Finnlines
a Grimaldi Group company

Financial statement bulletin
January–December 2015
25 February 2016

FINNLINES Q4

JANUARY-DECEMBER 2015: Result before taxes (EBT) improved over EUR 16.5 million to EUR 53.2 million

- Revenue EUR 511.2 (532.9 prev. year) million, decrease 4.1 per cent, partly due to the reduction of cargo related bunker surcharge
- Result before interest, taxes, depreciation and amortisation (EBITDA) EUR 126.9 (115.4) million, increase 9.9 per cent
- Result for the reporting period EUR 56.8 (41.7) million, increase 36.2 per cent
- Earnings per share were 1.10 (0.81) EUR/share
- Interest-bearing debt decreased EUR 18.7 million and was EUR 533.7 (552.5) million at the end of the period
- Fuel consumption reduced by 8 per cent

OCTOBER-DECEMBER 2015: Strong result performance continued during the last quarter supported by revenue growth

- Revenue EUR 120.9 (119.1 prev. year) million, increase 1.5 per cent, despite the reduction of cargo related bunker surcharge
- Result before interest, taxes, depreciation and amortisation (EBITDA) EUR 32.1 (23.9) million, increase 34.4 per cent
- Result for the reporting period EUR 15.7 (8.5) million, increase 84.4 per cent
- Earnings per share were 0.31 (0.17) EUR/share

KEY FIGURES

MEUR	1-12 2015	1-12 2014	10-12 2015	10-12 2014
Revenue	**511.2**	532.9	120.9	119.1
Result before interest, taxes, depreciation and amortisation (EBITDA)	**126.9**	**115.4**	**32.1**	**23.9**
Result before interest and taxes (EBIT)	**70.3**	58.6	17.3	10.5
% of revenue	**13.7**	11.0	14.3	8.8
Result for the reporting period	**56.8**	**41.7**	**15.7**	**8.5**
EPS, EUR	**1.10**	0.81	0.31	0.17
Shareholders' equity/share, EUR	**10.89**	9.78	10.89	9.78
Equity ratio, %	**45.7**	41.7	45.7	41.7
Interest bearing debt, MEUR	**533.7**	552.5	533.7	552.5
Gearing, %	**97.1**	113.0	97.1	113.0

EMANUELE GRIMALDI, PRESIDENT AND CEO, IN CONJUNCTION WITH THE REVIEW:

In January-December 2015, the Group achieved its best ever operational result

"The first quarter was still burdened by dockings of several ships because of scrubber installations but the second quarter already ended up presenting the best quarterly result in ten years. The third quarter even topped this performance by being the best quarter ever in the Group's history. Also, the result for the last quarter's reporting period was the best fourth quarter result ever reported. In other words, the positive financial development continued throughout the year and the result before taxes (EBT) was EUR 53.2 million - an increase of 45 per cent compared to the previous year. The Group's capital structure is strong. The equity ratio improved markedly, to 45.7 per cent and despite implementing a major part of our EUR 100 million Environmental Technology Investment Programme and acquiring a new vessel, MS Finnmerchant, the Group's interest-bearing debt decreased further. Net debt to EBITDA stood at 4.2 at year-end, which has greatly improved our credit profile. During 2014-2015, the Group implemented the investment programme, which included the installations of exhaust gas scrubbers on 15 vessels, while six vessels have been also rebladed. On top of this, two vessels have undergone an antifouling treatment. Bunker prices have fallen during the past 12 months, a reduction which we share with our customers through the bunker surcharge mechanism. But due to our reblading and other technological improvements, our bunker consumption fell by 8.3 per cent over the previous year and enabled us to save in bunker costs.

We have broken the records in Finnlines' financial performance. The hard work and the right decisions made over these years have transformed us to one of the strongest companies in the Baltic shipping sector. We have always strived to reach our goals in improving our productivity and profitability, and now, with the record breaking performance levels, Finnlines can justifiably say that these goals need to be reset to a higher level."

FINNLINES PLC, FINANCIAL STATEMENT BULLETIN JANUARY-DECEMBER 2015 (unaudited)

FINNLINES' BUSINESS

Finnlines is the largest shipping company in the Baltic Sea based on both ro-ro and ro-pax volumes (source: Baltic Transportation Journal). The Company's passenger-freight vessels offer services from Finland to Germany and via the Åland Islands to Sweden, as well as from Sweden to Germany. Finnlines' ro-ro vessels operate in the Baltic Sea and the North Sea. The Company has subsidiaries in Germany, Belgium, Great Britain, Sweden, Denmark and Poland which all are also sales offices. In addition to sea transportation, the Company provides port services in Helsinki and Turku.

