AS TALLINK GRUPP

Unaudited Interim Consolidated Condensed Financial Statements

for the 12 months of the financial year 2006/2007 ended August 31, 2007

Beginning of the financial year	1. September 2006
End of the financial year	31. August 2007
Commercial Registry No.	10238429
Address	Tartu mnt. 13 10145, Tallinn Estonia
Telephone	+372 6 409 800
Fax	+372 6 409 810
Internet homepage	www.tallink.com
Primary activity	maritime transportation (passengers and cargo transportation)

CONTENTS

MANAGEMENT REPORT FOR THE INTERIM FINANCIAL STATEMENTS for the 12 months of the financial year 2006/2007 ended August 31, 2007

AS Tallink Grupp and its subsidiaries (hereinafter also referred to as "the Group") first full financial year with the previous financial year's big investments on board has ended with the strong and healthy result which assures that the business of the significantly grown company is sound and effective. During the last twelve month period the Group revenues increased by 88% to 11,903 million EEK (761 million EUR). Excluding the non-recurring costs the Group's EBITDA increased by 87% to 2,738 million EEK (175 million EUR). The Group transported 6.9 million passengers, 63.5% more than in the year before.

In the fourth quarter the Group's EBITDA increased by 33% to 1,302 million EEK (83 million EUR). We can see increase also in the operating margins. The Group's EBITDA margin increased from 29.8% to 36.7% in the fourth quarter of 2006/2007 financial year.

The result of the Finland-Sweden segment, our last year's biggest investment, was 1,016 million EEK (65 million EUR) already during its first full year. Most of the focus during the last twelve months has been on the restructuring and integration of the acquired Silja Line business. Many overlapping positions in the onshore organisations have been reduced and many administration, sales and procurement related duties have been centralized. The pension fund management has been transferred out from the Group and several expensive outsourced agreements have been terminated. In addition to what has been reported earlier the delays in implementation of new Group wide booking system and also the centralization of back office activities have resulted extra costs in running temporarily double and triple IT systems and also the support functions of those systems. All the above non recurring costs related to the integration and restructuring amount to approximately 250 million EEK (16 million EUR) during the last twelve month period.

Given the fact that during the first full year after the acquisitions the positive impact of Silja synergies is hardly seen yet the following years will have great upside potential.

KEY EVENTS IN 4th QUARTER

- Sale of M/S Sky Wind;
- Preparation processes to launch new Group wide booking and check-in system.

12 MONTHS KEY FIGURES

	01.09.2006-31.08.2007		01.09.2005-31.08.2006		change %
	EEK	EUR	EEK	EUR	
Net sales (million)	11,903.3	760.8	6,330.9	404.6	88.0%
EBITDA excluding non-recurring costs (million)	2,737.7	175,0	1,466.2	93.7	86.7%
Net Profit excluding non-recurring costs & negative goodwill (million)	1,299.6	83.1	774.8	49.5	91.7%
Non-recurring integration costs (million)	250.3	16.0			
EBITDA (million)	2,487.3	159.0	1,466.2	93.7	69.6%
Net profit for the period (million)	1,049.3	67.1	1,485.3	94.9	-29.4%
EBITDA margin (%)	20.9%		23.2%		
Net profit margin (%)	8.8%		23.5%		

Depreciation (million)	925.5	59.1	419.7	26.8	120.5%
Investments (million)	2,203.5	140.8	16,259.0	1,039.1	-86.4%

Weighted average number of ordinary shares outstanding during 12 months*	673,817,040		521,527,764		29.2
Earnings per share	1.56	0.100	2.85	0.182	-45.3%
Number of passengers	6,873,339		4,203,163		63.5%
Cargo units	359,781		188,330		91.0%
Average number of employees	6,227		3,463		79.8%

	31.08.2007		**31.08.2006**		**change%**
Total assets (million)	26,570.9	1,698.2	25,931.6	1,657.3	2.5%
Total liabilities (million)	16,436.0	1,050.4	16,856.3	1,077.3	-2.5%
Interest-bearing liabilities (million)	14,831.7	947.9	14,955.6	955.8	-0.8%
Total equity (million)	10,134.9	647.7	9,075.3	580.0	11.7%
Equity ratio (%)	38.1%		35.0%		

Number of ordinary shares outstanding*	673,817,040		673,817,040		0.0
Shareholders' equity per share	15.04	0.96	13.47	0.86	11.7%

Net profit margin – Net profit / Net sales;

EBITDA – Earnings before net financial items, share of profit of associates, taxes, depreciation and amortization, income from negative goodwill;

EBITDA margin – EBITDA / Net sales;

Equity ratio – Total Equity / Total Assets;

Earnings per share – Net Profit / Weighted average number of shares outstanding;

Shareholders' equity per share – Shareholder's equity / Number of shares outstanding;

* share numbers have been adjusted in connection with the share bonus issue in January 2007

SALES AND EARNINGS

Net sales of the Group amounted to 11,903.3 million EEK (760.8 million EUR) in the 12 months of 2006/2007 financial year (September 01, 2006 – August 31, 2007) compared to 6,330.9 million EEK (404.6 million EUR) with the 12 months of 2005/2006 financial year (September 01, 2005 – August 31, 2006). The increase in sales is largely the effect of the 2006 year investments: Silja Line, Superfast vessels, Galaxy cruise ferry and new Riga-Stockholm route. The passenger related revenues per passenger have increased 17% which is a positive impact from the recent investments.

The following tables provide an overview of the sales distribution in the 12 months of 2006/2007 and 2005/2006 financial years on geographical and operational segment based approach.

Geographical segments	**06/07**	**05/06**
Finland - Sweden	47.5%	20.9%
Estonia - Finland	22.2%	42.0%
Estonia - Sweden	11.9%	21.6%
Finland - Germany	11.5%	9.5%
Latvia - Sweden	3.1%	2.2%
Mainland business and lease of vessels	3.8%	3.8%

Operational segments	**06/07**	**05/06**
Restaurant, shop and other sales on-board and on mainland	53.2%	47.2%
Ticket sales	23.6%	28.5%
Sales of cargo transportation	20.2%	19.4%
Income from leases of vessels	1.6%	0.9%
Accommodation sales	0.9%	1.5%
Revenue from hotel packages	0.5%	2.5%

During the 12 months of 2006/2007 financial year the Group's EBITDA increased by 69.6% to 2,487.3 million EEK (159.0 million EUR). The net profit decreased by 29.4% from 1,485.3

million EEK (94.9 million EUR) to 1,049.3 million EEK (67.1 million EUR). Basic earnings per share and diluted earnings per share were 1.56 EEK (0.10 EUR) in the 12 months of 2006/2007 financial year, a decrease of 45.3% compared to 2.85 EEK (0.182 EUR) in the corresponding period in 2005/2006 financial year. Excluding negative goodwill and non recurring costs the effective comparable net profit increased 91.7% to 1,299.6 million EEK (83.1 million EUR) and the earnings per share on the same basis rose 30.0% to 1.93 EEK (0.12 EUR).

During the last 12 months the Group's earnings were decreased by several non-recurring Silja Line integration and restructuring related costs in the total amount of 250 million EEK (16 million EUR) causing the high numbers in the marketing and administrative costs. The start-up costs in third quarter arising from the launch of new vessel Star, the launch of new Tallink Spa & Conference hotel and the extension of the stevedoring activities in Finland, have had an impact to the Group's result as well. Influential to the Group's earnings, especially in the fourth quarter, were rapidly increasing interest rates and from the operational side fuel price higher than expected.

We believe that the Bronze Soldier incidents and related disorders in Tallinn in the end of April had negative impact to the passenger volumes on our routes in May and June and therefore also negatively impacted the Group's earnings.

Despite the increased costs on the overheads and also in the operations the Group's EBITDA in the fourth quarter increased by 33.1% to 1,302.1 million EEK (83.2 million EUR) which is 323.5 million EEK (20.7 million EUR) more than in the last year's fourth quarter. The Group's EBITDA margin in the fourth quarter was 36.7% compared to 29.8% a year earlier.

MARKET DEVELOPMENTS

Following table provides an overview of the transported passengers, cargo units and passenger vehicles in the 12 months of 2006/2007 and 2005/2006 financial years.

Passengers	**2006/2007**	**2005/2006**	**change %**
Estonia – Finland route	2,541,834	2,518,126	0.9
Estonia – Sweden routes	710,226	684,989	3.7
Latvia – Sweden route	256,690	96,730	165.4
Finland – Germany route	130,268	98,004	32.9
Finland – Sweden routes	3,234,321	805,314	301.6
Total	**6,873,339**	**4,203,163**	**63.5**

Cargo units			
Estonia – Finland route	109,572	96,511	13.5
Estonia – Sweden routes	42,536	45,233	-6.0
Latvia – Sweden route	8,479	1,564	442.1
Finland – Germany route	72,999	27,468	165.8
Finland – Sweden routes	126,195	17,554	618.9
Total	**359,781**	**188,330**	**91.0**

Passenger vehicles			
Estonia – Finland route	251,900	213,701	17.9
Estonia – Sweden routes	59,023	76,826	-23.2
Latvia – Sweden route	38,832	12,780	203.8
Finland – Germany route	40,025	28,594	40.0
Finland – Sweden routes	201,198	75,087	168.0
Total	**590,978**	**406,988**	**45.2**

The numbers of passengers and cargo units transported in 2006/2007 financial year have been affected by many different factors in both positive and negative manner. The numerous changes in the fleet, which led to higher capacities, did also result temporary periods of lower capacities during the 12 months of the financial year.

