

# TALLINK GRUPP IS THE LEADING SHORT CRUISE AND FERRY OPERATOR

GROUP OF STRONG BRANDS



OVERNIGHT CRUISE & PASSENGER TRANSPORTATION



ONBOARD TAX-FREE SHOPPING & CATERING



LEISURE & CITY BREAK



5 HOTELS



CARGO TRANSPORTATION



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## STRATEGIC PLAN

Tallink's vision is to be the market pioneer in Europe by offering excellence in leisure and business travel and sea transportation services

**Long term objectives toward increasing the company value and profitability:**

- Strive for the highest level of customer satisfaction
- Increase volumes and strengthen the leading position on our home markets
- Develop a wide range of quality services directed to different customers and pursue new growth opportunities
- Ensure cost efficient operations
- Manage the optimal debt level that will allow sustainable dividends

Current focus is on core operations to realize past investments. Along with the optimal fleet deployment the emphasis is on the profitability improvement and deleveraging.

**Current strategic cornerstones and competitive advantages:**

- MOST MODERN FLEET**
- WIDE ROUTE NETWORK**
- STRONG MARKET SHARE & BRAND AWARENESS**
- HIGH SAFETY LEVEL & ENVIRONMENTAL STANDARDS**

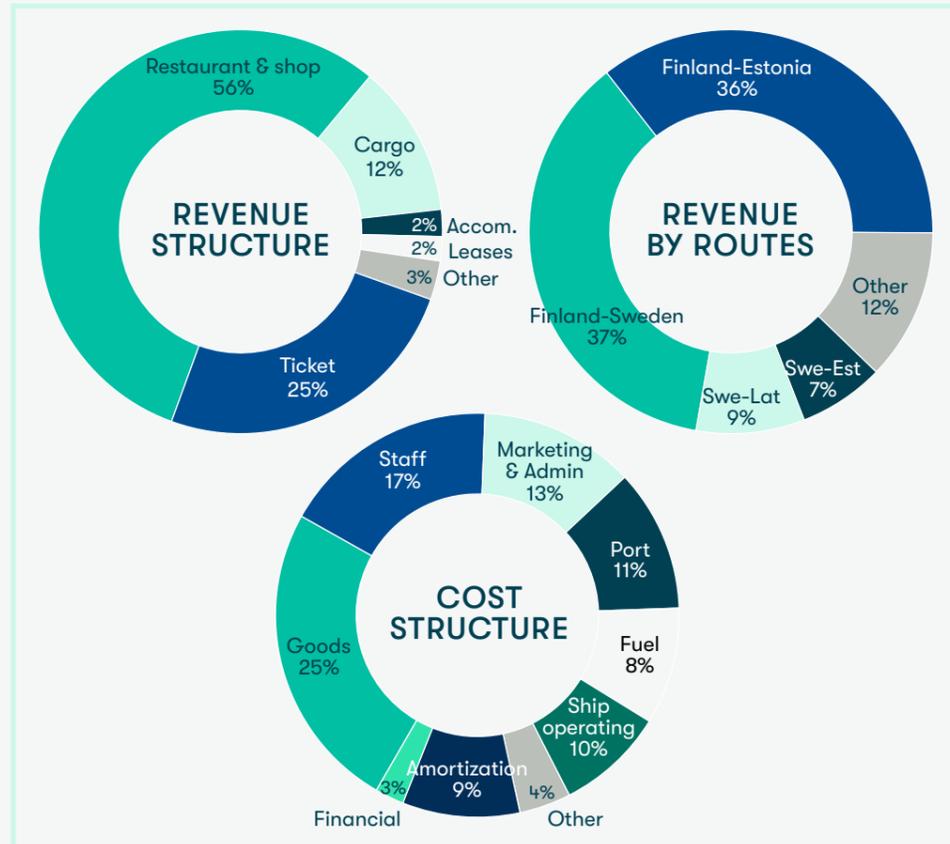
## KEY INFORMATION 2017

Passengers transported	9 755 720	P/E	18
Sales	967 mil EUR	ROA	4.3%
EBITDA	158 mil EUR	ROE	5.7%
Net Profit	46 mil EUR	Equity Ratio	54%
Average number of employees	7 406	EBITDA Margin	16%
EPS	0.069	Book value per share	1.25 EUR