GROUP STRUCTURE

Finnlines Plc is a Finnish listed company. At the end of the reporting period, the Group consisted of the parent company and 21 subsidiaries.

Finnlines is part of the Italian Grimaldi Group, which is a global logistics group specialising in maritime transport of cars, rolling cargo, containers and passengers. The Grimaldi Group comprises seven shipping companies, including Finnlines, Atlantic Container Line (ACL), Malta Motorways of the Sea (MMS) and Minoan Lines. With an owned fleet of about 110 vessels, the Group provides maritime transport services for rolling cargo and containers between Northern Europe, the Mediterranean, the Baltic Sea, West Africa, North and South America. It also offers passenger services within the Mediterranean and the Baltic Sea. With 93.38 per cent (on 31 December 2015) of the shares, the Grimaldi Group is the biggest shareholder in Finnlines Plc.

GENERAL MARKET DEVELOPMENT

Based on the statistics by the Finnish Transport Agency for January-December, the Finnish seaborne imports carried in container, lorry and trailer units decreased by 4 per cent whereas exports increased by 3 per cent (measured in tons) compared to the same period in 2014. During the same period, private and commercial passenger traffic between Finland and Sweden increased by 1 per cent. Between Finland and Germany the corresponding traffic increased by 1 per cent (Finnish Transport Agency).

FINNLINES' TRAFFIC

During the fourth quarter, Finnlines operated on average 22 (23 in 2014) vessels in its own traffic.

Finnlines entered into a slot charter agreement for the provision of slots on board Finnlines vessels to DFDS on the route between Russia and Germany. The slot charter agreement came into effect as from 11 October 2015. Both companies continue to independently provide maritime services, handle sales, customer service and cargo in the port terminals related to the route.

The charter agreement of MS Misana expired and the vessel was redelivered on 31 December 2015 in Hull. MS Finneagle was chartered out to the Grimaldi Group during the fourth quarter of 2015.

The cargo volumes transported during January-December totalled approximately 624 (638 in 2014) thousand cargo units, 156 (99) thousand cars (not including passengers' cars) and 2,032 (2,319 corrected figure) thousand tons of freight not possible to measure in units. In addition, some 575 (561) thousand private and commercial passengers were transported.

FINANCIAL RESULTS

January-December 2015

The Finnlines Group recorded revenue totalling EUR 511.2 (532.9) million in 2015, a decrease of 4.1 per cent compared to the same period in the previous year. Shipping and Sea Transport Services generated revenue amounting to EUR 492.9 (517.4) million and Port Operations EUR 35.9 (36.9) million. The Shipping and Sea Transport Services segment's revenue decreased due to the lower bunker surcharge and lower bareboat charter income resulting from divestment of vessels. In Port Operations the revenue decreased due to the restructuring measures taken. The internal revenue between the segments was EUR 17.6 (21.3) million, which means that the external revenue of Port Operations increased during the reporting period.

Result before interest, taxes, depreciation and amortisation (EBITDA) was EUR 126.9 (115.4) million, an increase of 9.9 per cent.

Result before interest and taxes (EBIT) was EUR 70.3 (58.6) million. The increased efficiency of the operations in terms of bunker consumption, higher capacity utilisation of vessels and reduction of costs in many areas has continued to positively impact the financial performance of the Group. Despite the increased efficiency of the operations, the result was burdened by docking of several vessels for the installations of scrubbers and new propulsion systems during the first quarter.

As a result of the improved financial position, net financial expenses decreased and were EUR -17.1 (-21.9) million. Financial income was EUR 0.9 (0.5) million and financial expenses EUR -18.1 (-22.4) million. Result before taxes (EBT) improved by EUR 16.5 million and was EUR 53.2 (36.6) million. The result for the reporting period was EUR 56.8 (41.7) million and earnings per share (EPS) were EUR 1.10 (0.81).

October-December 2015

The Finnlines Group recorded revenue totalling EUR 120.9 (119.1) million in the fourth quarter, an increase of 1.5 per cent compared to the same period in the previous year, although the cargo related bunker surcharge has continued to decline following the fuel price development. Shipping and Sea Transport Services generated revenue amounting to EUR 116.4 (115.4) million and Port Operations EUR 9.0 (8.2) million. The internal revenue between the segments was EUR 4.5 (4.6) million. The result is affected by the seasonality of the cargo volumes, which are typically on a lower level at the turn of the year. The number of passengers is also modest during the autumn/winter period compared to the summer season.

Result before interest, taxes, depreciation and amortisation (EBITDA) was EUR 32.1 (23.9) million, an increase of 34.4 per cent.

