



AS TALLINK GRUPP

Unaudited Consolidated Interim Financial Statements for the first nine months of the 2015 financial year

1 January 2015 – 30 September 2015

Beginning of the financial year	1. January 2015
End of the financial year	31. December 2015
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Primary activity	maritime transportation (passenger and cargo transportation)
Auditor	KPMG Baltics OÜ

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MANAGEMENT REPORT

In the third quarter (1 July – 30 September) of the 2015 financial year AS Tallink Grupp and its subsidiaries' (the Group) carried 2.7 million passengers which is 5.5% more compared to the third quarter last year. The Group's unaudited revenue for the third quarter of 2015 increased by EUR 10.9 million or 4.2% year on year to the total of EUR 273.6 million, EBITDA increased by EUR 12.8 million or 20.1% to the total of EUR 76.8 million, compared to the same period last year. Net profit increased by EUR 9 million or 25.1% to the total of EUR 45.2 million, compared to the same period last year.

The Group's revenue for the first nine months of 2015 was EUR 717.6 million and increased by EUR 20.3 million or 2.9% year on year comparison. EBITDA increased by EUR 41.9 million to the total of EUR 151.5 million and net profit increased by EUR 41.5 million to the total of EUR 60.4 million, compared to the same period last year.

The Estonia-Finland route third quarter revenue increased by 5.6% compared to same period last year. The increase is driven mainly by an 8.9% growth in the passenger number. The passenger number peaked in July when Group served a record number of 600 thousand passengers, which is an all-time high monthly passenger number on that route. The growth of 15.3% in cargo units transported is supported mainly by added capacity.

The Finland-Sweden routes third quarter revenue increased by 6.5% compared to the same period last year, driven by 8.4% growth in the passenger number. The number of cargo units transported decreased by 28.8% due to reduced capacity.

The Estonia-Sweden route passenger number increased by 1.5% and cargo volumes decreased by 8.3%. The Latvia-Sweden route, operating with only one vessel compared to two vessels last year, showed a 25.6% decline in the passenger number and cargo units transported decreased by 35.2%.

The Group's restaurants and shop sales increased by EUR 9 million or 6.8% in the third quarter, compared to the same period last year, the sales growth is supported mainly by the growth in the passenger number. The upgrades to restaurant and shop concept throughout the fleet in past year, combined with the operational changes, have resulted in higher average on-board revenue per passenger.

The revenue from the chartered out vessels has reduced in the third quarter compared to the same period last year due to fewer ships in charter. Two ships previously in charter were sold in the second quarter of 2015.

In the third quarter, the summer period high season, the Group experienced strong price competition. The proactive marketing activities, improved visibility of sales campaigns and earlier investments into increasingly important online sales solutions has enabled the Group to reclaim the market share on its main routes and increase the total revenue.

In February 2015 AS Tallink Grupp signed a contract for the construction of the new generation LNG powered fast ferry. The new fast ferry is being built by Meyer Turku Oy and will cost around 230 million euros. The start of production of the new LNG fast ferry was celebrated on the 4th of August 2015 at Meyer Turku shipyard and the delivery of the vessel is planned in the beginning of 2017. The new LNG fast ferry is going to operate on the Tallinn-Helsinki route shuttle service.

In order to be ready for the delivery of the new generation LNG fast ferry to the Tallinn-Helsinki route early 2017, the Group has decided to sell the fast ferry Superstar, at present operating on the route shuttle service. The fast ferry Superstar will be sold to Corsica Ferries Group, concurrently the parties have entered into bareboat charter agreement and the Group will continue to operate the fast ferry Superstar on its Tallinn-Helsinki route shuttle service until the beginning of 2017, when the new LNG fast ferry will start to operate on the route. Change of the ownership of the fast ferry Superstar and start of the charter period is planned in December 2015.

In the third quarter of the 2015 financial year the Group's gross profit amounted to EUR 84.8 million and EBITDA to EUR 76.8 million being respectively EUR 15.2 million and EUR 12.9 million more compared to the same period last year. The increase in the Group's results is mainly attributed to the growth in passenger number, higher on-board revenue per passenger and decreased costs related to operations.

The Group's net debt decreased by EUR 30.8 million to a total of EUR 583.6 million and the net debt to EBITDA ratio was 3.0 at the end of third quarter. The Group's interest cost reduced by EUR 2.9 million, combined with less gain from foreign exchange revaluations, the total finance costs increased by EUR 1.3 million compared to the third quarter last year.

The unaudited net profit for the third quarter of the 2015 financial year was EUR 45.2 million or EUR 0.07 per share compared to the net profit of EUR 36.2 million or EUR 0.05 per share in the same period last year. The Group's net profit for the nine months of the 2015 financial year was EUR 60.4 million or EUR 0.09 per share compared to the EUR 18.9 million or EUR 0.03 per share in the same period last year.

The total dividend of EUR 13.4 million (0.02 euros per share) was paid out in the beginning of July 2015 according to the decision of Annual General Meeting from June 2015.

Cash flow from operations increased by EUR 4.5 million in third quarter compared to the same period last year. The total liquidity, cash and unused credit facilities, at the end of the third quarter was EUR 100.4 million providing a strong financial position. At the end of the third quarter of 2015 the Group had EUR 79.1 million in cash and equivalents and the total of unused credit lines were at EUR 21.3 million.