The following operational factors also influenced the traffic volumes development during the 12 months:

Estonia-Finland:
During the 2006/2007 financial year there were many changes on the route.

The operation of Superfast vessels from January and the operation of M/S Star from April and also the operation of M/S Galaxy instead of M/S Romantika compared to eight months of the previous year increased the capacities significantly.

Due to the weather conditions and changes in the fleet there were fewer trips were made by the Autoexpress high-speed vessels in the 2006/2007 financial year compared to the 2005/2006 financial year.

Estonia-Sweden:
The cease of operations of M/S Vana Tallinn on route Paldiski-Kapellskär from January 2007 and also the operations of M/S Romantika on Tallinn-Stockholm route instead of M/S Regina Baltica compared to eight months of the previous year affected the capacities on the Estonia-Sweden routes.

The cargo and vehicle volumes on Estonia-Sweden routes were partly affected also from the fact that some Latvian and Lithuanian customers were using the Latvia-Sweden route, which was only established in the spring 2006, instead.

Finland-Germany:
The route between Finland and Germany was operated for 12 months in the 2006/2007 financial year compared to the five month operations in the previous financial year as the route was started in April 2006.

The changes in the sales network did result the decrease in the passenger volumes and increase in the cargo unit volumes.

Throughout the year several repair works of vessels and temporary changes in the schedule have also negatively affected the capacities on the Finland-Germany route.

Latvia-Sweden:
The route between Latvia and Sweden was operated for 12 months in the 2006/2007 financial year compared to the five month operations in the previous financial year as the route was established in April 2006.

In April 2007 M/S Vana Tallinn started operating on the Riga-Stockholm route alongside M/S Regina Baltica and there fore allowing every day departures from both destinations.

Finland-Sweden:
The routes between Finland and Sweden were operated for 12 months in the 2006/2007 financial year compared to the two month operations in the previous financial as the operations were started in July 2006.

Throughout the year the Group carried out several dockings of the vessels which also negatively affected the capacities on the Finland-Sweden routes.

The Group's market shares on routes operated during the 12 months of 2006/2007 financial year were as follows:

The Group carried approximately 44% of the passengers and 53% of ro-ro cargo on the route between Tallinn and Helsinki;

The Group is the only provider of daily passenger transportation between Estonia and Sweden and the approximate market share of ro-ro cargo transportation was over 60%;

The Group is the only provider of daily passenger and ro-ro cargo transportation between Riga and Stockholm;

The Group carried approximately 56% of passengers and 34% of ro-ro cargo on the routes between Finland and Sweden;

The Group's approximate market share of passenger transportation on the route between Finland and Germany was 56% and the approximate market share of ro-ro cargo transportation was 23%.

PERSONNEL

On August 31, 2007 the Group employed 6,481 employees (5,987 on August 31, 2006).

The following table provides a more detailed overview of the Group's personnel.

	Average of 12 months			End of financial year		
	2006/2007	2005/2006	change %	31.08.2007	31.08.2006	change %
Onshore total	1,503	812	85.1	1,642	1,479	11.0
Estonia	606	442	37.1	683	567	20.5
Finland	578	227	154.6	662	601	10.1
Sweden	274	120	128.3	238	276	-13.8
Latvia	30	19	57.9	37	26	42.3
Germany	11	1	1,000.0	15	6	150.0
Russia	4	3	33.3	7	3	133.3
At sea	4,516	2,509	80.0	4,567	4,371	4.5
Hotel*	208	142	46.5	272	137	98.5
Total	6,227	3,463	79.8	6,481	5,987	8.3

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

The increase in the onshore employees by the end of financial year is resulted from the new Stevedoring activities that were started in Finland and also from the fact that while the transition of various supporting units is in the process many of the related duties are still overlapping.

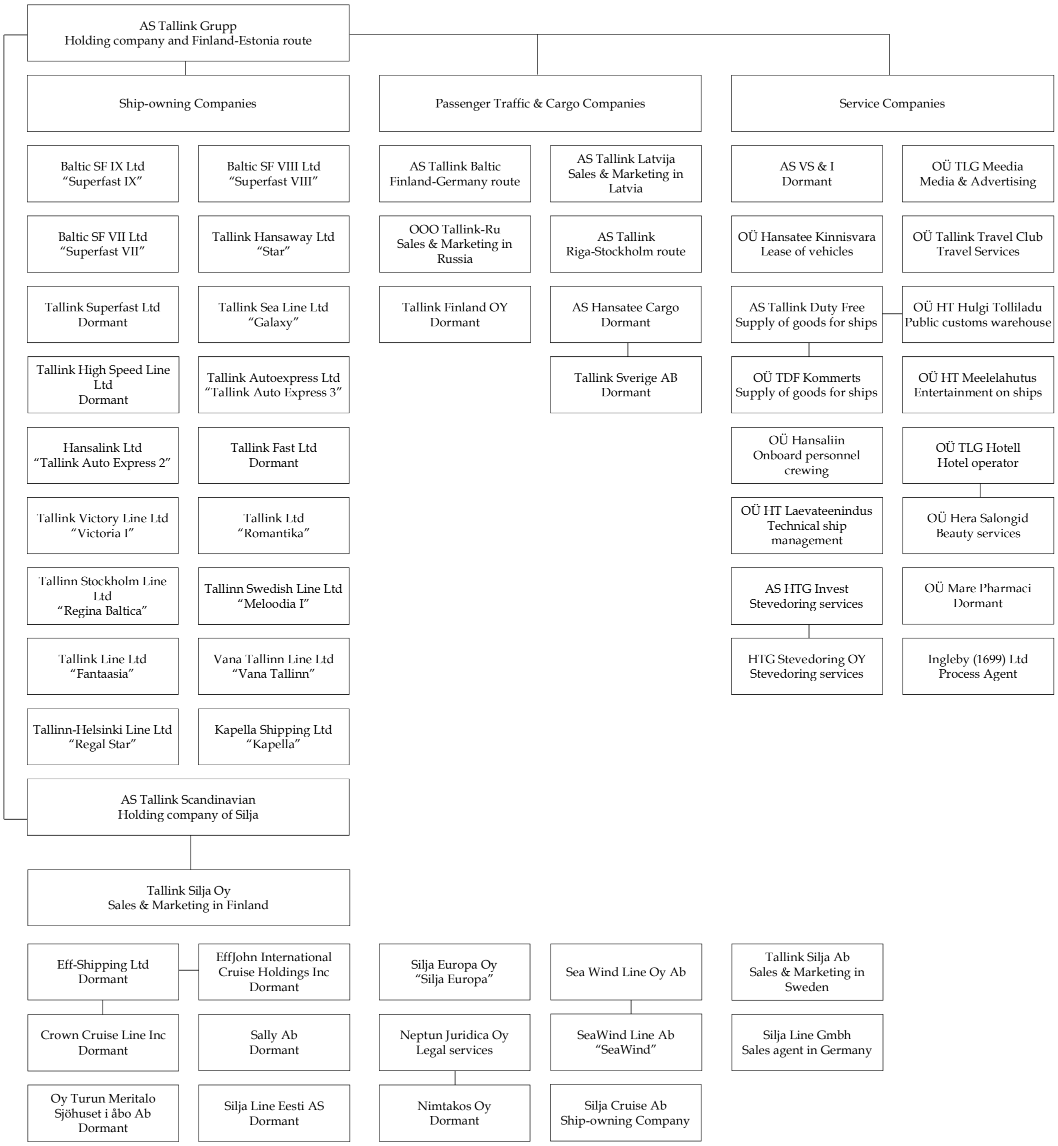
Sea personnel increase is mainly resulted from the launch of M/S Star in spring 2007.

CORPORATE STRUCTURE

During the 12 months of 2006/2007 financial year the Group purchased 30% minority shareholding in OÜ TLG Meedia from Mr. Peter Roose, founded HTG Stevedoring OY, acquired 100% share of OÜ Hera Salongid from AS Infortar and sold its 50% shareholding in Reisevarehuset AS and its 50% shareholding in AS Baltic Tours.

On the report date the Group consisted of 62 companies. Most of the subsidiaries are wholly-owned companies of AS Tallink Grupp with the some exceptions. After the balance sheet date the Group founded together with AS Infortar and Mr. Alger Holzmann AS Tallink Takso.

