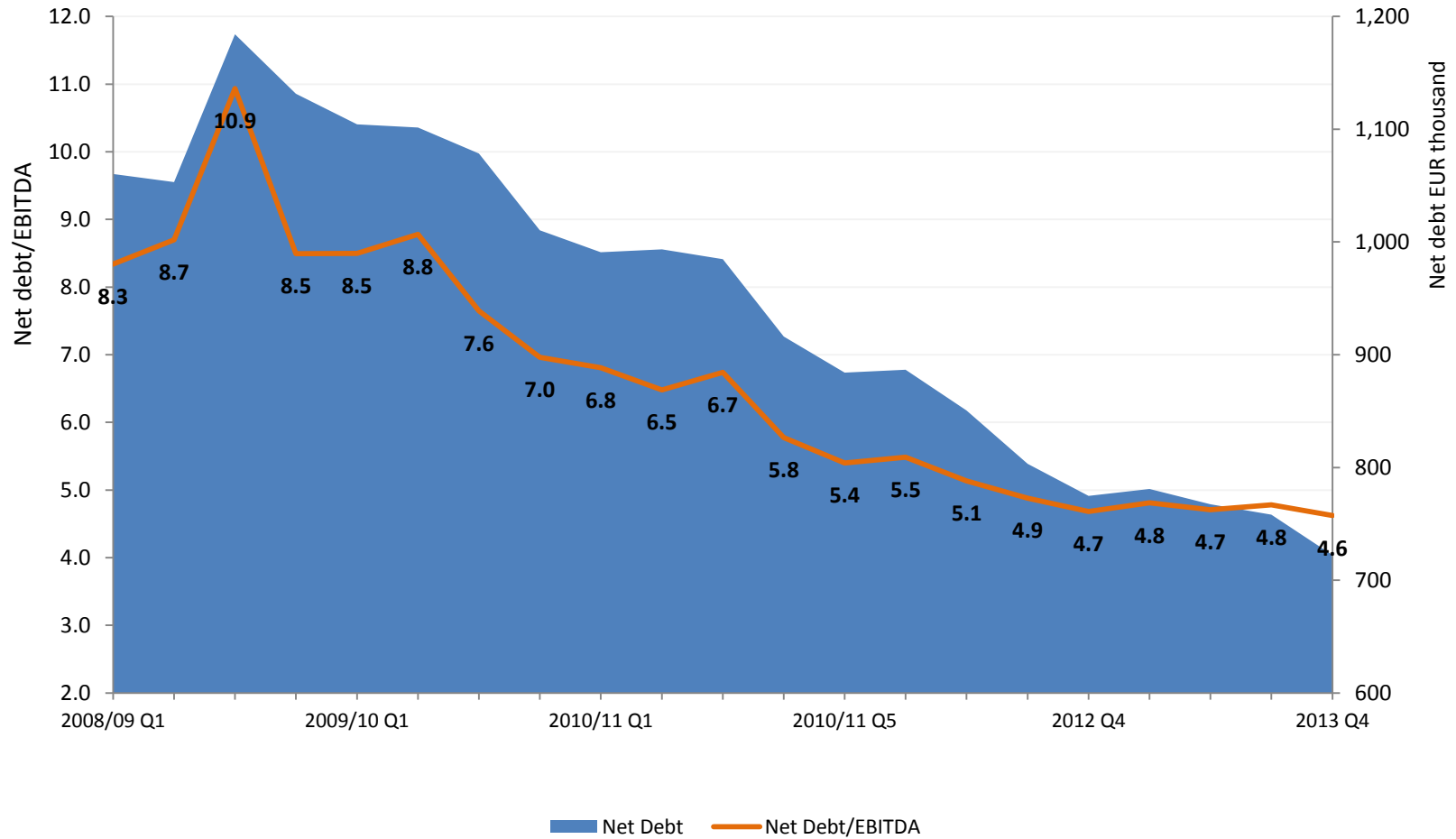
## Results of the 2013 financial year

Financial position	31.12.2012	31.12.2013	change
Assets (EUR million)	1 742	1 722	-0.1%
Intrest bearing liabilities (EUR million)	840	794	-5.5%
Shareholder's equity (EUR million)	761	771	1.3%
Shareholder's equity per share	1,14	1,15	1.3%
Equity ratio	44%	45%	





## Net debt



The net debt of Tallink has decreased by over EUR 400 million since the peak of 2009





