

Q2 2019

TALLINK GRUPP AS



Beginning of the financial year	1 January 2019
End of the financial year	31 December 2019
Interim reporting period	1 April 2019 – 30 June 2019

CONTENTS

MANAGEMENT REPORT.....	3
MANAGEMENT BOARD'S CONFIRMATION	17
UNAUDITED CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS.....	18
Consolidated statement of profit or loss and other comprehensive income	18
Consolidated statement of financial position	19
Consolidated statement of cash flows	20
Consolidated statement of changes in equity	21
NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS.....	22
Note 1 Corporate information.....	22
Note 2 Basis of preparation	22
Note 3 Segment information.....	23
Note 4 Financial items	25
Note 5 Earnings per share	25
Note 6 Property, plant and equipment	26
Note 7 Intangible assets	27
Note 8 Interest-bearing loans and borrowings.....	27
Note 9 Share capital.....	28
Note 10 Dividends.....	28
Note 11 Related party disclosures	29
STATEMENT BY THE MANAGEMENT BOARD	30
ALTERNATIVE PERFORMANCE MEASURES	31
CONTACT INFORMATION	34

MANAGEMENT REPORT

In the second quarter (1 April - 30 June) of the 2019 financial year Tallink Grupp AS and its subsidiaries (the Group) carried 2.7 million passengers, which is 0.8% more than in the second quarter last year. The Group's unaudited revenue for the second quarter increased by 0.3% to a total of EUR 256.1 million. Unaudited EBITDA for the second quarter was EUR 50.7 million (EUR 43.5 million in Q2 2018) and unaudited net profit was EUR 14.9 million (net profit of EUR 15.3 million in Q2 2018).

In the second quarter, the Group's revenue and operating result were impacted by the following operational factors:

- The number of passengers travelling on the Group's ships increased in almost all geographical segments (Estonia-Finland, Finland-Sweden and Latvia-Sweden).
- The competition on the maritime traffic between Estonia and Finland puts pressure on ticket prices.
- In 2019 the Easter holidays, when traffic volumes usually increase, were in April, last year the holidays were in March.

Sales and segments

In the second quarter of 2019, the Group's total revenue increased by EUR 0.7 million and amounted to EUR 256.1 million. The revenue in the second quarter of 2018 and 2017 was EUR 255.4 and EUR 259.9 million, respectively.

- The total revenue from the shipping operations in the Baltic Sea (core business) increased by 0.5% or EUR 1.3 million to 235.8 million.
- The revenue from the other segment, including intra-group eliminations, decreased by a total of EUR 0.6 million and amounted to EUR 20.3 million. The decrease was driven largely by lower accommodation sales resulting from the ceased operations of Tallink Pirita Spa Hotel in Tallinn from November 2018 due to sale of the hotel property by its owner.

In the second quarter of 2019, The Group's ships carried a total of 1.4 million passengers on the **Estonia–Finland** routes, which is a 0.5% increase compared to last year. The number of transported cargo units on the routes decreased by 0.8%. On the Tallinn – Helsinki route, added capacity by competitors further increased pressure on ticket prices. The Estonia-Finland segment revenue decreased by EUR 1.3 million and amounted to EUR 94.9 million. The segment result increased by EUR 0.5 million and amounted to EUR 21.5 million.

Number of passengers carried by the Group's ships in Q2

2.7 million

The Group's unaudited consolidated Q2 revenue

EUR **256.1** million



The **Finland-Sweden** routes' revenue increased by EUR 1.0 million and amounted to EUR 89.6 million. The segment result of Finland-Sweden routes increased by 29.1% or EUR 2.1 million, supported by an increase in the number of carried passengers and transported cargo units.

While the number of passengers carried on the **Estonia-Sweden** routes decreased by 3.0% and the number of transported cargo units decreased by 10.4%, the routes' revenue decreased only by 0.8% or EUR 0.3 million and amounted to EUR 31.3 million.

The **Latvia-Sweden** route's revenue increased by EUR 1.8 million, which is a 9.9% increase compared to last year. The positive development of the route's passenger and cargo carriage volumes continued in the second quarter of the 2019 financial year, which resulted in a 5.2% increase in the number of carried passengers and a 7.4% increase in transported cargo units.

Earnings

In the second quarter of 2019, the Group's gross profit increased by EUR 3.6 million compared to the same period last year, amounting to EUR 60.6 million. Second quarter EBITDA increased by EUR 7.2 million and amounted to EUR 50.7 million, second quarter comparable EBITDA, i.e. without IFRS 16 adoption effect, increased by EUR 3.0 million compared to the same period last year and was EUR 46.5 million.

The Group's second quarter result was impacted positively by lower fuel cost resulting from agreements with the fuel suppliers to fix the price for 41% of total fuel purchasing volume for the 2019 financial year and from savings on total fuel consumption, through various energy efficiency initiatives.

Amortisation and depreciation expense increased by EUR 3.6 million to EUR 23.3 million compared to the second quarter of 2018. The increase was mainly a result of the IFRS 16 adoption effect in the amount of EUR 3.7 million.

Net finance costs decreased by EUR 0.6 million compared to the second quarter last year. The change includes a decline of EUR 1.3 million in interest costs compared to same period the previous year and EUR 150 thousand less profit from foreign exchange differences and the revaluation of cross currency and interest rate derivatives. In addition, in Q2 there is EUR 0.6 million interest expense from right-of-use assets liabilities (IFRS 16 adoption effect).

Second quarter profit before income tax increased by 22.0% or EUR 4.1 million compared to the same period last year and amounted to EUR 23.0 million.



Net profit for the second quarter of 2019 was impacted by the higher income tax, which was related to increase in dividends compared to last year.

The Group's unaudited net profit for the second quarter of 2019 was EUR 14.9 million or EUR 0.022 per share compared to a net profit of EUR 15.3 million or EUR 0.023 per share in the second quarter of 2018 and compared to a net profit of EUR 17.9 million or EUR 0.027 per share in the second quarter of 2017.

Results of the first 6 months of 2019

In the first 6 months (1 January – 30 June) of the 2019 financial year the Group carried 4.5 million passengers which is 1.2% less compared to the same period last year. The Group's unaudited revenue for the period decreased by 1.0% and was EUR 435.0 million. Unaudited EBITDA for the first 6 months was EUR 54.5 million (EUR 47.7 million, 6M 2018) and unaudited net loss was EUR 10.4 million (EUR 4.3 million, 6M 2018 net loss).

The financial result of the first 6 months of 2019 was impacted by following factors:

- Planned dockings of seven ships in the first quarter resulted in 50 trips less compared to last year. Among other ships, the maintenance and repair of the cruise ferry Baltic Queen lasted for 42 days, which affected the Estonia-Sweden segment's carriage volumes and financial result.
- High competition on the maritime traffic between Estonia and Finland, which puts pressure on ticket prices.

Investments

In the second quarter of 2019 financial year the Group's investments amounted to EUR 18.5 million, which included a prepayment for the new ship in the amount on EUR 12.4 million.

Investments were also made to the ships' technical maintenance and innovative energy efficiency solutions as well as to the development of the online booking and sales systems.

Dividends

In May 2019 the shareholders' annual general meeting decided to pay a dividend of EUR 0.05 per share from net profit for 2018. The total dividend amount of EUR 33.5 million was paid out on 03 July 2019 (third quarter). In addition, to improve the Company's capital structure, the shareholders' annual general meeting decided to reduce the Company's share capital by EUR 0.07 per share or by EUR 46.9 million, which is expected to be paid in December 2019. The list of entitled shareholders was fixed on 20 June 2019.