The following graph represents the Group structure on the report date:



The Group further owns:

- 33% of Searail EEIG;
- 34% of AS Tallink Takso
- 50% of Suomen Jakelutiet Oy;
- Suomen Jakelutiet Oy further holds 50% of Suomen Hotellivaraukset Oy.

EVENTS DURING THE 4th QUARTER OF 2006/2007

In connection to the restructuring of the Group and its structure AS Tallink Grupp's subsidiary Tallink Silja OY sold all of its 50% shareholding in the Estonian subsidiary AS Baltic Tours in June 2007.

In connection to the restructuring of the Turku-Stockholm route AS Tallink Grupp's subsidiary company Silja Cruise AB sold in August 2007 the ro-ro passenger ferry M/S Sky Wind, which operated on the Turku-Stockholm route.

EVENTS AFTER THE BALANCE SHEET DATE AND THE OUTLOOK

AS Tallink Takso, a company which will start providing taxi services was registered in September 2007. AS Tallink Grupp's shareholding in the company is 34%. The new taxi company will give Tallink another opportunity to diversify its products and services while having insignificant financial impact to the Group.

On 20th of September 2007 AS Tallink Grupp's subsidiary Tallink Fast Limited and HSH Nordbank AG, Nordea Bank Finland Plc and Skandinaviska Enskilda Banken AB signed a loan agreement in amount of 2,065 million EEK (132 million EUR) to finance the purchase of the new cruise ferry "Cruise 4" currently under construction in Aker Yards. The loan will be drawn on the delivery of the vessel, presumably in spring 2008. The loan will be secured with the new vessel and the corporate guarantee of AS Tallink Grupp. The EURIBOR based loan has the final maturity of ten years after the drawdown.

On 25th of September 2007 the "Entrepreneurship Award 2007" granted by Enterprise Estonia was given to AS Tallink Grupp. The jury also declared AS Tallink Grupp as the most competitive enterprise in the "Most Competitive Estonian Companies Ranking 2007." Altogether more than 400 enterprises qualified in the "Most Competitive Estonian Companies Ranking 2007" competition.

On 5th of October 2007 AS Tallink Grupp christened and launched the new generation high speed vessel in Fincantieri shipyards in Italy. The Godmother of the vessel named "Superstar" is Estonia's best female tennis player Kaia Kanepi. M/S Superstar, with the speed of 27.5 knots enabling to cover the distance between Tallinn and Helsinki in two hours, will start operating on the Helsinki-Tallinn route in spring 2008. Together with M/S Star, delivered in spring 2007, the vessels will operate the Tallink Shuttle service.

On 5th of October AS Tallink Grupp chartered HSC Tallink Autoexpress 2 to Venezuelan company Consolidada de Ferrys .C.A. until September 2009. The vessel will be operated in Venezuelan coastal waters.

Group's earnings are not generated evenly throughout the year. High season for the Group is the summer period. In the opinion of the Group's management and based on the experience of the previous financial years the majority of the earnings are generated during the last quarter of the financial year.

AS Tallink Grupp does not have any substantial ongoing research and development projects.

With the acquisition of Silja in 2006 the Group continued the development of new booking and check-in system which project was started by Silja years ago. The project was initially due for the launch in autumn 2006 but did not fully meet the whole Group demands and was further developed during the 2006/2007 financial year. The new system was finally launched in October 2007. All the Group's sales offices in six countries and also the travel agencies all over the Scandinavia and Europe are now in online connection to the new booking and check-in system which makes the sale of all the Tallink and Silja brand products easier. Also the internet sales interface for the individuals on our website has been replaced with the new improved system.

During the 2007/2008 financial year the focus will be on ending the integration of Silja and continuing with the overall Group restructuring to optimize administration and marketing units of the Group.

The management foresees the need for restructuring the Turku-Stockholm route in order to maximize the business outcome from that segment. First steps are already made with the sale of M/S Sky Wind in August 2007. In spring 2008 the next changes will be made when M/S Galaxy from the current Tallinn-Helsinki operation will move to Turku-Stockholm route to replace M/S Silja Festival. With the introduction of Galaxy the operations between Finland and Sweden will finally get upgrade after more than 14 years.

In spring 2008 the Group will deliver two new vessels. “Cruise 4” cruise vessel from the Aker Yards in Finland will start offering overnight mini-cruises on the Tallinn-Helsinki route. M/S Superstar from Italian shipyard Fincantieri will start operating also on the Tallinn-Helsinki route but as a Shuttle service. With the introduction of M/S Superstar the Shuttle service then will have two vessels and with the M/S Star already in service we can then offer six departures in a day from both cities.

The full twelve month operations of the recent investments, new Shuttle vessel M/S Star, new Tallink Spa & Conference hotel and two vessel operations on Riga-Stockholm route are expected to have additional positive impact to the next financial year result.

CONSOLIDATED CONDENSED INCOME STATEMENT

(unaudited, in thousands of EEK)	**01.06.2007-31.08.2007**	**01.06.2006-31.08.2006**	**01.09.2006-31.08.2007**	**01.09.2005 - 31.08.2006**
Net sales (Note 4)	3,552,013	3,281,601	11,903,286	6,330,911
Cost of sales	-2,254,045	-2,073,429	-8,766,651	-4,498,940
Gross profit	**1,297,968**	**1,208,172**	**3,136,635**	**1,831,971**
Marketing expenses	-147,165	-189,591	-792,381	-454,520
Administrative and general expenses	-243,196	-220,317	-997,361	-329,798
Other operating items	179,794	-7,559	207,265	-1,128
Income from negative goodwill (Note 3)	0	710,496	689	710,496
Financial income (Note 5)	56,718	25,887	203,884	44,854
Financial expenses (Note 5)	-222,942	-173,854	-801,219	-316,571
Income from associates	1,205	0	7,698	0
Profit from normal operation before income tax	**922,382**	**1,353,234**	**965,210**	**1,485,304**
Income tax	85,525	342	84,077	-33
Net profit for the period	**1,007,907**	**1,353,576**	**1,049,287**	**1,485,271**
Attributable to:				
Equity holders of the parent (Note 6)	1,007,907	1,353,416	1,049,287	1,484,206
Minority interests	0	160	0	1,065
Earnings per share (in EEK per share)				
- basic (Note 6)			1.56	2.85
- diluted (Note 6)			1.56	2.85

(unaudited, in thousands of EUR)	**01.06.2007-31.08.2007**	**01.06.2006-31.08.2006**	**01.09.2006-31.08.2007**	**01.09.2005 - 31.08.2006**
Net sales (Note 4)	227,015	209,733	760,759	404,619
Cost of sales	-144,060	-132,517	-560,291	-287,535
Gross profit	**82,955**	**77,216**	**200,468**	**117,084**
Marketing expenses	-9,406	-12,117	-50,643	-29,049
Administrative and general expenses	-15,543	-14,081	-63,743	-21,078
Other operating items	11,490	-483	13,246	-72
Income from negative goodwill (Note 3)	0	45,409	44	45,409
Financial income (Note 5)	3,625	1,655	13,031	2,867
Financial expenses (Note 5)	-14,248	-11,112	-51,207	-20,233
Income from associates	77	0	492	0
Profit from normal operation before income tax	**58,950**	**86,487**	**61,688**	**94,928**
Income tax	5,467	22	5,374	-2
Net profit for the period	**64,417**	**86,509**	**67,062**	**94,926**
Attributable to:				
Equity holders of the parent (Note 6)	64,417	86,499	67,062	94,858
Minority interests	0	10	0	68
Earnings per share (in EUR per share)				
- basic (Note 6)			0.10	0.18
- diluted (Note 6)			0.10	0.18

CONSOLIDATED CONDENSED BALANCE SHEET

(unaudited, in thousands of EEK)

ASSETS	**31.08.2007**	**31.08.2006**
Current assets		
Cash and cash equivalents	1,303,609	1,407,608
Receivables	815,093	843,456
Prepayments	106,144	235,890
Derivatives (Note 7)	1,799	11,633
Tax assets	17,990	17,644
Inventories	272,352	237,228
Total current assets	**2,516,987**	**2,753,459**
Non-current assets		
Investments in associates	3,242	9,044
Other financial assets and prepayments	9,279	8,240
Deferred tax assets	153,102	0
Pension assets	0	45,234
Investment property (Note 8)	4,694	0
Property, plant and equipment (Note 9)	22,600,001	21,857,153
Intangible assets (Note 10)	1,283,592	1,258,432
Total non-current assets	**24,053,910**	**23,178,103**
TOTAL ASSETS	**26,570,897**	**25,931,562**