Q3 KEY FIGURES

		2015 July-Sep	2014 July-Sep	Change
Revenue	EUR million	273.6	262.7	4.2%
Gross profit	EUR million	84.8	69.6	21.8%
Gross margin		31.0%	26.5%	
EBITDA	EUR million	76.8	64.0	20.1%
EBITDA margin		28.1%	24.4%	
Net profit for the period	EUR million	45.2	36.2	25.1%
Net profit margin		16.5%	13.8%	

Depreciation and amortization	EUR million	18.4	19.3	-4.7%
Investments	EUR million	11.3	10.6	6.6%

Weighted average number of ordinary shares outstanding		669,882,040	669,882,040	0.0%
Earnings per share	EUR	0.07	0.05	25.1%

Number of passengers		2,701,412	2,561,257	5.5%
Number of cargo units		76,062	76,830	-1.0%
Average number of employees		7,040	7,181	-2.0%

		30.09.2015	30.06.2015	
Total assets	EUR million	1,652.6	1,665.5	-0.8%
Interest-bearing liabilities	EUR million	662.7	695.5	-4.7%
Net debt	EUR million	583.6	614.5	-5.0%
Total equity	EUR million	825.3	780.2	5.8%

Equity ratio		49.9%	46.8%	
Net debt to EBITDA		3.0	3.4	

Number of ordinary shares outstanding ¹		669,882,040	669,882,040	0.0%
Shareholders' equity per share	EUR	1.23	1.16	5.8%

EBITDA: Earnings before net financial items, taxes, depreciation and amortization;

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

Equity ratio: total equity / total assets;

Shareholder's equity per share: shareholder's equity / number of shares outstanding;

Gross margin: gross profit / net sales;

EBITDA margin: EBITDA / net sales;

Net profit margin: net profit / net sales;

Net debt: Interest bearing liabilities less cash and cash equivalents;

Net debt to EBITDA: Net debt / 12-months trailing EBITDA.

¹ Share numbers exclude own shares.

SALES & SEGMENT RESULTS

The following table provides an overview of the quarterly sales development by operational segments:

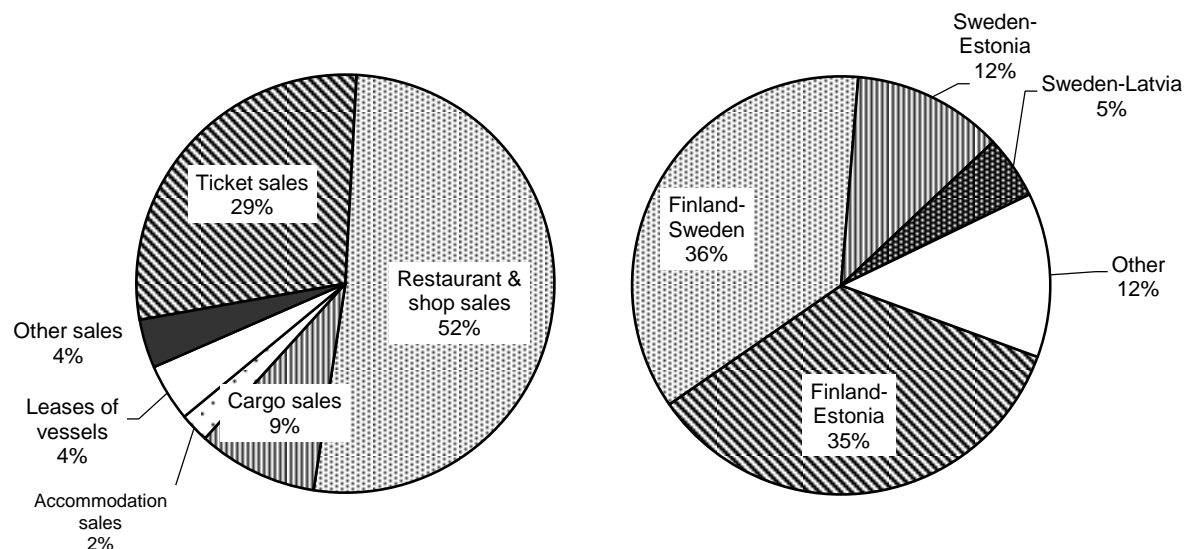
in EUR millions	Q3 2014	Q4 2014	Q1 2015	Q2 2015	Q3 2015	Q3 change y-o-y
Ticket sales	76.1	51.2	38.1	61.1	78.3	3.0%
Restaurant & shop sales	132.1	118.5	100.6	134.1	141.1	6.8%
Cargo sales	25.1	24.6	25.9	27.2	25.4	1.2%
Accommodation sales	6.4	4.0	3.0	5.2	6.3	-1.4%
Leases of vessels	14.1	16.2	15.7	13.2	12.1	-13.8%
Other sales	8.9	9.7	6.9	13.0	10.3	15.8%
Total revenue	262.7	224.1	190.2	253.9	273.6	4.2%

The following table provides an overview of the quarterly sales and result development by geographical segments:

			Q3 2014	Q4 2014	Q1 2015	Q2 2015	Q3 2015	Q3 change y-o-y
Finland- Estonia	Passengers	th.	1,325	1,082	918	1,233	1,443	8.9%
	Cargo units	th.	44	43	47	51	51	15.3%
	Revenue	mil.EUR	91.2	81.0	66.8	89.7	96.3	5.6%
	Segment result	mil.EUR	26.1	23.7	12.6	24.5	30.0	15.2%
Finland- Sweden	Passengers	th.	778	636	585	748	843	8.4%
	Cargo units	th.	20	23	17	17	14	-28.8%
	Revenue	mil.EUR	93.5	77.9	68.2	88.1	99.6	6.5%
	Segment result	mil.EUR	10.2	0.2	-5.1	6.2	16.4	60.4%
Sweden- Estonia	Passengers	th.	273	217	196	253	277	1.5%
	Cargo units	th.	11	11	9	9	10	-8.3%
	Revenue	mil.EUR	31.1	22.9	19.3	27.3	32.2	3.6%
	Segment result	mil.EUR	5.8	0.1	-2.9	1.9	6.7	16.5%
Sweden- Latvia	Passengers	th.	186	116	95	123	138	-25.6%
	Cargo units	th.	3	2	2	2	2	-35.2%
	Revenue	mil.EUR	17.9	10.1	8.1	11.0	13.5	-24.7%
	Segment result	mil.EUR	4.1	0.4	-0.4	1.3	3.8	-5.7%
Other	Revenue	mil.EUR	32.3	34.7	29.6	40.4	35.2	9.0%
	Segment result	mil.EUR	8.4	9.2	6.6	12.1	12.7	51.6%
	<i>Inter segment sales</i>	mil.EUR	-3.4	-2.4	-1.8	-2.7	-3.3	2.2%
	Total revenue	mil.EUR	262.7	224.1	190.2	253.9	273.6	4.2%
	EBITDA	mil.EUR	64.0	41.1	19.5	55.2	76.8	20.1%
	Total segment result	mil.EUR	54.5	33.6	10.9	45.9	69.7	27.9%
	Net profit/-loss	mil.EUR	36.2	8.4	-13.3	28.5	45.2	25.1%

Segment result - result before administrative expenses, financial expenses and taxes

The following graphs provide an overview of the sales distribution in the third quarter on operational and geographical segment based approach.



MARKET DEVELOPMENTS

The following table provides an overview of the passengers, cargo units and passenger vehicles transported during the first nine months and third quarter of 2015 and 2014 financial years.

	Q3 2015	Q3 2014	Q3 change	9 months 2015	9 months 2014	9 months change
Passengers	2,701,412	2,561,257	5.5%	6,850,865	6,830,322	0.3%
Finland – Estonia	1,443,227	1,324,963	8.9%	3,594,043	3,436,040	4.6%
Finland – Sweden	842,975	777,727	8.4%	2,175,506	2,077,733	4.7%
Sweden – Estonia	277,223	273,014	1.5%	725,303	756,161	-4.1%
Sweden – Latvia	137,987	185,553	-25.6%	356,013	560,388	-36.5%
Cargo Units	76,062	76,830	-1.0%	229,893	232,676	-1.2%
Finland – Estonia	50,578	43,862	15.3%	148,266	124,904	18.7%
Finland – Sweden	14,147	19,868	-28.8%	47,898	64,486	-25.7%
Sweden – Estonia	9,710	10,589	-8.3%	28,411	31,691	-10.3%
Sweden – Latvia	1,627	2,511	-35.2%	5,318	11,595	-54.1%
Passenger Vehicles	358,009	354,302	1.0%	868,161	868,363	0.0%
Finland – Estonia	247,613	235,499	5.1%	631,698	608,750	3.8%
Finland – Sweden	69,762	70,100	-0.5%	135,837	135,166	0.5%
Sweden – Estonia	23,569	24,899	-5.3%	56,569	58,837	-3.9%
Sweden – Latvia	17,065	23,804	-28.3%	44,057	65,610	-32.9%

The Group's market shares on the routes operated during a 12 month period ending 30 September 2015 were as follows:

- The Group carried approximately 56% of the passengers and 64% of ro-ro cargo on the route between Tallinn and Helsinki;
- The Group carried approximately 52% of passengers and 28% of ro-ro cargo on the routes between Finland and Sweden;
- The Group is the only provider of daily passenger transportation between Estonia and Sweden;
- The Group is the only provider of daily passenger and ro-ro cargo transportation between Riga and Stockholm.

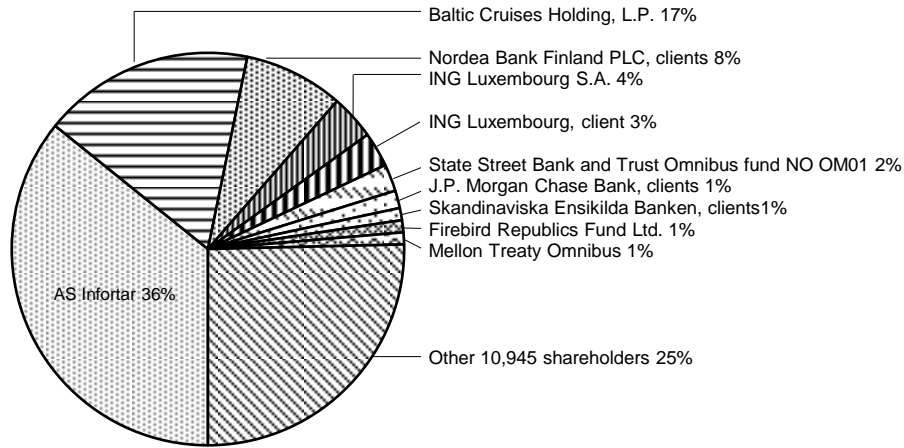
PERSONNEL

30 September 2015 the Group employed 6,631 employees (6,778, 30 September 2014). The following table provides a more detailed overview of the Group's personnel.