Financial position

In the second quarter, the Group's net debt decreased by EUR 19.7 million to EUR 537.1 million and the net debt to EBITDA ratio was 3.6 at the reporting date.

At the end of the second quarter, total liquidity (cash, cash equivalents and unused credit facilities) amounted to EUR 123.1 million (EUR 165.4 million at 30 June 2018) providing a strong financial position for sustainable operations.

At 30 June 2019, the Group's cash and cash equivalents amounted to EUR 67.1 million (EUR 90.4 million at 30 June 2018) and the Group had EUR 56.0 million in unused credit lines (EUR 75.0 million at 30 June 2018).

Key figures

For the period	Q2 2019	Q2 2018	Change %
Revenue (million euros)	256.1	255.4	0.3%
Gross profit (million euros)	60.6	57.1	6.1%
EBITDA ¹ (million euros)	50.7	43.5	16.6%
EBITDA adjusted ² (million euros)	46.5	43.5	6.8%
EBIT ¹ (million euros)	27.4	23.8	15.1%
Net profit for the period (million euros)	14.9	15.3	-2.6%
Depreciation and amortisation ³ (million euros)	23.3	19.7	18.5%
Capital expenditures ^{1 5} (million euros)	18.5	6.4	
Weighted average number of ordinary shares outstanding	669 882 040	669 882 040	0.0%
Earnings per share ¹	0.022	0.023	-2.6%
Number of passengers ¹	2 651 843	2 631 326	0.8%
Number of cargo units ¹	99 546	101 072	-1.5%
Average number of employees ¹	7 363	7 611	-3.3%
As at	30.06.19	31.03.19	Change %
Total assets ³ (million euros)	1 609.9	1 572.3	2.4%
Total liabilities (million euros)	800.0	744.0	7.5%
Interest-bearing liabilities ⁴ (million euros)	604.2	604.6	-0.1%
Net debt ¹ (million euros)	537.1	556.8	-3.5%
Net debt to EBITDA ¹	3.6	3.9	-8.2%
Total equity (million euros)	809.9	828.3	-2.2%
Equity ratio ¹ (%)	50.3%	52.7%	
Number of ordinary shares outstanding	669 882 040	669 882 040	0.0%
Equity per share ¹	1.21	1.24	-2.2%
Ratios¹	Q2 2019	Q2 2018	
Gross margin (%)	23.7%	22.3%	
EBITDA margin (%)	19.8%	17.0%	
EBITDA margin adjusted ² (%)	18.1%	17.0%	
EBIT margin (%)	10.7%	9.3%	
Net profit margin (%)	5.8%	6.0%	
ROA (%)	4.0%	4.2%	
ROE (%)	4.1%	5.5%	
ROCE (%)	4.9%	5.3%	

¹ Alternative performance measures based on ESMA guidelines are disclosed in the Alternative Performance Measures section of this Interim Report.

² Comparable EBITDA for Q2 2019 without IFRS 16 adoption effect.

³ Please see note 6 for IFRS 16 adoption effect on assets.

⁴ Please see note 8 for IFRS 16 adoption effect on interest-bearing liabilities.

⁵ Does not include additions to right-of-use assets.

Sales & results by segments

The following tables provide an overview of the quarterly sales and result development by geographical segments.

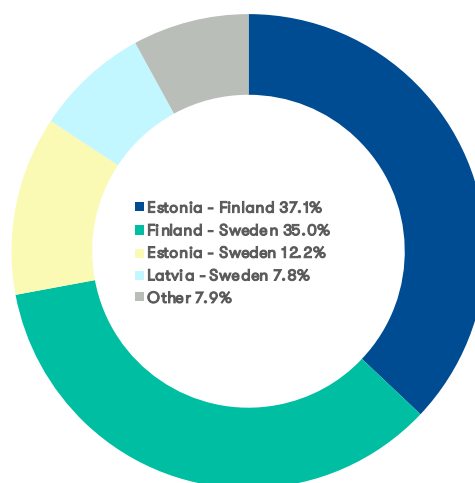
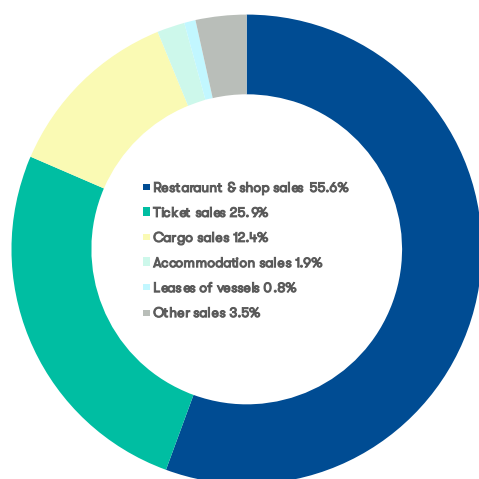
		Q2 2018	Q3 2018	Q4 2018	Q1 2019	Q2 2019	Q2 Change
Estonia - Finland	Passengers (thousands)	1 379	1 503	1 173	997	1 385	0.5%
	Cargo units (thousands)	65	61	62	60	64	-0.8%
	Revenue (million euros)	96.2	100.8	86.6	70.4	94.9	-1.3%
	Segment result ¹ (million euros)	21.0	31.3	19.3	6.9	21.5	2.4%
Finland - Sweden	Passengers (thousands)	761	883	679	565	772	1.5%
	Cargo units (thousands)	20	18	21	20	20	0.4%
	Revenue (million euros)	88.6	103.9	82.3	67.9	89.6	1.1%
	Segment result ¹ (million euros)	7.2	15.8	-1.3	-5.0	9.3	29.1%
Estonia - Sweden	Passengers (thousands)	280	306	222	156	271	-3.0%
	Cargo units (thousands)	13	11	12	10	12	-10.4%
	Revenue (million euros)	31.5	36.1	26.9	18.6	31.3	-0.8%
	Segment result ¹ (million euros)	2.5	6.3	-1.1	-4.6	2.3	-6.1%
Latvia - Sweden	Passengers (thousands)	212	255	173	138	223	5.2%
	Cargo units (thousands)	4	4	4	4	4	7.4%
	Revenue (million euros)	18.2	23.8	16.2	12.6	20.0	9.9%
	Segment result ¹ (million euros)	-0.9	4.4	-0.3	-4.0	0.3	132.9%
Other	Revenue (million euros)	23.3	22.0	16.4	10.7	22.2	-5.0%
	Segment result ¹ (million euros)	6.9	4.7	1.4	0.2	8.0	15.4%
	Intersegment revenue (million euros)	-2.5	-2.9	-1.8	-1.3	-1.9	23.8%
	Total revenue (million euros)	255.4	283.6	226.6	178.9	256.1	0.3%
	EBITDA (million euros)	43.5	71.1	24.0	3.8	50.7	16.6%
	Total segment result ¹ (million euros)	36.7	62.5	17.9	-6.5	41.4	12.8%
	Net profit/loss	15.3	46.1	-1.8	-25.3	14.9	-2.7%

¹ Segment result is the result before administrative expenses, finance costs and taxes.

The following tables provide an overview of the quarterly sales development by operating segments:

Revenue (million euros)	Q2 2018	Q3 2018	Q4 2018	Q1 2019	Q2 2019	Q2 Change
Restaurant and shop sales on-board and onshore	141.0	148.3	130.1	103.1	142.3	1.0%
Ticket sales	64.3	87.5	51.8	37.2	66.2	3.0%
Sales of cargo transportation	32.8	30.7	32.2	29.6	31.7	-3.4%
Accommodation sales	5.3	6.8	3.7	2.3	4.8	-9.3%
Income from charter of vessels	2.0	2.0	2.0	2.0	2.0	0.0%
Other sales	10.0	8.3	6.7	4.7	9.0	-10.1%
Total revenue	255.4	283.6	226.6	178.9	256.1	0.3%

The following charts provide an overview of the Group's second quarter sales by operational and geographical segments.