LIABILITIES AND EQUITY		
Current liabilities		
Current portion of interest-bearing liabilities (Note 11)	2,247,390	1,228,098
Payables	1,287,671	1,593,026
Deferred income	121,008	146,042
Derivatives (Note 7)	7,980	24,159
Tax liabilities	120,698	112,061
Total current liabilities	**3,784,747**	**3,103,386**
Non-current liabilities		
Interest bearing loans and borrowings (Note 11)	12,584,261	13,727,497
Deferred income tax liability	63,463	69
Pension liability	3,489	25,332
Total non-current liabilities	**12,651,213**	**13,752,898**
TOTAL LIABILITIES	**16,435,960**	**16,856,284**
EQUITY		
Minority interests	**0**	**1,189**
Equity attributable to equity holders of the parent		
Share capital (Note 12)	6,738,170	1,415,000
Share premium (Note 12)	9,999	2,012,394
Unregistered share capital with share premium (Note 12)	0	1,475,727
Reserves	1,202,991	1,158,714
Retained earnings	2,183,777	3,012,254
Total equity attributable to equity holders of the parent	**10,134,937**	**9,074,089**
TOTAL EQUITY	**10,134,937**	**9,075,278**
TOTAL LIABILITIES AND EQUITY	**26,570,897**	**25,931,562**

CONSOLIDATED CONDENSED BALANCE SHEET

(unaudited, in thousands of EUR)

ASSETS	31.08.2007	31.08.2006
Current assets		
Cash and cash equivalents	83,315	89,963
Receivables	52,094	53,906
Prepayments	6,784	15,076
Derivatives (Note 7)	115	743
Tax assets	1,150	1,128
Inventories	17,407	15,162
Total current assets	**160,865**	**175,978**
Non-current assets		
Investments in associates	207	578
Other financial assets and prepayments	594	527
Deferred tax assets	9,785	0
Pension assets	0	2,891
Investment property (Note 8)	300	0
Property, plant and equipment (Note 9)	1,444,403	1,396,927
Intangible assets (Note 10)	82,036	80,428
Total non-current assets	**1,537,325**	**1,481,351**
TOTAL ASSETS	**1,698,190**	**1,657,329**
LIABILITIES AND EQUITY		
Current liabilities		
Current portion of interest-bearing liabilities (Note 11)	143,634	78,490
Payables	82,297	101,813
Deferred income	7,734	9,334
Derivatives (Note 7)	510	1,544
Tax liabilities	7,714	7,162
Total current liabilities	**241,889**	**198,343**
Non-current liabilities		
Interest bearing loans and borrowings (Note 11)	804,281	877,347
Deferred income tax	4,056	4
Pension liability	223	1,619
Total non-current liabilities	**808,560**	**878,970**
TOTAL LIABILITIES	**1,050,449**	**1,077,313**
EQUITY		
Minority interests	**0**	**76**
Equity attributable to equity holders of the parent		
Share capital (Note 12)	430,648	90,435
Share premium (Note 12)	639	128,615
Unregistered share capital with share premium (Note 12)	0	94,316
Reserves	76,885	74,056
Retained earnings	139,569	192,518
Total equity attributable to equity holders of the parent	**647,741**	**579,940**
TOTAL EQUITY	**647,741**	**580,016**
TOTAL LIABILITIES AND EQUITY	**1,698,190**	**1,657,329**

CONSOLIDATED CONDENSED CASH FLOW STATEMENT

(unaudited, in thousands of EEK)	**01.09.2006 - 31.08.2007**	**01.09.2005 - 31.08.2006**
Cash flows from operating activities		
Net profit for the period	1,049,287	1,485,271
Adjustments	1,252,817	-17,689
Changes in assets related to operating activities	203,468	-276,382
Changes in inventories	-34,964	-46,495
Changes in liabilities related to operating activities	-346,867	91,081
Income tax repaid	-4,083	-791
	2,119,658	**1,234,995**
Cash flow used for investing activities		
Purchase of property, plant, equipment and intangible assets (Notes 9,10)	-2,201,608	-7,824,715
Proceeds from disposals of property, plant, equipment	687,540	181,619
Proceeds from disposals of associates (Note 3)	15,162	5,000
Acquisition of subsidiaries (Note 3)	-1,157	-969,511
Acquisition of associates (Note 3)	-1,020	0
Interest received	186,117	23,007
	-1,314,966	**-8,584,600**
Cash flow from (+)/ used for (-) financing activities		
Issue of shares	0	3,668,735
Transaction costs of issue of shares	-6,520	-132,891
Proceeds from loans and bonds (Note 11)	1,357,847	12,609,227
Redemption of loans and bonds (Note 11)	-1,555,385	-7,473,544
Change in overdraft (Note 11)	74,143	-18,249
Repayment of finance lease liabilities (Note 11)	-27,010	-5,073
Interest paid	-751,766	-217,778
	-908,691	**8,430,427**
TOTAL NET CASH FLOW	**-103,999**	**1,080,822**
Cash and cash equivalents:		
- at the beginning of period	1,407,608	326,786
- increase (+) / decrease (-)	-103,999	1,080,822
Cash and cash equivalents at end of period	**1,303,609**	**1,407,608**

(unaudited, in thousands of EUR)	**01.09.2006 - 31.08.2007**	**01.09.2005 - 31.08.2006**
Cash flows from operating activities		
Net profit for the period	67,062	94,926
Adjustments	80,070	-1,131
Changes in assets related to operating activities	13,004	-17,664
Changes in inventories	-2,235	-2,971
Changes in liabilities related to operating activities	-22,169	5,821
Income tax repaid	-261	-50
	135,471	**78,931**
Cash flow used for investing activities		
Purchase of property, plant, equipment and intangible assets (Notes 9, 10)	-140,708	-500,090
Proceeds from disposals of property, plant, equipment	43,942	11,607
Proceeds from disposals of associates (Note 3)	969	320
Acquisition of subsidiaries (Note 3)	-74	-61,963
Acquisition of associates (Note 3)	-65	0
Interest received	11,895	1,470
	-84,041	**-548,656**
Cash flow from (+)/ used for (-) financing activities		
Issue of shares	0	234,475
Transaction costs of issue of shares	-417	-8,493
Proceeds from loans and bonds (Note 11)	86,782	805,876
Redemption of loans and bonds (Note 11)	-99,407	-477,647
Change in overdraft (Note 11)	4,739	-1,166
Repayment of finance lease liabilities (Note 11)	-1,727	-324
Interest paid	-48,047	-13,918
	-58,077	**538,803**
TOTAL NET CASH FLOW	**-6,647**	**69,078**
Cash and cash equivalents:		
- at the beginning of period	89,963	20,885
- increase (+) / decrease (-)	-6,647	69,078
Cash and cash equivalents at end of period	**83,316**	**89,963**

CONSOLIDATED CONDENSED STATEMENT OF CHANGES IN EQUITY

(unaudited, in thousands of EEK)	**Share capital**	**Share premium**	**Unregistered share capital with share premium**	**Unrealised exchange differences**	**Ships revaluation reserve**	**Cash flow hedge reserve**	**Mandatory legal reserve**	**Retained earnings**	**Share-holders' equity**	**Minority interests**	**Total equity**
At 31 August 2005	**1,100,000**	**0**	**0**	**0**	**0**	**0**	**27,500**	**1,528,048**	**2,655,548**	**274**	**2,655,822**
Changes in equity for the 12 months of 2005/2006											
Share issue	315,000	2,012,394	1,475,727	0	0	0	0	0	3,803,121	0	3,803,121
Dividends paid to minority interests	0	0	0	0	0	0	0	0	0	-150	-150
Net profit of the 12 months of the year 2005/2006 (Note 6)	0	0	0	0	0	0	0	1,484,206	1,484,206	1,065	1,485,271
Revaluation of ships (Note 9)	0	0	0	0	1,138,827	0	0	0	1,138,827	0	1,138,827
Net losses on cash flow hedges (Note 7)	0	0	0	0	0	-7,636	0	0	-7,636	0	-7,636
Foreign currency translation	0	0	0	23	0	0	0	0	23	0	23
Total income and expense for the period	**0**	**0**	**0**	**23**	**1,138,827**	**-7,636**	**0**	**1,484,206**	**2,615,420**	**1,065**	**2,616,485**
At 31 August 2006	**1,415,000**	**2,012,394**	**1,475,727**	**23**	**1,138,827**	**-7,636**	**27,500**	**3,012,254**	**9,074,089**	**1,189**	**9,075,278**
At 31 August 2006	**1,415,000**	**2,012,394**	**1,475,727**	**23**	**1,138,827**	**-7,636**	**27,500**	**3,012,254**	**9,074,089**	**1,189**	**9,075,278**
Changes in equity for the 12 months of 2006/2007											
Share issue (Note 12)	5,323,170	-2,002,395	-1,475,727	0	0	0	0	-1,845,049	-1	0	-1
Distribution of profit 2005/2006	0	0	0	0	0	0	74,210	-74,210	0	0	0
Acquisition of minority interests Note 3)	0	0	0	0	0	0	0	0	0	-1,189	-1,189
Distribution of profit 2006/2007											
Net profit of the 12 months of the year 2006/2007 (Note 6)	0	0	0	0	0	0	0	1,049,287	1,049,287	0	1,049,287
Recalculation of deferred tax	0	0	0	0	0	0	0	3,537	3,537	0	3,537
Revaluation of ships	0	0	0	0	-37,958	0	0	37,958	0	0	0
Net gains on cash flow hedges	0	0	0	0	0	7,636	0	0	7,636	0	7,636
Foreign currency translation	0	0	0	389	0	0	0	0	389	0	389
Total income and expense for the period	**0**	**0**	**0**	**389**	**-37,958**	**7,636**	**0**	**1,090,782**	**1,060,849**	**0**	**1,060,849**
At 31 August 2007	**6,738,170**	**9,999**	**0**	**412**	**1,100,869**	**0**	**101,710**	**2,183,777**	**10,134,937**	**0**	**10,134,937**