Result before interest and taxes (EBIT) was EUR 17.3 (10.5) million. The majority of Finnlines' fleet is using cheaper IFO fuel instead of MGO which has further decreased fuel costs.

Net financial expenses were EUR -3.7 (-5.1) million. Financial income was EUR 0.4 (0.1) million and financial expenses totalled EUR -4.1 (-5.2) million. The result for the reporting period was EUR 15.7 (8.5) million, which is the best fourth quarter result ever reported. Earnings per share (EPS) increased to EUR 0.31 (0.17).

STATEMENT OF FINANCIAL POSITION, FINANCING AND CASH-FLOW

Even though the Company has an ongoing environmental investment programme, interest-bearing debt decreased by EUR 18.7 million and amounted to EUR 533.7 (552.5) million excluding leasing liabilities EUR 17.9 (19.6) million. The equity ratio calculated from the balance sheet improved to 45.7 (41.7) per cent and gearing dropped to 97.1 (113.0) per cent. Vessel lease commitments decreased by EUR 10.4 million to EUR 0.1 million compared to the end of December 2014.

The Group's liquidity position is strong and at the end of the period, cash and cash equivalents together with unused committed credit facilities amounted to EUR 114.5 (123.1) million.

Net cash generated from operating activities improved considerably and was EUR 105.8 (82.1) million before capex and divestments.

CAPITAL EXPENDITURE

The Finnlines Group's gross capital expenditure in the reporting period totalled EUR 64.1 (36.6) million including tangible and intangible assets. Total depreciation and amortisation amounted to EUR 56.6 (56.8) million. The capital expenditures consist of the purchase of MS Finnmerchant, prepayments of two ro-ro vessels delivered at the beginning of January 2016, normal replacement costs of fixed assets, IT investments and, to a large extent, payments related to the Finnlines Group's EUR 100 million Environmental Technology Investment Programme.

As part of the Connecting Europe Facility (CEF), the European Union awarded Finnlines a funding of EUR 14.5 million for environmental technology investments on vessels in liner services. The funding is recognised as adjustment of investment costs.

The environmental investment programme was a direct response to the new stricter environmental regulations for the fuel sulphur limit which came into force on 1 January 2015. Finnlines follows a consequent and cost-efficient compliance strategy of deploying effective exhaust gas cleaning measures, achieving an even better reduction level of sulphur oxides (SOx) than required. In addition, Finnlines is investing in energy efficiency and environmental performance improvements. By upgrading several vessels' propulsion and applying special foul release paint on other vessels, significant reduction in fuel consumption is achieved and thus substantially less CO_2 is emitted.

The first phase of the environmental investment programme was initiated in 2014 when the Company ordered exhaust gas cleaning systems ("scrubbers") for ten of its ro-ro vessels and four of its ro-pax vessels as well as propulsion upgrading to six of its vessels. These retrofits were implemented in winter/spring 2015 and completed in May 2015.

In 2015, Finnlines launched the second phase of the environmental investment programme which covers scrubber orders for a further three of its ro-ro vessels and a further three of its ro-pax vessels. Moreover, additional energy efficiency investment was initiated by extending the propulsion upgrading programme to cover a further three ro-pax vessels and by applying special foul release coating ("silicon paint") to two ro-pax vessels.

The second phase of the EUR 100 million Environmental Technology Investment Programme is ongoing and scheduled to be completed in spring 2016.

PERSONNEL

The Group employed an average of 1,597 (1,701) persons during the reporting period, consisting of 698 (759) persons on shore and 899 (942) persons at sea. The average number of the shore personnel decreased mainly due to employee reductions in Port Operations. The number of the sea personnel decreased due to employee reductions made on MS Finnhansa and MS Finnsailor.
The total number of persons employed at the end of the reporting period was 1,588 (1,635), of which 699 (716) on shore and 889 (919) at sea. The Group's personnel expenses (including social costs) for the reporting period were EUR 84.2 (88.4) million.

THE FINNLINES SHARE

The Company's registered share capital on 31 December 2015 was EUR 103,006,282 divided into 51,503,141 shares. A total of 7.1 (5.1) million shares were traded on Nasdaq Helsinki Ltd during the reporting period. The market capitalisation of the Company's stock on 31 December 2015 increased by more than 10 per cent compared to the previous year and was EUR 911.6 (824.1) million. Earnings per share (EPS) were EUR 1.10 (0.81). Shareholders' equity per share was EUR 10.89 (9.78).

The Company announced on 9 October 2015 that the Grimaldi Group has made an agreement with Mutual Pension Insurance Company Ilmarinen ("Ilmarinen") on the purchase of Ilmarinen's Finnlines shares, through which the Grimaldi Group's ownership rose to 91.32 per cent. At the end of the reporting period, the Grimaldi Group's holding and share of votes in Finnlines was 93.38 per cent.