Market developments

The following table provides an overview of the passengers, cargo units and passenger vehicles transported during the second quarter of 2019 and 2018.

Passengers	Q2 2019	Q2 2018	Change	Jan-Jun 2019	Jan-Jun 2018	Change
Estonia - Finland	1 385 108	1 378 594	0.5%	2 382 090	2 403 630	-0.9%
Finland - Sweden	771 894	760 584	1.5%	1 336 896	1 283 529	4.2%
Estonia - Sweden	271 407	279 699	-3.0%	426 923	506 978	-15.8%
Latvia - Sweden	223 434	212 449	5.2%	361 706	367 638	-1.6%
Total	2 651 843	2 631 326	0.8%	4 507 615	4 561 775	-1.2%

Cargo units	Q2 2019	Q2 2018	Change	Jan-Jun 2019	Jan-Jun 2018	Change
Estonia - Finland	63 995	64 538	-0.8%	123 761	122 914	0.7%
Finland - Sweden	19 814	19 744	0.4%	39 475	35 889	10.0%
Estonia - Sweden	11 522	12 866	-10.4%	21 160	25 124	-15.8%
Latvia - Sweden	4 215	3 924	7.4%	8 264	7 832	5.5%
Total	99 546	101 072	-1.5%	192 660	191 759	0.5%

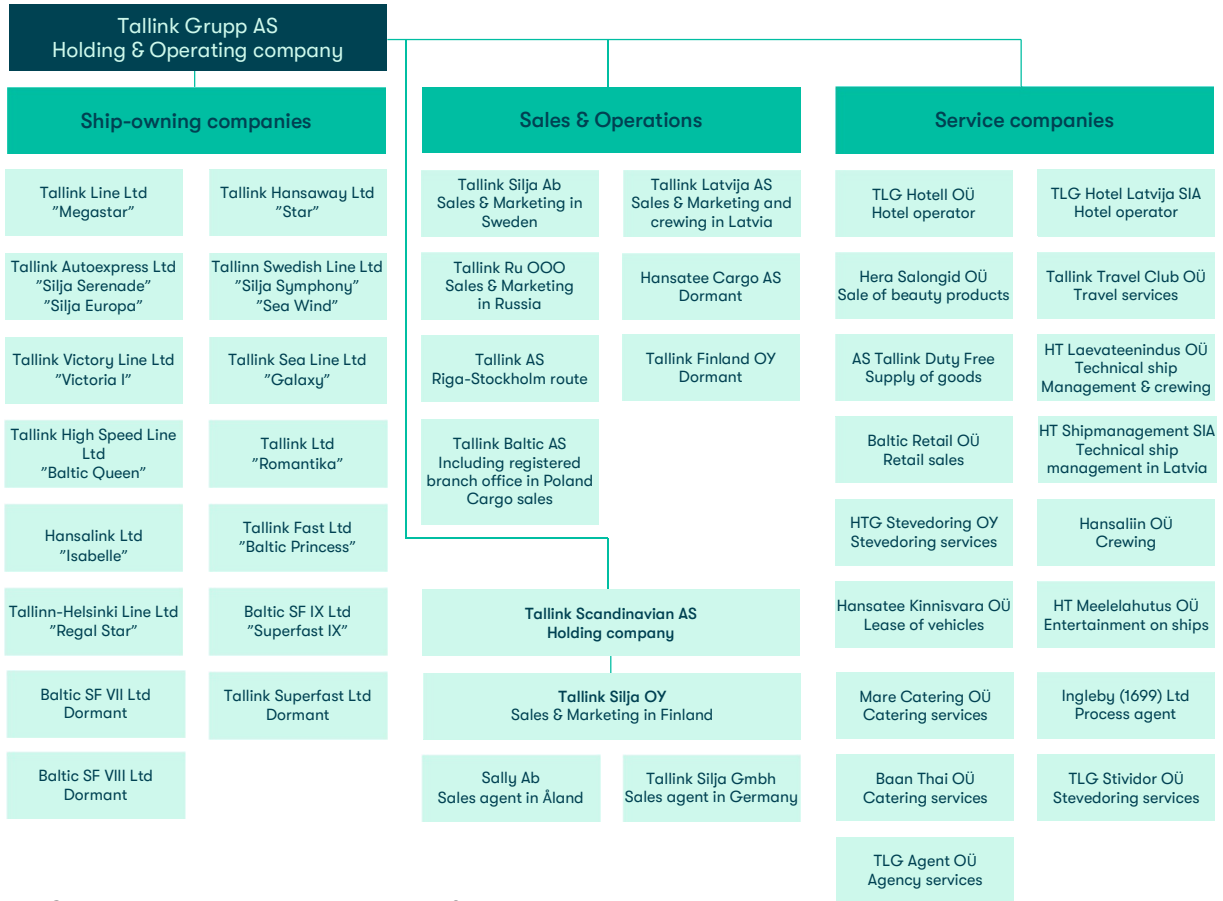
Passenger vehicles	Q2 2019	Q2 2018	Change	Jan-Jun 2019	Jan-Jun 2018	Change
Estonia - Finland	223 485	231 719	-3.6%	394 996	405 829	-2.7%
Finland - Sweden	43 093	42 548	1.3%	62 531	60 767	2.9%
Estonia - Sweden	16 899	17 989	-6.1%	27 268	32 485	-16.1%
Latvia - Sweden	16 000	19 084	-16.2%	28 769	34 629	-16.9%
Total	299 477	311 340	-3.8%	513 564	533 710	-3.8%

The Group's market shares on the routes operated during the 12-month period ended 30 June 2019 were as follows:

- the Group carried approximately 57% of the passengers and 64% of the ro-ro cargo on the route between Tallinn and Helsinki;
- the Group carried approximately 54% of the passengers and 28% of the ro-ro cargo on the routes between Finland and Sweden;
- the Group was the only provider of daily passenger transportation between Estonia and Sweden;
- the Group was the only provider of daily passenger and ro-ro cargo transportation between Riga and Stockholm.

Group structure

At the reporting date, the Group consisted of 44 companies. All subsidiaries are wholly owned by Tallink Grupp AS. The following diagram represents the Group's structure at the reporting date:



The Group also owns 34% of Tallink Takso AS.

Personnel

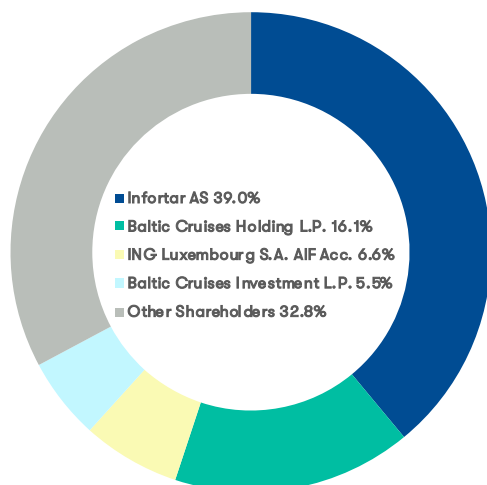
At 30 June 2019, the Group had 7 704 employees (7 893 at 30 June 2018). The following table provides a more detailed overview of the Group's personnel.