	Average of 3rd quarter			Average of nine months			End of 3rd quarter		
	2015	2014	change	2015	2014	change	30.09.15	30.09.14	change
Onshore total	1,600	1,607	-0.4%	1,552	1,574	-1.4%	1,564	1,549	1.0%
<i>Estonia</i>	799	807	-1.0%	779	806	-3.3%	810	794	2.0%
<i>Finland</i>	516	508	1.6%	491	489	0.4%	492	479	2.7%
<i>Sweden</i>	205	208	-1.4%	203	194	4.6%	183	198	-7.6%
<i>Latvia</i>	65	70	-7.1%	65	71	-8.5%	64	64	0.0%
<i>Germany</i>	5	4	25.0%	4	4	0.0%	5	4	25.0%
<i>Russia</i>	10	10	0.0%	10	10	0.0%	10	10	0.0%
At sea	4,786	4,946	-3.2%	4,661	4,847	-3.8%	4,459	4,627	-3.6%
Hotel	654	628	4.1%	629	610	3.1%	608	602	1.0%
Total	7,040	7 181	-2.0%	6 842	7 031	-2.7%	6 631	6 778	-2.2%

SHAREHOLDERS & SHARE PRICE DEVELOPMENT

The following chart displays the shareholder structure of AS Tallink Grupp as of 30 September 2015.



Since the 9th of December 2005 the shares of AS Tallink Grupp are listed on the Tallinn Stock Exchange, where the shares are traded under the symbol TAL1T. The following chart gives an overview of the share price development in the past twelve months.



Source: Nasdaq OMX Baltic

EVENTS IN Q3

The start of production of Tallink's new generation LNG powered fast ferry for the Tallinn-Helsinki route was celebrated on the 4th of August 2015 at Meyer Turku shipyard. The new fast ferry will cost around 230 million euros, 20% of the total cost will be paid during the construction period and remaining 80% upon the delivery of the vessel in the beginning of 2017. By the end of third quarter AS Tallink Grupp has made total EUR 23 million down payment for the new vessel, next tranches of down payment, EUR 11.5 million each, are payable in April 2016 and July 2016. Remaining EUR 184 million is financed with loan and will be paid upon the delivery of the vessel in the beginning of 2017.

AS Tallink Grupp's subsidiary Tallink Line Ltd. and Nordea Bank Finland Plc signed the loan agreement in amount of EUR 184 million with maturity of twelve years from drawdown to finance the purchase of the new LNG fast ferry. Finnish Export Credit Agency "Finnvera" guarantees 95% of this post-delivery buyer credit and the loan bears OECD Commercial Interest Reference Rate (CIRR) based fixed interest rate.

EVENTS AFTER THE BALANCE SHEET DATE AND THE OUTLOOK

AS Tallink Grupp subsidiary Tallink Superfast Ltd has entered into agreement with Medinvest SPA (Corsica Ferries Group) to sell the fast ferry Superstar at price of EUR 91.5 million. Concurrently the parties have entered into bareboat charter agreement and the Group will continue to operate the fast ferry Superstar on its Tallinn-Helsinki route shuttle service until beginning of 2017, when the new LNG fast ferry will start to operate on the same route. Change of the ownership of the fast ferry Superstar and start of the charter period is planned in December 2015.

The sale of the fast ferry Superstar will result in one-off book loss from sale approximately EUR 7.6 million in the fourth quarter of 2015 financial year. The cash proceeds from the sale will be used mainly to repay loans to continue the deleveraging strategy and for the down payment of the new LNG fast ferry under construction. The Group expects to incur one-off costs from premature termination of the loan contract, related to the sale of the vessel. The Group's net debt is expected to decrease from the transaction and the net debt to EBITDA ratio will be further improved looking forward to the end of fourth quarter of the financial year 2015.

The sale of the fast ferry Superstar prepares the Group for the delivery of the new generation LNG fast ferry to the Tallinn-Helsinki route early 2017 and supports Tallink's strategy to secure and strengthen its position in its route with largest passenger volumes.

In the first half year of 2015 the positive effect from chartering activities has been clearly visible as in the comparable period last year fewer ships were in charter. The revenue from the chartering has reduced in the third quarter compared to the same period last year due to two ships previously in charter, were sold in the second quarter of 2015. Looking forward to the fourth quarter of the 2015 financial year the chartering revenues will decrease compared to the previous year as fewer ships are in charter. At the reporting date it is known that the charter of the ferry Silja Europa will continue until the beginning of 2016.

Looking forward to the fourth quarter of 2015, the 0.1% sulphur Gasoil forward curve shows higher prices compared to the 1% sulphur Fuel Oil prices in the fourth quarter of 2014 (due to new sulphur regulations the Group is using cleaner but more expensive fuel from the beginning of 2015). Therefore the fuel price in the fourth quarter of 2015 is expected to be higher compared to same period last year.

The Group's earnings are not generated evenly throughout the year. Summer period is the high season in the Group's operations. In the opinion of the management and based on the experience of the previous financial years the majority of the earnings are generated during summer (June-August).

AS Tallink Grupp does not have any substantial on-going research and development projects.

With an aim to increase revenue generation, improvements in product development continue being made, emphasis is on retail sales and upgrades to the public areas on the vessels. Cost reductions in some areas are processed in order to adapt with the changed economic environment. The changes in operations done during the past year and cost reductions resulted in a higher profitability in the past quarters and the management expects the effect to continue and result in an improvement in the results for the 2015 financial year.