RISKS AND RISK MANAGEMENT

Finnlines is exposed to business risks that arise from the capacity of the fleet existing in the market, counterparties, prospects for export and import of goods, and changes in the operating environment. The risk of overcapacity is reduced through scrapping of aging vessels, on the one hand, and the more stringent Sulphur Directive requirements, on the other. Finnlines operates mainly in the Emissions Control Areas where the emission limits are stricter than globally. The sulphur content limit for heavy fuel oil was reduced to 0.10 per cent as from 1 January 2015 in accordance with the MARPOL Convention. This increases costs of sea transportation. However, with one of the youngest and largest fleets in Northern Europe and with investments in engine systems and energy efficiency, Finnlines is in a strong position to greatly mitigate this risk. The effect of fluctuations in the foreign trade is reduced by the fact that the Company operates in several geographical areas. This means that slow growth in one country is compensated by faster recovery in another. Finnlines continuously monitors the solidity and payment schedules of its customers and suppliers. Currently, there are no indications of imminent risks related to counterparties but the Company continues to monitor the financial position of its counterparties. Finnlines holds adequate credit lines to maintain liquidity in the current business environment.

LEGAL PROCEEDINGS

The 2015 Financial Statements, published on 25 February 2016, contain a description of ongoing legal proceedings.

CORPORATE GOVERNANCE

Finnlines applies the Finnish Corporate Governance Code for listed companies. The Corporate Governance Statement can be reviewed on the corporate website: www.finnlines.com.

EVENTS AFTER THE REPORTING PERIOD

In January 2016, Finnlines acquired two ro-ro vessels in accordance with the purchase agreement signed earlier. The vessels were put into Finnlines' liner services in early 2016.

On 3 February 2016, the Grimaldi Group notified Finnlines of its redemption rights on the remaining Finnlines shares, for which it offers EUR 17.80 per share in the redemption proceedings. To implement the redemption of the shares the Grimaldi Group will initiate arbitration proceedings as provided in the Finnish Companies Act.

OUTLOOK AND OPERATING ENVIRONMENT

Finnlines will complete its EUR 100 million Environmental Technology Investment Programme in 2016. Finnlines Group's result before taxes is expected to improve in 2016 compared to the same period in the previous year.

DIVIDEND DISTRIBUTION PROPOSAL

The parent company Finnlines Plc's result for the reporting period was EUR 52.8 million. The Board of Directors proposes to the Annual General Meeting that no dividend be paid for the reporting period ended on 31 December 2015 due to the ongoing extensive capital expenditure requirement for the installation of scrubbers on Finnlines' vessels during 2015 and 2016.

ANNUAL GENERAL MEETING 2016

Finnlines Plc's Annual General Meeting will be held from 13:00 on Tuesday, 12 April 2016 at the National Museum of Finland, Mannerheimintie 34, 00100 Helsinki.

The first interim report of 2016 for the period of 1 January-31 March 2016 will be published on Wednesday, 11 May 2016.

Finnlines Plc
The Board of Directors

Emanuele Grimaldi
President and CEO

ENCLOSURES

- Reporting and accounting policies
- Consolidated statement of comprehensive income, IFRS
- Consolidated statement of financial position, IFRS
- Consolidated statement of changes in equity, IFRS
- Consolidated cash flow statement, IFRS
- Revenue and result by business segments
- Property, plant and equipment
- Fair value hierarchy
- Contingencies and commitments
- Revenue and result by quarter
- Shares, market capitalisation and trading information
- Events after the reporting period
- Calculation of ratios
- Related party transactions

DISTRIBUTION

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This financial statement bulletin is unaudited.

REPORTING AND ACCOUNTING POLICIES

This financial statement bulletin included herein is prepared in accordance with IAS 34 (Interim Financial Reporting) standard. The Group has adopted new or revised IFRS standards and IFRIC interpretations from the beginning of the reporting period corresponding to those described in the 2014 Financial Statements with effect of 1 January 2015. They did not have any impact on the reported figures.

Finnlines Plc entered into the tonnage taxation regime in January 2013. In tonnage taxation, shipping operations transferred from taxation of business income to tonnage-based taxation.

All figures in the accounts have been rounded and, consequently, the sum of individual figures may deviate from the presented sum figure.

The preparation of the interim financial statements in accordance with IFRS requires management to make estimates and assumptions and use its discretion in applying the accounting principles 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. The uncertainties related to the key assumptions were the same as those applied to the consolidated financial statements at the year-end 31 December 2014.