## WE OPERATE 7 ROUTES



THE PASSENGER MARKET SHARE OF TALLINK GRUPP IS 47% IN THE NORTHERN BALTIC SEA



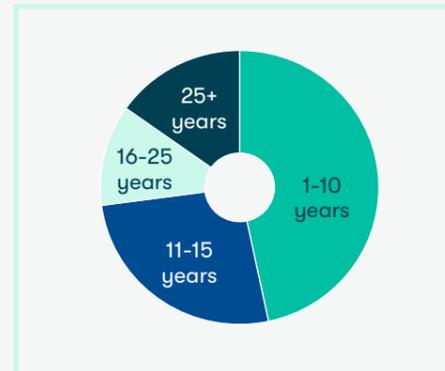
## HISTORY



## OUR FLEET CONSISTS OF 14 ICE CLASS SHIPS AND HAS A VALUE OF EUR 1.5 BILLION

<b>Megastar</b> Built: 2017 Length: 212 m Passengers: 2800 Lanemeters: 3600 Tallinn-Helsinki	<b>Baltic Queen</b> Built: 2009 Length: 212m Passengers: 2800 Lanemeters: 1130 Tallinn-Stockholm	<b>Galaxy</b> Built: 2006 Length: 212m Passengers: 2800 Lanemeters: 1130 Turku-Stockholm	<b>Silja Europa</b> Built: 1993 Length: 202m Passengers: 3123 Lanemeters: 932 Tallinn-Helsinki	<b>Isabelle</b> Built: 1989 Length: 171m Passengers: 2480 Lanemeters: 850 Riga-Stockholm
<b>Star</b> Built: 2007 Length: 186 m Passengers: 2080 Lanemeters: 2000 Tallinn-Helsinki	<b>Victoria I</b> Built: 2004 Length: 193m Passengers: 2500 Lanemeters: 1030 Tallinn-Stockholm	<b>Silja Symphony</b> Built: 1991 Length: 203m Passengers: 2852 Lanemeters: 950 Helsinki-Stockholm	<b>Regal Star</b> Built: 1999 Length: 157m Passengers: 80 Lanemeters: 2087 Paldiski-Kapellskär	<b>Atlantic Vision</b> Built: 2002 Length: 203.3m Passengers: 728 Lanemeters: 1900 Chartered out
<b>Baltic Princess</b> Built: 2008 Length: 212m Passengers: 2800 Lanemeters: 1130 Turku-Stockholm	<b>Romantika</b> Built: 2002 Length: 193m Passengers: 2500 Lanemeters: 1030 Riga-Stockholm	<b>Silja Serenade</b> Built: 1990 Length: 203m Passengers: 2852 Lanemeters: 950 Helsinki-Stockholm	<b>Sea Wind</b> Built: 1972 Length: 155.0m Passengers: 260 Lanemeters: 1100 Tallinn-Helsinki	

## AGE OF FLEET BY VALUE

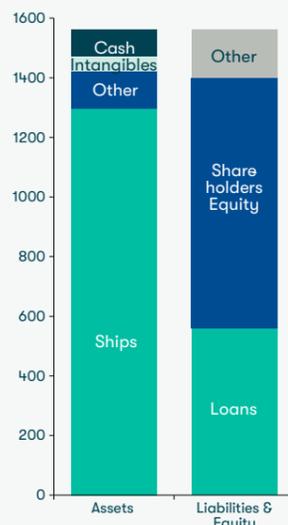


## WE OPERATE 5 HOTELS (1300 ROOMS)

<b>Tallink City</b> Rooms: 332 Conference Nightclub Tallinn	<b>Pirita Top Spa</b> Rooms: 267 Wellness & MediSPA National Heritage Tallinn
<b>Tallink Spa &amp; Conference</b> Rooms: 275 Aqua Spa Tallinn	<b>Tallink Express</b> Rooms: 163 Resto & Bar Tempo Tallinn
<b>Tallink Hotel Riga</b> Rooms: 256 Conference GYM Riga	<b>30% of the hotel guests arrive with Tallink ships</b>