(unaudited, in thousands of EUR)	**Share capital**	**Share premium**	**Unregistered share capital with share premium**	**Unrealised exchange differences**	**Ships revaluation reserve**	**Cash flow hedge reserve**	**Mandatory legal reserve**	**Retained earnings**	**Share-holders' equity**	**Minority interests**	**Total equity**
At 31 August 2005	**70,303**	**0**	**0**	**0**	**0**	**0**	**1,758**	**97,660**	**169,721**	**18**	**169,739**
Changes in equity for the 12 months of 2005/2006											
Share issue	20,132	128,615	94,316	0	0	0	0	0	243,063	0	243,063
Dividends paid to minority interests	0	0	0	0	0	0	0	0	0	-10	-10
Net profit of the 12 months of the year 2005/2006 (Note 6)	0	0	0	0	0	0	0	94,858	94,858	68	94,926
Revaluation of ships (Note 9)	0	0	0	0	72,784	0	0	0	72,784	0	72,784
Net losses on cash flow hedges (Note 7)	0	0	0	0	0	-488	0	0	-488	0	-488
Foreign currency translation	0	0	0	2	0	0	0	0	2	0	2
Total income and expense for the period	**0**	**0**	**0**	**2**	**72,784**	**-488**	**0**	**94,858**	**167,516**	**68**	**167,224**
At 31 August 2006	**90,435**	**128,615**	**94,316**	**2**	**72,784**	**-488**	**1,758**	**192,518**	**579,940**	**76**	**580,016**
At 31 August 2006	**90,435**	**128,615**	**94,316**	**2**	**72,784**	**-488**	**1,758**	**192,518**	**579,940**	**76**	**580,016**
Changes in equity for the 12 months of 2006/2007											
Share issue (Note 12)	340,213	-127,976	-94,316	0	0	0	0	-117,921	0	0	0
Distribution of profit 2005/2006	0	0	0	0	0	0	4,742	-4,742	0	0	0
Acquisition of minority interests (Note 3)	0	0	0	0	0	0	0	0	0	-76	-76
Distribution of profit 2006/2007											
Net profit of the 12 months of the year 2006/2007 (Note 6)	0	0	0	0	0	0	0	67,062	67,062	0	67,062
Recalculation of deferred tax	0	0	0	0	0	0	0	226	226	0	226
Revaluation of ships	0	0	0	0	-2,426	0	0	2,426	0	0	0
Net gains on cash flow hedges	0	0	0	0	0	488	0	0	488	0	488
Foreign currency translation	0	0	0	25	0	0	0	0	25	0	25
Total income and expense for the period	**0**	**0**	**0**	**25**	**-2,426**	**488**	**0**	**69,714**	**67,801**	**0**	**67,801**
At 31 August 2007	**430,648**	**639**	**0**	**27**	**70,358**	**0**	**6,500**	**139,569**	**647,741**	**0**	**647,741**

NOTES TO THE UNAUDITED INTERIM CONSOLIDATED CONDENSED FINANCIAL STATEMENTS

Note 1 CORPORATE INFORMATION

The interim consolidated condensed financial statements of AS Tallink Grupp and its subsidiaries (hereinafter as "the group") for the 12 months of the financial year 2006/2007 were authorised for issue in accordance with a resolution of the Management Board on 26 October 2007. AS Tallink Grupp is a limited company incorporated in Estonia and employed 6,481 people at 31 August 2007 (31 August 2006: 5,987).

Note 2 BASIS OF PREPARATION

The interim consolidated condensed financial statements of AS Tallink Grupp have been prepared in a condensed form in accordance with IFRS as adopted by EU and in accordance with the requirements of International Accounting Standard (IAS) 34 "Interim Financial Reporting".

The same accounting policies and methods of computation are followed in the interim consolidated condensed financial statements as in the annual consolidated financial statements of AS Tallink Grupp for the financial year ended on 31 August 2006. For changes in the accounting estimates see Note 9.

The interim consolidated condensed financial statements have been prepared in thousand Estonian kroons (EEK). The respective EEK numbers have been expressed also in thousand Euros (EUR) using exchange rate 1 EUR=15.6466 EEK.

Note 3 SUBSIDIARIES AND ASSOCIATES

On 07 September 2006 AS Tallink Grupp purchased from Mr. Peter Roose his 30% minority shareholding in OÜ TLG Meedia, a subsidiary of AS Tallink Grupp. After the transaction AS Tallink Grupp is a sole owner of OÜ TLG Meedia.
The purchase price of the minority share was 500 thousand EEK (*32 thousand EUR*).
The fair value of identifiable assets and liabilities of minority shareholding was 1,189 thousand EEK (*76 thousand EUR*).
The negative goodwill resulted by the transaction was 689 thousand EEK (*44 thousand EUR*).

In September 2006 AS Tallink Grupp's subsidiary AS HTG Invest established a new subsidiary HTG Stevedoring OY 100% of the ownership. The payment into the share capital in the amount of 125 thousand EEK (*8 thousand EUR*) was made in September 2006. The new subsidiary has been registered in Finland and was established for offering stevedoring services. In March 2007 AS HTG Invest sold 100% of the ownership in HTG Stevedoring OY to AS Tallink Grupp.

In January 2007 a subsidiary company of AS Tallink Grupp, OÜ TLG Hotell purchased 100% share of OÜ Hera Salongid from AS Infortar. The purchase price was 960 thousand EEK (*61 thousand EUR*). OÜ Hera Salongid is providing the beauty services. The fair value of identifiable assets and liabilities of OÜ Hera Salongid acquired are:

	in thousands of EEK		in thousands of EUR	
	Carrying value	Recognised on acquisition	Carrying value	Recognised on acquisition
Cash and bank accounts	303	303	19	19
Receivables and prepayments	128	128	8	8
Inventories	160	160	10	10
Property, plant &equipment	652	652	42	42
Total assets	**1,243**	**1,243**	**79**	**79**
Short-term liabilities	1,544	1,544	99	99
Total liabilities	**1,544**	**1,544**	**99**	**99**
Fair value of net assets	**-301**	**-301**	**-20**	**-20**
Purchase price		**960**		**61**
Goodwill		**1,261**		**81**

Cash outflow on acquisition:

	in thousands of EEK	in thousands of EUR
Net cash acquired with the subsidiary	303	19
Cash paid	-960	-61
Net cash outflow	-657	-42

In April 2007 AS Tallink Grupp's subsidiary Tallink Silja OY has sold all of its 50% shareholding in the Norwegian associate Reisevarehuset AS. The shares were sold to Det Nordenfjeldske Dampskibsselskab AS at the price of 7,745 thousand EEK (*495 thousand EUR*).

In June 2007 AS Tallink Grupp's subsidiary company Tallink Silja OY has sold all of its 50% shareholding in the Estonian associate AS Baltic Tours. The shares were sold to AS M&A at the price of 7,417 thousand EEK (*474 thousand EUR*). The above is not a related party transaction.

AS Tallink Grupp co-established new associate company AS Tallink Takso. AS Tallink Grupp will have 34% of the share capital. The prepayment into share capital in the amount of 1,020 thousand EEK (*65 thousand EUR*) was made in August 2007. The company was registered in September 2007.

Note 4 SEGMENT INFORMATION

The primary segments of the group are geographical segments (by the routes and mainland) and the secondary segments are operational segments (tickets sales, revenue from packages, sales of cargo transport, accommodation sales, restaurant and shops sales on-board and on mainland, income from leases of vessels and others).