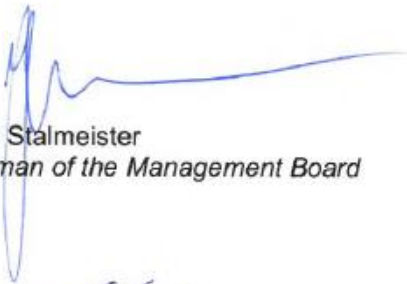
RISKS

The Group's business, financial condition and results from operations could be materially affected by various risks. These risks are not the only ones. Additional risks and uncertainties not presently known to us, or that we currently believe are immaterial or unlikely, could also impair our business. The order of presentation of the risk factors below is not intended to be an indication of the probability of their occurrence or of their potential effect on our business.

- Accidents, disasters
- Macroeconomic development
- Changes in laws and regulations
- Relations with trade unions
- Increase in the fuel prices and interest rates
- Market and customer behaviour

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 the third quarter of the 2015 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.

A blue ink signature in cursive script, appearing to read 'J. Stalmeister', with a long horizontal stroke extending to the right.

Janek Stalmeister
Chairman of the Management Board

A blue ink signature in cursive script, appearing to read 'A. Hunt', with a long horizontal stroke extending to the right.

Andres Hunt
Vice Chairman of the Management Board

A blue ink signature in cursive script, appearing to read 'L. Kitter', with a long horizontal stroke extending to the right.

Lembit Kitter
Member of the Management Board

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Kadri Land
Member of the Management Board

Tallinn, 12.11.2015

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

(unaudited, in thousands of euros)	01.07.2015- 30.09.2015	01.07.2014- 30.09.2014	01.01.2015- 30.09.2015	01.01.2014- 30.09.2014
Revenue (Note 3)	273,557	262,656	717,572	697,325
Cost of sales	-188,803	-193,085	-544,341	-565,007
Gross profit	84,754	69,571	173,231	132,318
Marketing expenses	-15,085	-15,084	-46,801	-46,883
Administrative expenses	-10,992	-10,296	-34,310	-35,573
Other income	-125	462	1,360	987
Other expenses	-156	-18	-737	-358
Result from operating activities	58,396	44,635	92,743	50,491
Finance income (Note 4)	2,210	3,270	9,507	7,137
Finance costs (Note 4)	-12,039	-11,747	-32,647	-33,384
Profit/-loss before income tax	48,567	36,158	69,603	24,244
Income tax	-3,355	-8	-9,205	-5,367
Net profit/-loss for the period	45,212	36,150	60,398	18,877
Other comprehensive income/-expense				
Items that may be reclassified to profit or loss				
Exchange differences on translating foreign operations	-202	36	-256	44
Other comprehensive income/-expense for the period	-202	36	-256	44
Total comprehensive income/-expense for the period	45,010	36,186	60,142	18,921
Earnings per share (in EUR per share)				
- basic (Note 5)	0.07	0.05	0.09	0.03
- diluted (Note 5)	0.07	0.05	0.09	0.03

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

(unaudited, in thousands of euros)

ASSETS	30.09.2015	31.12.2014
Current assets		
Cash and cash equivalents	79,107	65,311
Trade and other receivables	42,022	38,210
Prepayments	10,938	5,448
Inventories	28,676	31,315
Total current assets	160,743	140,284
Non-current assets		
Investments in equity-accounted investees	286	286
Other financial assets	315	252
Deferred income tax assets	21,349	21,338
Investment property	300	300
Property, plant and equipment (Note 7)	1,416,648	1,467,964
Intangible assets (Note 8)	52,941	55,174
Total non-current assets	1,491,839	1,545,314
TOTAL ASSETS	1,652,582	1,685,598
LIABILITIES AND EQUITY		
Current liabilities		
Interest bearing loans and borrowings (Note 9)	139,672	149,850
Trade and other payables	83,546	91,236
Income tax liability	6,800	1,300
Deferred income	30,254	29,408
Derivatives (Note 6)	43,985	41,982
Total current liabilities	304,257	313,776
Non-current liabilities		
Interest bearing loans and borrowings (Note 9)	523,062	593,532
Total non-current liabilities	523,062	593,532
TOTAL LIABILITIES	827,319	907,308
EQUITY		
Equity attributable to equity holders of the parent		
Share capital	404,290	404,290
Share premium	639	639
Reserves	71,465	70,129
Retained earnings	348,869	303,232
Total equity attributable to equity holders of the parent	825,263	778,290
TOTAL EQUITY	825,263	778,290
TOTAL LIABILITIES AND EQUITY	1,652,582	1,685,598

CONSOLIDATED CASH FLOW STATEMENT

(unaudited, in thousands of euros)