	Average of Q2			Average of Jan-Jun			End of Q2		
	2019	2018	Change	2019	2018	Change	2019	2018	Change
Onshore total	1 691	1 690	0.1%	1 658	1 661	-0.2%	1 707	1 709	-0.1%
Estonia	1 000	928	7.8%	971	919	5.7%	1 008	931	8.3%
Finland	455	502	-9.4%	446	485	-8.0%	465	519	-10.4%
Sweden	151	168	-10.1%	155	167	-7.2%	147	165	-10.9%
Latvia	67	74	-9.5%	68	72	-5.6%	69	76	-9.2%
Russia	12	12	0.0%	12	12	0.0%	12	12	0.0%
Germany	6	6	0.0%	6	6	0.0%	6	6	0.0%
Onboard	5 142	5 279	-2.6%	5 059	5 146	-1.7%	5 430	5 486	-1.0%
Hotel ¹	530	642	-17.4%	513	622	-17.5%	567	698	-18.8%
Total	7 363	7 611	-3.3%	7 230	7 429	-2.7%	7 704	7 893	-2.4%

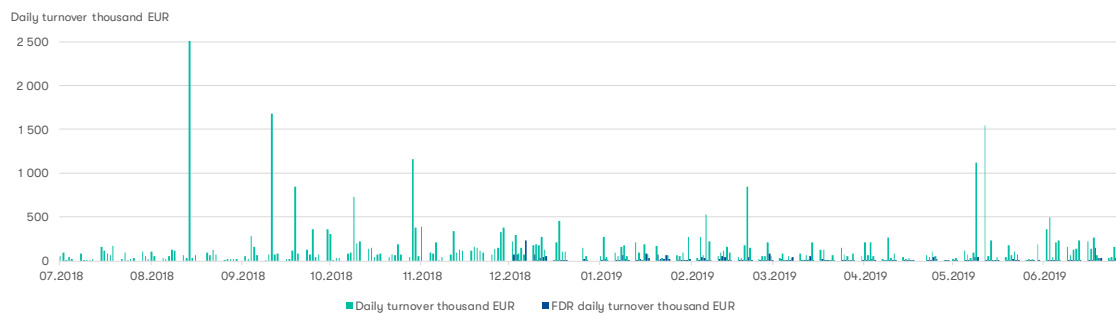
¹ The number of hotel personnel is not included in the total number of onshore personnel.

Shareholders & share price development

The following chart displays the shareholder structure of Tallink Grupp AS as at 30 June 2019.



The shares of Tallink Grupp AS have been listed on the Nasdaq Tallinn stock exchange since 9 December 2005, where the shares are traded under the ticker symbol TAL1T. Starting from 3 December 2018, the shares of Tallink Grupp AS are listed as Finnish Depository Receipts (FDRs) also on Nasdaq Helsinki stock exchange, where the FDRs are traded under the ticker symbol TALLINK. At the reporting date the closing share price on Nasdaq Baltic was EUR 0.97 and the closing price of the FDR on Nasdaq Helsinki was EUR 0.98. The following charts give an overview of the share and FDR price and turnover developments in the past twelve months.



Key Management Personnel

Supervisory Board

The Supervisory Board of Tallink Grupp AS consists of seven members and includes:

- Mr Enn Pant, Chairman
- Mr Toivo Ninnas
- Ms Eve Pant
- Mr Ain Hanschmidt
- Mr Lauri Kustaa Äimä
- Mr Colin Douglas Clark
- Mr Kalev Järvelill

Management Board

The Management Board of Tallink Grupp AS operates with five members and includes:

- Mr Paavo Nõgene, Chairman
- Mr Lembit Kitter
- Mrs Kadri Land
- Mr Harri Hanschmidt
- Mrs Piret Mürk-Dubout

Economic Environment

The Group considers Finland, Sweden, Estonia and Latvia its home markets as these are the countries to and from the shipping routes are operated. In terms of exposure to economic conditions, the Group is exposed the most to developments in Finland as nearly half of the passenger originate from that country. Exposure is also high to economic developments in Estonia (19% of total passengers in 2018) and Sweden (11%). The number of passengers from Latvia accounted for 5% of the total passengers in 2018 while the remaining 19% came from the rest of the world, mainly Europe.

There is no data yet available for the GDP for the second quarter of 2019, however, the apparent census of various sources for full year of 2019 has projected the real GDP growth rates to slow relative to 2018 for all the home markets. The first half-year's business confidence developments across all home markets corroborate such expectations.

Further, the GDP growth rates of the first quarter of 2019 were in-line with the annual expectations in Sweden and Latvia. The growth pace in Finland was even slower relative to the full year consensus estimates. In Estonia, however, the first quarter GDP growth rate was ahead of the expected pace for the full year.

According to the OECD data, the business confidence continued to decline across all of the home markets also throughout the second quarter of 2019. For the second quarter in a row, the decline was particularly steep in Estonia. Among the Group's home markets business confidence remained the highest in Latvia with a positive outlook towards the future also still present in Sweden. The indicator implies businesses possessing a pessimistic outlook in Finland and Estonia.

As the first quarter trends suggested the further weakening of the low confidence of Swedish consumers effectively stopped in the second quarter of 2019. However, this was not the case with the Finnish consumers' confidence which continued to plummet also in the second quarter of 2019. The confidence is now clearly below the long-term averages. The long-term data also suggests consumer confidence development being a leading indicator for business confidence in Finland. Thus the short-term outlook for Finnish business confidence is weak.

While the Finnish and Swedish consumers were more wary with their spending in the second quarter due to relatively low confidence the consumer confidence in Estonia and Latvia remained buoyant with consumers more inclined to spend rather than save.

According to Eurostat's harmonised indices of consumer prices in the second quarter of 2019, the price inflation increased relative to the inflation measured in the first quarter of 2019 across all the home markets. The increase in inflation rate was more substantial in Estonia and Latvia while the increase in both Finland and Sweden was marginal. The inflation remained above the ECB target rate of 2% in Estonia and Latvia and below the target in Sweden and Finland.

The labour situation has remained challenging in the first half of the year reflecting the recent low unemployment rates in the home markets, particularly in Estonia. The situation of the Estonian labour market has also contributed to the growing divergence between business and consumer confidence developments, which steepened well in the first half of 2019.

Measured in euros the effective market prices of relevant fuels remained, on average, at comparable levels to the second quarter of 2018. And lastly, the operating environment on the Estonia-Finland route saw an increase in competition with additional departures and capacity introduced during the quarter.

Key risks to the economic environment in all of the home markets have to do with uncertainties from increasing protectionist tendencies (including a potential trade war between China and the US, the UK's withdrawal from the EU) and potential deferral of investments leading to decreasing trade for all of the open economies around the Baltic Sea. Also, global fuel prices are expected to remain volatile due to uncertainties in the global economy and politics.

Events in Q2

Changes in the Management Board

On 22 February 2019, it was announced that the Supervisory Board appointed Mrs Piret Mürk-Dubout as a Member of the Management Board. The mandate of Mrs Mürk-Dubout started on 15 April 2019 and lasts for a period of three years.

Prepayment for the new ship

The first instalment of the prepayment according to the shipbuilding contract to Rauma Marine Constructions in an amount of EUR 12.4 million was made in April 2019.

Dividends and capital reduction

In May 2019 the shareholders' general meeting decided to pay a dividend of EUR 0.05 per share from net profit for 2018. The total dividend in amount of EUR 33.5 million was paid out on 03 July 2019 (third quarter). The dividend related income tax in amount of EUR 8.0 million was recorded in the second quarter. In addition, to improve the Company's capital structure, the shareholders' annual general meeting decided to reduce the Company's share capital by EUR 0.07 per share or by EUR 46.9 million, which is expected to be paid in December 2019.