Geographical segments

(in thousands of EEK)

01.09.2006-31.08.2007	**Estonia Finland route**	**Estonia Sweden routes**	**Latvia Sweden route**	**Germany Finland route**	**Finland Sweden route**	**Estonia mainland business**	**Others**	**Elimination of intersegment sales**	**Total**
Revenue									
Sales to external customers	2,641,659	1,407,463	373,119	1,373,173	5,657,963	259,056	190,853	0	11,903,286
Inter-segment sales	0	0	0	0	0	88,098	0	-88,098	0
	2,641,659	**1,407,463**	**373,119**	**1,373,173**	**5,657,963**	**347,154**	**190,853**	**-88,098**	**11,903,286**
Segment result	**817,409**	**212,696**	**4,201**	**203,890**	**1,016,408**	**42,279**	**47,371**	**0**	**2,344,254**
Unallocated expenses									-790,096
Negative goodwill (Note 3)									689
Net financial items (Note 5)									-597,335
Income from associates									7,698
Profit before income tax									**965,210**

01.09.2005-31.08.2006	**Estonia Finland route**	**Estonia Sweden routes**	**Latvia Sweden route**	**Germany Finland route**	**Finland Sweden route**	**Estonia mainland business**	**Others**	**Elimination of intersegment sales**	**Total**
Revenue									
Sales to external customers	2,656,856	1,370,932	137,854	598,886	1,324,219	183,985	58,179	0	6,330,911
Inter-segment sales	0	38,866	0	0	0	60,319	0	-99,185	0
	2,656,856	**1,409,798**	**137,854**	**598,886**	**1,324,219**	**244,304**	**58,179**	**-99,185**	**6,330,911**
Segment result	**582,112**	**163,353**	**-32,646**	**156,944**	**441,028**	**53,924**	**12,736**	**0**	**1,377,451**
Unallocated expenses									-330,926
Negative goodwill									710,496
Net financial items (Note 5)									-271,717
Profit before income tax									**1,485,304**

(in thousands of EUR)

01.09.2006-31.08.2007	**Estonia Finland route**	**Estonia Sweden routes**	**Latvia Sweden route**	**Germany Finland route**	**Finland Sweden route**	**Estonia mainland business**	**Others**	**Elimination of intersegment sales**	**Total**
Revenue									
Sales to external customers	168,833	89,953	23,847	87,762	361,610	16,556	12,198	0	760,759
Inter-segment sales	0	0	0	0	0	5,631	0	-5,631	0
	168,833	**89,953**	**23,847**	**87,762**	**361,610**	**22,187**	**12,198**	**-5,631**	**760,759**
Segment result	**52,242**	**13,594**	**268**	**13,031**	**64,960**	**2,702**	**3,028**	**0**	**149,825**
Unallocated expenses									-50,497
Negative goodwill (Note 3)									44
Net financial items (Note 5)									-38,176
Income from associates									492
Profit before income tax									**61,688**

01.09.2005-31.08.2006	**Estonia Finland route**	**Estonia Sweden routes**	**Latvia Sweden route**	**Germany Finland route**	**Finland Sweden route**	**Estonia mainland business**	**Others**	**Elimination of intersegment sales**	**Total**
Revenue									
Sales to external customers	169,804	87,619	8,810	38,276	84,633	11,759	3,718	0	404,619
Inter-segment sales	0	2,484	0	0	0	3,855	0	-6,339	0
	169,804	**90,103**	**8,810**	**38,276**	**84,633**	**15,614**	**3,718**	**-6,339**	**404,619**
Segment result	**37,204**	**10,440**	**-2,087**	**10,031**	**28,187**	**3,446**	**814**	**0**	**88,035**
Unallocated expenses									-21,150
Negative goodwill									45,409
Net financial items (Note 5)									-17,366
Profit before income tax									**94,928**

Operational segments

	(in thousands of EEK)		(in thousands of EUR)	
	01.09.2006-31.08.2007	**01.09.2005-31.08.2006**	**01.09.2006-31.08.2007**	**01.09.2005-31.08.2006**
Ticket sales	2,808,402	1,803,179	179,490	115,244
Revenue from packages	55,756	157,622	3,563	10,074
Sales of cargo transport	2,410,306	1,229,382	154,047	78,572
Accommodation sales	110,963	95,043	7,092	6,074
Restaurant and shops sales on-board and on mainland	5,945,192	2,776,707	379,967	177,464
Income from leases of vessels	188,728	57,316	12,062	3,663
Other	383,939	211,662	24,538	13,528
Total revenue of the Group	**11,903,286**	**6,330,911**	**760,759**	**404,619**

Note 5 FINANCIAL INCOME AND EXPENSES

	(in thousands of EEK)		(in thousands of EUR)	
	01.09.2006-31.08.2007	**01.09.2005-31.08.2006**	**01.09.2006-31.08.2007**	**01.09.2005-31.08.2006**
Net foreign exchange gains	11,934	0	763	0
Income from interest rate swap	170,265	12,993	10,882	830
Other interest and financial income	21,685	31,861	1,386	2,037
Total financial income	**203,884**	**44,854**	**13,031**	**2,867**
Net foreign exchange losses	0	-1,080	0	-69
Interest expenses	-786,270	-298,028	-50,252	-19,048
Expenses from interest rate swap	-1,517	0	-97	0
Net expenses from foreign exchange derivatives	-5,750	-17,463	-367	-1,116
Other financial expenses	-7,682	0	-491	0
Total financial expenses	**-801,219**	**-316,571**	**-51,207**	**-20,233**

Note 6 EARNINGS PER SHARE

Basic earnings per share are calculated by dividing the net profit for the period attributable to ordinary shareholders by the weighted average number of ordinary shares outstanding during the period. As the company does not have any potential ordinary shares, then the diluted earnings per share are equal to basic earnings per share.

	(in thousands of EEK)		(in thousands of EUR)	
	01.09.2006 - 31.08.2007	**01.09.2005 - 31.08.2006**	**01.09.2006 - 31.08.2007**	**01.09.2005 - 31.08.2006**
Weighted average number of ordinary shares (pcs)	673,817,040	521,527,765	673,817,040	521,527,765
Net profit attributable to ordinary shareholders	1,049,287	1,484,206	67,062	94,858
Earnings per share (in EEK/EUR per share)	1.56	2.85	0.10	0.18

As a result of the issuing new shares, the share capital increased from 168,454,260 shares to 673,817,040 shares on 31 January 2007 (see also Note 11).

Since the increase of share capital was bonus issue, the average number of ordinary shares for comparative period has been adjusted and 673,817,040 have been used as an average number of ordinary shares in the calculation of earning per share for current period.

The calculation of weighted average number of ordinary shares for the comparative period is the following:
- period from 01 September 2005 to 07 December 2005 (98 days) - 4*110,000,000 shares;
- period from 08 December 2005 to 30 June 2006 (205 days) - 4*136,500,000 shares;
- period from 01 July 2006 to 29 August 2006 (60 days) - 4*141,500,000 shares;
- period from 30 August 2006 to 31 August 2006 (2 days) - 4*168,454,260 shares.

Note 7 DERIVATIVE INSTRUMENTS

The group uses interest rate swaps to manage its exposure to movements in interest rates. Where the effectiveness of the hedge relationship in a cash flow hedge is demonstrated, changes in the fair value are included in the hedging reserve in shareholders' equity and released to match actual payments on the hedged item. Changes in fair value of derivatives which do not qualify for hedge accounting under IAS 39 are recognized directly in the income statement.

Movements in the fair values of interest rate financial instruments were as follows:

(in thousands of EEK)		31.08.2007		31.08.2006	
	Maturity	Notional amount	Fair value	Notional amount	Fair value
Interest rate swap qualified as a cash flow hedge [1]	2013	0	0	1,564,660	-7,636
Interest rate swap not qualified as a cash flow hedge	2007	0	0	53,088	430
Interest rate swap not qualified as a cash flow hedge [2]	2012	0	0	1,157,848	11,203
Interest rate swap not qualified as a cash flow hedge [3]	2013	0	0	2,065,351	-16,523
Interest rate swap not qualified as a cash flow hedge [4]	2012	0	0	0	0
Interest rate swap not qualified as a cash flow hedge	2007	2,253,110	1,799	0	0
Interest rate swap not qualified as a cash flow hedge	2007	1,564,660	-1,252	0	0
Foreign exchange rate swap not qualified as a cash flow hedge	2007	277,211	-1,205	0	0
Foreign exchange rate swap not qualified as a cash flow hedge	2007	187,759	-5,523	0	0
Total derivatives with positive value			1,799		11,633
Total derivatives with negative value			7,980		24,159

(in thousands of EUR)		31.08.2007		31.08.2006	
	Maturity	Notional amount	Fair value	Notional amount	Fair value
Interest rate swap qualified as a cash flow hedge [1]	2013	0	0	100,000	-488
Interest rate swap not qualified as a cash flow hedge	2007	0	0	3,393	27
Interest rate swap not qualified as a cash flow hedge [2]	2012	0	0	74,000	716
Interest rate swap not qualified as a cash flow hedge [3]	2013	0	0	132,000	-1,056
Interest rate swap not qualified as a cash flow hedge [4]	2012	0	0	0	0
Interest rate swap not qualified as a cash flow hedge	2007	144,000	115	0	0
Interest rate swap not qualified as a cash flow hedge	2007	100,000	-80		
Foreign exchange rate swap not qualified as a cash flow hedge	2007	17,717	-77	0	0
Foreign exchange rate swap not qualified as a cash flow hedge	2007	12,000	-353	0	0
Total derivatives with positive value			115		743
Total derivatives with negative value			510		1,544