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME, IFRS

EUR 1,000	10-12 2015	10-12 2014	1-12 2015	1-12 2014
Revenue	**120,894**	119,077	**511,167**	532,889
Other income from operations	**558**	3,719	**1,810**	6,776
Materials and services	**-34,803**	-42,150	**-161,264**	-191,445
Personnel expenses	**-21,517**	-21,268	**-84,186**	-88,418
Depreciation, amortisation and impairment losses	**-14,835**	-13,459	**-56,590**	-56,843
Other operating expenses	**-33,000**	-35,469	**-140,654**	-144,396
Total operating expenses	**-104,155**	-112,345	**-442,694**	-481,102
Result before interest and taxes (EBIT)	**17,298**	**10,451**	**70,284**	**58,563**
Financial income	**387**	141	**934**	483
Financial expenses	**-4,099**	-5,231	**-18,064**	-22,412
Result before taxes (EBT)	**13,586**	**5,361**	**53,153**	**36,634**
Income taxes	**2,146**	3,169	**3,675**	5,079
Result for the reporting period	**15,732**	**8,530**	**56,829**	**41,713**
Other comprehensive income:				
Other comprehensive income to be reclassified to profit and loss in subsequent periods:				
Exchange differences on translating foreign operations	**2**	35	**32**	69
Tax effect, net		6		
Other comprehensive income to be reclassified to profit and loss in subsequent periods, total	**2**	41	**32**	69
Other comprehensive income not being reclassified to profit and loss in subsequent periods:				
Remeasurement of defined benefit plans	**632**	-844	**632**	-844
Tax effect, net	**-36**	141	**-36**	353
Other comprehensive income not being reclassified to profit and loss in subsequent periods, total	**596**	-702	**596**	-491
Total comprehensive income for the reporting period	**16,330**	**7,869**	**57,457**	**41,291**
Result for the reporting period attributable to:				
Parent company shareholders	**15,728**	8,532	**56,841**	41,726
Non-controlling interests	**4**	-2	**-12**	-13
	15,732	**8,530**	**56,829**	**41,713**
Total comprehensive income for the reporting period attributable to:				
Parent company shareholders	**16,326**	7,871	**57,469**	41,304
Non-controlling interests	**4**	-2	**-12**	-13
	16,330	**7,869**	**57,457**	**41,291**
Result for the reporting period attributable to parent company shareholders calculated as earnings per share (EUR/share):				
Undiluted / diluted earnings per share	**0.31**	0.17	**1.10**	0.81
Average number of shares:				
Undiluted / diluted	**51,503,141**	51,503,141	**51,503,141**	51,503,141

Most of the items recognised in the Consolidated Statement of Comprehensive Income fall under the tonnage tax scheme.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION, IFRS

EUR 1,000	31 Dec 2015	31 Dec 2014
ASSETS		
Non-current assets		
Property, plant and equipment	997,619	983,183
Goodwill	105,644	105,644
Intangible assets	3,758	5,500
Other financial assets	4,576	4,576
Receivables	1,258	1,434
Deferred tax assets	5,792	5,353
	1,118,645	1,105,688
Current assets		
Inventories	4,333	5,926
Accounts receivable and other receivables	86,019	75,884
Income tax receivables	539	1
Cash and cash equivalents	6,468	2,680
	97,359	84,490
Non current assets held for sale	15,121	20,297
Total assets	1,231,125	1,210,475
EQUITY		
Equity attributable to parent company shareholders		
Share capital	103,006	103,006
Share premium account	24,525	24,525
Translation differences	209	178
Fund for invested unrestricted equity	40,016	40,016
Retained earnings	393,313	335,876
	561,070	503,601
Non-controlling interests	294	306
Total equity	561,363	503,907
LIABILITIES		
Long-term liabilities		
Deferred tax liabilities	52,712	56,102
Other long-term liabilities	113	163
Pension liabilities	3,919	4,705
Provisions	1,810	1,844
Loans from financial institutions	367,445	420,722
	425,999	483,536
Current liabilities		
Accounts payable and other liabilities	59,191	71,565
Current tax liabilities	14	72
Provisions	345	81
Loans from financial institutions	176,736	142,967
	236,287	214,685
Total liabilities	662,286	698,220
Liabilities related to long-term assets held for sale	7,476	8,348
Total equity and liabilities	1,231,125	1,210,475