Events after the reporting period and outlook

Signing of the loan agreement

Tallink Superfast Ltd., a subsidiary of Tallink Grupp AS, and KfW IPEX-Bank GmbH signed a loan agreement in the amount of EUR 197.6 million to finance the new EUR 247 million LNG powered fast ferry currently under construction in Rauma Marine Constructions Oy.

The loan is arranged and long-term financing is provided by KfW IPEX-Bank GmbH. Finnish Export Credit Agency "Finnvera" guarantees 95% of this post-delivery buyer credit.

The loan is secured by the mortgage on the new vessel and the corporate guarantee of Tallink Grupp AS. This OECD-term export credit loan will be drawn on the delivery of the vessel, presumably in the beginning of 2022 and has the final maturity of twelve years from the drawdown.

Contingent risk

In the legal proceedings commenced in 1996 (against S.A. Bureau Veritas and Jos L. Meyer Werft GmbH) the French court (Tribunal de Grande Instance de Nanterre) reached a verdict on 19 July 2019 which found there to be no legal grounds for the claims made against Bureau Veritas, which meant it was unnecessary to adopt any verdicts regarding involved persons. The court decided to order Bureau Veritas to pay Tallink Silja OY a compensation to cover the legal costs. The said compensation has no significant impact on the financial results of the Group.

Earnings

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

Research and development projects

Tallink Grupp AS does not have any substantial ongoing research and development projects. The Group is continuously seeking opportunities for expanding its operations in order to improve the results.

The Group is looking for innovative ways to upgrade our ships and passenger area technology to improve the overall performance of our company through modern solutions. A collaboration with the Tallinn University of Technology (TalTech) was started in the first quarter of 2019 to develop so-called „Smart Car Deck“ solutions for the Group's vessels over the next two years.

In addition to that, the Group is participating in a programme, funded by the European Space Agency, with a goal to develop techniques for autonomous navigation for ships, using a combination of different sensors, machine learning and artificial intelligence.

Risks

The Group's business, financial position and operating results could be materially affected by various risks. These risks are not the only ones we face. 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 developments
- 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

We confirm that to the best of our knowledge, the management report of Tallink Grupp AS for the second quarter of 2019 presents a true and fair view of the Group's development, results and financial position and includes an overview of the main risks and uncertainties.



Paavo Nõgene
Chairman of the Management Board



Lembit Kitter
Member of the Management Board



Kadri Land
Member of the Management Board



Harri Hanschmidt
Member of the Management Board



Piret Mürk-Dubout
Member of the Management Board



Tallinn, 8 August 2019

UNAUDITED CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

Consolidated statement of profit or loss and other comprehensive income

Unaudited, in thousands of EUR	Q2 2019	Q2 2018	Jan-Jun 2019	Jan-Jun 2018
Revenue (Note 3)	256 103	255 409	434 973	439 564
Cost of sales	-195 469	-198 356	-363 840	-368 804
Gross profit	60 634	57 053	71 133	70 760
Sales and marketing expenses	-19 212	-20 329	-36 254	-36 642
Administrative expenses	-14 443	-13 805	-29 511	-26 533
Other operating income	439	954	1 163	1 067
Other operating expenses	-11	-54	-25	-81
Result from operating activities	27 407	23 819	6 506	8 571
Finance income (Note 4)	93	2 880	1 095	5 958
Finance costs (Note 4)	-4 506	-7 844	-9 837	-15 217
Profit/loss before income tax	22 994	18 855	-2 236	-688
Income tax	-8 104	-3 576	-8 129	-3 599
Net profit/loss for the period	14 890	15 279	-10 365	-4 287
Net profit/loss for the period attributable to equity holders of the Parent	14 890	15 279	-10 365	-4 287
Other comprehensive income				
<i>Items that may be reclassified to profit or loss</i>				
Exchange differences on translating foreign operations	257	461	422	393
Other comprehensive income for the period	257	461	422	393
Total comprehensive income/loss for the period	15 147	15 740	-9 943	-3 894
Total comprehensive income/loss for the period attributable to equity holders of the Parent	15 147	15 740	-9 943	-3 894
Earnings per share (in EUR, Note 5)	0.022	0.023	-0.015	-0.006

Consolidated statement of financial position

Unaudited, in thousands of EUR	30.06.2019	30.06.2018	31.12.2018
ASSETS			
Cash and cash equivalents	67 070	90 402	82 175
Trade and other receivables	53 270	56 052	43 805
Prepayments	12 134	14 367	6 084
Prepaid income tax	46	49	46
Inventories	39 326	40 953	35 741
Current assets	171 846	201 823	167 851
Investments in equity-accounted investees	407	403	407
Other financial assets	326	324	320
Deferred income tax assets	17 934	18 718	17 934
Investment property	300	300	300
Property, plant and equipment (Note 6)	1 373 420	1 285 775	1 267 928
Intangible assets (Note 7)	45 640	47 199	46 164
Non-current assets	1 438 027	1 352 719	1 333 053
TOTAL ASSETS	1 609 873	1 554 542	1 500 904
LIABILITIES AND EQUITY			
Interest-bearing loans and borrowings (Note 8)	108 190	163 235	78 658
Trade and other payables	107 626	107 003	100 682
Derivatives	0	28 441	918
Payables to owners	33 496	20 099	2
Income tax liability	8 049	3 562	116
Deferred income	46 635	45 284	32 113
Current liabilities	303 996	367 624	212 489
Interest-bearing loans and borrowings (Note 8)	495 970	374 201	431 477
Other liabilities	0	16	22
Non-current liabilities	495 970	374 217	431 499
Total liabilities	799 966	741 841	643 988
Share capital (Note 9)	361 736	361 736	361 736
Share premium	663	639	662
Reserves	70 893	70 641	69 474
Retained earnings	376 615	379 685	425 044
Equity attributable to equity holders of the Parent	809 907	812 701	856 916
Total equity	809 907	812 701	856 916
TOTAL LIABILITIES AND EQUITY	1 609 873	1 554 542	1 500 904

Consolidated statement of cash flows

Unaudited, in thousands of EUR	Q2 2019	Q2 2018	Jan-Jun 2019	Jan-Jun 2018
CASH FLOWS FROM OPERATING ACTIVITIES				
Net profit/loss for the period	14 890	15 279	-10 365	-4 287
Adjustments	36 133	28 140	65 377	52 543
Changes in:				
Receivables and prepayments related to operating activities	-11 569	-12 513	-15 521	-18 538
Inventories	-3 021	-3 455	-3 585	-278
Liabilities related to operating activities	14 154	19 064	21 704	25 420
Changes in assets and liabilities	-436	3 096	2 598	6 604
Cash generated from operating activities	50 587	46 515	57 610	54 860
Income tax paid	-136	-19	-218	-71
NET CASH FROM OPERATING ACTIVITIES	50 451	46 496	57 392	54 789
CASH FLOWS FROM INVESTING ACTIVITIES				
Purchase of property, plant, equipment and intangible assets (Notes 6, 7)	-18 456	-6 284	-43 718	-14 649
Proceeds from disposals of property, plant, equipment	64	16	142	42
Interest received	0	0	1	1
NET CASH USED IN INVESTING ACTIVITIES	-18 392	-6 268	-43 575	-14 606
CASH FLOWS FROM FINANCING ACTIVITIES				
Repayment of loans received (Note 8)	-14 834	-12 834	-31 334	-27 334
Change in overdraft (Note 8)	9 152	-2 331	19 009	0
Payments for settlement of derivatives	0	-909	-1 029	-1 746
Payment of lease liabilities (Note 8)	-3 667	-27	-7 134	-52
Interest paid	-3 415	-3 854	-8 434	-9 560
NET CASH USED IN FINANCING ACTIVITIES	-12 764	-19 955	-28 922	-38 692
TOTAL NET CASH FLOW	19 295	20 273	-15 105	1 491
Cash and cash equivalents at the beginning of period	47 775	70 129	82 175	88 911
Increase in cash and cash equivalents	19 295	20 273	-15 105	1 491
Cash and cash equivalents at the end of period	67 070	90 402	67 070	90 402