[1] In July 2007 the agreement was concluded before termination date.
[2] In November 2006 the agreement was concluded before termination date.
[3] In April 2007 the agreement was concluded before termination date.
[4] In July 2007 the agreement was concluded before termination date

Note 8 INVESTMENT PROPERTY

	(in thousands of EEK)	(in thousands of EUR)
Fair value at 31 August 2006	**0**	**0**
Transfer from property, plant and equipment	282	18
Change in fair value	4,412	282
Fair value at 31 August 2007	**4,694**	**300**

Note 9 PROPERTY, PLANT AND EQUIPMENT

(in thousands of EEK)

	Land and building	Ships [1]	Plant and equipment	Prepayments [2]	Total
Book value at 31 August 2006	**145,989**	**21,053,598**	**115,964**	**541,602**	**21,857,153**
Additions	2,264	1,785,103	71,692	236,948	2,096,007
Purchase of new subsidiary (Note 3)	0	0	500	152	652
Exchange rate differences	-798	0	9	0	-789
Transfer to investment property [3]	-282	0	0	0	-282
Disposals	-391	-493,680	-11,600	0	-505,671
Depreciation for the period	-13,118	-769,804	-64,147	0	-847,069
Book value at 31 August 2007	**133,664**	**21,575,217**	**112,418**	**778,702**	**22,600,001**
At 31 August 2007					
-Cost	159,574	22,307,890	223,344	778,702	23,469,510
-Accumulated depreciation	-25,910	-732,673	-110,926	0	-869,509

	Land and building	Ships	Plant and equipment	Prepayments	Total
Book value at 31 August 2005	**11,587**	**5,818,082**	**31,299**	**275,752**	**6,136,720**
Additions	5,923	7,513,559	24,609	265,850	7,809,941
Purchase of new subsidiary	134,348	7,127,027	87,518	0	7,348,893
Revaluation	0	1,138,827	0	0	1,138,827
Exchange rate differences	0	0	23	0	23
Disposals	-673	-164,391	-10,375	0	-175,439
Depreciation for the period	-5,196	-379,506	-17,110	0	-401,812
Book value at 31 August 2006	**145,989**	**21,053,598**	**115,964**	**541,602**	**21,857,153**
At 31 August 2006					
-Cost	158,781	21,053,598	186,355	541,602	21,940,336
-Accumulated depreciation	-12,792	0	-70,391	0	-83,183

(in thousands of EUR)

	Land and building	Ships [1]	Plant and equipment	Prepayments [2]	Total
Book value at 31 August 2006	**9,330**	**1,345,570**	**7,412**	**34,615**	**1,396,927**
Additions	145	114,089	4,582	15,143	133,959
Purchase of new subsidiary (Note 3)	0	0	32	10	42
Exchange rate differences	-51	0	0	0	-51
Transfer to investment property [3]	-18	0	0	0	-18

Disposals	-25	-31,552	-741	0	-32,318
Depreciation for the period	-838	-49,199	-4,101	0	-54,138
Book value at 31 August 2007	**8,543**	**1,378,908**	**7,184**	**49,768**	**1,444,403**
At 31 August 2007					
-Cost	10,199	1,425,734	14,274	49,768	1,499,975
-Accumulated depreciation	-1,656	-46,826	-7,090	0	-55,572

	Land and Building	**Ships**	**Plant and equipment**	**Prepayments**	**Total**
Book value at 31 August 2005	**741**	**371,842**	**2,001**	**17,624**	**392,208**
Additions	378	480,204	1,573	16,991	499,146
Purchase of new subsidiary	8,586	455,500	5,594	0	469,680
Revaluation	0	72,784	0	0	72,784
Exchange rate differences	0	0	1	0	1
Disposals	-43	-10,506	-663	0	-11,212
Depreciation for the period	-332	-24,255	-1,093	0	-25,680
Book value at 31 August 2006	**9,330**	**1,345,570**	**7,412**	**34,615**	**1,396,927**
At 31 August 2006					
-Cost	10,148	1,345,570	11,910	34,615	1,402,243
-Accumulated depreciation	-818	0	-4,498	0	-5,316

[1] According to the revised IAS 16 the group's management changed estimations for the depreciation calculation of the ships from 01 September 2006. The depreciation charge is calculated for each ship, as one unit, on a straight-line basis over estimated useful life as follows:

Ships built after 1990 so-called newbuildings - over 35 years
Ships built before 1990 so-called second-hand – over 17 to 22 years

From 01 September 2006 the residual value is calculated as percentage of the carrying value of the ship. Residual value for the ships is 15%, except MS Kapella with the residual value 40%.

The residual value and the useful life of the ships are reviewed at least at each financial year and, if expectations differ from previous estimates, the changes are accounted for as a change in accounting estimates.

Due to changes in useful lives and residual values the deprecation charge decreased 94,375 thousand EEK (*6,032 thousand EUR*) during current financial year. In the interim consolidated condensed financial statements for 3- and 6-months periods ended respectively 30 November 2006 and 28 February 2007 the previous estimates were used in calculation of depreciation charge.

[2] 31 August 2007 prepayments for 3 new ships included.

[3] The land with cost value of 282 thousand EEK (*18 thousand EUR*) is restated as investment property. This property is belonging to Tallink Silja OY. The Group acquired this property with purchase of new subsidiary Silja OY in previous financial year.

Note 10 INTANGIBLE ASSETS

(in thousands of EEK)

	Goodwill	Trademark	Others	Prepayments	Total
Book value at 31 August 2006	**173,148**	**904,405**	**180,879**	**0**	**1,258,432**
Additions	0	0	86,490	19,111	105,601
Purchase of new subsidiary (Note 3)	1,261	0	0	0	1,261
Disposals	0	0	-3,286	0	-3,286
Amortization for the period	0	-45,624	-32,792	0	-78,416
Book value at 31 August 2007	**174,409**	**858,781**	**231,291**	**19,111**	**1,283,592**
At 31 August 2007					
Cost	174,409	912,009	272,731	19,111	1,378,260
Accumulated amortization	0	-53,228	-41,440	0	-94,668

	Goodwill	Trademark	Others	Total
Book value at Aug 31, 2005	**173,148**	**0**	**3,005**	**176,153**
Additions	0	0	14,774	14,774
Acquisition of new subsidiaries (Note 3)	0	912,009	173,348	1,085,357
Amortization for the period	0	-7,604	-10,248	-17,852
Book value at Aug 31, 2006	**173,148**	**904,405**	**180,879**	**1,258,432**
At Aug 31, 2006				
Cost	173,148	912,009	194,512	1,279,669
Accumulated amortization	0	-7,604	-13,633	-21,237

(in thousands of EUR)

	Goodwill	Trademark	Others	Prepayments	Total
Book value at 31 August 2006	**11,066**	**57,802**	**11,560**	**0**	**80,428**
Additions	0	0	5,528	1,221	6,749
Purchase of new subsidiary (Note 3)	81	0	0	0	81
Disposals	0	0	-210	0	-210
Amortization for the period	0	-2,916	-2,096	0	-5,012
Book value at 31 August 2007	**11,147**	**54,886**	**14,782**	**1,221**	**82,036**
At 31 August 2007					
Cost	11,147	58,288	17,431	1,221	88,087
Accumulated amortization	0	-3,402	-2,649	0	-6,051

	Goodwill	Trademark	Others	Total
Book value at Aug 31, 2005	**11,066**	**0**	**192**	**11,258**
Additions	0	0	945	945
Acquisition of new subsidiaries (Note 3)	0	58,288	11,079	69,367
Amortization for the period	0	-486	-656	-1,142
Book value at Aug 31, 2006	**11,066**	**57,802**	**11,560**	**80,428**
At Aug 31, 2006				
Cost	11,066	58,288	12,432	81,786
Accumulated amortization	0	-486	-872	-1,358

Note 11 INTEREST BEARING LOANS AND BORROWINGS

(in thousands of EEK)

	31 August 2006	New loans	Repayments	Other changes [1]	31 August 2007
Lease liability	50,558	0	-27,010	0	23,548
Bonds	139,276	0	-140,000	724	0
Bank overdrafts	0	74,143	0	0	74,143
Long-term bank loans	14,765,761	1,357,847	-1,415,385	25,737	14,733,960
TOTAL	**14,955,595**	**1,431,990**	**-1,582,395**	**26,461**	**14,831,651**
incl. short-term portion	1,228,098				2,247,390
long-term portion	13,727,497				12,584,261

(in thousands of EUR)

	31 August 2006	New loans	Repayments	Other changes [1]	31 August 2007
Lease liability	3,232	0	-1,727	0	1,505
Bonds	8,901	0	-8,948	47	0
Bank overdrafts	0	4,739	0	0	4,739
Long-term bank loans	943,704	86,782	-90,459	1,644	941,671
TOTAL	**955,837**	**91,521**	**-101,134**	**1,691**	**947,915**
incl. short-term portion	78,490				143,634
long-term portion	877,347				804,281

[1] Other changes related to bonds are the amortisation of discount of bonds. Other changes related to long-term bank loans are the amortisation of transaction costs.