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## I quarter results of the 2014 financial year

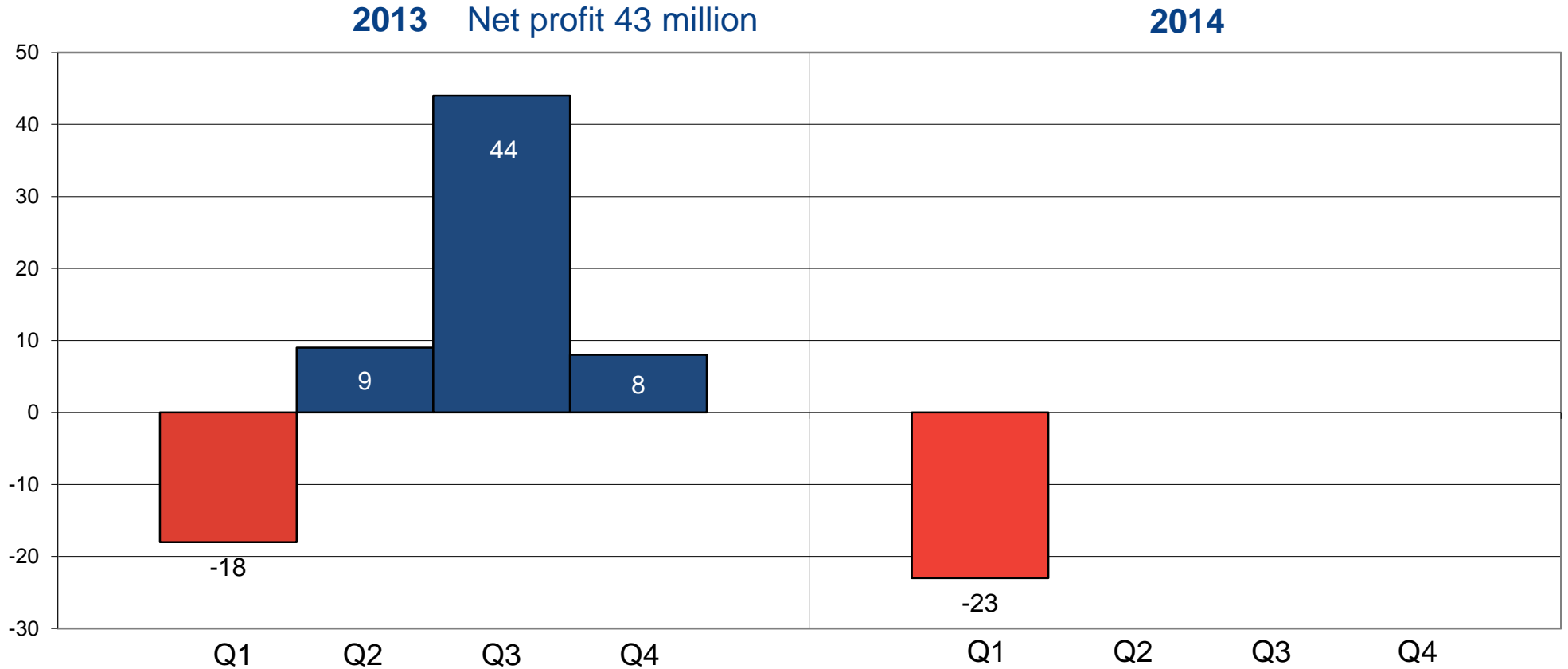
1. January – 30. March 2014

		Q1 2013	Q1 2014	Change
Number of passengers	thousand	1 895	1 906	0.5%
Cargo Units	thousand	67	77	14.6%
Net Sales	(EUR million)	191	188	-1.2%
EBITDA	(EUR million)	7	4	-36.4%
Net profit/-loss	(EUR million)	-18	-23	
Cash flows from operating activities	(EUR million)	5.9	-1.5	
Investments	(EUR million)	3.4	14.1	
Redemption of loans	(EUR million)	-19	-15	
Cash at the end of period	(EUR million)	83	63	-30.0%
Net debt (as of the end of the 1st quarter)	(EUR million)	781	749	-4.1%



# The dynamics of high seasonality on the profit level

Net result by quarters



Typical to the Tallink business model the result is made in the summer high season



## Cash outflow 2014

- Scheduled loan re-payments EUR 90 million
- Upgrades to the vessels over EUR 20 million
- Capital expenditure and maintenance
- Interest
- Dividends







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