Consolidated statement of changes in equity

Unaudited, in thousands of EUR	Share capital	Share premium	Translation reserve	Ships re-valuation reserve	Mandatory legal reserve	Reserve for treasury shares	Retained earnings	Equity attributable to equity holders of the Parent	Total equity
As at 31 December 2018	361 736	662	269	41 552	27 670	-17	425 044	856 916	856 916
Initial application of IFRS 16	0	0	0	0	0	0	-3 590	-3 590	-3 590
Adjusted balance as at 1 January 2019	361 736	662	269	41 552	27 670	-17	421 454	853 326	853 326
Net loss for the period	0	0	0	0	0	0	-10 365	-10 365	-10 365
Other comprehensive income for the period	0	0	422	0	0	0	0	422	422
Total comprehensive loss for the period	0	0	422	0	0	0	-10 365	-9 943	-9 943
Transfer from profit for 2018	0	0	0	0	2 003	0	-2 003	0	0
Transfer from revaluation reserve	0	0	0	-1 023	0	0	1 023	0	0
Dividends (Note 10)	0	0	0	0	0	0	-33 494	-33 494	-33 494
Share-based payment transactions	0	1	0	0	0	17	0	18	18
Transactions with owners of the Company recognised directly in equity	0	1	0	-1 023	2 003	17	-34 474	-33 476	-33 476
As at 30 June 2019	361 736	663	691	40 529	29 673	0	376 615	809 907	809 907
As at 31 December 2017	361 736	639	2	43 599	25 345	0	404 958	836 279	836 279
Initial application of IFRS 9 and IFRS 15	0	0	0	0	0	0	412	412	412
Adjusted balance as at 1 January 2018	361 736	639	2	43 599	25 345	0	405 370	836 691	836 691
Net loss for the period	0	0	0	0	0	0	-4 287	-4 287	-4 287
Other comprehensive loss for the period	0	0	393	0	0	0	0	393	393
Total comprehensive loss for the period	0	0	393	0	0	0	-4 287	-3 894	-3 894
Transfer from profit for 2017	0	0	0	0	2 325	0	-2 325	0	0
Transfer from revaluation reserve	0	0	0	-1 023	0	0	1 023	0	0
Dividends	0	0	0	0	0	0	-20 096	-20 096	-20 096
Transactions with owners of the Company recognised directly in equity	0	0	0	-1 023	2 325	0	-21 398	-20 096	-20 096
As at 30 June 2018	361 736	639	395	42 576	27 670	0	379 685	812 701	812 701

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

Note 1 Corporate information

The consolidated interim financial statements of Tallink Grupp AS (the “Parent”) and its subsidiaries (together referred to as the “Group”) for the second quarter of 2019 were authorised for issue by the Management Board on 8 August 2019.

Tallink Grupp AS is a public limited company incorporated and domiciled in Estonia, with a registered office at Sadama 5, Tallinn. Tallink Grupp AS shares have been publicly traded on the Nasdaq Tallinn Stock Exchange since 9 December 2005. Starting from 3 December 2018 the shares of Tallink Grupp AS are also listed as Finnish Depository Receipts (FDRs) on the Nasdaq Helsinki Stock Exchange.

The principal activities of the Group are related to marine transportation in the Baltic Sea (passenger and cargo transportation). As at 30 June 2019, the Group employed 7 704 people (7 893 as at 30 June 2018).

Note 2 Basis of preparation

These interim consolidated financial statements of Tallink Grupp AS have been prepared in a condensed form in accordance with International Accounting Standard (IAS) 34 “Interim Financial Reporting”.

These interim consolidated financial statements have been prepared using the same accounting policies and measurement bases that were applied in the preparation of the consolidated financial statements of Tallink Grupp AS for the financial year ended on 31 December 2018, except as described below. The Group prepares its consolidated annual financial statements in accordance with IFRS as adopted by the EU. The Group adopted IFRS 16 “Leases” from 1 January 2019.

The interim consolidated financial statements are presented in thousand euros (EUR).

IFRS 16 Leases

IFRS 16 replaced IAS 17 Leases and related interpretations. Under IFRS 16, a contract is, or contains, a lease if it conveys the right to control the use of an identified asset for a period of time in exchange for consideration. For such contracts, the new model requires a lessee to recognise a right-of-use asset and a lease liability. The right-of-use asset is depreciated and the liability accrues interest. This will result in a front-loaded pattern of expense for most leases, even when the lessee pays constant annual rentals.

Lessor accounting remained largely unaffected by the introduction of the new standard and the distinction between operating and finance leases is retained.

The Group has adopted IFRS 16 Leases retrospectively from 1 January 2019, but has not restated comparatives for the 2018 reporting period as permitted under the transition provisions in the standard.

On adoption of IFRS 16, the group recognised lease liabilities in relation to leases which had previously been classified as ‘operating leases’ under the principles of IAS 17 Leases. These liabilities were measured at the present value of the remaining lease payments, discounted using the Group’s incremental borrowing rate as of 1 January 2019. The associated right-of-use assets for leases were measured on a retrospective basis as if the new rules had always been applied.

As the result of IFRS 16 adoption as at 1 January 2019 the Group’s assets increased by 100.8 million euros (Note 6) and liabilities by 104.4 million euros. The net impact on retained earnings on 1 January 2019 was a decrease of 3.6 million euros.

Note 3 Segment information

The Group’s operations are organized and managed separately according to the nature of the different markets. Different routes represent different business segments.

The following tables present the Group’s revenue and profit by reportable segments for the reporting and the comparative period.

Geographical segments – by the location of assets

For the period 1 January - 30 June, in thousands of EUR	Estonia-Finland route	Estonia-Sweden route	Latvia-Sweden route	Finland-Sweden route	Other	Intersegment elimination	Total
2019							
Sales to external customers	165 296	49 877	32 624	157 523	29 653	0	434 973
Intersegment sales	0	0	0	0	3 183	-3 183	0
Revenue	165 296	49 877	32 624	157 523	32 836	-3 183	434 973
Segment result	28 458	-2 294	-3 707	4 214	8 208	0	34 879
Unallocated expenses							-28 373
Net financial items (Note 4)							-8 742
Loss before income tax							-2 236

For the period 1 January - 30 June, in thousands of EUR	Estonia-Finland route	Estonia-Sweden route	Latvia-Sweden route	Finland-Sweden route	Other	Intersegment elimination	Total
2018							
Sales to external customers	168 496	56 015	31 325	151 326	32 402	0	439 564
Intersegment sales	0	0	0	0	4 083	-4 083	0
Revenue	168 496	56 015	31 325	151 326	36 485	-4 083	439 564
Segment result	29 665	710	-5 042	1 695	7 090	0	34 118
Unallocated expenses							-25 547
Net financial items (Note 4)							-9 259
Loss before income tax							-688

Revenue by service

In thousands of EUR	Q2 2019	Q2 2018	Jan-Jun 2019	Jan-Jun 2018
Restaurant and shop sales on-board and onshore	142 322	140 971	245 420	246 035
Ticket sales	66 248	64 302	103 436	104 524
Sales of cargo transport	31 732	32 832	61 338	61 993
Sales of accommodation	4 832	5 328	7 163	8 649
Income from charter of vessels	2 002	2 002	3 982	3 982
Other	8 967	9 974	13 634	14 381
Total revenue of the Group	256 103	255 409	434 973	439 564