Bank overdrafts are secured with commercial pledge (in the total amount of 266,120 thousand EEK (*17,008 thousand EUR*) and ship mortgages.

AS Tallink Grupp has given guarantees to HSH Nordbank AG and Skandinaviska Enskilda Banken AB for the loans granted to overseas subsidiaries amounting to 9,579,692 thousand EEK (*612,254 thousand EUR*). The primary securities for these loans are the pledge of shares of the overseas subsidiaries and mortgages on the ships belonging to the above-mentioned subsidiaries. AS Tallink Grupp has given guarantee to HSH Nordbank AG for the loan granted to Tallink Silja OY amounting to 5,034,122 thousand EEK (*321,739 thousand EUR*). The primary securities for these loans are the pledge of shares of Tallink Silja OY and mortgages on the ships belonging to the above-mentioned subsidiary.

Note 12 SHARE CAPITAL

	(in thousands of EEK)		(in thousands of EUR)	
	31.08.2007	31.08.2006	31.08.2007	31.08.2006
Ordinary shares of 10 EEK each (in thousand)	673,817	168,454	673,817	168,454
Included the number of shares issued and fully paid (in thousand)	673,817	168,454	673,817	168,454
Included the number of shares issued but not registered (in thousand) [1]	0	26,954	0	26,954
Share capital [1], [2]	6,738,170	1,684,543	430,648	107,662
Share premium per share in EEK/EUR	0.00	19.11	0.00	1.22
Total share premium [1], [2]	9,999	3,218,578	639	205,704
Included share premium not registered	0	1,206,184	0	77,089

[1] The shares issued in August 2006 were registered at 05 September 2006. The registration of these shares resulted in the amounts of share capital and share premium as follows:

	(in thousands of EEK)	(in thousands of EUR)
Share capital	269,543	17,227
Share premium	1,206,184	77,089
Unregistered share capital with share premium	-1,475,727	-94,316

[2] According to AS Tallink Grupp Shareholders Annual General Meeting on 17 January 2007, AS Tallink Grupp decided to increase share capital using bonus issue. The share capital was increased from 1,684,543 thousand EEK (*107,662 thousand EUR*) to 6,738,170 thousand EEK (*430,648 thousand EUR*) by issuing 505,363 thousand new shares with par value of 10 EEK (*0.64 EUR*) each. The issue of these new shares resulted in the amounts of share capital, share premium and retained earnings as follows:

	(in thousands of EEK)	(in thousands of EUR)
Share capital	5,053,627	322,986
Share premium	-3,208,579	-205,065
Retained earnings	-1,845,049	-117,921

According to the Articles of Association of the AS Tallink Grupp effective as of 31 August 2007 the maximum number of authorised common shares is 2,000,000 thousand.
As of 31.08.2007 no share options are issued

Note 13 RELATED PARTY DISCLOSURES

(in thousands of EEK)

12 months of 2006/2007 or 31.08.2007	**Sales to related party**	**Purchases from related parties**	**Amounts owed by related parties**	**Amounts owed to related parties**
AS Infortar	1,091	3,929	514	5
AS Infortar – purchase of OÜ Hera Salongid	0	960	0	0
AS HT Valuuta	2,469	0	54	0
AS Vara HTG	0	43,336	0	0
OÜ Sunbeam	0	20,795	0	201
OÜ Mersok	0	144	0	14
AS Vaba Maa	0	7,288	0	1,997
OÜ Hera Salongid [1]	179	147	0	0
AS Gastrolink	60	4,852	5	253
Gastrolink Finland OY	12	256	0	0
AS Baltic Tours [2]	2,718	1,784	0	0
Searail EEIG	87,809	0	12,439	0
12 months of 2005/2006 or 31.08.2006	**Sales to related party**	**Purchases from related parties**	**Amounts owed by related parties**	**Amounts owed to related parties**
AS Infortar	756	6,090	103	0
AS Infortar, interest expense	0	1,824	0	0
AS HT Valuuta	2,339	0	308	0
AS Vara HTG	0	30,025	0	0
OÜ Mersok	0	144	0	0
AS Vaba Maa	0	3,621	0	310
OÜ Infor Invest	0	50	0	0
OÜ Hera Salongid	221	0	37	0
AS Gastrolink	61	1,088	7	157
AS Baltic Travel	9,090	0	1,232	0
Searail EEIG	11,082	0	13,674	0

(in thousands of EUR)

12 months of 2006/2007 or 31.08.2007	**Sales to related party**	**Purchases from related parties**	**Amounts owed by related parties**	**Amounts owed to related parties**
AS Infortar	70	251	33	0
AS Infortar – purchase of OÜ Hera Salongid	0	61	0	0
AS HT Valuuta	158	0	3	0
AS Vara HTG	0	2,770	0	0
OÜ Sunbeam	0	1,329	0	13
OÜ Mersok	0	9	0	1
AS Vaba Maa	0	466	0	128
OÜ Hera Salongid [1]	11	9	0	0
AS Gastrolink	4	310	0	16
Gastrolink Finland OY	1	16	0	0
AS Baltic Tours	174	114	0	0
Searail EEIG	5,612	0	795	0
12 months of 2005/2006 or 31.08.2006	**Sales to related party**	**Purchases from related parties**	**Amounts owed by related parties**	**Amounts owed to related parties**
AS Infortar	48	389	7	0
AS Infortar, interest expense	0	117	0	0
AS HT Valuuta	149	0	20	0
AS Vara HTG	0	1,919	0	0
OÜ Mersok	0	9	0	0
AS Vaba Maa	0	231	0	20
OÜ Infor Invest	0	3	0	0
OÜ Hera Salongid	14	0	2	0
AS Gastrolink	4	70	0	10
AS Baltic Travel	581	0	79	0
Searail EEIG	708	0	874	0

[1] transactions until 31.12.2006. See also Note 3.
[2] transactions until 31.05.2007. See also Note 3.

Note 14 COMMITMENTS

Capital investment commitments

On 12 October 2005 Fincantieri Cantieri Navali Italiani S.p.A. and AS Tallink Grupp signed a shipbuilding contract to construct a new ro-pax type ferry. The new ship should be delivered in 2008. The shipbuilding contract price of new ship is 1,768,066 thousand EEK (*113,000 thousand EUR*). 20 % will be paid during construction and 80 % will be paid on delivery of the ship.

On 17 December 2005 Aker Finnyards OY and AS Tallink Grupp signed a shipbuilding contract to construct a new passenger cruise ship “Cruise 4”. The new ship should be delivered in summer of 2008. The shipbuilding contract price of new ship is approximately 2,581,689 thousand EEK (*165,000 thousand EUR*). 20 % will be paid during construction and 80 % will be paid on delivery of the ship.

In April 2007 Aker Finnyards OY and AS Tallink Grupp signed a shipbuilding contract to construct a new large cruise ferry “Cruise 5”. The new ship should be delivered in 2009. The shipbuilding contract price of new ship is approximately 2,816,388 thousand EEK (*180,000 thousand EUR*). 20 % will be paid during construction and 80 % will be paid on delivery of the ship.

Note 15 EVENTS AFTER BALANCE SHEET DATE

In September 2007 AS Tallink Grupp made prepayment of 297,285 thousand EEK (*19,000 thousand EUR*) to Aker Finnyards OY.

In September 2007 AS Tallink Grupp's subsidiary Tallink Fast Ltd and HSH Nordbank AG, Nordea Bank Finland Plc and Skandinaviska Enskilda Banken AB signed a loan agreement of 2,065,351 thousand EEK (*132,000 thousand EUR*) to finance new cruise ferry "Cruise 4" under construction in Aker Yards.

In September 2007 AS Tallink Grupp signed a charterparty whereby HSC Tallink Autoexpress 2 will be chartered to Venezuelan company Consolidada de Ferrys C.A. until September 2009.

In October 2007 AS Tallink Grupp made prepayment of 88,403 thousand EEK (*5,650 thousand EUR*) to Fincantieri Cantieri Navali Italiani S.p.A.

MANAGEMENT BOARD'S APPROVAL OF THE INTERIM CONSOLIDATED CONDENSED FINANCIAL STATEMENTS

Hereby we declare our responsibility for the Interim Consolidated Condensed Financial Statements and confirm that the AS Tallink Grupp's Interim Consolidated Condensed Financial Statements for the 12 months of the financial year 2006/2007 ended 31 August 2007 prepared in accordance with IFRS as adopted by EU and in accordance with IAS 34 give a true and fair view of the financial position of the Group and of the result of its operations and cash flows.

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

___________________	___________________
Chairman of the Board	Member of the Board
Enn Pant	*Andres Hunt*
___________________	___________________
Member of the Board	Member of the Board
Keijo Mehtonen	*Lembit Kitter*

Tallinn

26 October 2007

.