	01.01.2015- 30.09.2015	01.01.2014- 30.09.2014
Cash flows from operating activities		
Net profit/-loss for the period	60,398	18,877
Adjustments	91,250	92,806
Changes in receivables and prepayments related to operating activities	-8,089	-6,165
Changes in inventories	2,639	5,077
Changes in liabilities related to operating activities	-7,103	-3,973
Income tax paid	-490	108
	138,605	106,730
Cash flow used in investing activities		
Purchase of property, plant and equipment and intangible assets (Notes 7, 8, 9)	-29,823	-30,919
Proceeds from disposals of property, plant and equipment	25,004	180
Interest received	57	78
	-4,762	-30,661
Cash flow used in financing activities		
Repayment of loans (Note 9)	-68,962	-59,946
Change in overdraft (Note 9)	-8,700	31,069
Payment of finance lease liabilities (Note 9)	-60	-54
Interest paid	-21,485	-24,574
Payments for settlement of derivatives	-3,195	-3,033
Payment of transaction costs related to loans	-1,429	0
Dividends paid (Note 12)	-13,398	-20,096
Income tax on dividends paid	-2,818	-5,342
	-120,047	-81,976
TOTAL NET CASH FLOW	13,796	-5,907
Cash and cash equivalents:		
- at the beginning of period	65,311	72,012
- increase (+) / decrease (-)	13,796	-5,907
- at the end of period	79,107	66,105

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

(unaudited, in thousands of euros)

	Share capital premium	Share premium	Translation reserve	Ships revaluation reserve	Mandatory legal reserve	Reserve for treasury shares	Share option programme reserve	Retained earnings	Equity attributable to equity holders of the Parent	Total equity
As at 31 December 2013	404,290	639	12	56,777	16,651	-4,163	834	296,023	771,063	771,063
Net profit/-loss for the period (Note 5)	0	0	0	0	0	0	0	18,877	18,877	18,877
Total other comprehensive income and expense	0	0	44	0	0	0	0	0	44	44
Total comprehensive income and expense for the period	0	0	44	0	0	0	0	18,877	18,921	18,921
Transaction with owners of the company										
Transfer from profit for 2013	0	0	0	0	2,171	0	0	-2,171	0	0
Dividends	0	0	0	0	0	0	0	-20,096	-20,096	-20,096
Share-based payment transactions (Note 11)	0	0	0	0	0	0	231	0	231	231
Transactions with owners, recognised directly in equity	0	0	0	0	2,171	0	231	-22,267	-19,865	-19,865
As at 30 September 2014	404,290	639	56	56,777	18,822	-4,163	1,065	292,633	770,119	770,119
As at 31 December 2014	404,290	639	298	54,562	18,822	-4,163	610	303,232	778,290	778,290
Net profit/-loss for the period (Note 5)	0	0	0	0	0	0	0	60,398	60,398	60,398
Total other comprehensive income and expense	0	0	-256	0	0	0	0	0	-256	-256
Total comprehensive income and expense for the period	0	0	-256	0	0	0	0	60,398	60,142	60,142
Transaction with owners of the company										
Transfer from profit for 2014	0	0	0	0	1,363	0	0	-1,363	0	0
Dividends (Note 12)	0	0	0	0	0	0	0	-13,398	-13,398	-13,398
Share-based payment transactions (Note 11)	0	0	0	0	0	0	229	0	229	229
Transactions with owners, recognised directly in equity	0	0	0	0	1,363	0	229	-14,761	-13,169	-13,169
As at 30 September 2015	404,290	639	42	54,562	20,185	-4,163	839	348,869	825,263	825,263

NOTES TO THE UNAUDITED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

Note 1 CORPORATE INFORMATION

The interim consolidated financial statements of AS Tallink Grupp and its subsidiaries (hereinafter as “the Group”) for the first 9 months of the financial year 2015 were authorised for issue in accordance with a resolution of the Management Board on 12 November 2015. AS Tallink Grupp is a limited company incorporated in Estonia and employed 6,631 people at 30 September 2015 (31 December 2014: 6,654).

Note 2 BASIS OF PREPARATION

The interim consolidated 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 financial statements as in the annual consolidated financial statements of AS Tallink Grupp for the financial year ended on 31 December 2014.

The interim consolidated financial statements have been prepared in thousand euros (EUR).

Note 3 SEGMENT INFORMATION

The Group’s operations are organised and managed separately according to the nature of the different markets. The routes represent different business segments. The following tables present the Group’s revenue and profit information regarding reportable segments for the reportable and comparable period.

Geographical segments

(in thousands of euros)

01.01.2015-30.09.2015	Estonia- Finland route	Estonia- Sweden route	Latvia- Sweden route	Finland- Sweden route	Other	Elimination of intersegment sales	Total
Revenue							
Sales to external customers	252,855	78,802	32,588	255,891	97,436	0	717,572
Inter-segment sales	0	0	0	0	7,824	-7,824	0
	252,855	78,802	32,588	255,891	105,260	-7,824	717,572
Segment result							
	67,160	5,720	4,681	17,512	31,357	0	126,430
Unallocated expenses							-33,687
Net financial items (Note 4)							-23,140
Profit/-loss before income tax							69,603

01.01.2014-30.09.2014	Estonia- Finland route	Estonia- Sweden route	Latvia- Sweden route	Finland- Sweden route	Other	Elimination of intersegment sales	Total
Revenue							
Sales to external customers	240,729	79,555	49,904	246,094	81,043	0	697,325
Inter-segment sales	0	0	0	0	8,150	-8,150	0
	240,729	79,555	49,904	246,094	89,193	-8,150	697,325
Segment result							
	59,231	4,576	904	2,730	17,994	0	85,435
Unallocated expenses							-34,944
Net financial items (Note 4)							-26,247
Profit/-loss before income tax							24,244

Revenue by service

(in thousands of euros)	01.01.2015- 30.09.2015	01.01.2014- 30.09.2014
Ticket sales	177,573	179,269
Sales of cargo transport	78,531	78,424
Sales of accommodation	14,514	15,007
Restaurant and shops sales on-board and on mainland	375,748	369,013
Income from charter of vessels	41,053	30,903
Other	30,153	24,709
Total revenue of the Group	717,572	697,325