Note 4 Financial items

In thousands of EUR	Q2 2019	Q2 2018	Jan-Jun 2019	Jan-Jun 2018
Net foreign exchange gain	93	0	176	0
Income on foreign exchange derivatives	0	1 874	0	3 966
Income on interest rate swaps	0	1 006	918	1 991
Income from other financial assets	0	0	1	1
Total finance income	93	2 880	1 095	5 958
Net foreign exchange loss	0	-1 728	0	-3 374
Interest expense on financial liabilities measured at amortised cost	-3 924	-5 207	-7 651	-10 097
Expenses on interest rate swaps	0	-909	-1 029	-1 746
Interest expense on right-of-use assets liabilities	-582	0	-1 157	0
Total finance costs	-4 506	-7 844	-9 837	-15 217
Net finance costs	-4 413	-4 964	-8 742	-9 259

Note 5 Earnings per share

Earnings per share (EPS) are calculated by dividing the net profit/loss for the period attributable to ordinary shareholders of the Parent by the weighted average number of ordinary shares outstanding during the period.

At the end of the period, in thousands	Q2 2019	Q2 2018	Jan-Jun 2019	Jan-Jun 2018
Shares issued	669 882	669 882	669 882	669 882
Shares outstanding	669 882	669 882	669 882	669 882

For the period, in thousands of EUR	Q2 2019	Q2 2018	Jan-Jun 2019	Jan-Jun 2018
Weighted average number of ordinary shares outstanding (in thousands)	669 882	669 882	669 880	669 882
Net profit/loss attributable to equity holders of the Parent	14 890	15 279	-10 365	-4 287
EPS (EUR)	0.022	0.023	-0.015	-0.006

Note 6 Property, plant and equipment

In thousands of EUR	Land and buildings	Ships	Plant and equipment	Right-of-use assets	Assets under construction	Total
Book value as at 31 December 2018	2 324	1 215 295	43 658	0	6 651	1 267 928
Initial application of IFRS 16	0	0	0	100 770	0	100 770
Adjusted book value as at 1 January 2019	2 324	1 215 295	43 658	100 770	6 651	1 368 698
Additions	0	0	8 807	8 792	32 209	49 808
Reclassification	0	16 065	7 424	0	-23 489	0
Disposals	0	0	-125	-204	0	-329
Depreciation for the period	-259	-30 613	-6 634	-7 251	0	-44 757
Book value as at 30 June 2019	2 065	1 200 747	53 130	102 107	15 371	1 373 420
As at 30 June 2019						
Gross carrying amount	8 226	1 645 931	92 680	109 319	15 371	1 871 527
Accumulated depreciation	-6 161	-445 184	-39 550	-7 212	0	-498 107
Book value as at 31 December 2017	2 308	1 268 604	32 958	0	4 571	1 308 441
Additions	0	-1 632	8 071	0	7 250	13 689
Reclassification	792	6 771	1 321	0	-8 884	0
Disposals	0	0	-90	0	0	-90
Depreciation for the period	-266	-31 054	-4 945	0	0	-36 265
Book value as at 30 June 2018	2 834	1 242 689	37 315	0	2 937	1 285 775
As at 30 June 2018						
Gross carrying amount	8 421	1 633 018	66 773	0	2 937	1 711 149
Accumulated depreciation	-5 587	-390 329	-29 458	0	0	-425 374

Right-of-use assets

In thousands of EUR	Buildings and premises	Plant and equipment	Total right-of-use assets
Book value as at 31 December 2018	0	0	0
Initial application of IFRS 16	99 701	1 069	100 770
Adjusted book value as at 1 January 2019	99 701	1 069	100 770
Additions	8 786	6	8 792
Disposals	-204	0	-204
Depreciation for the period	-7 003	-248	-7 251
Book value as at 30 June 2019	101 280	827	102 107
As at 30 June 2019			
Gross carrying amount	108 244	1 075	109 319
Accumulated depreciation	-6 964	-248	-7 212

Note 7 Intangible assets

In thousands of EUR	Goodwill	Trademark	Other	Assets under construction	Total
Book value as at 31 December 2018	11 066	21 838	12 000	1 260	46 164
Additions	0	0	406	2 313	2 719
Reclassification	0	0	1 344	-1 344	0
Amortisation for the period	0	-1 458	-1 785	0	-3 243
Book value as at 30 June 2019	11 066	20 380	11 965	2 229	45 640
As at 30 June 2019					
Cost	11 066	58 288	33 738	2 229	105 321
Accumulated amortisation	0	-37 908	-21 773	0	-59 681
Book value as at 31 December 2017	11 066	24 754	9 166	3 914	48 900
Additions	0	0	142	1 011	1 153
Reclassification	0	0	3 417	-3 417	0
Amortisation for the period	0	-1 458	-1 396	0	-2 854
Book value as at 30 June 2018	11 066	23 296	11 329	1 508	47 199
As at 30 June 2018					
Cost	11 066	58 288	29 737	1 508	100 599
Accumulated amortisation	0	-34 992	-18 408	0	-53 400

Note 8 Interest-bearing loans and borrowings

In thousands of EUR	31/12/2018	Addition	Repayments	Exchange differences	Other changes ¹	30/06/2019
Lease liabilities	428	17	-53	-12	-23	357
Right-of-use assets liabilities ²	0	113 152	-7 081	-59	-203	105 809
Overdrafts	0	19 009	0	0	0	19 009
Long-term bank loans	509 707	0	-31 334	0	612	478 985
Total borrowings	510 135	132 178	-38 468	-71	386	604 160
Current portion	78 658					108 190
Non-current portion	431 477					495 970
Total borrowings	510 135					604 160

In thousands of EUR	31/12/2017	Addition	Repayments	Exchange differences	Other changes ¹	30/06/2018
Lease liabilities	287	193	-52	-18	-77	333
Unsecured bonds	91 288	0	0	3 157	111	94 556
Overdrafts	0	0	0	0	0	0
Long-term bank loans	469 331	0	-27 334	0	550	442 547
Total borrowings	560 906	193	-27 386	3 139	584	537 436
Current portion	159 938					163 235
Non-current portion	400 968					374 201
Total borrowings	560 906					537 436

¹ Capitalisation and amortisation of transaction costs and the termination of lease agreements.

² Lease liabilities related to IFRS 16 adoption.

Bank overdrafts are secured with commercial pledges (in the total amount of EUR 20 204 thousand) and ship mortgages. Tallink Grupp AS has given guarantees to Nordea Bank Plc and Danske Bank A/S for loans of EUR 175 708 thousand granted to its ship-owning subsidiaries. Ship-owning subsidiaries have given guarantees to Nordea Bank Finland Plc for a loans of EUR 303 277 thousand granted to Tallink Grupp AS. The primary securities for these loans are pledges of the shares in the ship-owning subsidiaries and mortgages on the ships belonging to the aforementioned subsidiaries.

Note 9 Share capital

According to the articles of association of the Parent the maximum number of ordinary shares is 2 400 000 000. Each share grants one vote at the shareholders' general meeting. Shares acquired by the transfer of ownership are eligible for participating in and voting at a general meeting only if the ownership change is recorded in the Estonian Central Registry of Securities at the time used to determine the list of shareholders for the given shareholders' general meeting.

Tallink Grupp AS has 669 882 040 registered shares without nominal value and the notional value of each share is EUR 0.54.