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY 2014, IFRS

EUR 1,000	Equity attributable to parent company shareholders							
	Share capital	Share issue premium	Translation differences	Unrestricted equity reserve	Retained earnings	Total	Non-controlling interests	Total equity
Reported equity 1 January 2014	**103,006**	**24,525**	**109**	**40,016**	**294,641**	**462,297**	**360**	**462,658**
Comprehensive income for the reporting period:								
Result for the reporting period					41,726	41,726	-13	41,713
Exchange differences on translating foreign operations			69			69		69
Remeasurement of defined benefit plans					-844	-844		-844
Tax effect, net					353	353		353
Total comprehensive income for the reporting period			**69**		**41,235**	**41,304**	**-13**	**41,291**
Dividend							-42	-42
Equity 31 December 2014	**103,006**	**24,525**	**178**	**40,016**	**335,876**	**503,601**	**306**	**503,907**

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY 2015, IFRS

EUR 1,000	Equity attributable to parent company shareholders							
	Share capital	Share issue premium	Translation differences	Unrestricted equity reserve	Retained earnings	Total	Non-controlling interests	Total equity
Reported equity 1 January 2015	**103,006**	**24,525**	**178**	**40,016**	**335,876**	**503,601**	**306**	**503,907**
Comprehensive income for the reporting period:								
Result for the reporting period					56,841	56,841	-12	56,829
Exchange differences on translating foreign operations			32			32		32
Remeasurement of defined benefit plans					632	632		632
Tax effect, net					-36	-36		-36
Total comprehensive income for the reporting period			**32**		**57,437**	**57,469**	**-12**	**57,457**
Dividend								
Equity 31 December 2015	**103,006**	**24,525**	**209**	**40,016**	**393,313**	**561,070**	**294**	**561,363**

CONSOLIDATED CASH FLOW STATEMENT, IFRS

EUR 1,000	1-12 2015	1-12 2014
Cash flows from operating activities		
Result for the reporting period	**56,829**	41,713
Adjustments:		
Non-cash transactions	**56,192**	51,987
Unrealised foreign exchange gains (-) / losses (+)	**-3**	-28
Financial income and expenses	**17,133**	21,957
Taxes	**-3,675**	-5,079
Changes in working capital		
Change in accounts receivable and other receivables	**-2,009**	4,855
Change in inventories	**1,592**	2,906
Change in accounts payable and other liabilities	**-2,515**	-9,435
Change in provisions	**-238**	-207
Interest paid	**-14,240**	-18,742
Interest received	**442**	141
Taxes paid *	**-81**	-3,990
Other financing items	**-3,632**	-3,970
Net cash generated from operating activities	**105,794**	**82,108**
Cash flow from investing activities		
Investments in tangible and intangible assets **	**-78,897**	-29,575
Proceeds from sale of tangible assets	**799**	69,590
Proceeds from sale of investments		1
Dividends received	**12**	13
Net cash used in investing activities	**-78,085**	**40,029**
Cash flows from financing activities		
Loan withdrawals	**282,000**	169,604
Net increase in current interest-bearing liabilities (+) / net decrease (-)	**32,447**	7,953
Repayment of loans	**-338,550**	-298,974
Loans granted		-900
Increase (-) / decrease (+) in long-term receivables	**180**	395
Dividends paid		-42
Net cash used in financing activities	**23,922**	**-121,964**
Change in cash and cash equivalents	**3,787**	**173**
Cash and cash equivalents 1 January	**2,680**	2,508
Effect of foreign exchange rate changes	**1**	-1
Cash and cash equivalents at the end of period	**6,468**	**2,680**

* Taxes paid in 2014 include the payment of EUR 3.6 million included in Finnlines Deutschland GmbH's tax provisions due to the exit from the tonnage tax scheme.

** Investments include environmental aid granted by the European Union, of which the Group has received EUR 5.8. million during the reporting period 2015.

REVENUE AND RESULT BY BUSINESS SEGMENTS

	10-12 2015		10-12 2014		1-12 2015		1-12 2014	
	MEUR	%	MEUR	%	MEUR	%	MEUR	%
Revenue								
Shipping and sea transport services	116.4	96.3	115.4	96.9	492.9	96.4	517.4	97.1
Port operations	9.0	7.4	8.2	6.9	35.9	7.0	36.9	6.9
Intra-group revenue	-4.5	-3.7	-4.6	-3.8	-17.6	-3.4	-21.3	-4.0
External sales	**120.9**	**100.0**	**119.1**	**100.0**	**511.2**	**100.0**	**532.9**	**100.0**
Result before interest and taxes								
Shipping and sea transport services	18.1		11.9		72.2		61.6	
Port operations	-0.8		-1.4		-1.9		-3.1	
Result before interest and taxes (EBIT) total	**17.3**		**10.5**		**70.3**		**58.6**	
Financial items	-3.7		-5.1		-17.1		-21.9	
Result before taxes (EBT)	**13.6**		**5.4**		**53.2**		**36.6**	
Income taxes	2.1		3.2		3.7		5.1	
Result for the reporting period	**15.7**		**8.5**		**56.8**		**41.7**	