Note 4 FINANCE INCOME AND FINANCE COSTS

(in thousands of euros)	01.01.2015- 30.09.2015	01.01.2014- 30.09.2014
Net foreign exchange gains	5,528	0
Income from interest rate swaps	3,959	1,274
Income from foreign exchange derivatives	0	5,800
Interest income arising from financial assets not measured at fair value through profit or loss	20	63
Total finance income	9,507	7,137
Net foreign exchange losses	0	-1,256
Interest expense arising from financial liabilities measured at amortised cost	-23,490	-26,933
Expenses from interest rate swaps	-3,195	-5,195
Expenses from foreign exchange derivatives	-5,962	0
Total finance costs	-32,647	-33,384

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. The outstanding share options have no diluting effect due to their exercise price being higher than the average price in the stock market during the reporting period.

	01.07.2015- 30.09.2015	01.07.2014- 30.09.2014	01.01.2015- 30.09.2015	01.01.2014- 30.09.2014
Weighted average number of ordinary shares, basic (pcs)	669,882,040	669,882,040	669,882,040	669,882,040
Weighted average number of ordinary shares, diluted (pcs)	669,882,040	669,882,040	669,882,040	669,882,040
Net profit/-loss attributable to ordinary shareholders	45,212	36,150	60,398	18,877
Earnings per share, basic (in EUR per share)	0.07	0.05	0.09	0.03
Earnings per share, diluted (in EUR per share)	0.07	0.05	0.09	0.03

Weighted average number of ordinary shares

(pcs)	01.07.2015- 30.09.2015	01.07.2014- 30.09.2014	01.01.2015- 30.09.2015	01.01.2014- 30.09.2014
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	-3,935,000	-3,935,000	-3,935,000
Weighted average number of ordinary shares at the end of period	669,882,040	669,882,040	669,882,040	669,882,040

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 30.09.2015 AS Tallink Grupp had two interest rate derivative contracts with total notional amount of EUR 170,000 thousand with the maturities in years 2018, 2019 and two cross-currency rate derivative contracts with total notional amount of EUR 120,000 thousand with the maturities in year 2018. The fair value of the interest rate derivatives recognized in the current interim financial statements as of 30.09.2015 is EUR -14,605 thousand. The fair value of the cross-currency rate derivatives recognized in the current interim financial statements as of 30.09.2015 is EUR -29,380 thousand.

Note 7 PROPERTY, PLANT AND EQUIPMENT

(in thousands of euros)

	Land and building	Ships	Plant and equipment	Prepayments	Total
Book value as at 31 December 2014	3,729	1,451,400	10,000	2,835	1,467,964
Additions	334	1,946	2,117	23,689	28,086
Disposals	0	-24,655	-35	0	-24,690
Depreciation for the period	-850	-50,967	-2,895	0	-54,712
Book value as at 30 September 2015	3,213	1,377,724	9,187	26,524	1,416,648

As at 30 September 2015

-gross carrying amount	13,120	1,667,517	32,206	26,524	1,739,367
-accumulated depreciation	-9,907	-289,793	-23,019	0	-322,719

	Land and building	Ships	Plant and equipment	Prepayments	Total
Book value as at 31 December 2013	4,841	1,479,030	9,572	2,452	1,495,895
Additions	51	19,773	3,785	5,774	29,383
Exchange rate differences	0	0	3	0	3
Disposals	0	0	-181	0	-181
Depreciation for the period	-842	-51,095	-2,939	0	-54,876
Book value as at 30 September 2014	4,050	1,447,708	10,240	8,226	1,470,224

As at 30 September 2014

-gross carrying amount	12,833	1,695,311	30,199	8,226	1,746,569
-accumulated depreciation	-8,783	-247,603	-19,959	0	-276,345

Note 8 INTANGIBLE ASSETS

(in thousands of euros)

	Goodwill	Trademark	Others	Total
Book value as at 31 December 2014	11,066	33,502	10,606	55,174
Additions	0	0	1,767	1,767
Amortisation for the period	0	-2,187	-1,813	-4,000
Book value as at 30 September 2015	11,066	31,315	10,560	52,941

As at 30 September 2015

-cost	11,066	58,288	29,249	98,603
-accumulated amortisation	0	-26,973	-18,689	-45,662

	Goodwill	Trademark	Others	Total
Book value as at 31 December 2013	11,066	36,418	10,441	57,925
Additions	0	0	1,783	1,783
Amortisation for the period	0	-2,187	-1,976	-4,163
Book value as at 30 September 2014	11,066	34,231	10,248	55,545

As at 30 September 2014

-cost	11,066	58,288	27,255	96,609
-accumulated amortisation	0	-24,057	-17,007	-41,064

Note 9 INTEREST BEARING LOANS AND BORROWINGS

(in thousands of euros)

	31 December 2014	New loans	Repayments	Exchange rate differences	Other changes [1]	30 September 2015
Liabilities under finance						
lease	358	30	-60	0	-17	311
Unsecured bonds	98,636	0	0	-5,010	182	93,808
Overdraft	62,449	0	-8,700	0	0	53,749
Long-term bank loans	581,939	0	-68,962	0	1,889	514,866
TOTAL	743,382	30	-77,722	-5,010	2,054	662,734
incl. current portion	149,850					139,672
Non-current portion	593,532					523,062

[1] Other changes are related to capitalisation and amortisation of transaction costs of bonds and bank loans. Other changes of liabilities under finance lease are related to termination of lease agreements.