Note 10 Dividends

In October 2018, the Management Board of Tallink Grupp AS decided to supplement the Company's dividend policy, according to which if the economic performance enables it, dividends would be paid in the minimum amount of EUR 0.05 per share.

Shareholders' annual general meeting of 2019 decided to pay a dividend of EUR 0.05 per share from net profit for 2018 and the reduction of the Company's share capital by EUR 0.07 per share. The total dividend amount of EUR 33.5 million was paid out on 03 July 2019 (third quarter).

Note 11 Related party disclosures

The Group has conducted transactions with related parties and has outstanding balances with related parties.

For the period ended 30 June 2019, in thousands of EUR	Sales to related parties	Purchases from related parties	Receivables from related parties	Payables to related parties
Companies controlled by the Key Management Personnel	466	11 469	239	1 678
Associated companies	1	83	0	18
Total	467	11 552	239	1 696

For the period ended 30 June 2018, in thousands of EUR	Sales to related parties	Purchases from related parties	Receivables from related parties	Payables to related parties
Companies controlled by the Key Management Personnel	646	12 647	45	1 358
Associated companies	1	112	1	22
Total	647	12 759	46	1 380

STATEMENT BY THE MANAGEMENT BOARD

Hereby we acknowledge our responsibility for the Tallink Grupp AS Unaudited Condensed Consolidated Interim Financial Statements for the second quarter of 2019, and confirm that these financial statements have been prepared in accordance with IAS 34 and give a true and fair view of the Group's financial position, financial performance and cash flows.

Tallink Grupp AS and its subsidiaries are able to continue as going concerns for a period of at least one year after the date of approval of these interim financial statements.



Paavo Nõgene
Chairman of the Management Board



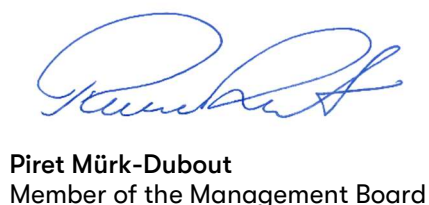
Lembit Kitter
Member of the Management Board



Kadri Land
Member of the Management Board



Harri Hanschmidt
Member of the Management Board



Piret Mürk-Dubout
Member of the Management Board



Tallinn, 8 August 2019

ALTERNATIVE PERFORMANCE MEASURES

Tallink Grupp AS presents certain performance measures as key figures, which in accordance with the “Alternative Performance Measures” guidance by the European Securities and Markets Authority (ESMA) are not accounting measures of historical financial performance, financial position and cash flows, defined or specified in IFRS, but which are instead non-financial measures and alternative performance measures (APMs).

The non-financial measures and APMs provide the management, investors, securities analysts and other parties significant additional information related to the Group’s results of operations, financial position or cash flows and are often used by analysts, investors and other parties.

The non-financial measures and APMs should not be considered in isolation or as substitute to the measures under IFRS. The APMs are unaudited.

Calculation formulas of alternative performance measures

EBITDA: result from operating activities before net financial items, share of profit of equity-accounted investees, taxes, depreciation and amortization

EBIT: result from operating activities

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

EBIT margin: EBIT / net sales

Net profit margin : net profit / net sales

Capital expenditure: additions to property, plant and equipment – additions to right-of-use assets + additions to intangible assets

ROA: earnings before net financial items, taxes 12-months trailing / average total assets

ROE: net profit 12-months trailing / average shareholders’ equity

ROCE: earnings before net financial items, taxes 12-months trailing / (total assets – current liabilities (average for the period))

Net debt: interest-bearing liabilities less cash and cash equivalents

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

Reconciliations of certain alternative performance measures

In thousands of EUR	Q2 2019	Q2 2018
Depreciation	21 670	18 222
Amortisation	1 659	1 464
Depreciation and amortisation	23 329	19 686
Result from operating activities	27 407	23 819
Depreciation and amortisation	23 329	19 686
EBITDA	50 736	43 505
EBITDA	50 736	43 505
IFRS 16 adoption effect	-4 273	0
EBITDA adjusted	46 463	43 505
Additions to property, plant and equipment	16 738	5 662
Additions to intangible assets	1 718	778
Capital expenditures	18 456	6 440
Net profit for the period	14 890	15 279
Weighted average number of shares outstanding	669 882 040	669 882 040
Earnings per share (EUR)	0.022	0.023
Lease liabilities	357	333
Unsecured bonds	0	94 556
Right-of-use assets liabilities	105 809	0
Overdraft	19 009	0
Long-term bank loans	478 985	442 547
Interest-bearing liabilities	604 160	537 436
Gross profit	60 634	57 053
Net sales	256 103	255 409
Gross margin	23.7%	22.3%
EBITDA	50 736	43 505
Net sales	256 103	255 409
EBITDA margin	19.8%	17.0%
EBITDA adjusted	46 463	43 505
Net sales	256 103	255 409
EBITDA margin adjusted	18.1%	17.0%
EBIT	27 407	23 819
Net sales	256 103	255 409
EBIT margin	10.7%	9.3%
Net profit	14 890	15 279
Net sales	256 103	255 409
Net profit margin	5.8%	6.0%
Result from operating activities 12-months trailing	61 436	68 756
Total assets 30 June (previous year)	1 554 542	1 739 028
Total assets 30 September	1 534 786	1 714 505
Total assets 31 December	1 500 904	1 558 597
Total assets 31 March	1 572 259	1 531 619
Total assets 30 June	1 609 873	1 554 542
Average assets	1 554 473	1 619 658
ROA	4.0%	4.2%

In thousands of EUR	Q2 2019	Q2 2018
Net profit 12-months trailing	33 971	44 623
Total equity 30 June (previous year)	812 701	787 374
Total equity 30 September	858 705	835 174
Total equity 31 December	856 916	836 279
Total equity 31 March	828 255	817 056
Total equity 30 June	809 907	812 701
Average equity	833 297	817 717
ROE	4.1%	5.5%
Result from operating activities 12-months trailing	61 436	68 756
Total assets 30 June (previous year)	1 554 542	1 739 028
Total assets 30 September	1 534 786	1 714 505
Total assets 31 December	1 500 904	1 558 597
Total assets 31 March	1 572 259	1 531 619
Total assets 30 June	1 609 873	1 554 542
Current liabilities 30 June (previous year)	367 624	335 025
Current liabilities 30 September	322 784	288 067
Current liabilities 31 December	212 489	316 662
Current liabilities 31 March	240 074	327 805
Current liabilities 30 June	303 996	367 624
Total assets - current liabilities 30 June (previous year)	1 186 919	1 404 003
Total assets - current liabilities 30 September	1 212 002	1 426 438
Total assets - current liabilities 31 December	1 288 415	1 241 935
Total assets - current liabilities 31 March	1 332 185	1 203 814
Total assets - current liabilities 30 June	1 305 877	1 186 918
Average assets - current liabilities	1 265 080	1 292 622
ROCE	4.9%	5.3%
In thousands of EUR	30.06.19	31.03.19
Interest-bearing liabilities	604 160	604 576
Cash and cash equivalents	67 070	47 775
Net debt	537 090	556 801
Total equity	809 907	828 255
Total assets	1 609 873	1 572 259
Equity ratio	50.3%	52.7%
Equity attributable to equity holders of the Parent	809 907	828 255
Number of ordinary shares outstanding	669 882 040	669 882 040
Shareholders' equity per share (EUR per share)	1.21	1.24
Net debt	537 090	556 801
12-months trailing		
Depreciation	81 821	78 374
Amortisation	6 340	6 145
Depreciation and amortisation	88 161	84 519
EBITDA	149 595	142 367
Net debt to EBITDA	3.6	3.9

CONTACT INFORMATION

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