PROPERTY, PLANT AND EQUIPMENT 2015

EUR 1,000	Land	Buildings	Vessels *	Machinery and equipment	Advance payments & acquisitions under construction *	Total **
Acquisition cost 1 January 2015	72	72,773	1,287,982	66,273	25,928	1,453,028
Exchange rate differences				33		33
Increases			44,934	279	18,117	63,330
Disposals			-708	-1,164		-1,872
Reclassifications			20,578	9	-20,586	0
Reclassifications to non-current assets held for sale ***		-4,369		-22,395		-26,763
Acquisition cost 31 December 2015	**72**	**68,404**	**1,352,785**	**43,035**	**23,459**	**1,487,755**
Accumulated depreciation, amortisation and write-offs 1 January 2015		-17,341	-389,749	-42,459		-449,549
Exchange rate differences				-30		-30
Cumulative depreciation on reclassifications and disposals			707	1,162		1,870
Depreciation for the reporting period		-2,203	-50,749	-1,118		-54,070
Accumulated depreciation, amortisation and write-offs 31 December 2015		-19,544	-439,791	-42,444		-501,779
Reclassifications to non-current assets held for sale ***		1,132		10,510		11,642
Carrying value 31 December 2015	**72**	**49,993**	**912,994**	**11,101**	**23,459**	**997,619**

Assets classified as held for sale 31 Dec 2015						
Acquisition cost						
Transfer to non-current assets held for sale 1 Jan 2015		4,369	21,675	22,395		48,439
Reclassification between items			-21,675			-21,675
Accumulated depreciation						
Transfer to non-current assets held for sale 1 Jan 2015		-1,132	-16,499	-10,510		-28,141
Reclassification between items			16,499			16,499
Carrying value 31 Dec 2015		**3,237**	**0**	**11,885**		**15,121**

* During the reporting period, EUR 9.3 million environmental aid granted by the European Union was allocated to environmental investments in vessels. Advance payments and acquisitions under construction include EUR 5.2 million environmental aid granted by the European Union.

** The carrying value of property, plant and equipment includes EUR 22.3 (23.4) million of capitalised borrowing costs during construction.

*** Finnlines is negotiating a sale of port operations' assets with carrying value of EUR 15.1 million. No impairment losses were recognised on the carrying values of these assets in 2014 or 2015, as according to management's estimate, the fair value of the assets classified as held for sale was higher than the carrying value at the balance sheet date 31 December 2014 and 31 December 2015. The vessel which had been classified as held for sale in the Financial Statements 2014 has been reclassified as fixed asset in 2015.

PROPERTY, PLANT AND EQUIPMENT 2014

EUR 1,000	Land	Buildings	Vessels	Machinery and equipment	Advance payments & acquisitions under construction	Total
Acquisition cost 1 January 2014	72	75,271	1,372,769	73,122	398	1,521,632
Exchange rate differences				34		34
Increases			9,728	243	25,897	35,867
Disposals *		-2,497	-94,515	-7,125	-367	-104,505
Reclassifications to non-current assets held for sale **		-4,369	-21,675	-22,395		-48,439
Acquisition cost 31 December 2014	**72**	**68,404**	**1,266,306**	**43,879**	**25,928**	**1,404,590**
Accumulated depreciation, amortisation and write-offs 1 January 2014		-16,316	-373,866	-47,060		-437,243
Exchange rate differences				-31		-31
Cumulative depreciation on reclassifications and disposals		1,346	35,547	6,650		43,543
Depreciation for the reporting period		-2,370	-51,430	-2,017		-55,818
Accumulated depreciation, amortisation and write-offs 31 December 2014		-17,341	-389,749	-42,459		-449,549
Reclassification to non-current assets held for sale **		1,132	16,499	10,510		28,142
Carrying value 31 December 2014	**72**	**52,196**	**893,057**	**11,930**	**25,928**	**983,183**

* Finnlines sold the vessels MS Finnhansa and MS Finnarrow during the reporting period 2014.

** Finnlines negotiated a sale of one vessel, with book value of EUR 5.2 million, and assets concerning Port Operations, with book value of EUR 15.1 million. No impairment was made to the book values of these assets in 2014, as according to management's estimate, the fair value of the assets classified as held for sale was higher than the book value at the balance sheet date 31 December 2014.

FAIR VALUE HIERARCHY OF FINANCIAL INSTRUMENTS

Level 1 - Quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2 - Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices).

The Group has loans from financial institutions and pension loans belonging to level 2. There is no material difference between carrying values and fair values of these instruments.