Bonds are nominated in NOK.

Bank overdrafts are secured with commercial pledge (in the total amount of EUR 20,204 thousand) and ship mortgages.

AS Tallink Grupp has given guarantees to HSH Nordbank AG, Nordea Bank Plc, Danske Bank A/S, Swedbank AS and HSBC Bank Plc for the loans granted to overseas subsidiaries amounting to EUR 206,199 thousand and overseas subsidiaries have given guarantees to Nordea Bank Finland Plc and Swedbank AS for the loans granted to AS Tallink Grupp amounting to EUR 308,667 thousand. 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.

Note 10 SHARE CAPITAL

According to the Articles of Association of the Parent effective as of 30 September 2015 the maximum number of authorised common shares is 2,133,333,333.

At 30 September 2015 the Group held 3,935 thousand of the AS Tallink Grupp shares. Total cost of share buyback transactions of 3,935 thousand shares is EUR 4,163 thousand.

Note 11 SHARE OPTION PROGRAMME

In December 2012 the Group issued 7,610 thousand share options of which 3,850 thousand to the Management Board and Supervisory Board members and 3,760 thousand to other Group employees. Each option gives right to purchase one share of AS Tallink Grupp. The share options were issued in accordance of the Share Option Programme which resolution was adopted at the Shareholders General Meeting on 08 February 2011. The terms and conditions of exercise of the issued share options are following: non-transferable; exercisable not earlier than 36 months from issue or 21 December 2015 and not later than 21 June 2016; exercise price EUR 0.858 in case of new shares issued or average acquisition cost in case existing shares will be purchased from the market; options are to be settled by physical delivery of shares.

The fair value of the services received in return for share options granted is based on the fair value of share options granted, measured using the Black-Scholes model as of grant date. The Group used independent external advisor for the valuation share options who in addition to the share options terms and conditions used the following inputs for measurement: spot price of share EUR 0.848 at grant date; expected volatility 30% based on historic analysis; option average time to maturity 42 months; the 3.5% annual dividend yield and; risk-free interest rate 0.336%.

The value of the options issued at the end of 2012 in the amount EUR 951 thousand will be recorded as an expense during the vesting period 36 months from the beginning of 2013.

At 30 September 2015 7,318,638 share options were valid and outstanding. Average remaining time to maturity of the outstanding share options is 3-9 months.

The outstanding share options have no diluting effect due to their exercise price being higher than the average price in the stock market during the period.

Note 12 DIVIDENDS

According to the resolution of the Annual General Meeting there were announced dividends to the shareholders EUR 0.02 per share, in the total amount of EUR 13,397,640.80. Announced dividends were paid out on 8 July 2015.

Note 13 RELATED PARTY DISCLOSURES

(in thousands of euros)

9 months of 2015 or 30.09.2015	Sales to related parties	Purchases from related parties	Receivables from related parties	Payables to related parties
AS Infortar	40	35	9	5
AS HT Valuuta	81	0	0	0
AS Vara HTG	0	1,438	0	0
OÜ Mersok	0	7	0	0
AS Vaba Maa	8	612	1	84
OÜ Sunbeam	0	2,654	0	100
AS Gastrolink	6	759	1	27
AS Tallink Takso	1	78	0	14
OÜ Topspa Kinnisvara	0	2,025	0	50
OÜ Hansa Hotell	0	651	0	0
OÜ Fastinvest	0	924	0	0
SIA Happy Trails	0	2,466	0	327
Eesti Laevaomanike Liit	1	14	0	0
MTÜ Eesti Tennise Liit	11	82	7	0
9 months of 2014 or 30.09.2014	Sales to related parties	Purchases from related parties	Receivables from related parties	Payables to related parties
AS Infortar	174	35	117	5
AS HT Valuuta	87	0	4	0
AS Vara HTG	0	1,438	0	0
OÜ Mersok	0	7	0	0
AS Vaba Maa	10	485	2	20
OÜ Sunbeam	0	2,590	0	0
AS Gastrolink	0	872	1	42
AS Tallink Takso	1	50	0	7
OÜ Topspa Kinnisvara	0	1,975	0	0
OÜ Hansa Hotell	0	634	0	0
OÜ Fastinvest	0	928	0	0
SIA Happy Trails	0	2,473	0	328
Eesti Laevaomanike Liit	0	14	0	0
MTÜ SEB Tallink Tennis Team	0	50	0	0
OÜ Inf Maja	3	0	1	0
MTÜ Eesti Tennise Liit	19	162	7	0

MANAGEMENT BOARD'S APPROVAL OF THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS

Hereby we declare our responsibility for the Interim Consolidated Financial Statements and confirm that the AS Tallink Grupp's Unaudited Interim Consolidated Financial Statements for the third quarter of the financial year 2015 ended 30 September 2015 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.

A blue ink signature of Janek Stalmeister, consisting of a series of loops and a long horizontal stroke.

Janek Stalmeister
Chairman of the Management Board

A blue ink signature of Andres Hunt, featuring a stylized, cursive script.

Andres Hunt
Vice Chairman of the Management Board

A blue ink signature of Lembit Kitter, showing a cursive style with a prominent loop.

Lembit Kitter
Member of the Management Board

A blue ink signature of Kadri Land, written in a cursive script.

Kadri Land
Member of the Management Board

Tallinn, 12.11.2015