## FINANCIALS

Million EUR	2015	2016	2017
Revenue	945	938	967
Cost of sales	722	745	772
Marketing & GA expenses	111	123	125
EBITDA	181	149	158
EBITDA margin	19%	16%	16%
Net Profit	59	44	46
Cash flow from operations	192	147	136
Investments	44	68	219
Loan repayments	198	4	-6
Dividends	13	54	20
Cash position	82	79	89
Total assets	1 539	1 539	1 559
Ships	1 270	1 235	1 296
Interest bearing loans	549	559	561
Shareholders' equity	821	810	836



## OUR POSITION IN THE WORLD

### FERRY OPERATOR BY GROSS TONS

Rank	Company	Gross tons
1	Stena Line	1 064 790
2	Grimaldi Lines	701 340
3	Tallink	512 817
4	DFDS Seaways	438 479
5	P&O Ferries	409 659

### FERRY OPERATOR BY BEDS

Rank	Company	Beds
1	Tallink	24 821
2	Stena Line	16 985
3	Viking Line	14 026
4	Grand Navi Veloci	13 328
5	Corsica ferries	11 676

### FERRY OPERATOR BY REVENUES (EUR MILLION)

Rank	Company	Revenue
1	DFDS Group	1 925
2	Stena Line	1 322
3	Tallink	967
4	Finnlines	536
5	Viking Line	523

### THE WORLD'S TOP DUTY FREE & TRAVEL RETAIL SHOPS 2016

Rank	Location	Country	Channel
1	SEOUL - Incheon Int'l Airport	South Korea	Airport Shops
2	DUBAI - Dubai International Airport	UAE	Airport Shops
3	SINGAPORE - Changi Airport	Singapore	Airport Shops
4	LONDON - Heathrow Airport	UK	Airport Shops
5	BANGKOK - Suvarnabhumi Airport	Thailand	Airport Shops
6	HONG KONG - International Airport	Hong Kong	Airport Shops
7	SHANGHAI - Pudong Airport	China	Airport Shops
8	TOKYO - Narita Airport	Japan	Airport Shops
9	BEIJING - Capital Airport	China	Airport Shops
10	PARIS - Charles de Gaulle Airport	France	Airport Shops
11	FRANKFURT - Frankfurt-Main Airport	Germany	Airport Shops
12	TALLINK/SILJA LINE - All Routes	Estonia	Ferries
13	TAIPEI - Taoyuan International Airport	Taiwan	Airport Shops
14	AMSTERDAM - Schiphol Airport	Netherlands	Airport Shops
15	ISTANBUL - Atatürk Airport	Turkey	Airport Shops