Level 3 - Inputs for the asset or liability that are not based on observable market data (unobservable inputs).

Level 3 includes unlisted shares amounting to EUR 4.6 million (4.6 in 2014), which are valued at the lower of acquisition cost or probable value, as their fair value cannot be reliably measured.

CONTINGENCIES AND COMMITMENTS

EUR 1,000	31 Dec 2015	31 Dec 2014
Minimum leases payable in relation to fixed-term leases:		
Vessel leases (Group as lessee):		
Within 12 months	**58**	11,409
1-5 years		
	58	**11,409**
Vessel leases (Group as lessor)*:		
Within 12 months	**2,105**	0
1-5 years	**6,841**	0
	8,946	**0**
Other leases (Group as lessee):		
Within 12 months	**6,015**	6,366
1-5 years	**13,788**	17,128
After five years	**7,795**	9,274
	27,598	**32,768**
Other leases (Group as lessor):		
Within 12 months		250
		250
Collateral given		
Loans from financial institutions	**402,941**	477,054
Vessel mortgages provided as guarantees for the above loans	**973,000**	1,035,000
Other collateral given on own behalf		
Corporate mortgages	**1,700**	
	1,700	**0**
Other obligations **	**36,143**	35,453
VAT adjustment liability related to real estate investments	**4,026**	5,322

* A long-term bareboat agreement was terminated on 17.12.2014 due to the sale of the vessel, and another bareboat agreement was made during the first quarter of 2015.

** Includes scrubber system, reblading obligations and vessel investments.

REVENUE AND RESULT BY QUARTER

MEUR	Q1/15	Q1/14	Q2/15	Q2/14	Q3/15	Q3/14	Q4/15	Q4/14
Shipping and sea transport services	112.9	122.8	130.2	139.1	133.4	140.0	116.4	115.4
Port operations	8.3	10.0	9.7	10.2	8.9	8.5	9.0	8.2
Intra-group revenue	-4.4	-6.0	-4.6	-5.9	-4.1	-4.8	-4.5	-4.6
External sales	**116.8**	**126.8**	**135.2**	**143.3**	**138.2**	**143.7**	**120.9**	**119.1**
Result before interest and taxes								
Shipping and sea transport services	5.0	7.3	20.2	20.4	29.0	22.1	18.1	11.9
Port operations	-1.1	-1.8	-0.1	-0.6	0.1	0.7	-0.8	-1.4
Result before interest and taxes (EBIT) total	**3.9**	**5.4**	**20.1**	**19.8**	**29.0**	**22.8**	**17.3**	**10.5**
Financial items	-4.3	-5.8	-4.8	-5.7	-4.4	-5.3	-3.7	-5.1
Result before taxes (EBT)	**-0.4**	**-0.4**	**15.3**	**14.1**	**24.7**	**17.5**	**13.6**	**5.4**
Income taxes	1.0	0.7	0.5	0.6	0	0.6	2.1	3.2
Result for the reporting period	**0.6**	**0.3**	**15.8**	**14.7**	**24.7**	**18.1**	**15.7**	**8.5**
EPS (undiluted / diluted)	0.01	0.01	0.31	0.29	0.48	0.35	0.31	0.17

SHARES, MARKET CAPITALISATION AND TRADING INFORMATION

	31 Dec 2015	31 Dec 2014
Number of shares	**51,503,141**	51,503,141
Market capitalisation, EUR million	**911.6**	824.1

	1-12 2015	1-12 2014
Number of shares traded, million	**7.1**	5.1

	1-12 2015			
	High	Low	Average	Close
Share price	18.00	14.34	17.65	17.70

EVENTS AFTER THE REPORTING PERIOD

In January 2016, Finnlines acquired two ro-ro vessels in accordance with the purchase agreement signed earlier. The vessels were put into Finnlines' liner services in early 2016.

On 3 February 2016, the Grimaldi Group notified Finnlines of its redemption rights on the remaining Finnlines shares, for which it offers EUR 17.80 per share in the redemption proceedings. To implement the redemption of the shares the Grimaldi Group will initiate arbitration proceedings as provided in the Finnish Companies Act.

CALCULATION OF RATIOS

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

Income tax expense is recognised based on the best estimate of the weighted-average annual income tax rate expected for the full financial year. In January 2013, the shipping operations of Finnlines Plc transferred to tonnage-based taxation.

At the end of January 2014, Finnlines Deutschland GmbH transferred from tonnage-based taxation to business taxation. The company entered into business taxation as from 1 February 2014.

RELATED PARTY TRANSACTIONS

MS Finneagle was chartered out to the Grimaldi Group during the fourth quarter of 2015.

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