Source: ShipPax MARKET: 17, Company reports

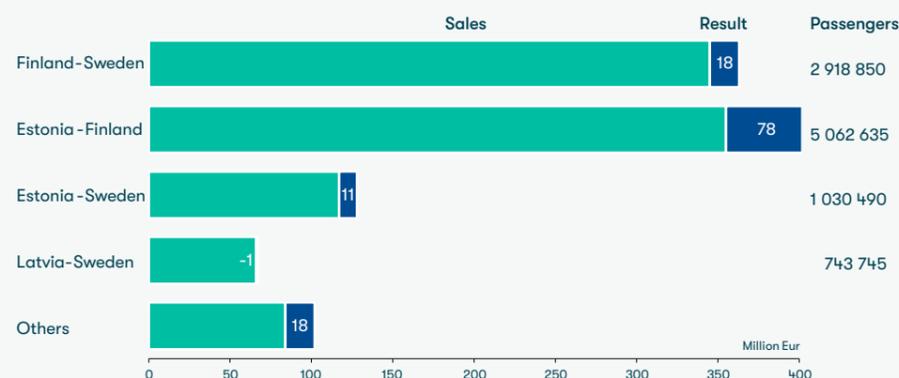
Source: Generation Research 2017

## SHARE PRICE DEVELOPMENT



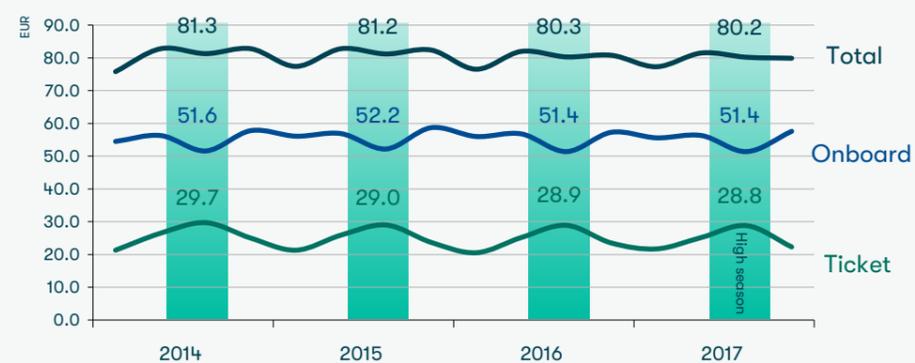
TALLINK HAS BEEN A LEADING STOCK ON THE BALTIC MARKET IN LIQUIDITY, MARKET CAPITALIZATION AND HAS A RETAIL SHAREHOLDER BASE AROUND 11 000 SHAREHOLDERS

## SEGMENT RESULT BY ROUTES 2017



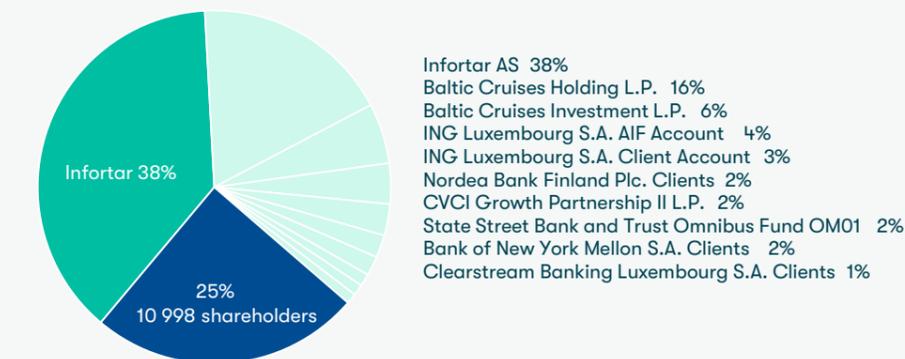
THE SEGMENT RESULT IS THE RESULT BEFORE ADMINISTRATIVE EXPENSES, FINANCIAL EXPENSES AND TAXES

## PASSENGER REVENUE



QUARTERLY PASSENGER SPENDING, HIGHS AND LOWS

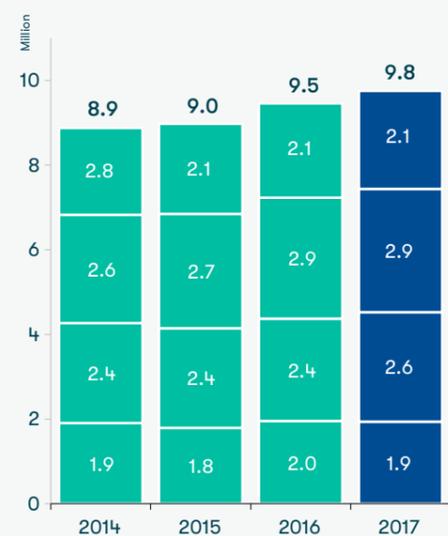
## OWNERSHIP & MANAGEMENT



Paavo Nõgene  
Andres Hunt  
Janek Stalmeister  
Lembit Kitter

Chairman of the Management Board, CEO  
Member of the Management Board  
Member of the Management Board  
Member of the Management Board

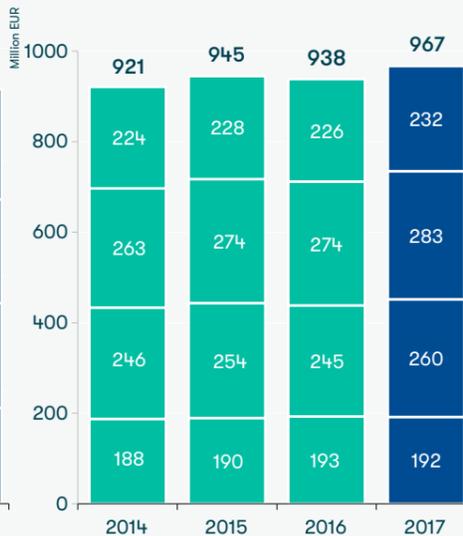
## PASSENGERS



## CARGO UNITS



## REVENUE



## EBITDA



## QUARTERLY SEASONALITY



TYPICAL TO THE TALLINK BUSINESS MODEL IS THAT MOST OF THE RESULT IS MADE IN THE SUMMER HIGH SEASON